EVOLUTION CAPITAL

ASX: BSX
Blackstone Minerals
Initiation Report

Mankayan, The Philippines' Filo

Post a site visit in April 2025, we have initiated coverage on Blackstone Minerals with a Speculative BUY, driven by its transformative merger with IDM and it's world-class Mankayan Copper-Gold Project in the Philippines - one of Asia's largest undeveloped porphyry systems. This deal positions BSX as a compelling multi-commodity growth story, complementing its flagship Ta Khoa nickel-cobalt-manganese project in Vietnam. The merger significantly enhances BSX's scale, optionality, and strategic relevance across critical and precious metals in SEA. Importantly, BSX has the right team to deliver, with proven operational experience across SEA and deep technical capability in complex bulk underground mining techniques.

Mankayan Project – A Porphyry Rediscovered

- **Contains 9.7Moz of gold, 2.8Mt of copper metal and 20.4Moz of silver (793Mt at 0.65% CuEq or 0.38g/t Au Eq).**
- High-Grade Core of 170Mt at 0.93% CuEq.
- Mankayan is on a granted a mining lease till 2046, mining development can be fast tracked once the optimisation studies are complete.
- Far Southeast Porphyry, 2.5km away **contains 20Moz of gold and 4.5Mt of copper metal** (891.7Mt at 0.7 g/t Au and 0.5% Cu) – consolidation opportunity.

Ring of Fire – Mankayan Significant Resource Upside & New Porphyry Repeats?

- On the same tectonic structure responsible for Grasberg, Escondida, Cadia, etc
- Mankayan JORC 2020 is based on US$2.6/lb Cu and US$1,800/oz Au.
- Open at depth and along strike, with limited modern exploration - significant resource scale-up potential remains.
- More than a dozen other Cu-Au Porphyry's within 10km of Mankayan.

Copper Market M&A heating up

- Recent major global copper Acquisitions demonstrate intensifying competition for copper assets. **(Filo Corp, MAC, NWC, XAM, etc)**

Mine Scale Development Flexibility – High Grade Op or Tier 1 Scale Block Cave Op

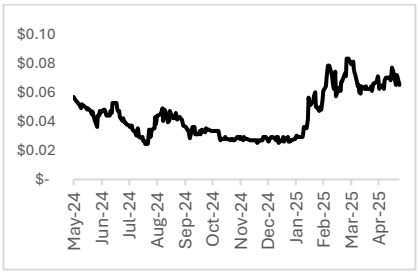
- Two development cases deliver strong economics, with NPVs of A$2.36 - 2.43B, IRRs of 23 - 33%, and 3.7 – 3.8x upside to the current A$0.07 share price.
- With the staged development starting with a low-capex US$253M LHOS operation to target high-grade zones and fund a larger block cave ramp-up to 104ktpa copper over a 28-year mine life.
- BSX trades at a deep discount of A$16/t CuEq, with rerating potential to A$55–80/t CuEq, implying a target price of A$0.24/share.

DCF Outcomes		
Parameter	**Staged Development Option**	**Block Caving Option**
Initial Capex	US$253M, followed by US$497M for Block Cave	US$1.27B
Production Start	2030	2032
Production	6Mtpa (2031) -> 24Mtpa (2040)	24Mtpa (2037)
Steady State Production	Copper: 26ktpa -> 104ktpa; Gold: 66kozpa -> 264kozpa; Silver: 110koz -> 439kozpa	Copper: 104ktpa Gold: 264kozpa Silver: 439kozpa
Mine Life	28 years	25 years
Steady State EBITDA per year	US$ 127M/yr (2031) -> US$750M/yr (2040)	US$ 784M/yr (2042)
AISC (excl. credits)	US$6.7/lb -> US$5.2/lb	US$5.2/lb
AISC (incl. credits)	~US$3.19/lb -> US$1.93/lb	~US$1.93/lb
NPV	A$2.43B	A$2.36B
IRR	33%	23%
Implied Share Price (A$)	$0.27 (3.8x upside)	$0.26 (3.7x upside)

Recommendation	**BUY**
Share Price	**A$0.07**
12 Month Target Price	**A$0.24**
Date	**29 May 2025**
Analyst	**Eric Samuel**

Company Profile	
Market Cap (post-merger)	~A$96M
SOI	~1,378.4M
Cash	~A$3M
ADV (3-month)	~1.7M share
52-Week Range	A$0.087-0.025

Price Performance



1 Year	+10.94%
YTD	+132.14
1 Month	-1.52%

Company Overview

Blackstone Minerals Limited is an Australian exploration company building a multi-commodity growth platform in Southeast Asia, anchored by its flagship Mankayan copper-gold project in the Philippines - one of Asia's largest undeveloped porphyry systems - and supported by the Ta Khoa project in Vietnam.

Top Shareholders (S.H)	
BSX Minority S.H	29%
Board & Management	24%
IDM Minority S.H	19%
Bezant Resources	12%
Nanjia Civetta	10%
Deutsche Balaton	6%

Catalyst	**Timeline**
BSX IDM Merger Completion and Shareholder Approvals	June 2025
Drilling Results	July & Ongoing
Geophysics/Geochem Results	H2 2025
Update on Mankayan MRE	H2 2025
Mankayan Study Update	H2 2025
Ta Khoa Partnership Developments	H2 2025

Contents

1. Investment Case

Blackstone Minerals Limited (ASX:BSX) presents a compelling investment opportunity through its transformational merger with IDM International Minerals, securing access to the world-class Mankayan copper-gold project in the Philippines.

- Massive resource base of 793Mt at 0.65% CuEq or 0.38g/t Au Eq
- Contains 9.7Moz of gold, 2.8Mt of copper and 20.4Moz of silver
- Represents one of the largest undeveloped copper-gold porphyry deposits globally.
- Given the lack of modern exploration and that the orebody is still open along strike and depth, we see exceptional growth potential.
- Two development scenarios demonstrate robust economics with **NPVs ranging from A$2.36-2.43B and IRRs of 23-33%, offering 3.7-3.8x upside potential from the current share price of A$0.07.**

Corporate Overview

- Market Capitalization: A$48M, 28 May 2025. Market Cap post IDM acquisition assuming current share price is estimated to be ~A96M, and the cash position at A$3M (proforma)

Mankayan Project: Flagship Copper-Gold Asset

- The 534-hectare Mankayan Project is strategically located in the Mankayan Mineral District, Benguet Province, Luzon Island, Philippines, just 6km southeast of established mining towns
- The Sep 2020 JORC-compliant resource estimate established Mankayan as a world-class deposit with 793Mt at 0.65% CuEq or 0.38g/t Au Eq, containing 2.8Mt of copper, 9.7Moz of gold, and 20.4Moz of silver
- The deposit includes a high-grade core of 170Mt at 0.93% CuEq, providing optionality for smaller-scale, higher-margin initial operations
- Exceptional drill intercepts demonstrate the deposit's scale and grade continuity, including 911m at 1.00% CuEq from 156m depth and 1,119m at 0.86% CuEq from 230m depth. Significant drill intercepts are:
    - **911m at 1.00% CuEq** (0.51% Cu & 0.63g/t Au) from 156m [MMD-11] including 253m at 1.43% CuEq (0.73% Cu & 0.89g/t Au)
    - **543m at 1.08% CuEq** (0.46% Cu & 0.79g/t Au) from 262m [THM-13] including 277m at 1.43% CuEq (0.50% Cu & 1.19g/t Au)
    - **754m at 1.03% CuEq** (0.49% Cu & 0.69g/t Au) from 254m [THM-22] including 430m at 1.21% CuEq (0.58% Cu & 0.80g/t Au)
    - **1,119m at 0.86% CuEq** (0.42% Cu & 0.56g/t Au) from 230m [PFC-40] including 352m at 1.15% CuEq (0.53% Cu & 0.79g/t Au)

Location, District Consolidation Potential present advantages

- The Philippines offers a stable mining regulatory framework under the Mining Act of 1995, with copper mining included in the National Mineral Master Plan (2030-2050)
- Mankayan's 0.65% copper Eq grade mirrors peer projects like North Parkes while containing 45% more gold content (0.21 g/t vs 0.38 g/t Au)
- District Consolidation Potential: Strategic proximity to the Far Southeast deposit (891.7Mt at 0.7 g/t Au and 0.5% Cu) presents compelling consolidation opportunities

Multiple Development Scenarios with significant upside

- We model a Staged Development Option that assumes starting with a low capex US$253M for longhole open stoping (LHOS) operation to exploit high grade and generate strong initial cashflows for later development of block caving operations to ramp up to 104ktpa of copper.
- This Staged Development Option generates strong NPV of A$2.43B with 33% IRR.
- The DCF analysis employs conservative long-term commodity prices of US$4.20/lb copper, US$3,000/oz gold, and US$30/oz silver; the cashflows are discounted at 10%.

DCF Outcomes		
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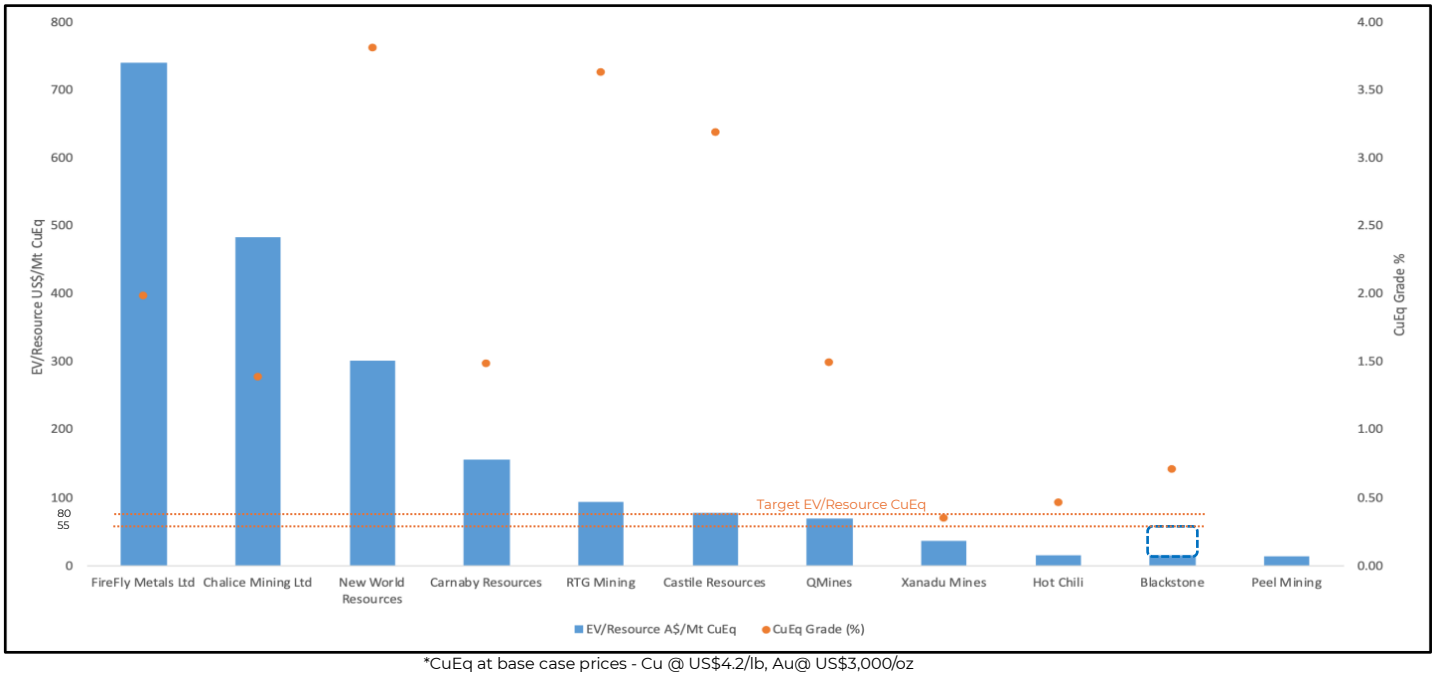
NPV	A$2.43B	A$2.36B
IRR	33%	23%
Implied Share Price (A$)	$0.27 (3.8x upside)	$0.26 (3.7x upside)

Sum of Parts NPV estimate for all the assets combined yield a valuation of A$0.26/share, a ~3.7x upside.

Valuation of Blackstone Interests		**Risked Value**	
Asset	**Value Range, A$M**	**A$M**	**A$/sh**
Mankayan (85% risked)	2,439 – 2,364	360	0.26
Ta Khoa (85% risked)	62.2	9.3	0.01
Gold Bridge (85% risked)	5.9	0.9	0.00
Exploration and Corporate		-15	-0.01
Total		**~355**	**0.26**

Comps Valuation: Blackstone at A$16/Mt CuEq trades at a discount to grade (CuEq) comparable such as Xanadu A$19/Mt CuEq, and at discount to Castile, Xanadu and Hot Chilli even though it has higher CuEq tons. The implied share price in case of a conservative rerating to A$55/Mt CuEq is estimated at A$0.24/share.

Comps Valuation	
Parameter	**Value**
Target Range, A$/Mt	55-80
Target Value, A$/Mt	55
Resources, CuEq Mt	5.95
Implied EV, A$M	327.25
Implied Market Cap*	330.95
Shares Outstanding, M (Proforma)	1378.38
Implied Share Price, A$/share	0.24



*CuEq at base case prices - Cu @ US$4.2/lb, Au@ US$3,000/oz

NPV Sensitivity

Staged Development

NPV Sensitivity		Copper US$/lb				
		2.7	3.4	**4.2**	5.0	6.0
Disc	5%	2498	4095	6076	8045	10408
	8%	1256	2250	3476	4692	6151
	10%	773	1520	2439	3350	4441
	12%	450	1026	1731	2429	3264
	15%	152	557	1050	1536	2118

Block Cave Sensitivity

NPV Sensitivity		Copper US$/lb				
		2.7	3.4	**4.2**	5.0	6.0
Disc	5%	2939	4390	6226	8048	10234
	8%	1471	2357	3482	4595	5931
	10%	880	1533	2364	3185	4171
	12%	478	968	1593	2209	2948
	15%	100	428	847	1259	1754

Risk Assessment

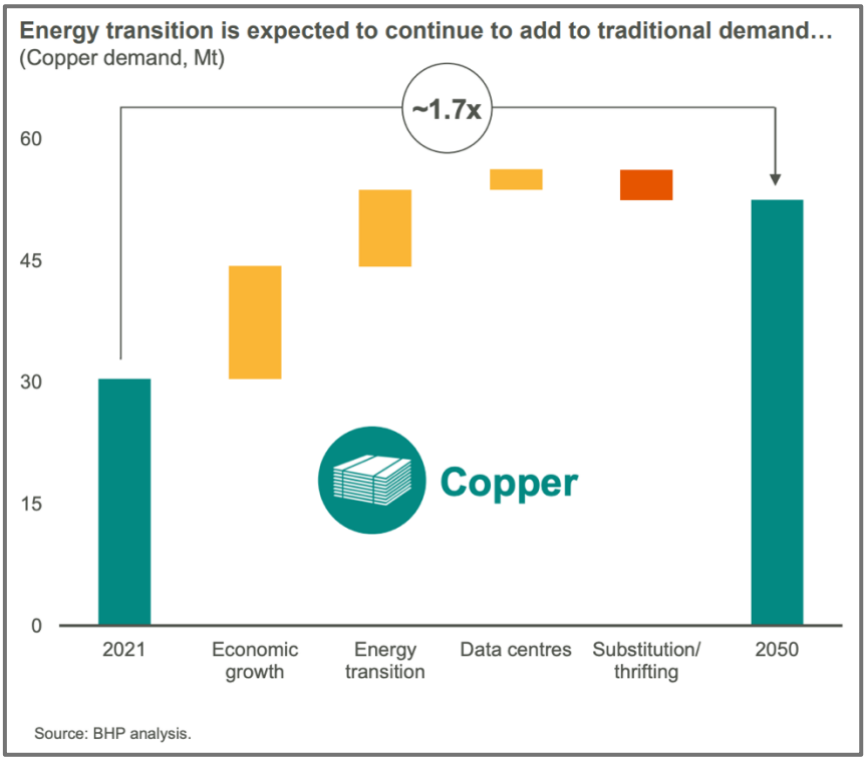
- The investment is exposed to market, commodity price and geopolitical risks expected of investments of this nature.

- Execution and Development Risks: The merger with IDM requires shareholder and court approvals, with the five-year development timeline and US$253M initial capital requirement presenting significant execution challenges.
- Regulatory and Political Considerations: While the Philippines offers a stable mining framework, the 2017 open-pit mining ban historically stalled major projects, though Mankayan's underground design circumvents this restriction.
- Financial and Market Exposure: Blackstone's proforma cash position in May 28 is A$3M, and further exploration and development necessitates capital raising.
- Operational and Technical Uncertainties: Conversion to reserves requires extensive infill drilling and technical studies, while metallurgical recovery assumptions of 94% copper and 74% gold remain unproven at commercial scale.

2. Copper Outlook

The copper market faces near-term surpluses but structural long-term deficits, creating complex investment dynamics.

- Demand is projected to grow at a 1.85% CAGR through 2040 (per ICA/CRU), accelerating to 2.6% post-2035 (BHP), driven by energy transition (renewables, EVs using 4x more copper than ICE vehicles) and digital infrastructure.
- Supply risks dominate long-term narratives. BHP warns existing mines will produce 15% less copper by 2035, requiring 10Mtpa of new supply this decade.
- Price forecasts reflect the fundamentals: Citi and J.P. Morgan project averages of $9k and $8.3k, respectively.



Copper Assets: Attracting Major Investments

Global copper M&A surged to $15B in 2024, driven by energy transition demand. We see two sharp trends in the market given the anticipated long term structural deficits.

Trend 1: Major Western Miners are active deal makers.

Transaction	Parties Involved	Asset / Location	Deal Value	Strategic Rationale
Filo Corp Acquisition	BHP & Lundin	Filo del Sol Copper-Gold, South America	**US$4.1B**	Control of a large-scale undeveloped copper-gold asset

Winu Project Sale	Rio Tinto & Sumitomo	Winu Copper-Gold, Australia	**US$430M (30%)**	Valued the project at US$1.3B; monetised early-stage copper-gold project
Lundin Mines Acquisition	Boliden	Neves-Corvo & Zinkgruvan Mines, Europe	**US$1.45B**	Expansion of zinc-copper footprint in Portugal and Sweden
OZ Minerals Buyout	BHP	Carrapateena, West Musgrave (Copper-Nickel), Australia	**US$6.42B**	Strengthening renewable metals portfolio for energy transition

Trend 2: Chinese Gold miners are executing an aggressive "acquire and scale-up" strategy across multiple continents.

Transaction	Parties Involved	Asset / Location	Deal Value	Strategic Rationale
Julong Copper Stake	Zijin & Zangge Mining	Julong Copper Mine, Tibet	**US$1.87B (24.8%)**	Expansion of annual processing capacity to >100Mt
Kamoa Copper Stake	Zijin & Ivanhoe	Kamoa Copper, DRC	**US$412M**	Consolidating global copper positions through high-grade projects.
Khoemacau Copper Mine Acquisition	Minmetals	Khoemacau Copper Mine, Botswana	**US$1.875B**	Enhancing supply chain resilience amid high import dependency
CRCC-Tongguan Stake Acquisition	Tongling Nonferrous Metals	Mirador Copper Mine, Ecuador	**US$930M**	Gaining control over strategic copper resources; reducing reliance on Chilean/Peruvian imports
Zhunuo Copper Mine Acquisition	Zijin Mining	Zhunuo Copper Mine, Tibet	**US$230M**	Securing high-grade copper resources; expanding processing capacity

3. Ring of Fire – Tier 1 Porphyries

Overview

The Circum-Pacific Belt, known as the Ring of Fire, hosts most of the world's major porphyry copper-gold deposits. These supply ~60% of global copper and substantial gold, molybdenum, and silver. These large-tonnage, low-to-moderate-grade systems

form in subduction zones where magmatic-hydrothermal processes concentrate metals in intrusive complexes. This summary reviews the geology of the Ring of Fire and major deposits like Escondida, Grasberg, and the Southwest Pacific cluster.

Formation & Tectonic Setting

Giant deposits like Escondida and Grasberg are linked to flat-slab subduction and adakitic magmatism, often induced by oceanic plateaus.

Formed in magmatic arcs tied to subduction zones, porphyry deposits result from hydrous magma interacting with crustal rocks. Metal-rich hydrothermal fluids precipitate within fractures, often linked to calc-alkaline to high-K magmas.

Distribution & Metallogenic Provinces

The Ring of Fire spans >40,000 km, with key provinces in:
1. South America – Chile (Escondida), Peru, Argentina
2. SW Pacific – PNG (Ok Tedi), Indonesia (Grasberg), Philippines (Mankayan)
3. North America – BC, Alaska, US Southwest (Morenci, Resolution)

Major Deposits of the Ring of Fire

- Escondida, Chile
  Location: Atacama Desert
  Ownership: BHP (57.5%), Rio Tinto (30%), JECO (12.5%)
  2024 Production: 1.28Mt Cu
  Reserves: 21.7Bt @ 0.54% Cu and with gold by-product

- Grasberg, Indonesia
  Location: Papua Province
  Ownership: Freeport (48.8%), Indonesian Govt (51.2%)
  Output: 46Moz Au, 432Blb Cu (1990–2019)
  Current Reserves: 275.2Blb Cu, 14.2Moz Au

- Southwest Pacific Cluster
  Includes: Ok Tedi (PNG), Cadia (Australia), Wafi-Golpu (PNG)
  Characteristics: Young (<13Ma), island-arc porphyries, high Au:Cu ratios

Despite low grades (0.2–1% Cu), porphyry deposits are viable due to scale. With Block-cave mining advancing deeper orebody extraction. Porphyry copper-gold deposits of the Ring of Fire are shaped by tectonics and magmatism, exemplified by world-class assets like Escondida and Grasberg. New frontiers in the Pacific will be key to future supply, and understanding genetic links will unlock the next wave of porphyry discoveries.

4. Philippines: An emerging Copper-Gold Mining Jurisdiction

Philippines is a globally significant mining jurisdiction due to its rich mineral endowments and strategic position close to China. As of June 2024, the Philippines hosts 59 operational metallic mines, spanning nickel, gold, copper, and chromite. The country's geological diversity and sizeable deposits make it a critical player in the global minerals market.

Besides being the world's second-largest nickel producer, Philippines has a history of gold mining, and regions like Masbate and Camarines Norte continue to yield high-grade discoveries.

Advanced & Operating Copper and Gold Projects

Copper reserves in the country are primarily linked to porphyry systems, with the Mankayan District (Luzon) and Tampakan (Mindanao) containing world-class deposits. We see notable copper projects in the country attracting investments.

TSX and AIM Miners in Philippines			
Project	**Masbate**	**Didipio**	**Runruno**
Company	B2Gold	Oceana Gold	Metals Exploration
Au Production, Koz	170-190	104-108	70-80
AISC (US$/oz)	1,310-1,370	1,000-1,100	1,225-1,325
Market Cap	US$4.43B	US$3.06B	US$0.20B

B2Gold and the Masbate Gold Project, Masbate Island, Philippines

B2Gold (TSX:BTO) is the 100% owner of Masbate Gold Project which is a large-scale open-pit mine on Masbate Island, Philippines. In continuous production since 2009, the mine underwent a major plant upgrade in 2016 and now processes 8.0 Mtpa of ore grading 0.76 g/t Au with ~74% recovery.

For 2025, gold production is guided at 170–190 koz, with cash costs of US$955–1,015/oz and AISC of US$1,310–1,370/oz. The project has maintained a strong safety record, achieving six years LTI-free by 2024. Acquired in 2013, Masbate remains a key contributor to B2Gold's Asia-Pacific portfolio.

OceanaGold and Govt of Philippines, Didipio Mine, Nueva Vizcaya

OceanaGold (TSX: OGC) operates the Didipio gold-copper mine in Nueva Vizcaya, Philippines, under a renewed 25-year Financial or Technical Assistance Agreement (FTAA) with the Philippine government, effective from June 19, 2019. The Didipio Mine transitioned from open-pit to underground operations in 2019 and currently processes approximately 4.0 million tonnes of ore annually.

In 2024, the mine produced 97,000 ounces of gold and 12,300 tonnes of copper. For 2025, OceanaGold has guided production of 85,000 to 105,000 ounces of gold and 13,000 to 15,000 tonnes of copper, at an all-in sustaining cost (AISC) of $1,150 to $1,250 per ounce.

Runruno Gold-Molybdenum, Luzon

Metals Exploration plc (AIM: MTL) is a UK-listed gold producer operating the Runruno Gold-Molybdenum Project in the Philippines. Commercial production commenced in 2017, with the mine currently producing ~80,000 ounces of gold annually and an estimated mine life extending to 2027. The processing plant has a nameplate capacity of 1.75 Mtpa and achieves gold recoveries exceeding 90% using BIOX® and CIL technologies.

Chinalco and the Tampakan Copper-Gold Project, South Cotabato

The Tampakan deposit, operated by Sagittarius Mines Inc. (SMI), is a large pre-production copper-gold resource, with 15 million tonnes of copper and 17.6 million ounces of gold. A 2024 proposal by DMCI Holdings to acquire a 10% stake highlights local conglomerate interest, while Chinese giant Chinalco explores a potential $2 billion investment, signalling geopolitical and economic stakes.

Glencore and Mabilo Copper-Gold Project, Camarines Norte

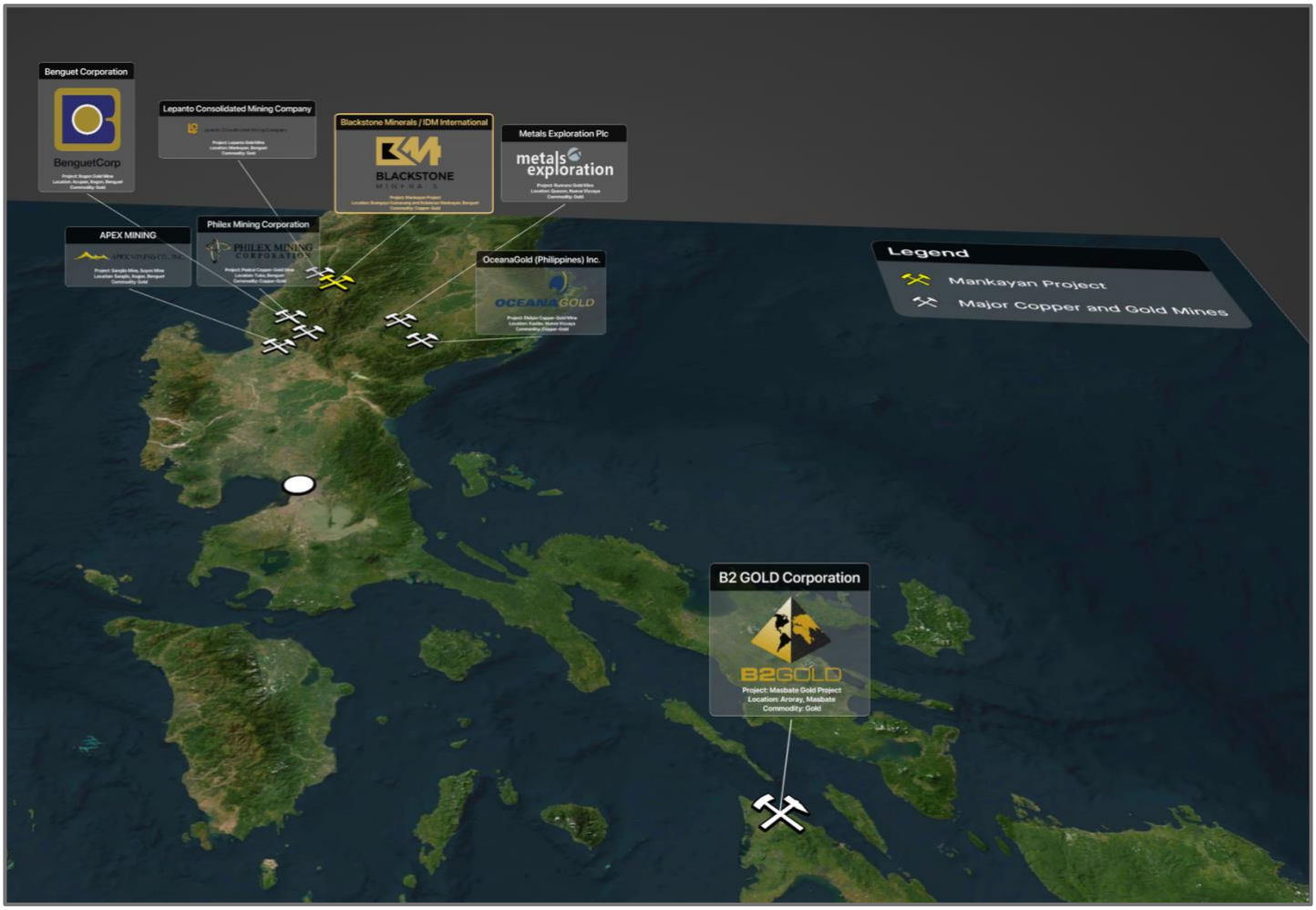
RTG Mining (ASX: RTG) and Glencore's Mabilo holds 12.76 Mt at 1.8% Cu and 1.9 g/t Au, with proven reserves of 151.9kt Cu and 511.1koz Au. RTG has partnered with Glencore to develop Stage 1 of the Mabilo copper-gold project (Camarines Norte), with the $30 million financing package including offtake agreements for 100% of production.

MCB Copper-Gold Project, Kalinga

Celsius Resources (ASX: CLA) operates the Maalinao-Caigutan-Biyog (MCB) project, with a JORC resource of 313.8Mt at 0.48% Cu and 0.15 g/t Au. Approved feasibility studies outline a 25-year mine life targeting 1.14% Cu and 0.54 g/t Au grades, with first production pending permit approvals.

Philex's Silangan Project, Surigao del Norte

Philex Mining is advancing the Silangan copper-gold project with an undisclosed foreign investor acquiring a minority stake. Philex Mining's Boyongan phase targets 22 years of production at 0.63% Cu and 1.20 g/t Au, while Bayugo's maiden resource stands at 85.7 Mt at 0.88% Cu and 0.73 g/t Au.



Mining Regulations

The Philippine Mining Act of 1995 (RA 7942) priorities state ownership of mineral resources and permits foreign participation through technical or financial assistance agreements. Recent administrations have prioritized mining as part of economic development strategies, streamlining permit processing and digitizing applications to attract investment. The Mining Act emphasizes

- Mandatory environmental impact assessments (EIAs) and rehabilitation funds for post-mining land restoration.
- Indigenous rights: The Indigenous Peoples' Rights Act (IPRA) requires free, prior, and informed consent (FPIC) from affected communities, with royalties allocated to local trusts.
- Local government roles: While provinces cannot impose blanket mining bans, they retain authority to reject specific projects based on social and environmental criteria.

The government's inclusion of copper mining in its National Mineral Master Plan (2030–2050) signals commitment to responsible development, and such measures

are needed given setback earlier, such as in 2017 when open-pit ban stalled Tampakan and King-King, with underground methods now offering a pathway.

5. Blackstone Minerals

Blackstone Minerals is an ASX listed metals explorer with a proforma market cap of ~A$96M. The company is focused on energy transition metals in Southeast Asia (Vietnam and Philippines) and Canada. It owns Ta Khoa Project in Vietnam, a vertically integrated Nickel Cobalt Manganese pCAM development project including a mine and refinery. In Canada, it owns the Golden Bridge Project, currently under exploration.

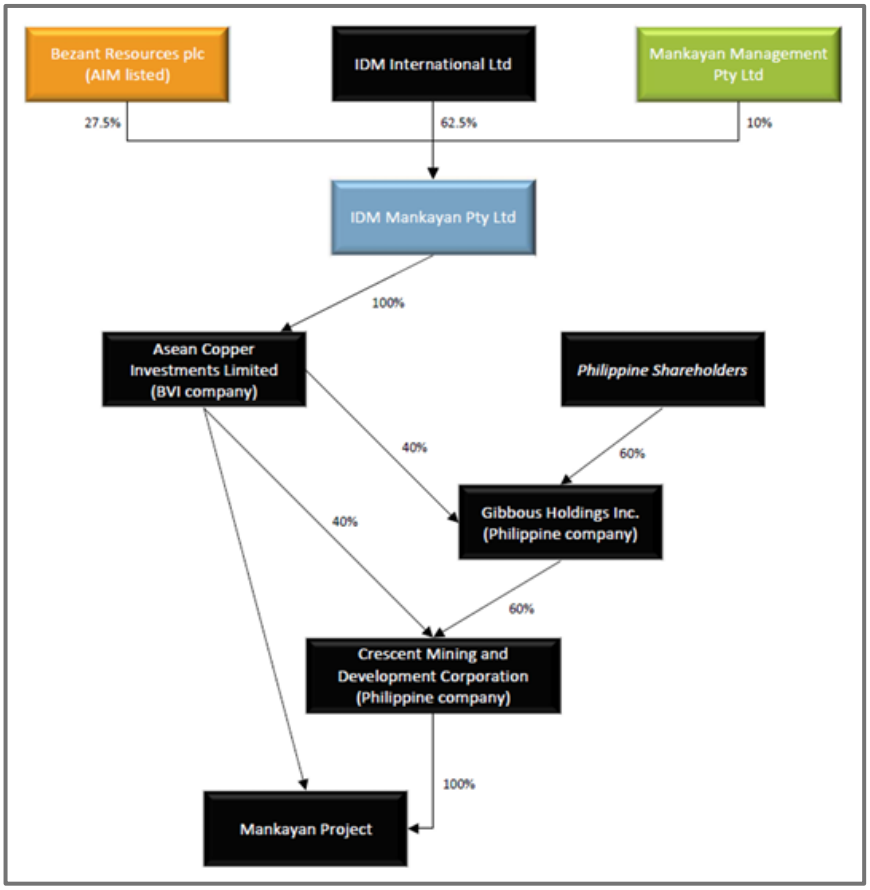
Given the market outlook for nickel, Blackstone has redirected its focus within the energy transition metals to copper and the ongoing proceedings of merger with IDM International Minerals Limited for the Mankayan Project in Philippines, a massive copper gold porphyry deposit provides the company a very promising asset.

Merger with IDM

In Feb 25, Blackstone announced that it entered into binding agreement with IDM to acquire all IDM shares via a scheme of arrangement. Under the scheme,

- BSX will issue 7.4 shares for every 1 IDM share acquired resulting in an issue of ~692M shares. BSX had ~686M shares outstanding at the time of entering this reverse takeover transaction.
- BSX will provide IDM an unsecured loan facility for an aggregate principal amount of A$1M to assist with the costs associated with the Merger and working capital during the period. The facility will be made available on A$100K monthly advances over 10 months.

The exchange ratio represents an implied offer price of A$0.0272 per IDM share, representing a 3.6% premium to IDM's last capital raise. The merger is contingent on approval of shareholders of both companies and court approval. Post merger the market cap of the combined entity is expected to be A$96M assuming the current share price of A$0.07/share. IDM is a private company incorporated in Western Australia. IDM owns 64% interest in the Mankayan Project through its 100% holdings in Asean Copper Investments Limited (Asean). Asean holds aggregate 64% interest in Crescent Mining and Development Corporation (Crescent), the aggregate comprising of 40% direct shareholding and 24% interest through Gibbous Holdings Inc (Gibbous) which has 60% interest in Crescent. Asean has the option to acquire Gibbous interest in Crescent, valid through Jun 30, which if exercised would allow



Asean/IDM to hold 100% interest in the Mankayan Project. However, non-Philippine nationals cannot own more than 40% of Crescent as it is a mining company. To counter this the options allows Asean to assign its options to a qualified Philippine national purchaser on equivalent terms.

Pro forma Market Cap	
Shares outstanding, M	686.29
Shares to be issued as part of the Merger, M	692.09
Total Shares on issue, M	1378.38
Implied Market Cap at 0.07, A$/share	96.48

Key Dates and Events of Scheme

Event	**Time and Date (AWST)**
Date of this Scheme Booklet	6 May 2025
Deadline for receipt of Proxy Forms for Scheme Meeting	11:00am, Sunday, 8 June 2025

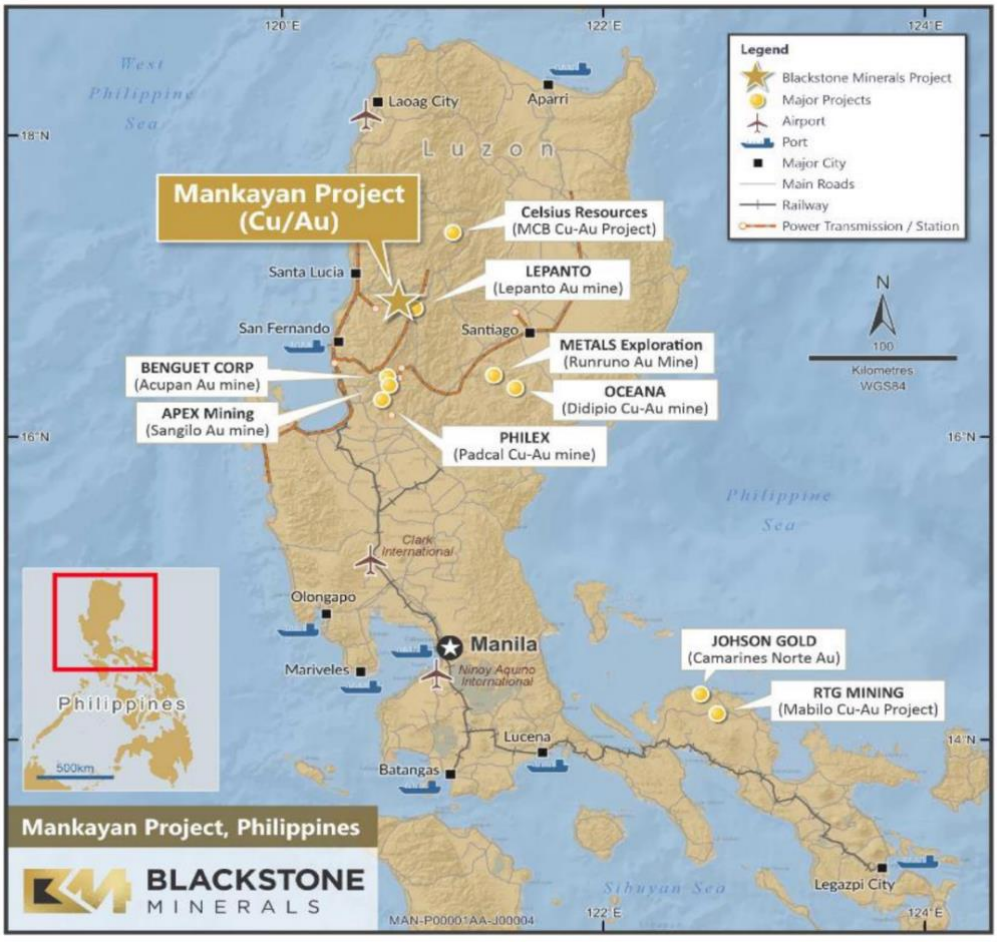
Record date for determining entitlement to vote	11:00am, Sunday, 8 June 2025
Scheme Meeting	11:00am, Tuesday, 10 June 2025
Second Court Hearing to approve the Scheme	10:00am, Tuesday, 17 June 2025
Effective Date of Scheme	Wednesday, 18 June 2025
Scheme Record Date	5:00pm, Friday, 20 June 2025
Implementation Date	Friday, 27 June 2025
Trading of Consideration Shares commences	Monday, 30 June 2025

Mankayan - Introduction

Mankayan Project is in Mankayan Mineral District, a well-known world class mineral district, hosting large porphyry systems with particularly high gold grades. The district lies in Benguet province, Philippines, 6km southeast of Mankayan and Lepanto towns on the island of Luzon. Here's a more succinct and refined version:

The Mankayan Project is located on Luzon Island, 260km north of Manila, with site access via fully paved roads. Poro Point port, four hours west, is expected to support logistics once operational.

The Philippines is a fast-growing economy with strong government backing for infrastructure and mining. Since the 2022 election, President Marcos Jr. has prioritised revitalising the sector, with several copper-gold operations already active on Luzon.



Source: BSX, 2025

History

Mankayan was discovered in 1970's through targeted exploration in two significant structural features – a northeast continuation of the Suyoc vein system and the southeast extension of the Lepanto Fault. The deposit was first drilled in 1971 by the Mankayan Mineral Development Company ("**MMDC**") which completed 11 drillholes with the last one, the discovery hole, intersecting 171m at 1g/t gold and 0.77% Cu at the end of the hole. Since then, there have been continuous exploration to further define the resource with the last JORC statement being the one published in Sep 2020. The ongoing pre-feasibility study by IDM is a strong indicator of intent for development of the resource.

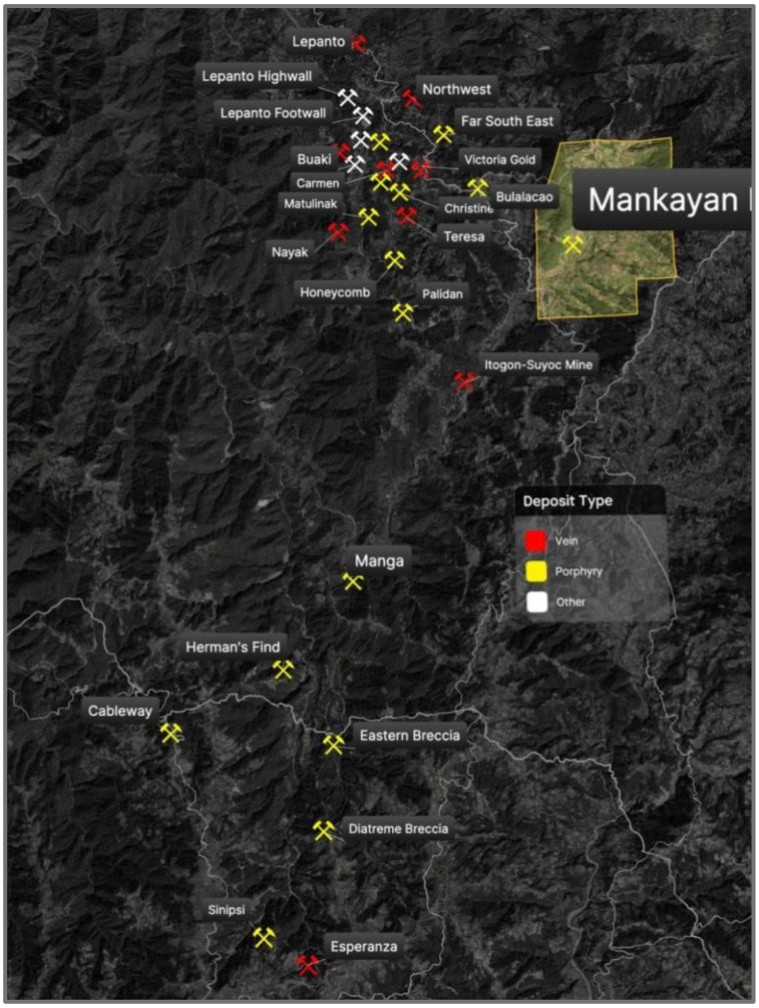
History of Mankayan Project

Owner	Period	Activity
Mankayan Mineral Development Company	1971-73	First drilling of 11 drillholes, with the last one being the discovery hole
Tirad Minerals Incorporated (TMI)	1980-82	Drilled 14 holes. While results were considered not successful in that period, subsequent relogging showed high sulphidation and presence of chalcopyrite.
	1983-84	Gold Fields Asia Limited (GFAL) under an operating agreement conduced mapping and relogging of earlier deposits, drilled 12 holes and deepened 6 of TMI holes. Outlined a body of 500Mt at a grade of 0.4% copper and 0.4g/t gold, 200-1000m below surface. TMI was granted a Mining Lease Contract (MLC 395) but did not undertake any significant work at Mankayan.
Crescent / IDM	1996-97	Crescent and Govt of Philippines entered an MPSA for exploration and development for a term of 25 years. Crecent and Pacific Falkon Resources JV drilled 11 holes under the MPSA.
	2007-09	With an option agreement with Bezant, Crescent drilled 10 more holes along the full strike and conducted metallurgical test work (2007-09) Snowden Mining Industry Pty Ltd ("Snowden") defined a JORC compliant resource estimate (2010). A conceptual study on the updated resource was published in 2014.
	2011-14	Gold Fields Netherlands Services BV (GF), under an option agreement with Bezant, completed some further work at the Mankayan Project, including drilling one drillhole and re-assaying previous drillholes
	2017	MPSA lapses, with a mention of the project being under a watershed area under Philippines Mining Act 1994. Crecent received confirmation of 2 year renewal of the exploration period in 2018, after change in leadership of Philippines Department of Environment and Natural Resources.
	2018-22	MPPL releases an independent mining and economic study based on 2009 resource estimate. (2019). The mineral resource is updated (2020). IDM acquires initial interest in the project in 2021. MPSA is further extended by 25 years. Two data-gap analysis diamond drill holes to depths of approximately 1,000 metres each were completed in 2022 with a focus on metallurgy, geotechnical and hydrogeological studies. IDM initiates the preliminary work on a pre-feasibility study.

Permits: Crescent currently holds MPSA of entire 534ha of tenement area until 2046.

Mankayan's District – Porphyry & Epithermal Hub

This mineral-rich corridor demonstrates (i) the exceptional exploration potential of the region, with the Mankayan Project itself representing one of the largest undeveloped copper-gold porphyry deposits globally, (ii) presence of ready infrastructure and (iii) possibilities of consolidation for incremental cashflows.

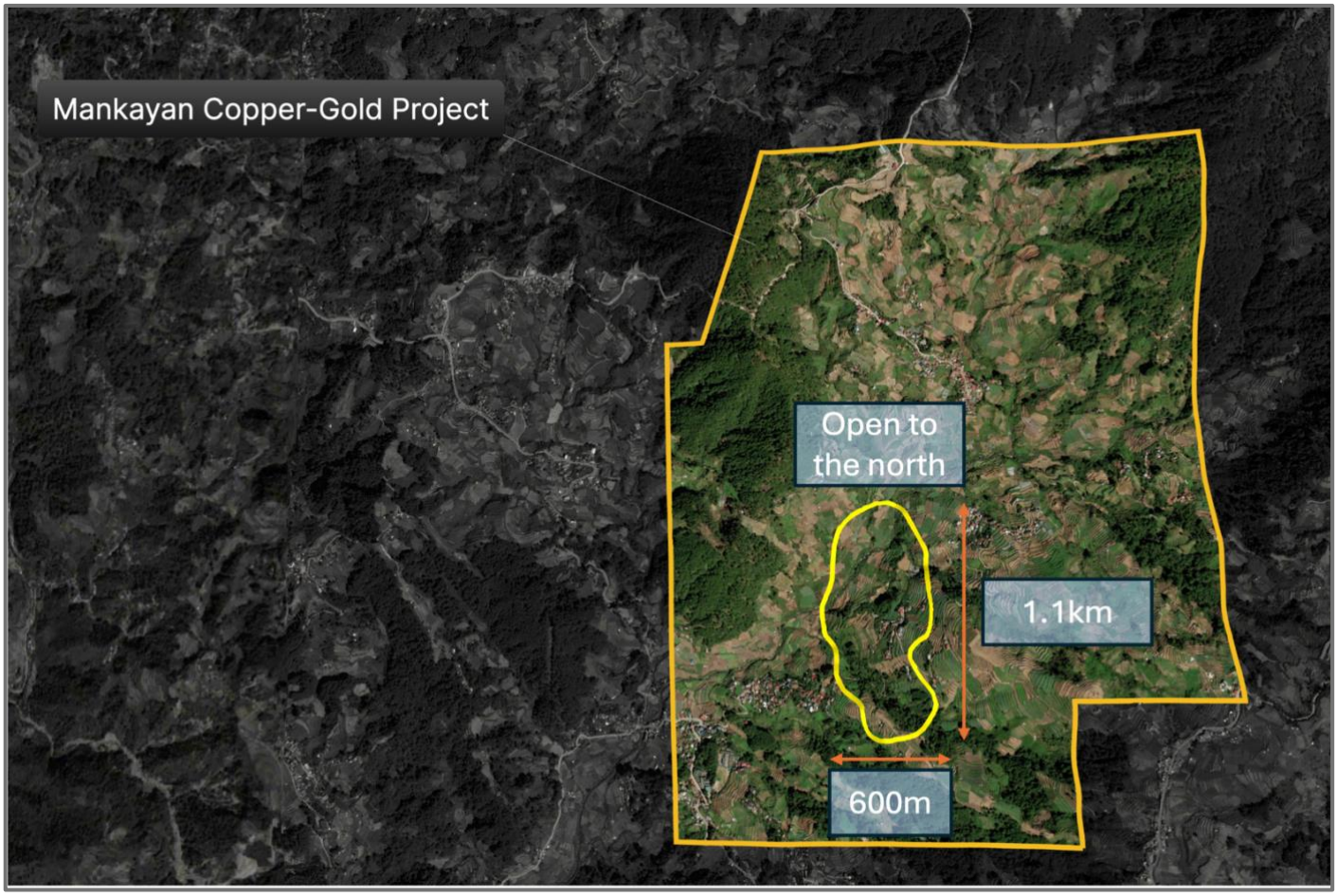


Mankayan Current Resources, Reserves and Geology – Open across strike and Depth

The Mankayan Copper-Gold Project represents one of the most significant undeveloped porphyry systems in Southeast Asia, combining exceptional scale, grade continuity, and exploration upside. Anchored by a JORC-compliant resource of 793 million tonnes at 0.65% copper equivalent (0.35% Cu, 0.38 g/t Au, 0.8 g/t Ag), this asset contains 2.8Mt of copper, 9.7Moz of gold, and 20.4Moz of silver. The project's geological pedigree is further validated by drill intercepts exceeding 1,000 meters of mineralization, open extensions in multiple directions, and recently identified high-grade gold zones that redefine its value proposition.

Mankayan Resource Estimate – Mankayan Project (0.25% CuEq*)								
Category	**Mt**	**CuEq (%)**	**Cu (%)**	**Au (g/t)**	**Ag (g/t)**	**Cu (Mt)**	**Au (Moz)**	**Ag (Moz)**
Measured	-	-	-	-	-	-	-	-
Indicated	638	0.68	0.37	0.4	0.9	2.3	8.2	18
Inferred	155	0.52	0.29	0.3	0.5	0.5	1.5	3
Total	793	0.65	0.35	0.38	0.8	2.8	9.7	20

*CuEq as presented in 2020 JORC at US$2.6/lb Cu and US$1,800/oz Au



Significant drill hole assays at the project are:

- **911m at 1.00% CuEq** (0.51% Cu & 0.63g/t Au) from 156m [MMD-11] including 253m at 1.43% CuEq (0.73% Cu & 0.89g/t Au)
- **543m at 1.08% CuEq** (0.46% Cu & 0.79g/t Au) from 262m [THM-13] including 277m at 1.43% CuEq (0.50% Cu & 1.19g/t Au)
- **754m at 1.03% CuEq** (0.49% Cu & 0.69g/t Au) from 254m [THM-22] including 430m at 1.21% CuEq (0.58% Cu & 0.80g/t Au)
- **1,119m at 0.86% CuEq** (0.42% Cu & 0.56g/t Au) from 230m [PFC-40] including 352m at 1.15% CuEq (0.53% Cu & 0.79g/t Au)
- **972m at 0.89% CuEq** (0.44% Cu & 0.58g/t Au) from 247m [PFC-44] including 525m at 1.09% CuEq (0.52% Cu & 0.73g/t Au)
- **747m at 0.94% CuEq** (0.48% Cu & 0.59g/t Au) from 308m [PFC-43] including 243m at 1.06% CuEq (0.59% Cu & 0.60g/t Au)
- **432m at 1.25% CuEq** (0.55% Cu & 0.89g/t Au) from 692m [BRC-60] including 210m at 1.60% CuEq (0.69% Cu & 1.16g/t Au)

The End Goal - District Consolidation - A Dozen Porphyry's

The Mankayan Copper-Gold Project is ideally positioned within a world-class mineral district, located just 2.5 kilometres along strike from two significant assets: the historic Lepanto gold mine and the Far Southeast (FSE) copper-gold porphyry deposit. This close proximity offers a compelling opportunity for district-scale development, supported by shared infrastructure and long-term synergies.

The Lepanto Mine, operated by the 100% Filipino-owned Lepanto Consolidated Mining Company, has been in production since 1936. Between 1948 and 1996, it yielded 1.58 billion pounds of copper, 2.9 million ounces of gold, and 12 million ounces of silver. In FY2023, the mine produced 22,500 ounces of gold and 43,000 ounces of

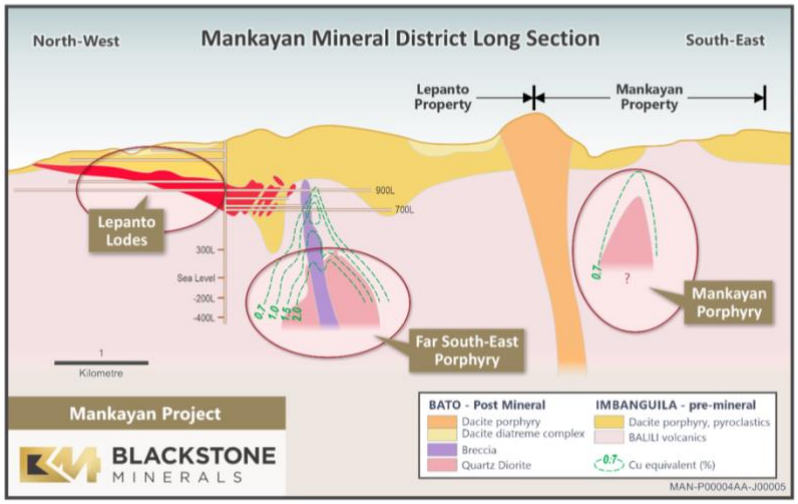
silver, with considerable excess capacity at its 900,000 tonne-per-annum processing plant. Current reserves include:

- 1.7 Mt @ 4.94 g/t Au, containing 270,000 oz gold, and
- 5.1 Mt @ 2.42 g/t Au & 1.89% Cu, equating to 397,000 oz gold and 96,500 t copper.

Adjacent to Lepanto is the Far Southeast (FSE) deposit, discovered in 1980. It hosts an inferred resource of **891.7 Mt @ 0.7 g/t Au and 0.5% Cu, equivalent to approximately 19.8 million ounces of gold and 4.5 million tonnes of copper.** In 2012, Gold Fields acquired a 40% stake in FSE for US$230 million, with an option to acquire an additional 20% by contributing US$110 million and US$165 million in development funding. To date, Gold Fields has invested over US$500 million, including 100,000 metres of drilling.

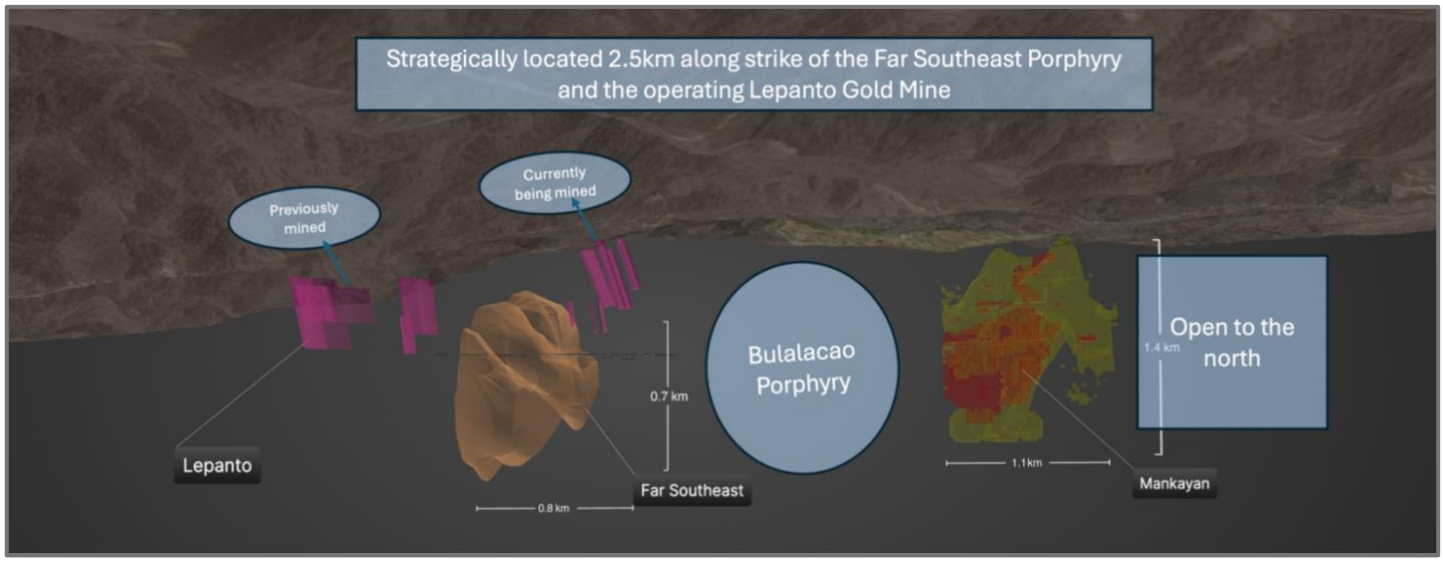
Far Southeast Porphyry Mineral Resource[1]

Category	Tonnes (Mt)	Grade (Au g/t)	Metal (Au Moz)	Grade (Cu %)	Metal (Cu Mt)
Inferred	891.7	0.7	19.8	0.5	4.5



The consolidation of Mankayan with FSE, the Lepanto mine, and nearby porphyry systems such as Bulalacao could unlock significant strategic and economic value. Within a 10-kilometre radius of Mankayan, over a dozen known porphyry targets present opportunities for regional development. Combining these assets would allow for shared infrastructure, reduced capital intensity, and more efficient logistics.

This district-scale approach mirrors global trends in copper and gold mining, where majors are increasingly focusing on regional aggregation to maximise resource scale and minimise costs. Integrating Mankayan and FSE could deliver enhanced production profiles, lower per-unit costs, and long-term resource security, creating a cornerstone copper-gold operation in the heart of the Philippines.



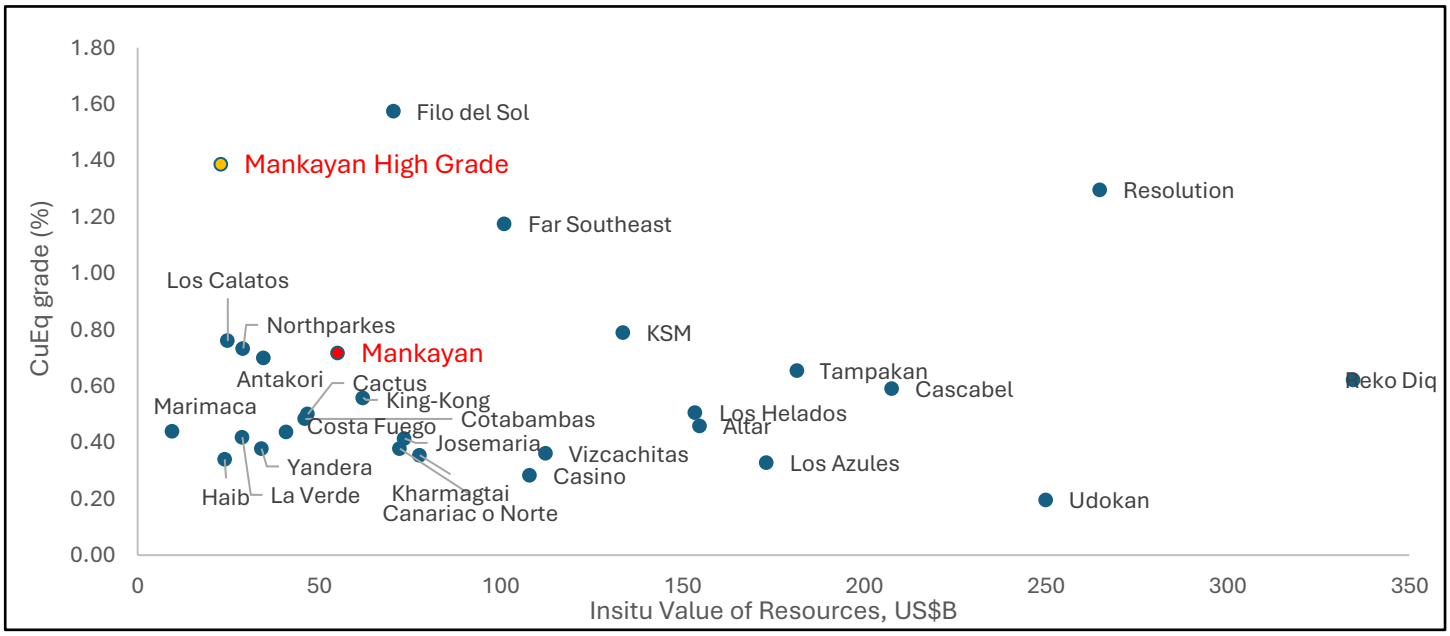
Comparison

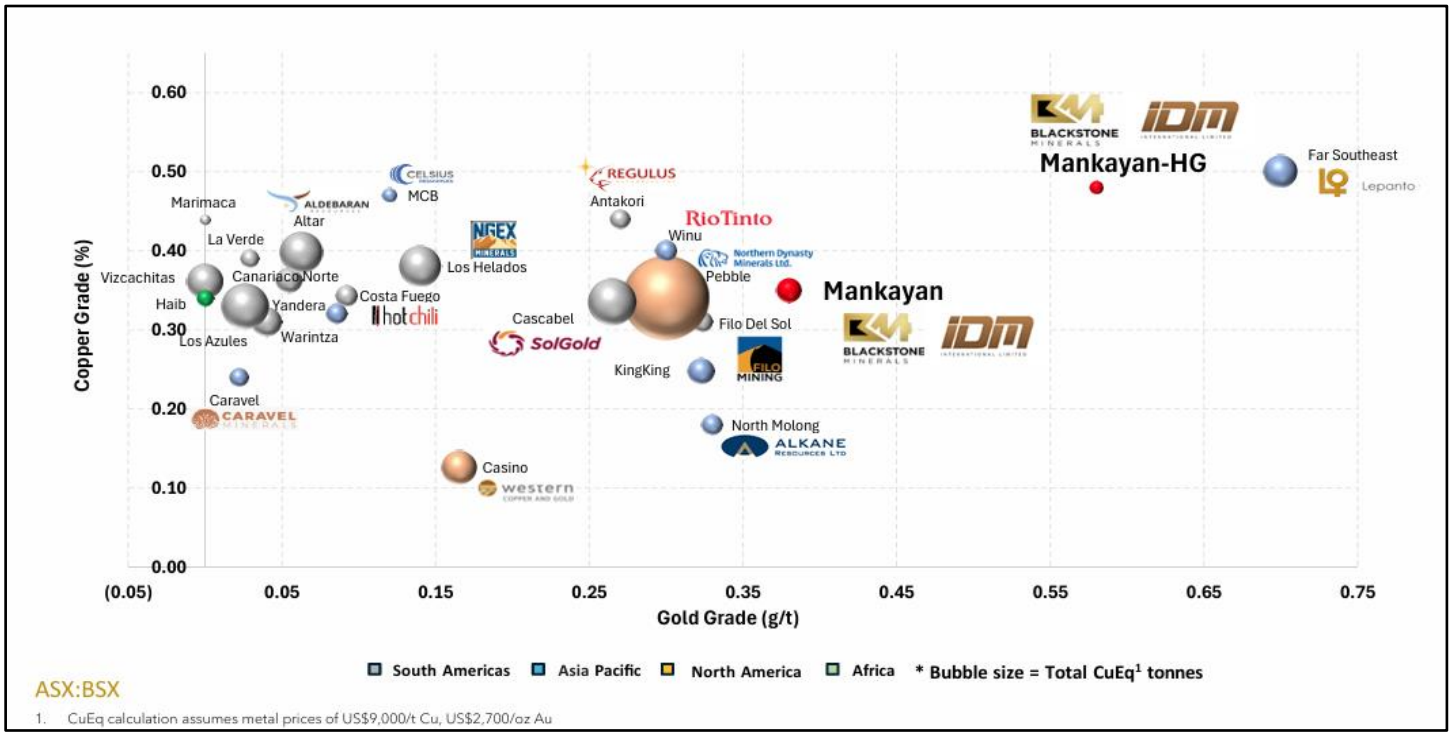
For an up-to-date comparison of CuEq% of the deposits, we use Cu at US$ 4.2/lb, Au at US$ 3,000/oz. Mankayan stands out as a prime undeveloped Cu-Au porphyry project with high grades and competitive resource tonnage within its competitive group globally as can be seen in the graphic below.

Particularly compared to notable peers such as North Parkes, Sol Gold and Cadia,

- Mankayan mirrors North Parkes' copper grade (0.55% Cu) but contains more gold (0.21 g/t Au). Mankayan resources (793Mt) are also higher than North Parkes (420.8Mt).
- Cadia has a lower copper (0.22% Cu) but comparable gold grades (0.35 g/t Au), but an unparalleled scale (>3,000Mt resource).
- SolGold's Cascabel project, though larger in tonnage (2,663Mt), trails Mankayan in both gold content (0.25 g/t vs 0.38 g/t).

The Mankayan project compares very competitively in terms of grade with more established operations as can be seen the graphic below





2019 Mine Studies

The project presents multiple compelling development pathways with robust economics across various mining scenarios as presented in a Feb 2019 Mining Plus Study that assessed optimization options for potential future mine development at Mankayan, with options ranging from Block Caving to sub-level caving as a stepping stone approach.

This study was published in 2019 and is based on the US$3/lb copper and US$1,250/oz gold price and 8.5% discount. For an updated analysis we pick a promising Medium Rate option from the presented cases for our DCF analysis with current commodity price view.

2019 High Level Study Results for Mankayan Project based on 2009 JORC (old), figures in US$					
	Option	**Comparator**	**Medium Rate Option BC**	**Scaled Option**	**Staged Development Route High Grade Low Capex Route**
	Description	12Mtpa 2 block cave footprints over 2 lifts	12Mtpa 4 BC footprints over 2 lifts	6Mtpa small BC followed by 3 12Mtpa BC	6Mtpa sublevel cave followed by 3 6Mtpa BC
Average Cost per ton		19.1	$19.1	$19.7	$19.9
First Footprint Start-up Cost		1,402M	$896M	$633M	$529M
First 5 years of Production	Tonnes	92 M	54 M	29 M	28 M
	Cu (%)	0.45	0.46	0.48	0.41
	Au (g/t)	0.51	0.54	0.62	0.45
	CuEq (%)	0.70	0.72	0.77	0.62
Total production	Tonnes	333 M	316 M	315 M	302 M
	Cu (%)	0.42	0.43	0.42	0.41
	Au (g/t)	0.46	0.47	0.46	0.45
	CuEq (%)	0.63	0.65	0.64	0.63
Mine Life	Years	23	34	38	58
Time to production	Years	5	5	5	4.2
NPV before tax and royalties, 8.5% discount	Cu $3/lb Au $1,250/oz	$1,505M	$1,121M	$750M	$326M
IRR before tax and royalty	%	28%	26%	21%	14%

6. DCF Analysis

Assumptions

Prices: We consider a base case long term price scenario of copper at US$4.2/lb, Gold at US$3,000/oz and silver at US$30/oz. These are conservative and in line with the consensus on the market price.

Development
We model two strong options for Mankayan, and (i) a Staged Development Scenario that starts the operation with a longhole open stoping, providing cashflow for development of block caves, and (ii) Block Cave Option, which is based on the Medium Rate Case proposed by the Mining Plus Study but updated to current commodity prices,

We consider the Staged Development option to be our base case for this project given it has lower starting capex, offers an initial set of cashflows from longhole open stoping for further development. This approach has worked well for mines such as Tujuh Bukit. We anticipate that the development decision will be made by 2028, and the production for the Staged Development Option will have the first production by 2030.

Capital Expenditure, Production Profile and Operational Metrics: The ROM output and metallurgical recoveries (Cu – 94%, Au & Ag – 74%) are based on the Mining Plus Study and are very conservative. The mining and processing costs mentioned in the study have been extrapolated for present costs considering an inflation of 6% over the period 2019 to 2025 and further tempered to reflect current scenarios, with assumed costs of longhole stoping being US$50/Mt ROM and block caving at US$32/Mt ROM. The model assumes a sustaining capital expenditure of US$2/t of ROM processed, SG&A of US$10M/yr, royalty of 2% of the revenues and a tax rate of 30%.

The capex expenditure in the Staged Development case we have chosen Celsius Resources capex of US$253M for longhole stoping to be a reasonable frame of reference. Additional capex over the starting capex has been assumed equal to the difference between the capex required for as suggested in the Mining Plus study for Staged Development route, escalated for inflation. Both cases, Staged Development and Block Cave assume a high-grade production in the initial 5 years.

Discount and Risking: We discount the free cashflows at 10% rate and risk the project by 85% for implied share price results over pro-forma shares outstanding.

Outcomes

Block Cave

The Block cave option requires capex of A$1.27B for producing about 104ktpa of Cu, 264Koz of Au and 439Koz of Ag per year over a life of 25 years. We expect the capex spending to start in 2028, with first production in 2032 and full ramp up by 2037.

The mining and processing cost is assumed to be a conservative US$32/Mt ROM. The AISC of the operations in this case is expected to be start at US$5.9/lb in the early years, before settling to US$5.2/lb (2037) without, and ~US$1.93/lb with by-product credits. EBITDA is expected to ramp up to US$945M/yr in the initial years when high grade is being targeted, before settling to US$784M/yr (2042). The project becomes cumulative free cashflow positive in 2036. The scenario generates a free cashflow of ~US$560M/yr in steady state, NPV of A$2.36B and IRR of 23%, an implied share price of A$0.26, a 3.7x upside.

Staged Development

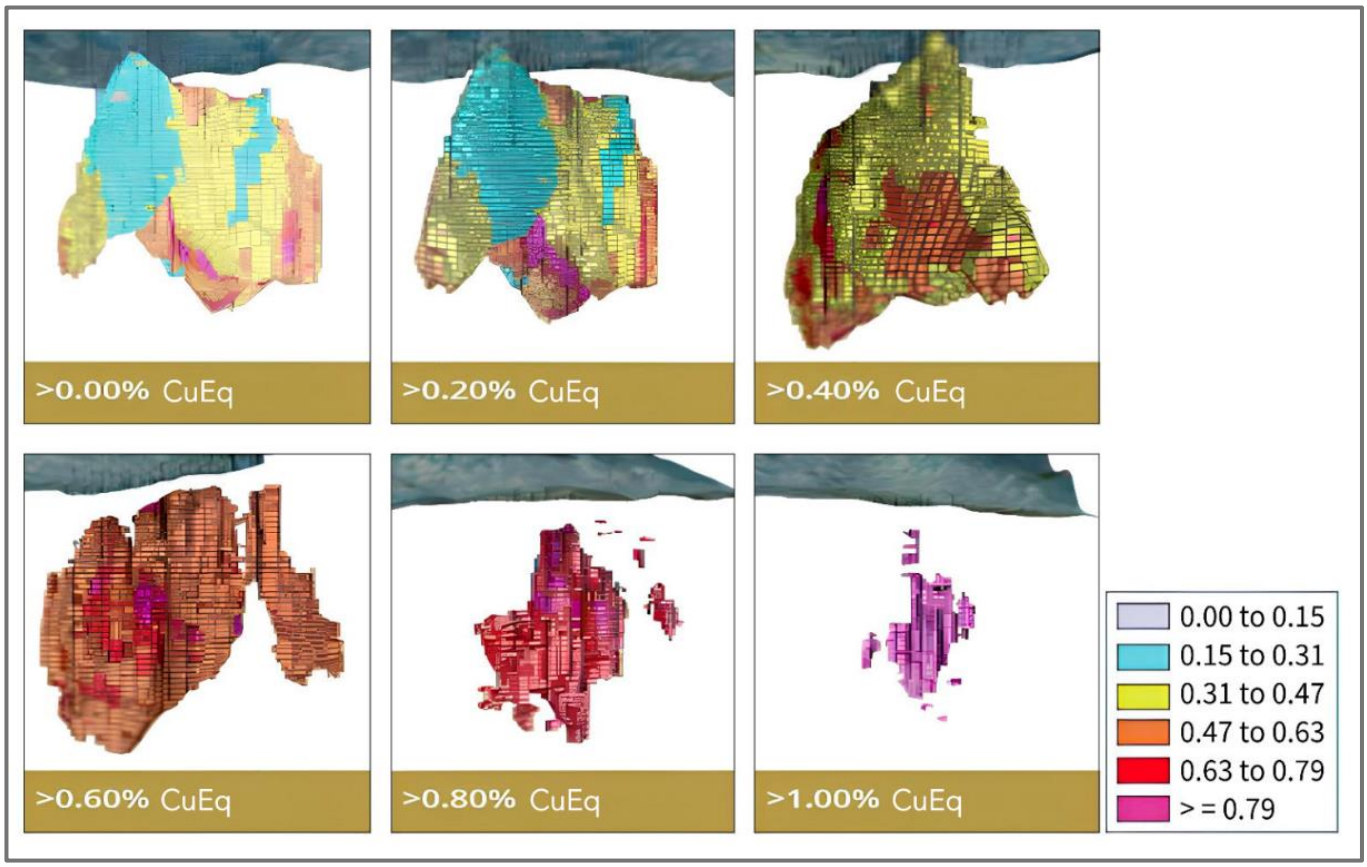
The Staged Development option requires lower initial capex of US$253M for an initial steady production of 26ktpa of Cu, 66Koz of Au and 110Koz of Ag per year, before an additional capex of US$497M is required to bring it to production levels of the Block Cave option 24Mtpa. We estimate initial capex spending to start in 2028, with first production from longhole stoping in 2030. The capex for block caves start in 2033, with the first expected production from block cave operations expected in 2036, and the mine eventually ramping up to 24Mtpa by 2040.

The mining and processing cost in transition period reduces from ~US$50/Mt ROM to US$34/Mt Rom as the proportion of Block Cave ROM in the production mix increases. The AISC of the operations during the transition period, when longhole stoping is in production and block caves are being developed, is expected to be high at US$6.6/lb (A$3.19/lb with credits), before eventually settling to US$5.2/lb (US$1.93 with by products) in the longer term.

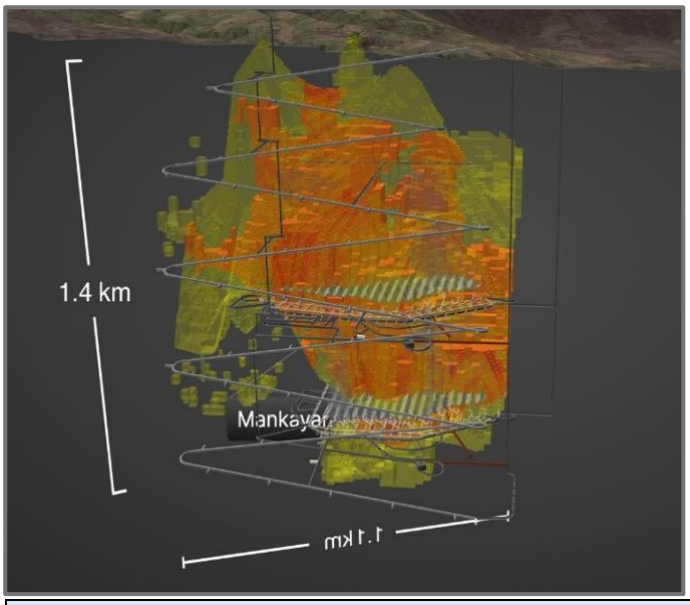
The EBITDA during the transition period is expected to be ~US$127M/yr, and US$750M/yr in steady state (2040). The free cash flow during the transition period 2030-39 is expected to be low ~US$25M/yr given reinvestments into development of the block caves The free cashflow improves dramatically to ~US$550M/yr, through the increased production once the block cave starts. The project becomes cumulative free cashflow positive in 2037. A project NPV of A$2.43B and IRR of 33%, an implied upside to share price of 3.8x at A$0.27 is expected. We see a difference in the NPVs between the two cases given the difference in capex required and the timings of both capex and free cashflows.

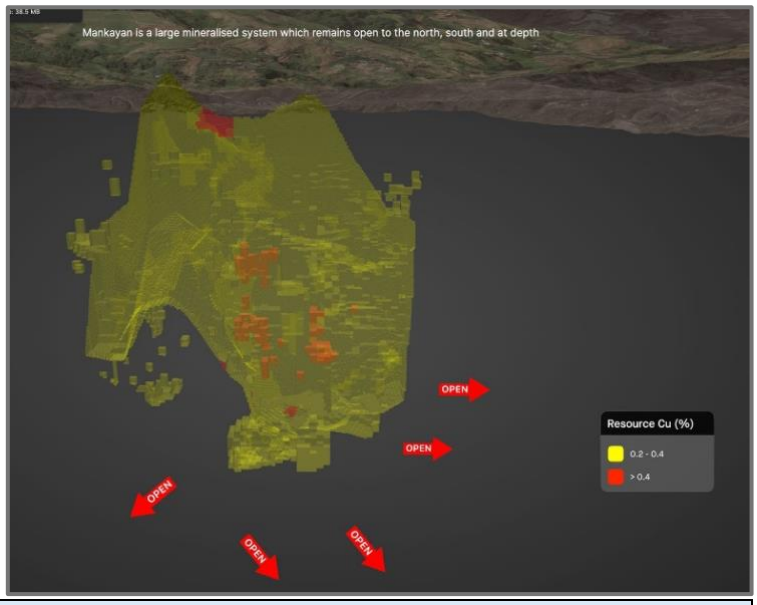
Scenario specific results around share price and NPV sensitivities, free cashflows and production metrics are as in the graphics below. Both the options breakeven at a low commodity price of ~US$2.7/lb for copper and US$1,500/oz gold, signifying low exposure to commodity price risks.

High Grade Core – LHOS Suitable



Bulky Consistent Orebody – Block Cave Suitable





DCF Outcomes		
Parameter	**Staged Development Option**	**Block Caving Option**
Initial Capex	US$253M, followed by US$497M for Block Cave	US$1.27B
Production Start	2030	2032
Production	6Mtpa (2031) -> 24Mtpa (2040)	24Mtpa (2037)
Mining and Processing Cost	US$50/Mt ROM -> US$34Mt ROM	US$32/Mt ROM
First 5 Years Production	Copper: 121kt Gold: 308kozpa Silver: 513koz	Copper: 233kt Gold: 593koz Silver: 989koz
First 5 Years Grade	Cu: 0.46% Au: 0.54g/t Ag: 0.9g/t	
Steady State Production Grade	Cu: 0.43% Au: 0.47g/t Ag: 0.9g/t	
Steady State Production	Copper: 26ktpa -> 104ktpa; Gold: 66kozpa -> 264kozpa; Silver: 110koz -> 439kozpa	Copper: 104ktpa Gold: 264kozpa Silver: 439kozpa
Mine Life	28 years	25 years
Steady State EBITDA per year	US$ 127M/yr (2031) -> US$750M/yr (2040)	US$ 784M/yr (2042)
AISC (excl. credits)	US$6.7/lb -> US$5.2/lb	US$5.2/lb
AISC (incl. credits)	~US$3.19/lb -> US$1.93/lb	~US$1.93/lb
NPV	A$2.43B	A$2.36B
IRR	33%	23%
Implied Share Price (A$)*	$0.27 (3.8x upside)	$0.26 (3.7x upside)

*Risked at 85%

Staged Development Option

Selected Case: Staged Development	Units	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	2037E	2038E	2039E	2040E
Ore Mined	MTPA	-	-	4.0	6.0	6.0	6.0	6.0	6.0	8.0	11.0	14.0	19.0	24.0
Payable Copper	Kt	-	-	17	26	26	26	26	26	35	48	61	82	97
Payable Gold	Koz	-	-	44	66	66	66	66	66	88	121	154	209	229
Payable Silver	Koz	-	-	73	110	110	110	110	110	146	201	256	348	439
Revenue	US$M	-	-	294	441	441	441	441	441	588	809	1,030	1,397	1,600
COGS	US$M	-	-	(203)	(305)	(305)	(305)	(305)	(305)	(407)	(486)	(571)	(711)	(817)
Royalties	US$M	-	-	(6)	(9)	(9)	(9)	(9)	(9)	(12)	(16)	(21)	(28)	(32)
EBITDA	US$M	-	-	85	127	127	127	127	127	170	307	438	658	751
Operating Cashflow	US$M	-	-	58	117	101	86	87	86	116	221	322	494	571
Growth Capex	US$M	(63)	(127)	(63)	-	-	(50)	(50)	(100)	(100)	(100)	(97)	-	-
Sustaining Capex	US$M	-	-	(8)	(12)	(12)	(12)	(12)	(12)	(16)	(22)	(28)	(38)	(48)
Free Cash Flow	**$M** -	**(63)**	**(134)**	**(27)**	**91**	**78**	**24**	**25**	**(26)**	**0**	**99**	**197**	**456**	**523**

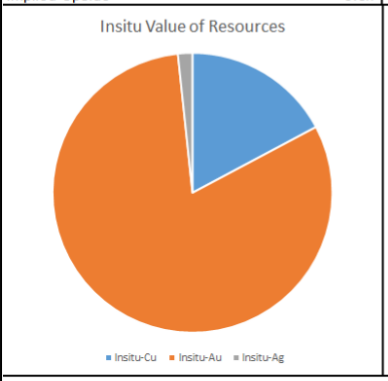
Discount rate	10%
Net Present Value, US$M	1,626
Project IRR	33%
NPV, A$M	2,439
NPV, (85% risked)	366
Implied Share Price, A$	0.27
Implied Upside	3.8x

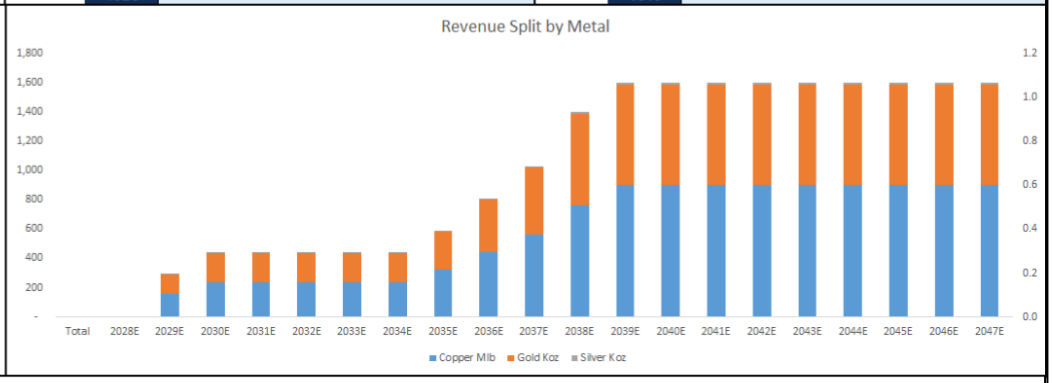
Share Sensitivity

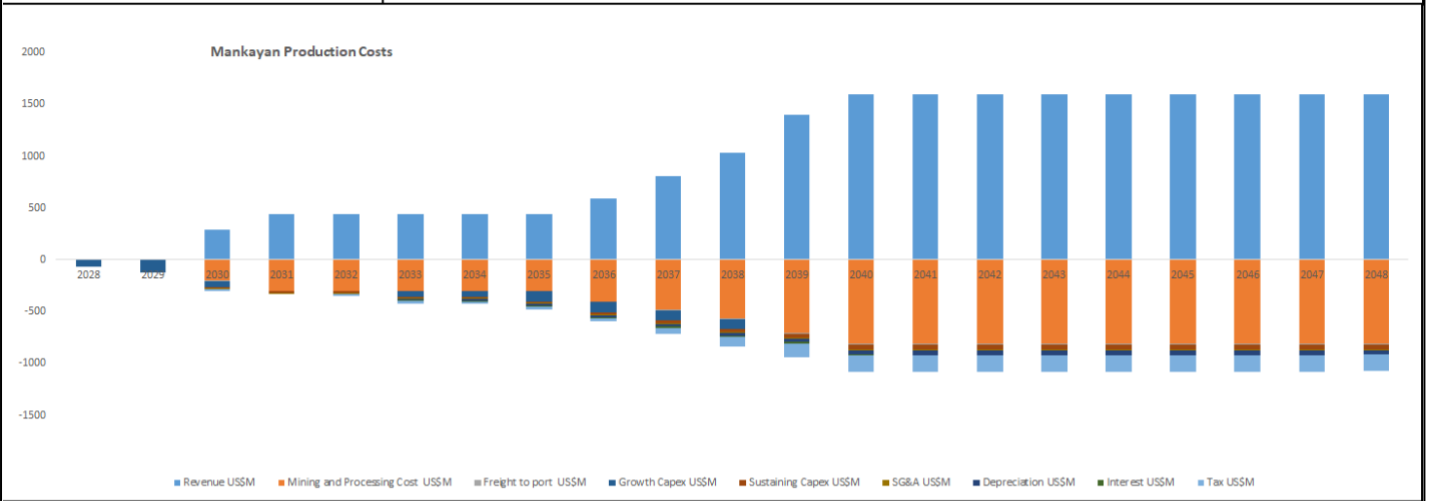
Gold US$/oz \ Copper US$/lb	2.7	3.4	**4.2**	5.0	6.0
1920	-0.06	0.02	0.12	0.23	0.34
2400	0.00	0.09	0.19	0.29	0.41
3000	0.08	0.17	0.27	0.36	0.48
3600	0.16	0.24	0.34	0.44	0.56
4320	0.26	0.34	0.44	0.53	0.65

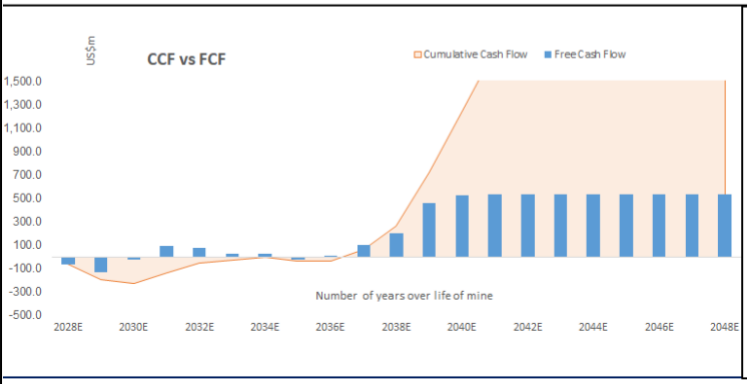
NPV Sensitivity

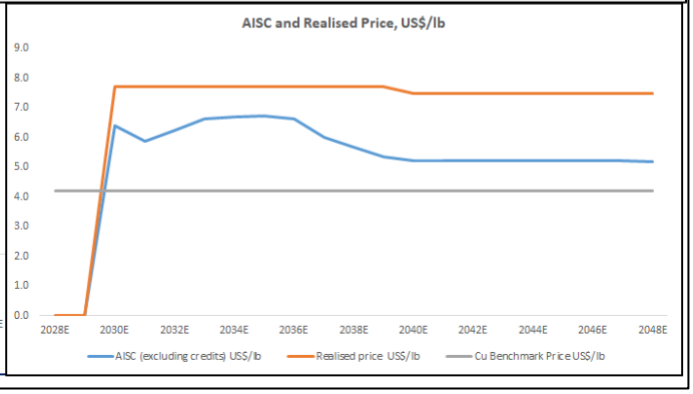
Disc \ Copper US$/lb	2.7	3.4	**4.2**	5.0	6.0
5%	2498	4095	6076	8045	10408
8%	1256	2250	3476	4692	6151
10%	773	1520	2439	3350	4441
12%	450	1026	1731	2429	3264
15%	152	557	1050	1536	2118











Block Cave Option

Selected Case: Block Cave	Units	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	2037E	2038E	2039E	2040E
Ore Mined	MTPA	-	-	-	-	4	6	11	14	19	24	24	24	24
Payable Copper	Kt	-	-	-	-	17	26	48	61	82	104	104	104	104
Payable Gold	Koz	-	-	-	-	44	66	121	154	209	264	264	264	264
Payable Silver	Koz	-	-	-	-	73	110	201	256	348	439	439	439	439
Revenue	US$M	-	-	-	-	294	441	809	1,030	1,397	1,765	1,765	1,765	1,765
COGS	US$M	-	-	-	-	(131)	(196)	(360)	(458)	(621)	(785)	(785)	(785)	(785)
Royalties	US$M	-	-	-	-	(6)	(9)	(16)	(21)	(28)	(35)	(35)	(35)	(35)
EBITDA	US$M	-	-	-	-	157	236	433	551	748	945	945	945	945
Operating Cashflow	US$M	-	-	-	-	147	145	290	394	555	714	722	730	736
Growth Capex	US$M	(159)	(318)	(318)	(318)	(159)	-	-	-	-	-	-	-	-
Sustaining Capex	US$M	-	-	-	-	(8)	(12)	(22)	(28)	(38)	(48)	(48)	(48)	(48)
Free Cash Flow	**$M**	**-**	**(159)**	**(318)**	**(318)**	**(318)**	**(19)**	**133**	**268**	**366**	**517**	**666**	**674**	**682**	**688**

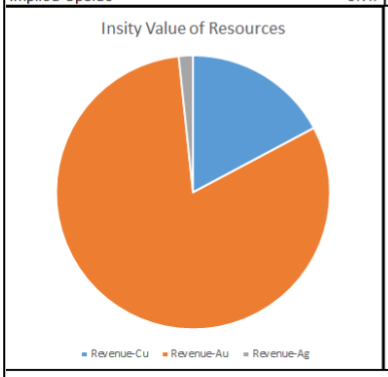
Discount rate	10%
Net Present Value, US$M	1,576
Project IRR	23%
NPV, A$M	2,364
NPV, (85% risked)	355
Implied Share Price, A$	0.26
Implied Upside	3.7x

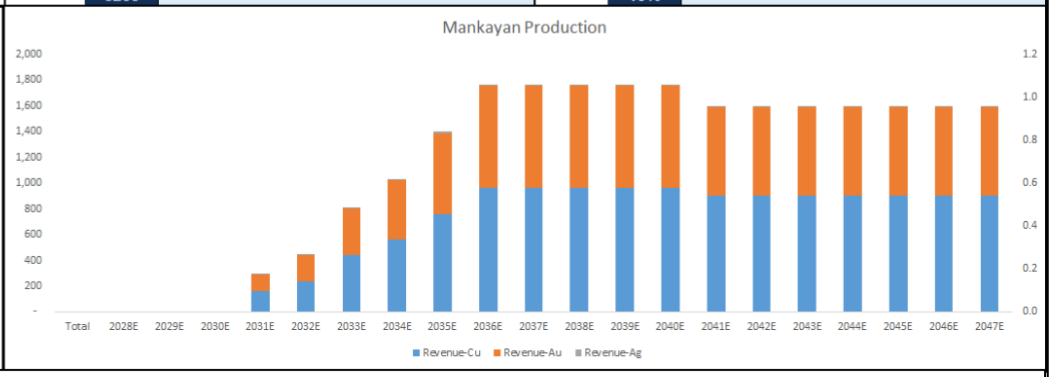
Share Sensitivity

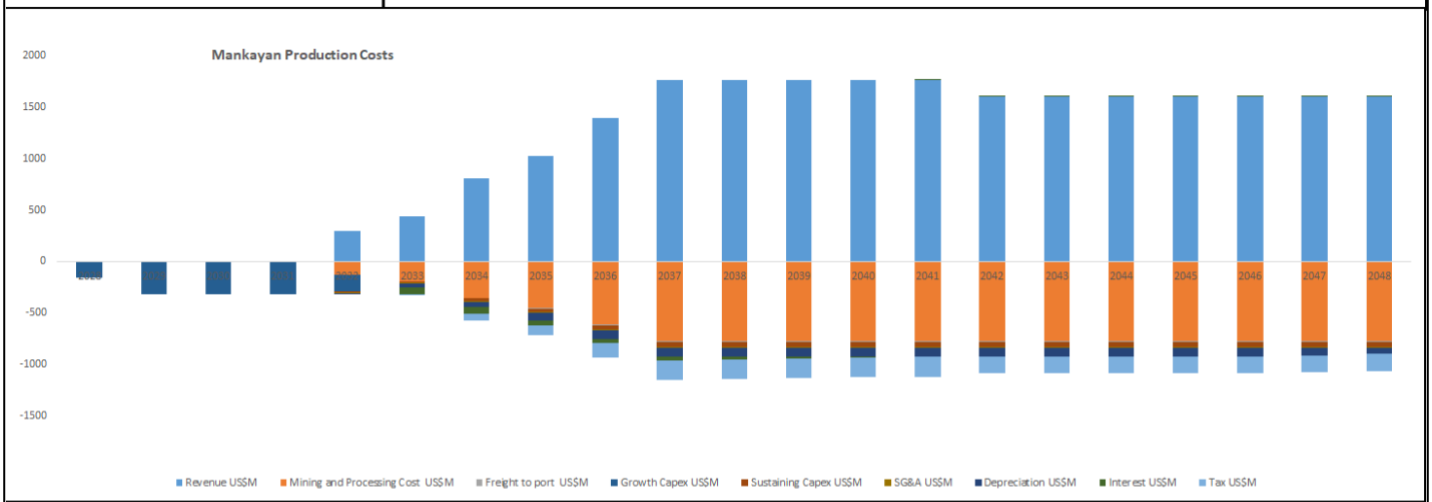
Gold US$/oz \ Copper US$/lb	2.7	3.4	4.2	5.0	6.0
2800	0.07	0.14	0.23	0.32	0.43
2900	0.08	0.16	0.25	0.33	0.44
3000	0.10	0.17	0.26	0.35	0.45
3100	0.11	0.18	0.27	0.36	0.47
3200	0.12	0.19	0.28	0.37	0.48

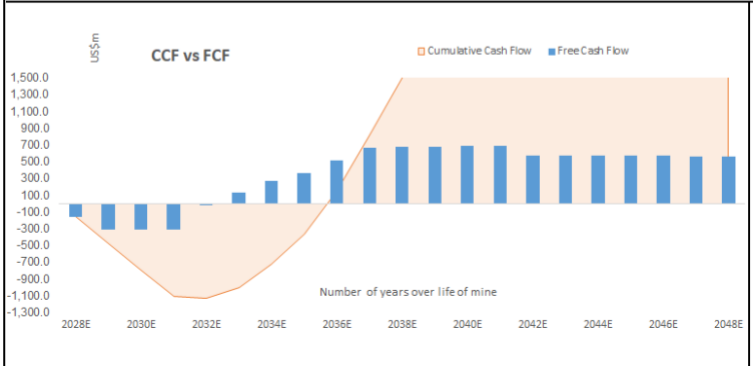
NPV Sensitivity

Disc \ Copper US$/lb	2.7	3.4	4.2	5.0	6.0
5%	2939	4390	6226	8048	10234
8%	1471	2357	3482	4595	5931
10%	880	1533	2364	3185	4171
12%	478	968	1593	2209	2948
15%	100	428	847	1259	1754





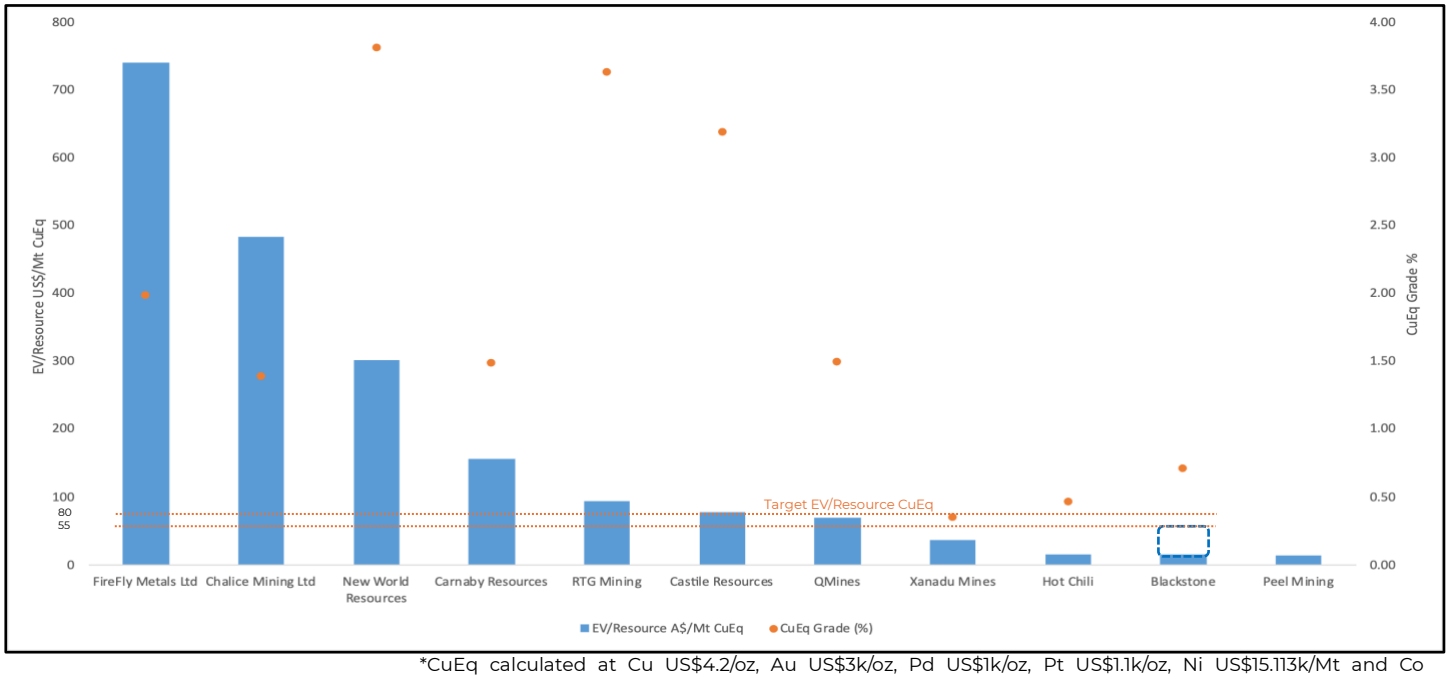




7. Comps Analysis

Blackstone at A$16/Mt CuEq trades at a discount to grade (CuEq) comparable such as Xanadu A$19/Mt CuEq, and at discount to Castile, Xanadu and Hot Chilli even though it has higher CuEq tons. We expect that BSX will rerate to atleast like Castile, and QMines with further development, and catalysts. The implied share price in case of a conservative rerating to A$55/Mt CuEq is estimated at A$0.24/share.

Comps Valuation	
Parameter	**Value**
Target Range, A$/Mt	55-80
Target Value, A$/Mt	55
Resources CuEq Mt	5.95
Implied EV, A$M	327.25
Implied Market Cap*	330.95
Shares Outstanding, M (Proforma)	1378.38
Implied Share Price, A$/share	0.24



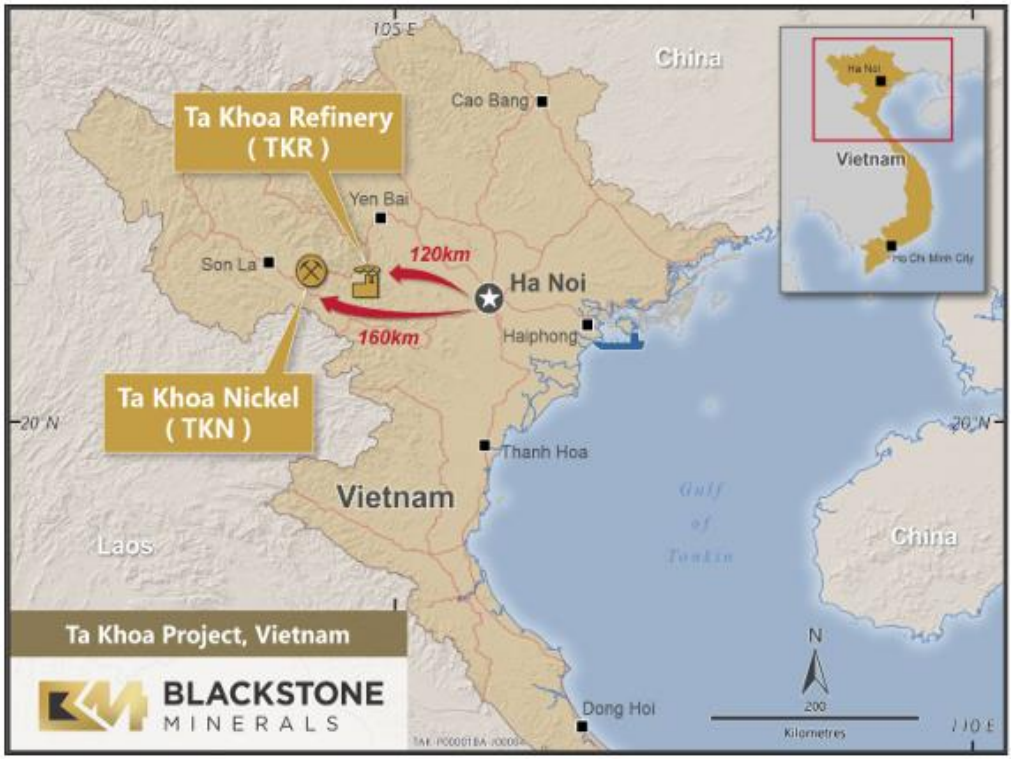
*CuEq calculated at Cu US$4.2/oz, Au US$3k/oz, Pd US$1k/oz, Pt US$1.1k/oz, Ni US$15.113k/Mt and Co US$33.26/Mt with 100% recoveries. EV values as on May 27, 2025; proforma for Blackstone.

Comparable EV/Resource Dataset

Company	Total Resource (Mt)	Cu Grade (%)	Au Grade (g/t)	CuEq Grade (%)	Metal Equivalent (CuEq Mt)	EV A$M	EV/ Resource A$/Mt CuEq
FireFly Metals Ltd	34.5	1.7	0.3	1.99	0.69	509	741
Chalice Mining Ltd	660	0.083	1.36	1.39	0.80	387	484
New World Resources	14.23	1.78	0.33	3.81	0.54	164	302
Carnaby Resources	26.9	1.3	0.2	1.49	0.40	63	157
RTG Mining	12.76	1.8	1.9	3.63	0.46	44	95
Castile Resources	5.581	1.49	1.76	3.19	0.18	14	78
QMines	11.3	0.75	0.42	1.50	0.20	14	71
Xanadu Mines	2200	0.21	0.15	0.35	3.90	145	37
Hot Chili	789	0.37	0.1	0.47	3.68	62	17
Blackstone	793.00	0.35	0.38	0.72	5.68	93	16
Peel Mining	10.64	1.85	18	19.21	2.04	30	15

8. Ta Khoa Project, Vietnam

The Ta Khoa Nickel Project is a vertically integrated nickel mining and refining initiative in Vietnam's Son La Province, 160 km west of Hanoi. The project consists of Ta Khoa Nickel (TKN) mine and Ta Khoa Refinery (TKR) in 150km² tenure. Blackstone Minerals holds a 90% interest in the project.



TKN is a nickel sulphide mining operation with 4 deposits, with the open pit mine Ban Phuc containing a probable mining reserve of 48.7Mt at a grade of 0.43% Nickel for 210kt metal equivalent. The mine was historically an underground operation but has been under care and maintenance since 2016. A processing facility of 450ktpa ROM exists at site. TKR is a hydrometallurgical facility designed to produce 85.6ktpa of NCM811 pCAM. It is located close to TKN but in a different commune.

The 2021 PFS for TKR generated compelling economics. These were headlined by a 67% IRR in the Base Case US$20K/t and anticipated US$451m in average annual operating cash flow and US$4.5B in the 9-year life of the project. The post-tax NPV (using an 8% discount rate) was US$2B.

In Oct 2024, BSX completed a 14-week pCAM pilot program, the last stage of test work required to allow it to finalise the Definitive Feasibility Study. The pilot program successfully utilised the nickel sulphate feedstock to produce on specification pCAM for NCM811 for EV Market.

BSX states that it continues to canvass and engage with local Vietnamese companies to identify potential partners to assist in advancing the project.

An independent study conducted by BDO, 2025 values Blackstone's interest in Ta Khoa Mine (90% interest) to be US$36M (A$60.5M) and Ta Khoa Refinery (100% interest) to be US$1.03M (A$1.7M).

9. Canadian Operations

BSX has two operations in Canada, the wholly owned Gold Bridge Project in British Columbia.

Gold Bridge Project

The Gold Bridge Project, formerly known as the Little Gem Project, encompasses 367 km² of tenure located 180 km north of Vancouver in British Columbia. Blackstone acquired this historically significant project in October 2017 and has since conducted extensive exploration activities including drilling, geochemical sampling, and geophysical surveys. During the 2018 field season at the Erebor prospect returned results such as:

- 0.9m @ 1.45% Cu, 0.56% Ni, 0.19% Co from 376.7m depth, including 0.27m @ 3.86% Cu, 1.63% Ni, 0.62% Co, 1.49 g/t Au, 45 g/t Ag; and potential for larger sulphide bodies at depth
- 81m of disseminated nickel sulphides averaging 0.21% Ni from 65.36m depth

In 2023, Blackstone restarted drilling at Gold Bridge, targeting a large, induced polarization (IP) anomaly at the Jewel prospect. This drilling successfully intercepted massive copper-nickel-cobalt mineralization, which was confirmed using a portable XRF reader.

The company is actively seeking joint venture partners for the Gold Bridge Project to accelerate its development. An independent study conducted by BDO, 2025 values Blackstone's interest in Golden bridge Project (100% interest) to be US$3.53M (A$5.95M).

10. Management

The Board of directors at BSX is competent and has experience in junior mining companies. The board is slated to undergo a change given the merger with IDM, with directors Dr Frank Bierlein, Ms Alion Gaines and Mr Dan Lougher resign post- merger.

Scott Williamson (Beng (Mining), BCom, MAusIMM) – Managing Director

Scott Williamson is an experienced Mining Engineer with a Commerce degree from the West Australian School of Mines and Curtin University. Mr Williamson has over 20 years of experience in both technical and corporate roles within the mining and finance sectors. A proven leader in business development, Mr Williamson combines his technical expertise with a deep understanding of equity capital markets. Mr Williamson has been Managing Director of Blackstone since November 2017 and is currently a Non-Executive Director of Leeuwin Metals Ltd and Corazon Mining Ltd.

Hamish Halliday (BSc (Geology), MAusIMM) – Non-Executive Chairman

Mr Halliday is a geologist with over 25 years of corporate and technical experience and has been involved in the discovery funding of multiple large-scale mineral across five continents. Mr Halliday has held numerous executive and non-executive roles in the mining industry since 2001. Mr Halliday founded Adamus Resources Limited, which he grew from a A$3m float to a multi-million-ounce emerging gold producer. He also co-founded several other successful junior mining companies including Gryphon Minerals, Venture Minerals, Renaissance Minerals, Alicanto Minerals and most recently Blackstone. Mr Halliday has a Bachelor of Science from the University of Canterbury and is a Member of the Australian Institute of Mining and Metallurgy.

Geoff Gilmour – Non-Executive Director

Geoff has 30 years' experience in the mining sector and instrumental in the creation of Andean Resources Ltd ($3.56bn takeover by Goldcorp in 2010). Previously the Managing Director of Rift Valley, Amex Resources Ltd and Brightstar Resources Ltd.

11. Risk

Blackstone Minerals (BSX) faces multifaceted risks across operational, financial, jurisdictional, and market domains that could materially impact the viability of its Mankayan copper-gold project and broader investment thesis. The company's strategic pivot toward Philippine copper-gold assets via the IDM merger introduces significant execution challenges and exposure to regulatory headwinds, necessitating rigorous risk assessment.

Execution and Strategic risks

Merger Integration Complexity: The takeover of IDM International Minerals requires shareholder and court approvals, with completion timelines subject to delays. Post-merger integration risks are exacerbated by Crescent Mining's ownership structure (64% held via Asean Copper and Gibbous Holdings), which may complicate operational control and decision-making efficiency. Non-Philippine nationals are restricted to 40% ownership under local law, forcing BSX to rely on Philippine partners for compliance - a structure that introduces governance friction and potential misalignment of incentives.

Project Development Timelines: The Mankayan Project's Staged development pathway assumes a five-year construction phase and four-year ramp-up to 24Mtpa capacity, with initial capex of ~US$750M. Historical data indicates 50% of mining projects face delays due to permitting, labour, or technical factors, while average cost overruns reach 62%.

Regulatory and Political risks

Philippine Policy Volatility: The 2017 open-pit mining ban - which stalled Tampakan and King-King - exemplifies regulatory unpredictability. While Mankayan's underground design circumvents this restriction, permitting delays persist, as evidenced by Celsius Resources' MCB project.

Indigenous and Community Opposition: Compliance with the Indigenous Peoples' Rights Act (IPRA) mandates Free, Prior, and Informed Consent (FPIC), a process vulnerable to delays or vetoes by local stakeholders. KPMG's 2024 survey ranks social license as the top short-term mining risk, with Philippine civil society groups increasingly leveraging legal challenges to block projects over environmental concerns.

Foreign Ownership Constraints: Philippine law caps foreign ownership at 40%, forcing BSX to cede operational control to local entities - a structural risk that could deter future financiers or strategic partners.

Financial and Capital Risks

Funding Liquidity Crunch: BSX's May 2025 cash position of A$3M necessitates equity raises or debt. The Staged Development scenario requires $253M initial capex, with 60% debt financing assumed at 10% interest.

Commodity Price Sensitivity: The DCF model assumes long-term copper at $4.2/lb, but near-term ICSG forecasts a 289kt surplus in 2025, potentially suppressing prices below $8,300/tonne (J.P. Morgan estimate). Gold's $3,000/oz assumption may face headwinds, while silver's industrial demand remains tethered to uncertain solar PV growth.

Currency and Inflation Exposure: BSX's AUD-denominated listings vs. USD project revenues creates translational FX risk. A 6% annual inflation adjustment for costs may underestimate supply chain bottlenecks in Philippine mining inputs.

Operational and Technical Risks

Resource Conversion Uncertainty: While Mankayan's 793Mt at 0.65% CuEq (2.8Mt Cu, 9.7Moz Au) is substantial, only 170Mt of higher-grade core (0.93% CuEq) is delineated. The deposit remains open at depth, but conversion to reserves requires infill drilling - a capital-intensive process vulnerable to geological surprises.

Metallurgical and Mining Complexities: Caving's viability hinges on achieving modelled 94% Cu and 74% Au recoveries, which remain unproven at commercial scale. The transition to block caving post-Year 5 introduces geotechnical risks, including potential subsidence or ore flow disruptions.

ESG Liabilities: Tailings management costs could escalate under the Global Industry Standard on Tailings Management, while Scope 3 emissions reporting obligations may deter ESG-focused investors.

Geopolitical and Macro Risks

China's Regional Influence: Chinalco's potential $2B investment in Tampakan signals intensifying Chinese interest in Philippine copper, raising risks of oversupply or regulatory favouritism toward state-backed entities.

Supply Chain: Philippine mining projects can face delays for critical equipment imports, compounded by competition for skilled labour in Luzon's congested mining districts.

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