Ref: /BSX/609/BSX080

Quarterly Report for the period ending 30 June 2018

Highlights

- Blackstone has received assays from the initial six drill holes of the Company's maiden drilling program at the Little Gem Cobalt-Gold Project in British Columbia, Canada (Little Gem);
- Assays are pending for a further five drill holes from the Company's maiden drilling program at Little Gem;
- Significant results to date from the initial six drillholes of the maiden drilling program at Little Gem include (Refer Figures One and Two and Appendix One):

LGD17-001R **1.1 m @ 3.0% cobalt and 44 g/t gold;** within **4.3 m @ 1.0% cobalt and 15 g/t gold.**
(Refer ASX Announcement 9 January 2018 for full set of results)

LGD18-002 **1.0 m @ 1.2% cobalt and 5 g/t gold;** within **3.2 m @ 0.8% cobalt and 4 g/t gold.**
(Refer ASX Announcement 31 May 2018 for full set of results)

LGD18-003 **0.4 m @ 1.2% copper, 5 g/t gold & 0.12% cobalt;** within **1.0 m @ 0.5% copper, 4 g/t gold & 0.08% cobalt.**

LGD18-005 **0.8 m @ 0.6% cobalt and 9 g/t gold;** within **1.6 m @ 0.4% cobalt and 5 g/t gold.**

- Blackstone continues a major regional exploration program of multi-element stream sediment sampling, soil sampling and prospecting across the **48 km of untested strike potential of geology analogous to the world class Bou-Azzer primary Cobalt district in Morocco**;
- Blackstone has commenced an extensive IP survey to test for further high grade Cobalt-Gold prospects within the **+1.8km strike target zone at Little Gem** and the nearby Jewel trend, located near the (serpentinite/granodiorite) contact zone;
- Little Gem is favourably located **less than 15 km along strike from the Bralorne-Pioneer** mining complex **(endowment of 4.4 Moz at 17 g/t Au)** (Refer Figure Three).

BLACKSTONE FAST FACTS

Shares on Issue	96.2m
Share Price	$0.145
Market Cap	$13.9m
ASX Code	**BSX**

BOARD & MANAGEMENT

Non-Exec Chairman
Hamish Halliday

Managing Director
Scott Williamson

Technical Director
Andrew Radonjic

Non-Exec Directors
Stephen Parsons
Michael Konnert

Joint Company Secretaries
Michael Naylor
Jamie Byrde

ADVANCING THE FOLLOWING PROJECTS

High Grade (3% Cobalt & 20 g/t Gold) Little Gem Project
British Columbia, Canada

Cartier Cobalt-Nickel Project
Quebec, Canada

Gold and Nickel Projects
Western Australia

- **Silver Swan South**
- **Red Gate**
- **Middle Creek**

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Introduction

During the June Quarter Blackstone re-commenced the maiden drilling program at the very high grade Little Gem Cobalt-Gold Project in British Columbia, Canada. The drilling program started late in the 2017 field season and drilling re-commenced in late April for the 2018 field season. The Company completed the initial six diamond drill holes at Little Gem before the drilling program took a short break between seasons during the onset of the freshet (peak snow melt). After the short break Blackstone re-commenced drilling and now has assay results pending for the next five diamond drill holes from the maiden drilling program at Little Gem.

Drilling to date has intersected the Little Gem structure within metres of the interpreted target. The Little Gem alteration halo is significantly larger than previously estimated, and the 2018 drilling to date has consistently intersected a broad alteration zone, highlighting potential for a significant hydrothermal system at Little Gem.

Blackstone also commenced a major regional exploration program of multi-element stream sediment sampling, soil sampling and prospecting across the 48 km of untested strike potential of geology analogous to the world class Bou-Azzer primary Cobalt district in Morocco. The Company has also commenced an extensive IP survey to test for further high grade Cobalt-Gold prospects within the +1.8km strike target zone at Little Gem and the nearby Jewel trend, located near the (serpentinite/granodiorite) contact zone.

On the Australian Projects, Blackstone continued to work on finalising priority targets for drill testing over the coming months.

Canadian Projects

Little Gem Project (100% interest)

During the June Quarter Blackstone Minerals re-commenced its maiden drilling program at the high grade Little Gem Cobalt-Gold Project in British Columbia, Canada (Refer ASX Announcement 31 May 2018).

Highlights of the Project include:

- Blackstone's maiden drilling has intersected massive, semi-massive and disseminated mineralisation (Refer Figure Two) with the following significant results:

  LGD17-001R **1.1 m @ 3.0% cobalt and 44 g/t gold;** within
  4.3 m @ 1.0% cobalt and 15 g/t gold.
  (Refer ASX Announcement 9 January 2018 for full set of results)

  LGD18-002 **1.0 m @ 1.2% cobalt and 5 g/t gold;** within
  3.2 m @ 0.8% cobalt and 4 g/t gold.
  (Refer ASX Announcement 31 May 2018 for full set of results)

  LGD18-003 **0.4 m @ 1.2% copper, 5 g/t gold & 0.12% cobalt;** within
  1.0 m @ 0.5% copper, 4 g/t gold & 0.08% cobalt.

  LGD18-005 **0.8 m @ 0.6% cobalt and 9 g/t gold;** within
  1.6 m @ 0.4% cobalt and 5 g/t gold.

- Historic drilling and adit channel sampling results returned average grades of **3% cobalt and 20 g/t gold**;

- Maiden drilling results are similar to historic underground drilling results from adits including:
  - **1.8 m @ 2.4% cobalt & 112 g/t gold;**
  - **3.3 m @ 1.4% cobalt & 80 g/t gold;** and
  - **3.3 m @ 1.4% cobalt & 12.3 g/t gold.**

  (Refer ASX Announcement 9 January 2018)

- Results from historic adit channel sampling at Little Gem include:
  - **1.8 m @ 4.4% cobalt & 73 g/t gold;**
  - **2.0 m @ 3.1% cobalt & 76 g/t gold;** and
  - **1.5 m @ 5.4% cobalt & 26 g/t gold.**

  (Refer ASX Announcement 26 July 2017)

- The Little Gem Project covers a large land holding with **48 km of untested strike potential** of geology **analogous to the world class Bou-Azzer primary Cobalt district in Morocco** (Refer Figure Three);

- Little Gem is favourably located **less than 15 km along strike from the Bralorne-Pioneer** mining complex **(endowment of 4.4 Moz at 17 g/t Au).**

Figure One | Plan view showing Underground workings & Drill Holes

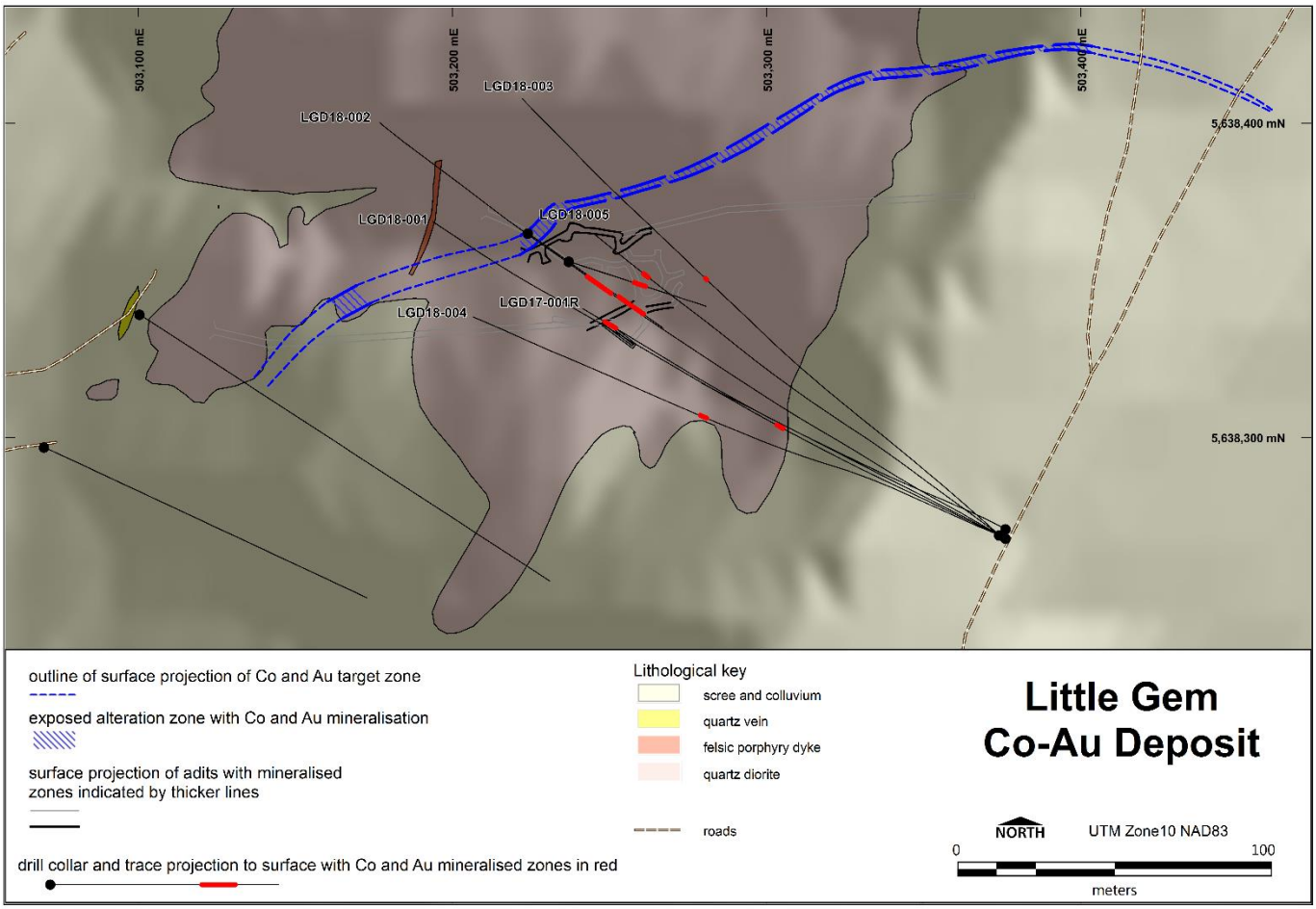
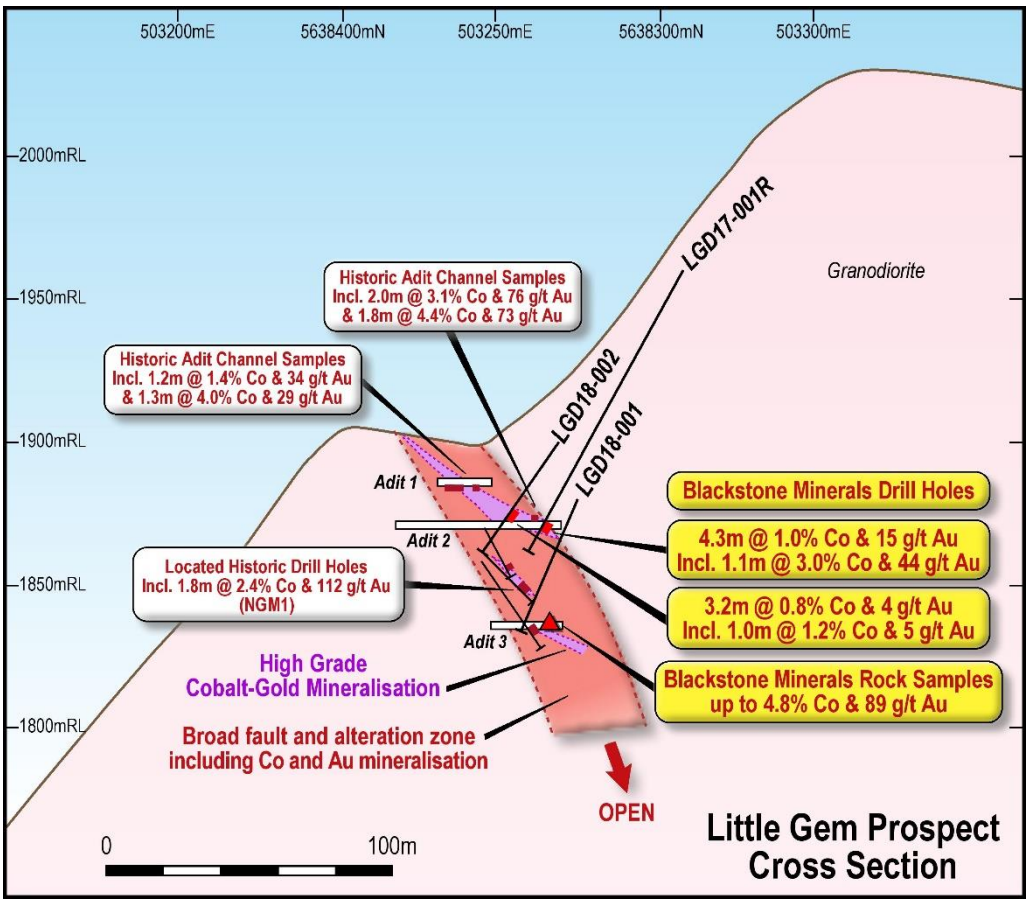


Figure Two | Little Gem Cross Section showing initial three holes from the maiden drilling program



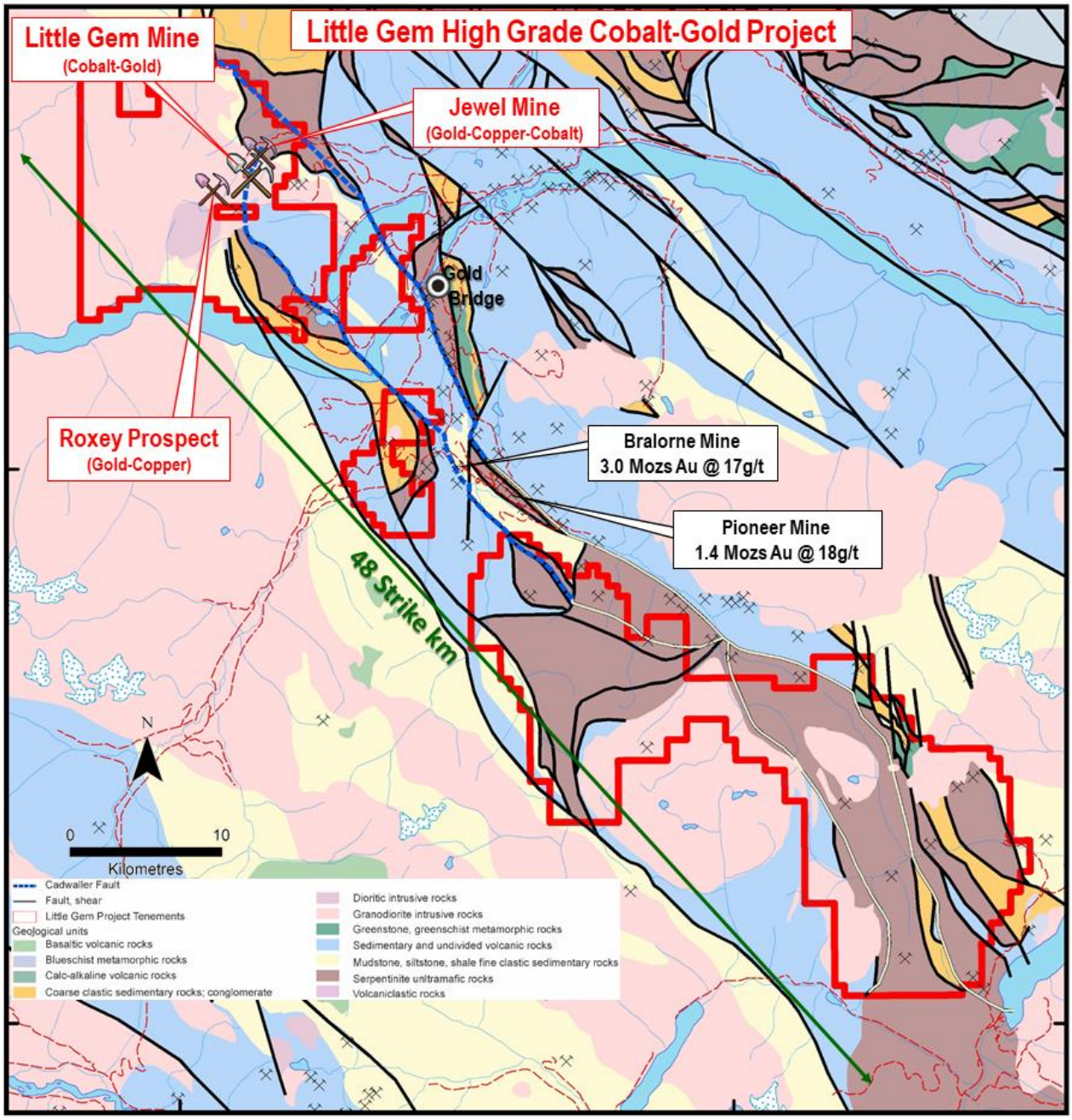
Refer to ASX Announcement 31 May 2018 for full table of results

The Little Gem Project was discovered in the 1930's by prospectors identifying a pink cobalt-bloom on weathered mineralisation that led to three adits being developed. A total of 1,268 m of drilling was completed from underground and detailed channel sampling was taken from the adits. Results from this work generated some exceptional Cobalt and Gold assays (Refer to ASX Announcement 26 July 2017) including:

Historic drilling	**1.8 m @ 2.4% cobalt & 112 g/t gold;** **3.3 m @ 1.4% cobalt & 12 g/t gold;** and **4.1 m @ 1.4% cobalt & 11 g/t gold.**
Underground channel sampling	**1.8 m @ 4.4% cobalt & 73 g/t gold;** and **2.0 m @ 3.1% cobalt & 76 g/t gold.**
Surface channel sampling	**0.4 m @ 5.7% cobalt & 1,574 g/t gold;** and **0.1 m @ 4.6% cobalt & 800 g/t gold.**

Little Gem is mostly underlain by granite of the Coast Plutonic Complex and ultramafic rocks on what is interpreted to be the northern extension of the Cadwallader fault zone (Refer Figure Three). These are the major geological units and structures important to the mineral deposits either as the host rocks or sources of the mineralising fluids that gave rise to the Bridge River mining camp. The camp has 60 mineral localities including the Bralorne-Pioneer mining complex **(endowment of 4.4 Moz at 17 g/t Au)** which retains the status of the foremost gold producer in British Columbia and the sixth largest in Canada. Little Gem is only 15 km along strike to the north of the Bralorne-Pioneer mining complex.

Figure Three | Little Gem Geological Setting



Refer to ASX Announcement 26 July 2017 and 6 September 2017

There has been very little modern day exploration at Little Gem with the main activities being airborne geophysical surveys (including magnetic, radiometric and electromagnetic ("EM") surveys) in the 1970's and a further two drill holes completed in 1986.

The second mineral occurrence at the Little Gem Project is the historic Jewel Gold-Copper-Cobalt Prospect which supported some gold production from 1938 to 1940 and is located only 1.1 km north-northeast of the Little Gem Mine. Since Blackstone began working on the Little Gem Cobalt-Gold Project it has verified the mineralisation identified historically at the Little Gem Cobalt-Gold Prospect and the Jewel Gold-Copper-Cobalt Prospect and discovered a new high grade Gold-Copper prospect named Roxey.

The Roxey Gold-Copper prospect is located 1.5 km west-southwest of the Little Gem Cobalt-Gold prospect and is along strike of the cobalt–gold mineralisation at Little Gem. Blackstone visually identified Roxey during the due diligence site visit and took rock chip samples within the target area which assayed up to **24 g/t gold, 1.9% copper & 24 g/t silver** (Refer ASX Announcement 6 September 2017). Mineralisation at Roxey is associated with quartz-pyrite altered diorite containing chalcopyrite.

Surface rock chip samples taken to verify the mineralisation at the Jewel prospect returned up to **98 g/t gold** and **3.2% copper** (Refer ASX Announcement 6 September 2017 for full set of results). These results confirm what Blackstone's recent investigation has revealed with historical samples of up to **0.6 m @ 75 g/t gold and 0.45m @ 153 g/t gold** from underground and surface channel sampling, and up to **6.9 g/t gold, 19.25% copper & 137 g/t silver** from underground rock chip sampling (Refer ASX Announcement 6 September 2017 for full set of results). Mineralisation at Jewel sits in an ultramafic near the easterly trending/steep south dipping contact with the quartz diorite/granodiorite that hosts the Little Gem Prospect.

Cartier Project (100% interest)

The Cartier Cobalt-Nickel Project (9 km^2 of tenure) is located 440 km north-east of Quebec City. Historic exploration (1990's) on the project for Voisey's Bay Style Nickel and Copper has identified Cobalt within two prospects named Lac St Pierre Zones 1 & 2. During the June Quarter the Company completed a field work program of mapping, prospecting and sampling to further understand the full potential of the Cartier Project.

Australian Projects

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

Silver Swan South Project (100% interest)

Introduction

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

Activities during the June Quarter

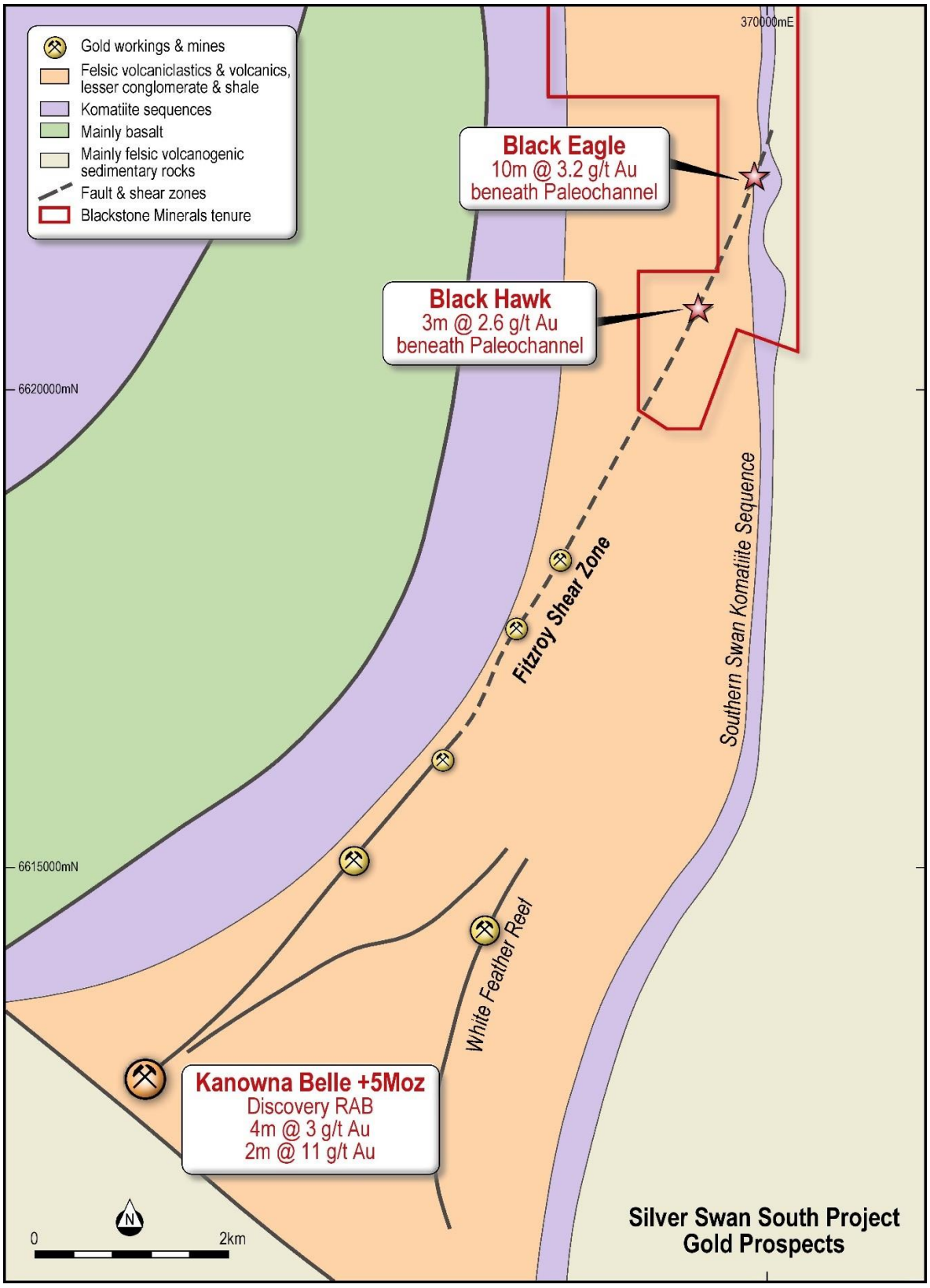
During the quarter Blackstone continued to work on finalising priority targets for drill testing in the coming months.

Highlights of the Project include:

- Blackstone's second phase aircore drilling program at Silver Swan South intersected gold mineralisation and extensive basement geochemical anomalism at the **Black Eagle** prospect (refer to ASX Announcement 1 March 2018 for full results) with the following result:
    - **10 m @ 3.2 g/t Au from 68 m** within;
      15 m @ 2.2 g/t Au from 64 m to EOH (Refer Figures Four and Five).
- The above results have significantly upgraded the Black Eagle prospect and when combined with previous reconnaissance results of **3m @ 3.5g/t Au from 60m** sees Black Eagle **elevated to a priority drill target**.
- The Silver Swan South project is located 8 km along strike and encompasses the interpreted extension of the Fitzroy Shear Zone which hosts the Kanowna Belle Gold Mine (+5 Moz gold endowment);
- Aircore drilling will also target the **Black Hawk** prospect following up on an initial **3 m @ 2.6 g/t Au from 52 m** intersected in the first phase of drilling at Silver Swan South;

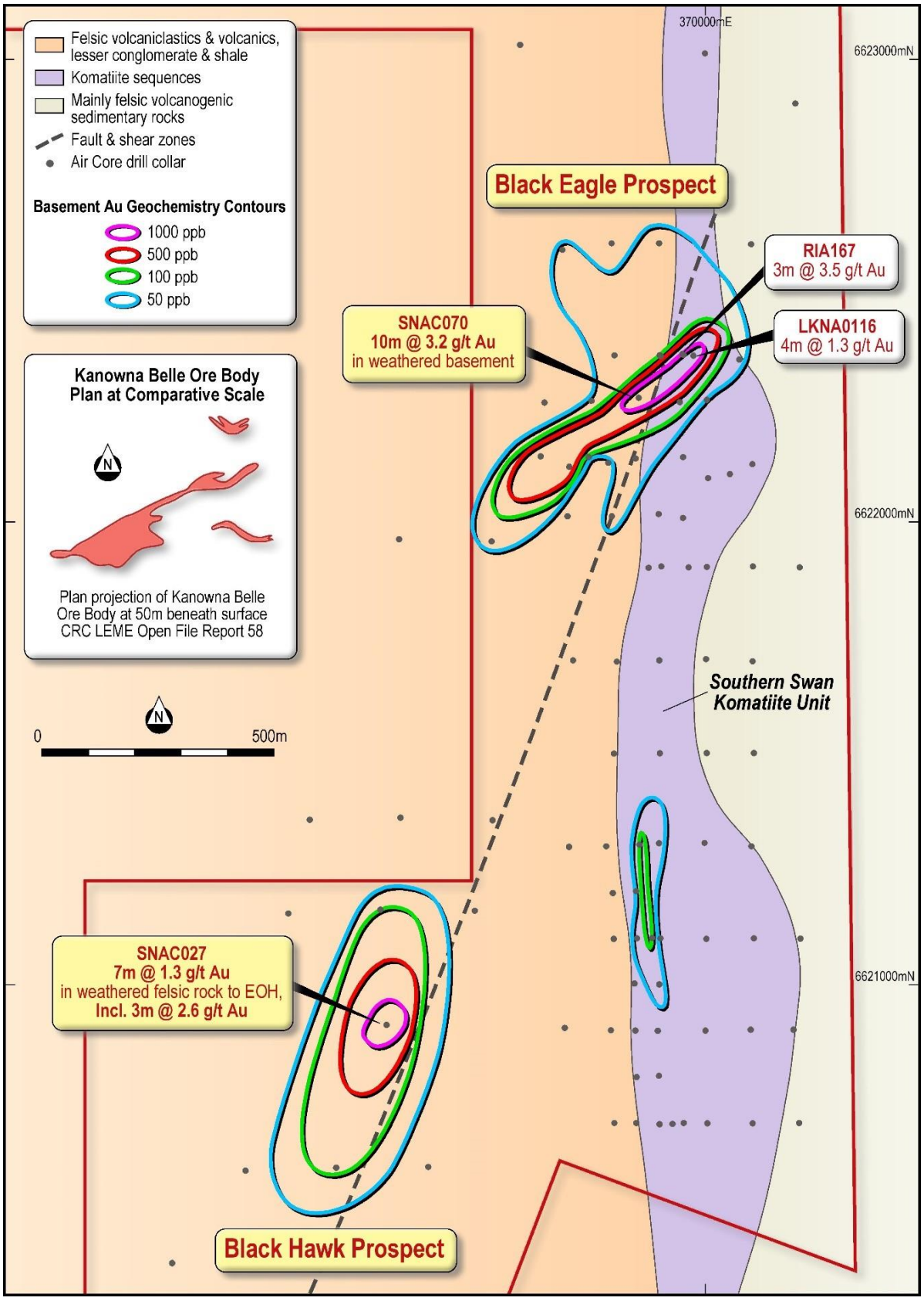
Blackstone's initial drilling at Silver Swan South is targeting both gold hosted by structural targets along strike from the Kanowna Belle Gold Mine (+5Moz gold endowment), and nickel sulfide mineralisation associated with ultramafic units along strike from the Silver Swan and Black Swan Nickel Mines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

Figure Four | Silver Swan South Gold Prospects



Refer to ASX Announcement 1 March 2018

Figure Five | Silver Swan South Gold Prospects with Basement Gold Geochemistry Contours



Refer to ASX Announcement 1 March 2018

Red Gate Project (100% interest)

Introduction

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

Activities during the June Quarter

During the quarter Blackstone continued to work on finalising priority targets for drill testing in the coming months.

Highlights of the Red Gate Project include:-

- The Red Gate project hosts porphyries with high grade gold mineralisation including 10 m @ 8.5 g/t from 9 m at Porphyry East, 14 m @ 3.7 g/t from 1 m at Porphyry North & 12 m @ 9.2 g/t from 8 m at Porphyry West (refer to ASX Announcement 11 July 2017);

- The Porphyry North and Porphyry West prospects have shallow gold mineralisation coincidental with IP anomalies whilst the new porphyry zone at Porphyry South has a substantially larger IP anomaly that has yet to be drill tested;

- Red Gate Shear Zone already hosts mineralised porphyries at Porphyry North and Porphyry West and contains the recently identified Porphyry South Prospect which is a large untested IP anomaly;

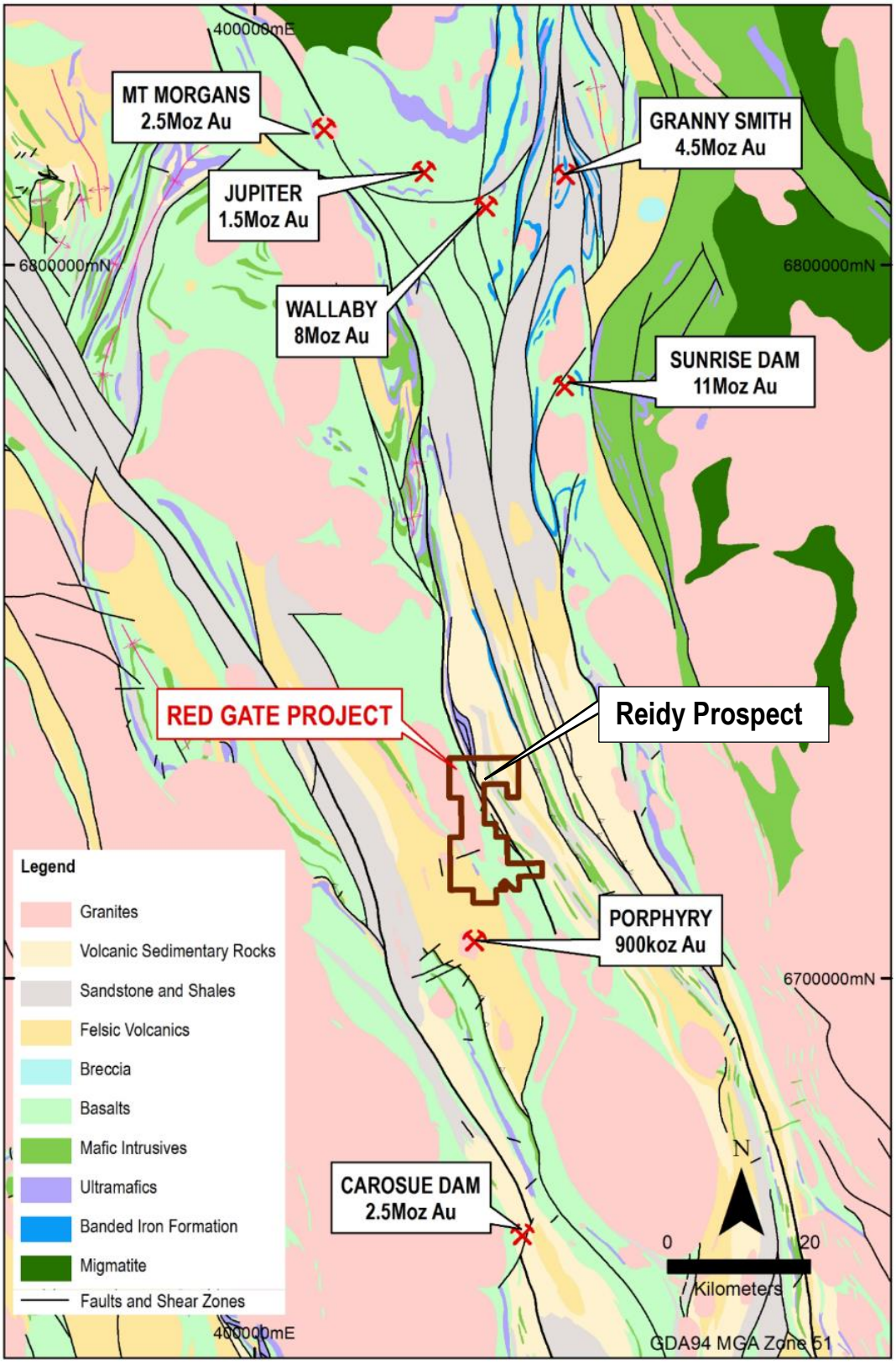
- The Reidy Prospect is interpreted to be within or immediately adjacent to the **Claypan Shear Zone**, host to recent significant gold discoveries such as Breaker Resources, Lake Roe Project (Indicated and Inferred Resources of 624,000 ozs for the Bombora Prospect, Breaker Resources NL, ASX Announcement 18 April 2018);

- The new prospect is within the Red Gate Shear Zone and was identified through a recent reconnaissance surface sampling program that returned rock chips results of up to 79 g/t gold;

- The Red Gate Shear Zone is less than 10 km north of the historic Porphyry Gold Mine that has a gold endowment of 900,000 ozs (Produced 1.33 Mt @ 3.4 g/t gold* and has a current Indicated JORC resources of 7.2 Mt @ 2.1 g/t gold** and Inferred JORC resources of 3.7 Mt @ 2.1 g/t gold**).

* Riedel Resources Website
** Saracen Mineral Holdings Limited Annual Report 2016

Figure Six | Location of the Red Gate Project



Refer to Prospectus 15 December 2016

Middle Creek Project (95% interest)

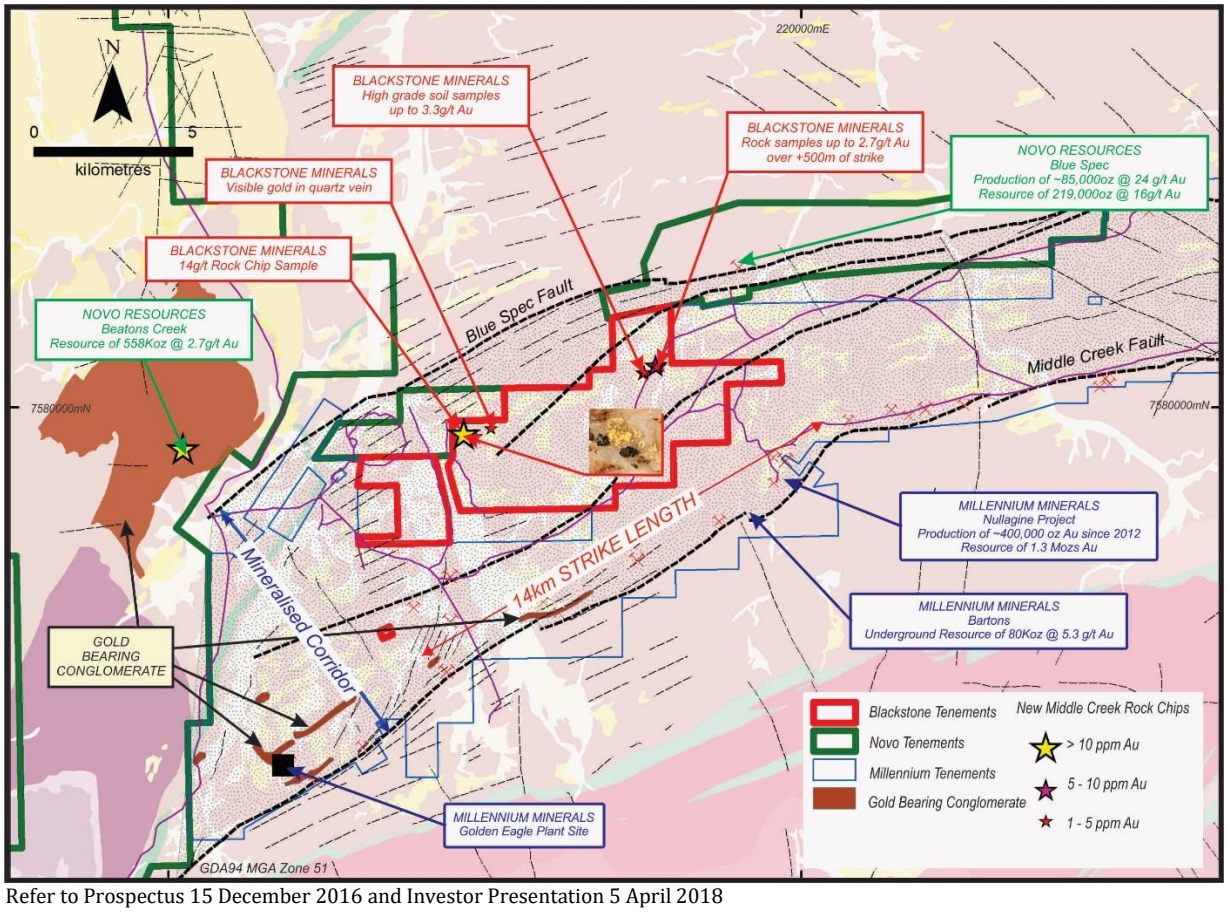
Introduction

The Middle Creek Project is adjacent to Millennium Minerals Limited's Nullagine Gold Project (where the Golden Eagle operations have produced >400 kozs gold since 2012 and a 1.12Moz resource inventory), in the Pilbara region of Western Australia (Refer Figure Seven) and consists of 22 prospecting licence applications covering 39.7 km^2 within the Mosquito Creek belt.

Activities during the June Quarter

During the quarter Blackstone advanced the tenement applications for the Middle Creek project and has been granted a majority of the Middle Creek tenement package.

Figure Seven | Geology of the Middle Creek Project area



Refer to Prospectus 15 December 2016 and Investor Presentation 5 April 2018

Yours sincerely

Scott Williamson
Managing Director
T: +61 8 9425 5217

About Blackstone

Blackstone Minerals Limited **(ASX code: BSX)** is actively exploring the very high grade Little Gem Cobalt-Gold project in British Columbia, Canada. Blackstone is the first company in over 60 years to undertake systematic exploration for Cobalt at Little Gem and within the surrounding district. Blackstone owns a large land holding with 48 km of untested strike potential of highly prospective geology analogous to the world class Bou-Azzer primary Cobalt district in Morocco. Blackstone is actively exploring for nickel and gold in the Eastern Goldfields and gold in the Pilbara region of Western Australia. Blackstone has a board and management team with a proven track record of mineral discovery and corporate success.

Competent Person Statement and Disclaimer

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

Appendix One| Assay results from maiden drilling program at Little Gem

Hole	East UTM Zone 10 NAD83 (metres)	North UTM Zone 10 NAD83 (metres)	RL UTM Zone 10 NAD83 (metres)	Azimuth UTM (°)	Dip (°)	End of hole (metres)	From (m)	To (m)	Interval (m)	Au g/t	Co ppm	Ni ppm	Cu ppm
LGD17-001	503376	5638268	2006	297	-44	150.57	hole abandoned before reaching target						
LGD17-001R	503376	5638271	2006	296	-44	209.4	174.64	174.94	0.3	1.27	41	41	8117
and							192.81	198.27	5.46	15.6	8462	174	7
including							196.56	197.63	1.07	44	3.0%	668	13
LGD18-001	503374	5638269	2006	295	-46	305	112.15	115.45	3.3	0.23	19	45	104
LGD18-002	503374	5638269	2006	301	-40	312.12	194.24	206.26	12.02	1.45	2484	337	<10
including							196.32	200.25	3.93	3.35	7056	995	<10
including							197.71	198.71	1	5.19	1.15%	2080	<10
LGD18-003	503374	5638269	2006	311	-53	349.95	209.24	210.29	1.05	4.38	766	60	4969
including							209.24	209.64	0.4	4.91	1220	88	1.20%
LGD18-004	503374	5638269	2006	292	-41	245.37	133.65	137.5	3.85	0.65	29	56	300
including							134.5	135.5	1	1.25	32	61	568
LGD18-005	503374	5638269	2006	308	-41	220.68	189.55	192.25	2.7	3.09	2255	48	<10
including							189.55	191.1	1.55	5.33	3917	75	<10
including							189.55	190.72	1.17	6.79	5155	94	<10
including							189.9	190.72	0.82	8.7	6079	98	<10
LGD18-006	503374	5638269	2006	307	-62	337.72	pending						
LGD18-007	503374	5638269	2006	297	-56	362.1	pending						
LGD18-008	503374	5638269	2006	326	-65	404.77	pending						
LGD18-009	503420	5638355	1991.6	335	-55	105.77	pending						
LGD18-010	503420	5638355	1991.6	155	-75	262	pending						

Appendix Two| Tenements

Mining tenements held at the end of June 2018 Quarter

Project	Location	Tenement	Interest at June 2018
Little Gem	British Columbia, Canada	501174, 502808	100%
	British Columbia, Canada	503409, 564599	100%
	British Columbia, Canada	573344, 796483	100%
	British Columbia, Canada	844114, 1020030	100%
	British Columbia, Canada	1047915, 1055449	100%
	British Columbia, Canada	1046246, 1046253	100%
	British Columbia, Canada	1050797, 1052563	100%
	British Columbia, Canada	1052564, 1052989	100%
	British Columbia, Canada	1052990, 1052991	100%
	British Columbia, Canada	1052992, 1052993	100%
	British Columbia, Canada	1055836, 1055837	100%
	British Columbia, Canada	1055838, 1055839	100%
	British Columbia, Canada	1055840, 1055859	100%
	British Columbia, Canada	1055860, 1055861	100%
	British Columbia, Canada	1055862, 1055863	100%
	British Columbia, Canada	1055864, 1052630 1052893	100%
Cartier	Quebec, Canada	2459824, 2459825	100%
	Quebec, Canada	2459826, 2459827	100%
	Quebec, Canada	2459828, 2459829	100%
	Quebec, Canada	2463107, 2463108	100%
	Quebec, Canada	2463109, 2463110	100%
	Quebec, Canada	2463111, 2463112	100%
	Quebec, Canada	2463113, 2463114	100%
	Quebec, Canada	2463115,	100%
Silver Swan South	Eastern Goldfields	E27/545	100%
	Eastern Goldfields	P27/2191	100%
	Eastern Goldfields	P27/2192	100%
	Eastern Goldfields	P27/2193	100%
	Eastern Goldfields	P27/2194	100%
	Eastern Goldfields	P27/2195	100%
	Eastern Goldfields	P27/2196	100%
Red Gate	Eastern Goldfields	E31/1096	100%
Middle Creek	Western Australia	P46/1900, P46/1901,	95%
	Western Australia	P46/1902, P46/1903,	95%
	Western Australia	P46/1904, P46/1905	95%
	Western Australia	P46/1906, P46/1907	95%
	Western Australia	P46/1907, P46/1908	95%
	Western Australia	P46/1909, P46/1910	95%
	Western Australia	P46/1911, P46/1912,	95%
	Western Australia	P46/1914, P46/1915,	95%
	Western Australia	P46/1916, P46/1917	95%
	Western Australia	P46/1918, P46/1919	95%
	Western Australia	P46/1920,	95%
	Western Australia	P46/1913	Application
Mount Deans South	Western Australia	P63/2032 P63/2033 P63/2037	100%

Mining tenements acquired and disposed during the June 2018 Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
Mining tenements relinquished				
Nil				
Mining tenements acquired				
Middle Creek	Western Australia	P46/1900,P46/1902, P46/1903, P46/1904,P46/1914,P46/1915, P46/1916,P46/1917, P46/1920 P46/1913	-	95% 95% 95% Application

Beneficial percentage interests in joint venture agreements at the end of the Quarter

Project	Location	Tenement	Interest at June
Nil			

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
Mining tenements relinquished				
Nil				
Mining tenements acquired				
Nil				

Appendix Three | Table 1 Report

JORC Code, 2012 Edition | 'Table 1' Report

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections).

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g.: cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. • Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g.: 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g.: submarine nodules) may warrant disclosure of detailed information.	• Diamond core drilling was used to obtain samples. • Drill core was cut by diamond core saw and continuous half (NQ and HQ) or quarter (HQ) core sample taken for assay in intervals ranging from 0.21 m to 2.0 m according to lithological criteria. • Sample weights for assay ranged from 0.64 kg to 6.2 kg each (mean 2.3 kg). • Drilling and sampling was supervised by a suitably qualified Blackstone Minerals geologist.
Drilling techniques	• Drill type (e.g.: core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc..) and details (e.g.: core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc..).	• HQ (64 mm) and NQ diameter (48 mm) diamond core drilling conducted by Radius Drilling using a R2000 diamond coring rig. • Drill core was orientated wherever possible, and all holes were downhole surveyed with multi-shot camera.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Recoveries were calculated by a Blackstone Minerals geologist by measuring recovered core length vs downhole interval length. • Drill core recovery through the mineralised zones averaged 98%. • There is no discernible correlation between Au and Co grades and core recovery (correlation coefficient <0.15).
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged.	• A total of 3265 m has been drilled by Blackstone Minerals. • All of the drill core was geologically logged and photographed by a suitably qualified Blackstone Minerals geologist. Alteration and mineralisation mineral abundances were visually estimated. • Mineral Resources have not been estimated. • The detail of geological logging is considered sufficient for mineral exploration.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	• Drill core was cut in half lengthwise by diamond core saw and continuous half or quarter core sample bagged for assay in lithological intervals ranging from 0.21 m to 2.0 m as determined by the Blackstone Minerals geologist. Half core sampling was considered sufficient for NQ core, and half or quarter core from the HQ core diameter. Duplicate quarter core samples were collected from selected intervals of HQ core. Continuous remnant core has been retained in the trays for future reference and sampling as necessary. • Sample weights for assay ranged from 0.64 kg to 6.2 kg each (mean 2.3 kg).

Criteria	JORC Code explanation	Commentary
	• Whether sample sizes are appropriate to the grain size of the material being sampled.	• The bagged core samples were submitted to ALS Global, Vancouver ("ALS"), British Columbia for preparation and assay. • At ALS the core samples were dried and crushed to -2 mm, then 250 g was split from each and pulverised to 85% passing 75 microns to produce the analytical pulps.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• Gold was analysed by industry standard 50g charge fire assay with AAS finish to a 0.01 g/t lower limit of detection (ALS method Au-AA26). • Cobalt and other base metals were determined by industry standard 4 acid digestion (including HF) with ICPAES finish at ALS. • Commercially certified gold and cobalt reference materials of appropriate grades were included in the assay sample submissions by Blackstone Minerals at a minimum rate of at least one Au standard and one Co standard per 20 samples. Blanks were included within the sample sequence within visually identified mineralised zones. • All results for the Au and Co assay standards are within 10 % of the reference values and blanks indicate no significant carryover contamination of Au or Co.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• The assay results are compatible with the observed mineralogy. • The assay results agree well with historic mining and exploration results (refer BSX announcement 26 July 2017). • Twinned holes were not used and not considered necessary at this early stage of exploration. • Primary data is stored and documented in industry standard ways. • Assay data is as reported by ALS and has not been adjusted in any way. • Remnant assay pulps are currently held in storage by the assay laboratory.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drill hole collar locations were determined by handheld GPS considered accurate to ±5 m. • All co-ordinates were recorded in UTM Zone 10N NAD83. • Topographic control is provided by BC government 20,000 topographic map sheets and a Digital Terrain Model based on the 30 m Shuttle Radar Topographic Mission data.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• The drilling is of reconnaissance nature and not conducted on a regular grid spacing. • All visibly altered or mineralised zones in the drill core were sampled and assayed (see above). Data compositing has not been applied. • The reported drill results are not sufficient to establish mineral resources.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Exploration and mining activity shows the presence of a moderately to steeply south-southeast dipping zones of Au and Co mineralisation within a broader alteration and fracture zone of at least 230 m strike extent. In detail, the mineralised zone comprises two or more parallel sulfarsenide-rich veins up to 2 m thick within the as yet poorly delineated zone of disseminated sulfarsenide mineralisation and iron carbonate, quartz, sericite, chlorite and biotite altered granodiorite. • Surface and underground channel sampling by the BC Geological Survey is thought to have been conducted approximately perpendicular to the strike and dip of mineralisation. • Much of the historic drilling has been oblique or at low angle to the interpreted strike and dip of the mineralisation.

Criteria	JORC Code explanation	Commentary
		• The Blackstone Minerals holes have been drilled at a high angle to the dip but somewhat oblique to the interpreted strike of mineralisation because of logistical constraints. Further drilling is required to refine orientation and define extent of the mineralised zone.
Sample security	• The measures taken to ensure sample security.	• The chain of custody for samples from collection to dispatch to assay laboratory for the various historic explorers and miners and BC Department of Mines is not known. • The chain of custody for Blackstone Minerals drill core samples from collection to dispatch to assay laboratory was managed by Blackstone Minerals personnel. Sample numbers were unique and did not include any locational information useful to non-Blackstone Minerals personnel. The level of security is considered appropriate.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• The assay results agree well with the observed mineralogy. • The assay results agree well with historic mining and exploration results (refer BSX announcement 26 July 2017). • Further drilling is planned to define the shape and extent of the mineralised zone.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• All of the Blackstone Minerals drill holes are located within British Columbia mineral claim number 501174 owned 100% by Cobalt One Energy Corporation, a wholly owned subsidiary of Blackstone Minerals Ltd. • Standard governmental conditions apply to all of the Licences that make up the Little Gem Project.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Estella Mining, Northern Gem Mining Corporation, Anvil Resources, Gold Bridge Mining and the BC Department of Mines were the most significant previous explorers of the Little Gem prospect (refer to MSX announcement 26 July 2017 and available from http://blackstoneminerals.com.au)
Geology	• Deposit type, geological setting and style of mineralisation.	• The Little Gem Project is located within the Bralorne-Pioneer mining district (endowment of 4.4Moz at 17g/t Au) of the Bridge River region, British Columbia. The project area is mostly underlain by granite of the Coast Plutonic Complex and ultramafic rocks on what is interpreted to be the northern extension of the Cadwallader fault zone. These are the major geological units and structures important to the mineral deposits either as the host rocks or sources of the mineralizing fluids that gave rise to the Bridge River mining camp. • The Little Gem prospect itself is a hypothermal cobalt-sulfarsenide and gold vein, 2.3 kilometres east northeast of Dickson Peak, lies within the margin of the Jurassic to Tertiary Coast Plutonic Complex (Cretaceous Penrose lobe pluton). Host rocks consist of granodiorite, minor hornblende-biotite-quartz diorite, diorite and gabbro, which are intruded by feldspar porphyry dykes. A broad, east trending and steeply south dipping fault zone cuts the granodiorite near the eastern contact with older sedimentary and

Criteria	Explanation	Commentary
		volcanic rocks of the Mississippian to Jurassic Bridge River Complex (Group). Shears in the zone contain two parallel ore shoots ranging in width from ten centimetres to a few metres. Irregular lenses of almost solid sulphides contain cobalt and gold values in association with danaite, loellingite, safflorite, arsenopyrite, scheelite and minor molybdenum. Uraninite, occurs rarely in the gangue along with coarse-grained allanite, apatite, feldspar, quartz, chlorite, sericite, calcite, erythrite and limonite. Gold occurs mainly as microscopic veinlets of the native metal within and adjacent to the sulfarsenide minerals. Surrounding the ore, strongly bleached and sericitized quartz diorite containing disseminated sulphides, residual quartz, feldspar and kaolin grades into unaltered quartz diorite. The metallic minerals occur with the gangue in coarsely crystalline masses but are in general younger than most of the gangue minerals. The combination of the batholithic host rocks and the association of uraninite with hornblende, biotite, apatite, allanite, monazite, orthoclase, cobalt sulfarsenides, arsenopyrite and molybdenite is indicative of high temperature, possibly magma-derived, hydrothermal fluids.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar; - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar; - dip and azimuth of the hole - down hole length and interception depth; - hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• All Blackstone Minerals drill hole coordinates, depths, orientations, hole lengths and significant results are given in Appendix One. • The Company's best understanding of the historic drill hole and surface and underground channel sample locations, orientations and lengths are given in the BSX announcement of 26 July 2017.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• All drill results given in Appendix One represent the intervals as sampled and assayed. • Upper cuts have not been applied. • Metal equivalent values are not used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• All intervals reported in Appendix One are down hole. • Blackstone Minerals holes have been drilled at a high angle to the dip but somewhat oblique to the interpreted strike of mineralisation because of logistical constraints. True thickness is currently estimated at c. 70% of down hole thickness. • Extent and thickness of disseminated sulfarsenide mineralisation and potential for multiple massive sulfarsenide bodies remains poorly defined. Further drill testing is required.

Criteria	Explanation	Commentary
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Appropriate exploration plans and sections are included in the body of this release. • Coordinates and orientation of Blackstone Minerals drill holes are also given in Appendix One.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Assay results and intervals as sampled are reported in Appendix One.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Bulk density, geotechnical and metallurgical work have not been implemented at this reconnaissance stage of exploration drilling. • Appropriate reconnaissance exploration plans are included in the body of this release.
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Blackstone Minerals proposes to conduct further drilling and associated activities to better define and extend the identified mineralised zone. • An appropriate exploration target plan is included in the body of this release.