



M I N E R A L S

Interim Financial Report
31 December 2018

ABN 96 614 534 226



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Corporate Directory

Corporate Directory

Non-Executive Chairman

Hamish Halliday

Managing Director

Scott Williamson

Technical Director

Andrew Radonjic

Non-Executive Directors

Stephen Parsons

Michael Konnert

Company Secretaries

Michael Naylor

Jamie Byrde

Principal & Registered Office

Level 3, 24 Outram Street

West Perth WA 6005.

Telephone: (08) 9425 5217

Facsimile: (08) 6500 9982

Stock Exchange Listing

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

Code: BSX

Website Address

www.blackstoneminerals.com.au

Share Registry

Security Transfers Australia Pty Ltd

770 Canning Highway

APPLECROSS WA 6153

Auditors

Stantons International

Level 2, 1 Walker Avenue

WEST PERTH WA 6005

Bankers

National Australia Bank

50 St Georges Terrace

PERTH WA 6000

Your directors present their report on the consolidated entity consisting of Blackstone Minerals Limited and the entities it controlled at the end of, or during, the period from 1 July 2018 to 31 December 2018.

1. Directors

The following persons were directors of Blackstone Minerals Limited during the half-year and up to the date of this report except where otherwise noted:

Hamish Halliday
Scott Williamson
Andrew Radonjic
Michael Konnert
Stephen Parsons

2. Review of Operations

Blackstone Minerals Limited, has a net operation loss after tax for the half year ended 31 December 2018 was \$2,615,837 (2017: \$5,523,854). The loss for the period includes \$1,574,875 (\$2017: \$813,983) in exploration and evaluation expenditure and share based payment expenses of \$180,142 (2017: \$4,119,614) were also recognised during the half year.

During the half-year the company focused on exploring its flagship BC Cobalt Project, British Columbia, Canada and its other projects (Red Gate, Middle Creek and Silver Swan South), which are all located in Western Australia and are prospective for gold, while the Silver Swan South project is also prospective for nickel.

BC Cobalt Project (100% interest)

Introduction

The BC Cobalt Project (335 km² of tenure) formerly the Little Gem Project is located 180 km north of Vancouver in British Columbia, Canada. The 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. Blackstone acquired the BC Cobalt Project in October 2017 and has since completed an extensive maiden exploration program including drilling, geochemical and geophysical surveys, with the initial results indicating potential for the project to host a world class Cobalt Belt in British Columbia.

2. Review of Operations (continued)

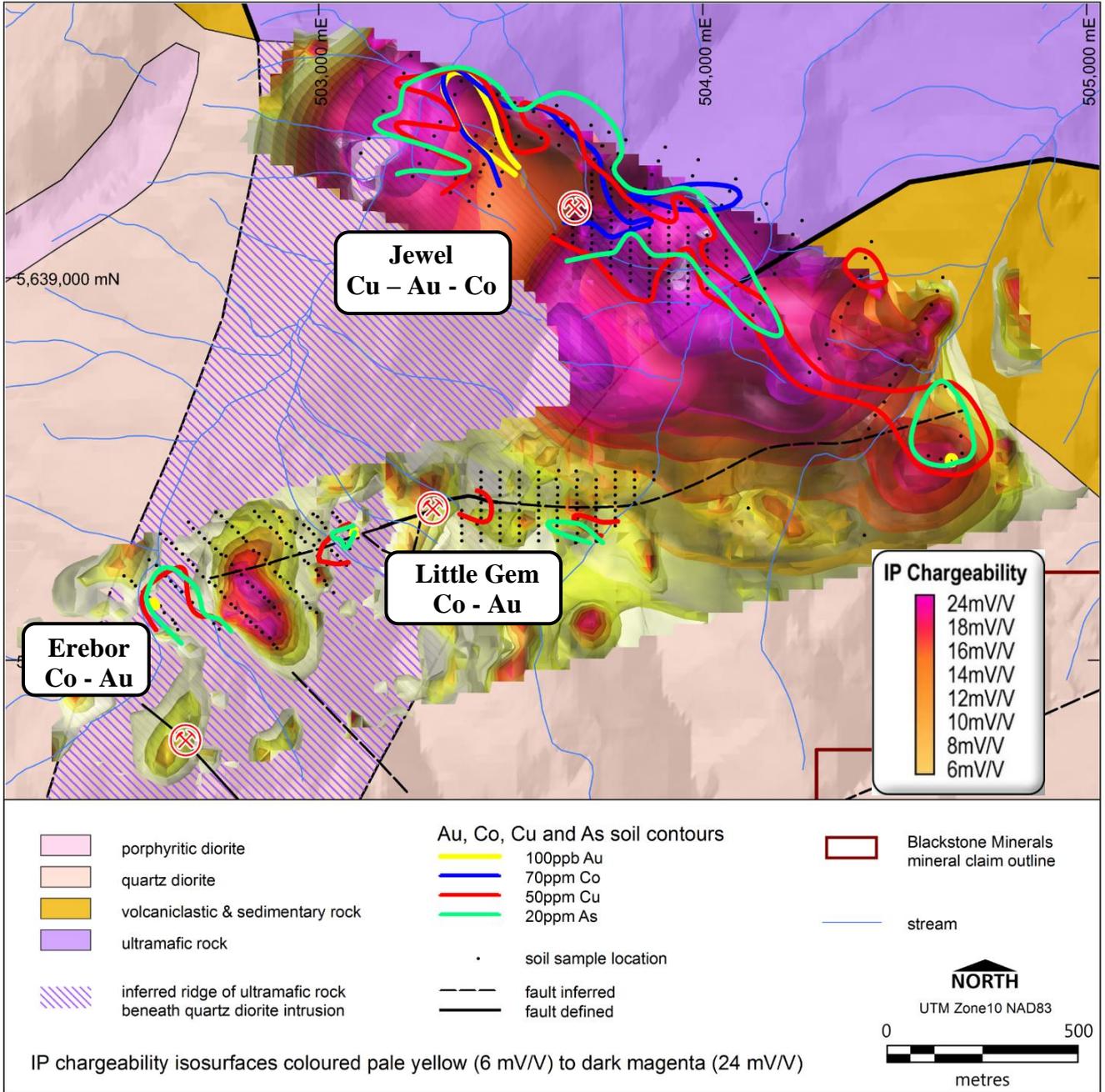


Figure One | BC Cobalt Project plan showing Copper, Gold and Cobalt soil contours and IP chargeability isosurfaces

2. Review of Operations (continued)

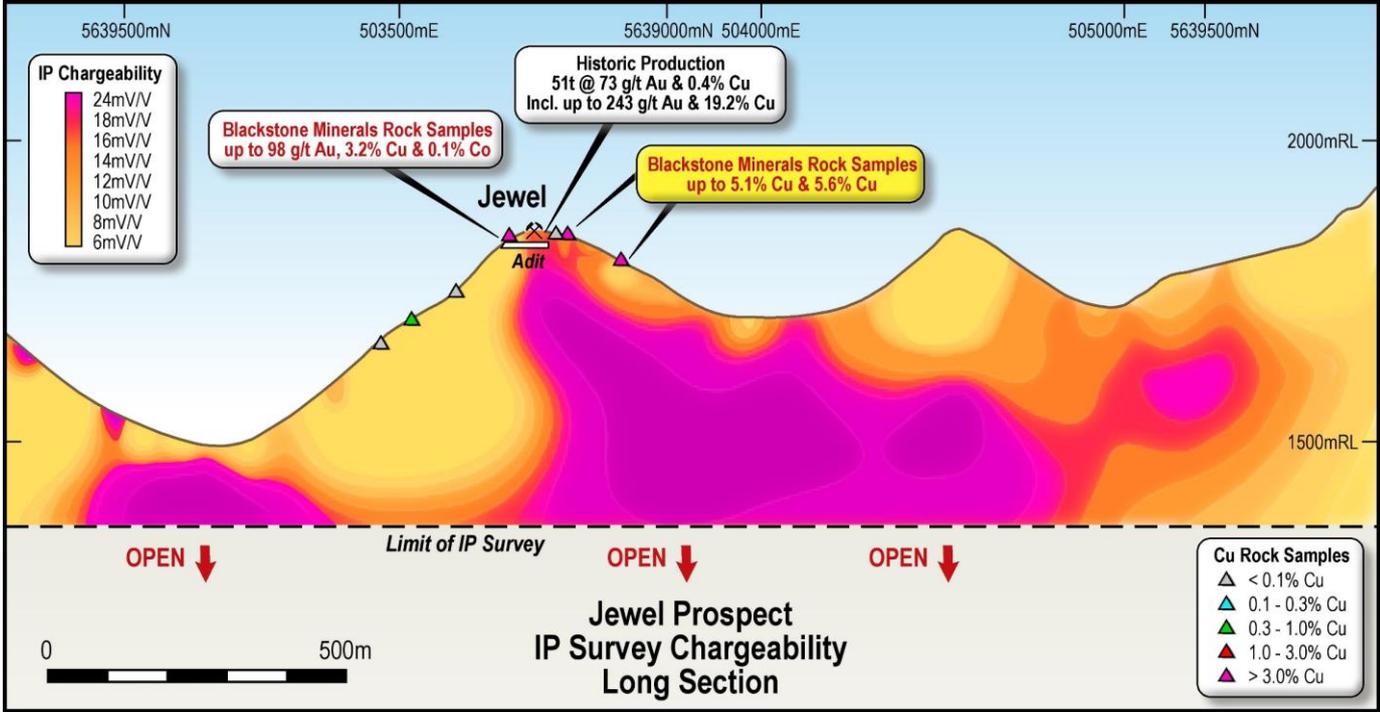


Figure Two | Long Section schematic of chargeability isosurfaces and surface rock samples at the Jewel Copper-Gold-Cobalt Prospect

Activities during the Half Year

During the period Blackstone completed an extensive soil sampling program and identified a number of major Copper-Gold-Cobalt targets centred on the Jewel Prospect, located 1.1 km north-northeast of the Little Gem Prospect. The new soil anomalies are greater than 1.5 kilometres long and coincide with a number of significant IP targets which are indicating a large sulfide bearing body at depth. The Copper, Gold and Cobalt soil anomalies are favourably located within a significant structural setting near the contact between the granodiorite and serpentinite (analogous geological setting to the deposits of the world class Bou-Azzer primary Cobalt district in Morocco).

2. Review of Operations (continued)

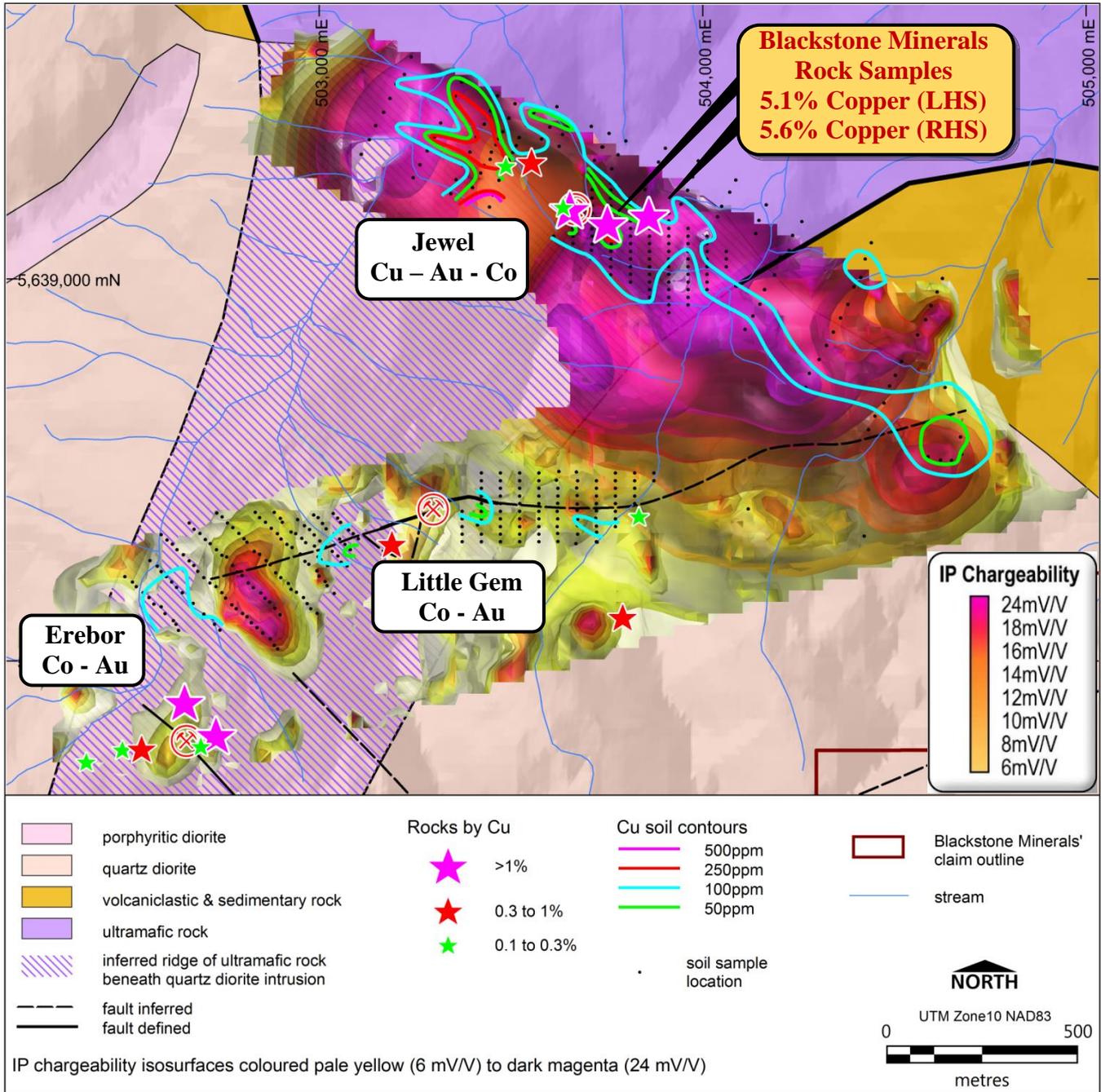


Figure Three | BC Cobalt Project plan showing Copper soil contours, rock samples and IP chargeability isosurfaces

During the period Blackstone received new surface rock chip samples returning grades of up to 5.6% copper and 5.1% copper from the Jewel Prospect and received results from a new discovery of cobalt and visible gold Erebor with assay grades of up to 2.3% cobalt and 32 g/t gold. The Jewel Copper-Gold-Cobalt Prospect is located 1.1 km north-northeast of the Little Gem prospect and is associated with the high grade Jewel Underground Mine with historic production of 51 tonnes mined between 1938 and 1940. Average grades mined were 73g/t gold and 0.4% copper and the highest grades assayed were up to 243g/t gold and 19.2% copper.

2. Review of Operations (continued)

These historic grades have been supported by Blackstone Minerals rock chip samples of up to 98g/t gold, 5.6% copper, 0.1% cobalt.

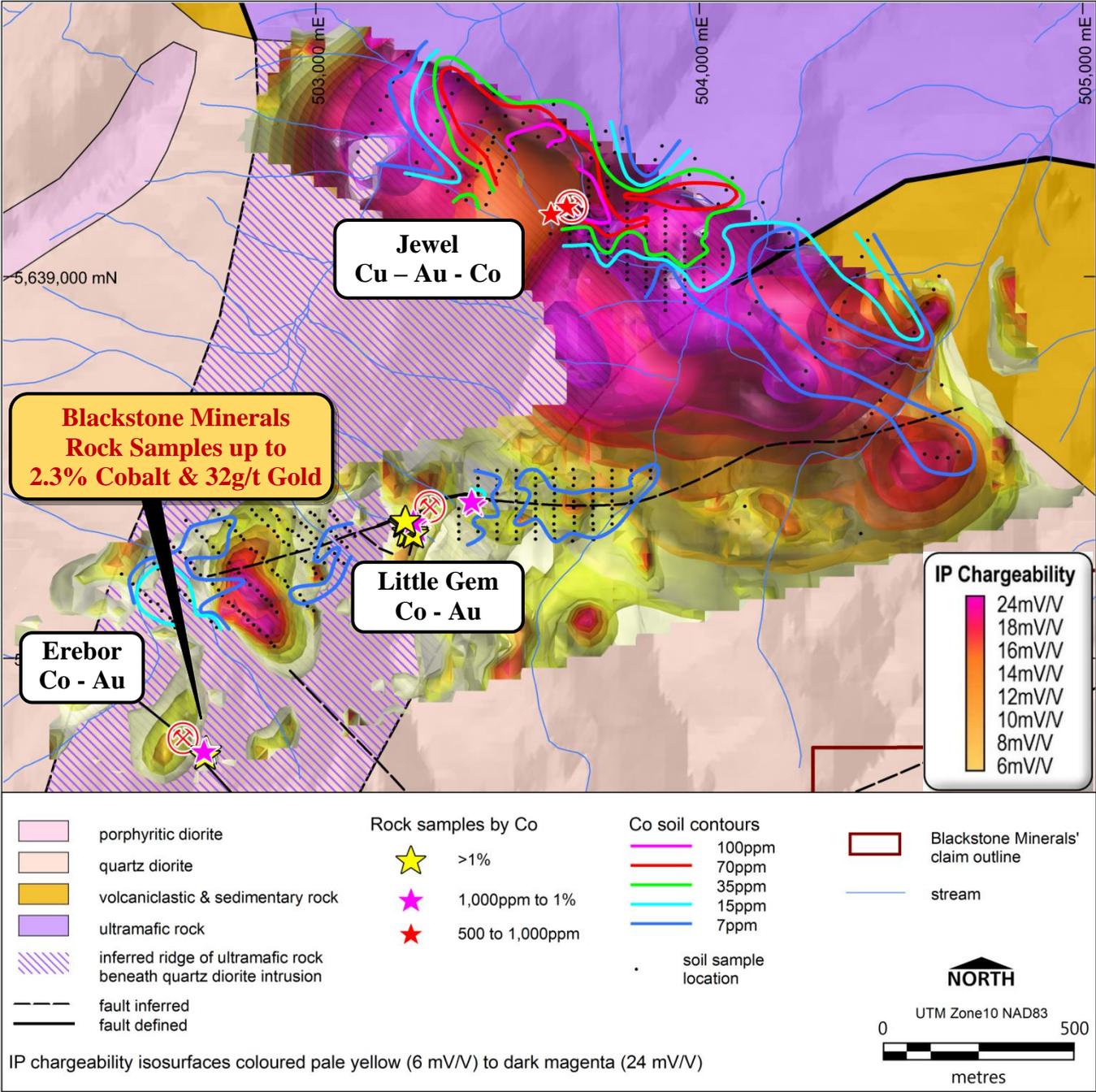


Figure Four | BC Cobalt Project plan showing Cobalt soil contours, rock samples and IP chargeability isosurfaces

2. Review of Operations (continued)

In the late-1930's the sulfide ore mined at the historic Jewel Mine was unable to be substantially beneficiated by concentration and the gold values were not high enough to make a profit by direct shipping ore ("DSO") to smelters. After the small tonnage of ore was extracted at Jewel the claims lapsed and there was no further work conducted at the Jewel Copper-Gold-Cobalt Prospect until Blackstone Minerals acquired the BC Cobalt Project in October 2017.

Since Blackstone acquired the Project, the Company has completed an extensive program of prospecting, stream sediment and soil sampling with the geochemical results coinciding and supporting the large-scale IP chargeability and resistivity signatures at Jewel. The Jewel prospect has no historical drilling and hence is a high priority drill target for Blackstone's next round of drilling planned to commence at the beginning of the 2019 field season (approximately May to October).

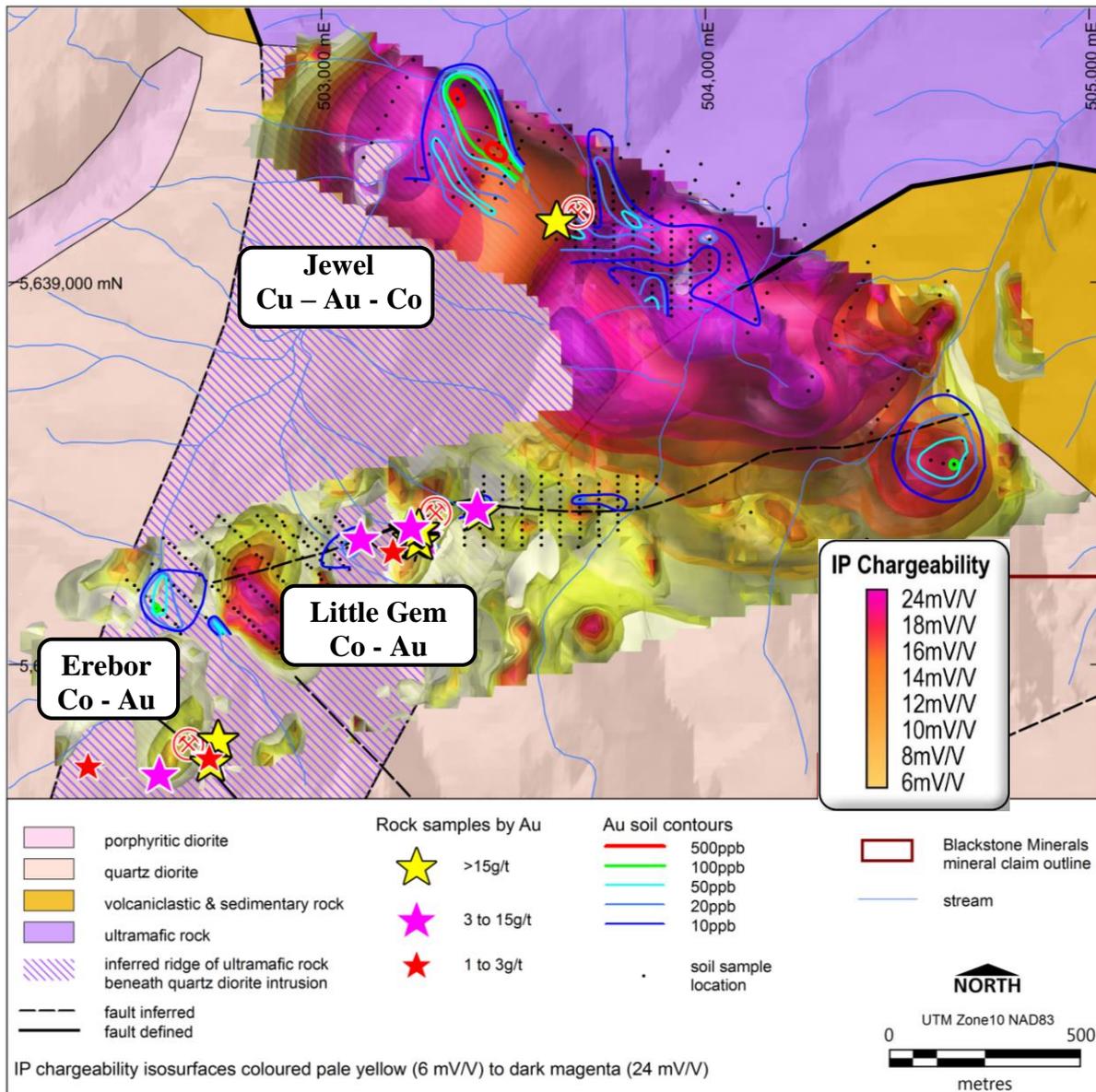


Figure Five | BC Cobalt Project plan showing Gold soil contours, rock samples and IP chargeability isosurfaces

2. Review of Operations (continued)

Blackstone's geological model for the Jewel Mine suggests the Copper-Gold-Cobalt Prospect is favourably located within a similar geological setting to the underground mines of the world class Bou-Azzer primary Cobalt district in Morocco. The majority of the high grade underground primary Cobalt mines at Bou-Azzer are located near the contact of the serpentinised ultramafic and the quartz diorite. The historical Jewel Mine is likewise located within close proximity to the contact of the serpentinite and granodiorite bodies.

With the discovery of Cobalt-Gold mineralisation at Erebor returning grades up to 2.3% cobalt, 32 g/t gold, 1.6% copper and 1.1% nickel combined with the multiple new large-scale IP anomalies indicating the potential source of the high grade mineralisation at Little Gem, Erebor, Jewel and Roxey, the Company continues to unlock the potential for multiple deposits in a region with geology analogous to the Bou-Azzer primary Cobalt district in Morocco (>50 deposits and over 75 years of Cobalt production). Regional targets continue to be generated from the data collected through prospecting and stream sediment sampling across the entire 48 strike km of untested geology prospective (see Figure Six) for further primary Cobalt and Gold mineralisation.

During the 2018 field season Blackstone took over 700 regional soil, rock chip and stream sediment samples throughout the entire 335km² of tenure at the high grade BC Cobalt Project. The Company sees significant potential for the BC Cobalt Project to host further Cobalt-Gold mineralisation. Blackstone is increasingly confident that the BC Cobalt Project could host a belt-scale opportunity similar to the Bou-Azzer district in Morocco which will appeal to Cobalt end-users looking for a long term supply of the key ingredient in the cathode chemistry of the Lithium Ion battery. As the regional data continues to be processed over the coming months the Company will be in a better position to understand the potential for the Bralorne-Pioneer mining district to host a world class Cobalt camp.

There has been very little modern-day exploration of the BC Cobalt Project 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 in the BC Cobalt Project is the Jewel Copper-Gold-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 BC Cobalt 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. 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. Mineralisation at Roxey is associated with quartz-pyrite altered diorite containing chalcopyrite. Surface rock chip samples taken to verify the mineralisation at the Jewel Copper-Gold-Cobalt prospect located 1.1 km north-northeast of Little Gem, returned up to 98 g/t gold and 3.2% copper.

2. Review of Operations (continued)

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. Mineralisation at Jewel sits in a serpentinised ultramafic near the easterly trending/steep south dipping contact with the quartz diorite/granodiorite that hosts the Little Gem Prospect.

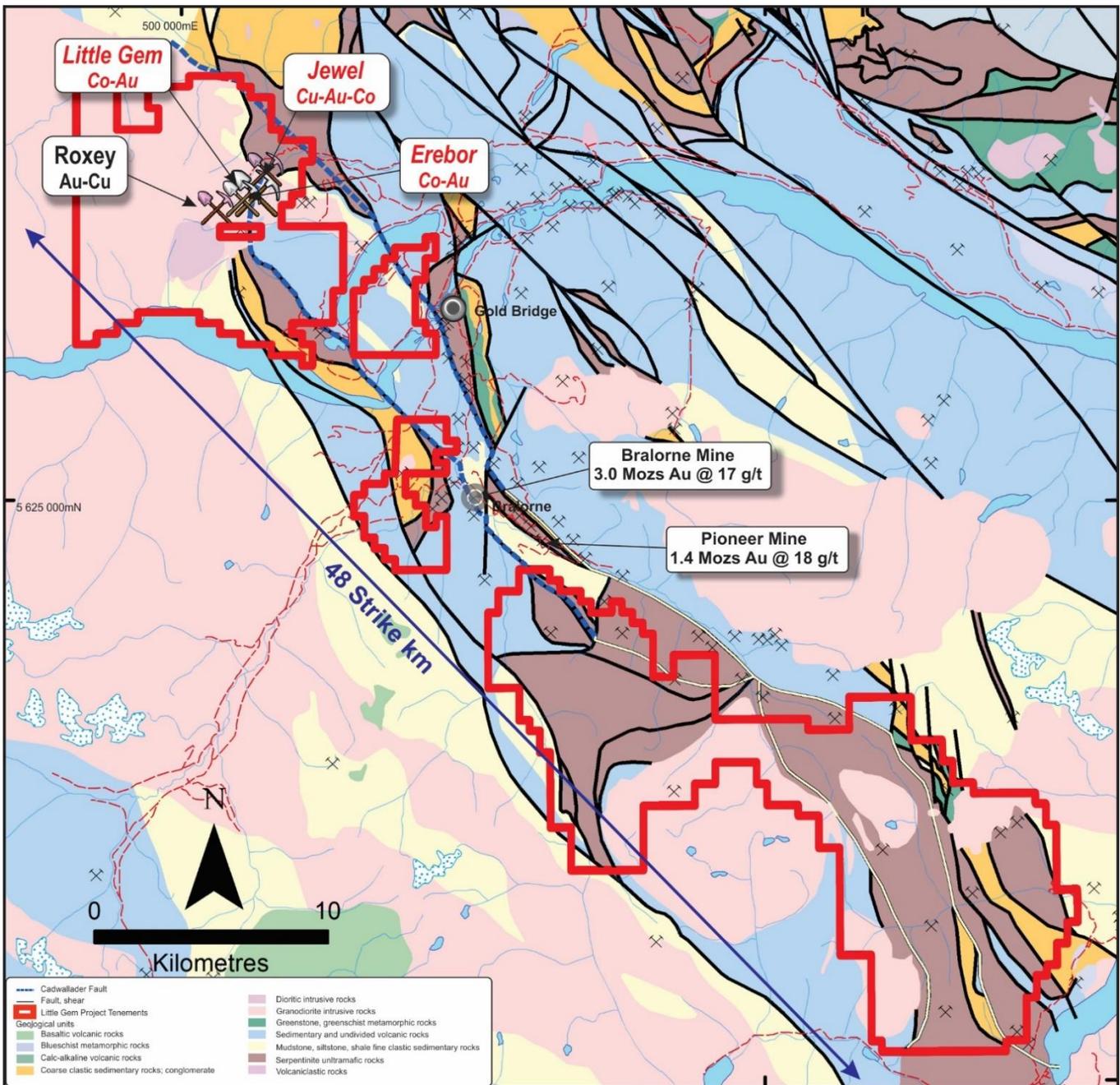


Figure Six | BC Cobalt Project Geological Setting

2. Review of Operations (continued)

Cartier Project (100% interest)

The Cartier Cobalt-Nickel Project (9 km² 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 period the Company continued to progress work on the project to understand the full potential of the Cartier Project.

Australian Projects

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 km². The Project is along trend of the massive nickel sulfide Silver Swan Deposit (pre-mining ore reserve of 655 kt at 9.5% Nickel) and associated deposits (pre-mining resource of 10.4 Mt at 1.0% Nickel), and only 8 km northeast of the major Kanowna Belle Gold Mine (+5 Moz gold endowment).

Activities during the Half Year

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

Blackstone's initial drilling at Silver Swan South was 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 (combined endowment 166kt Ni metal). The initial programs were 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.

2. Review of Operations (continued)

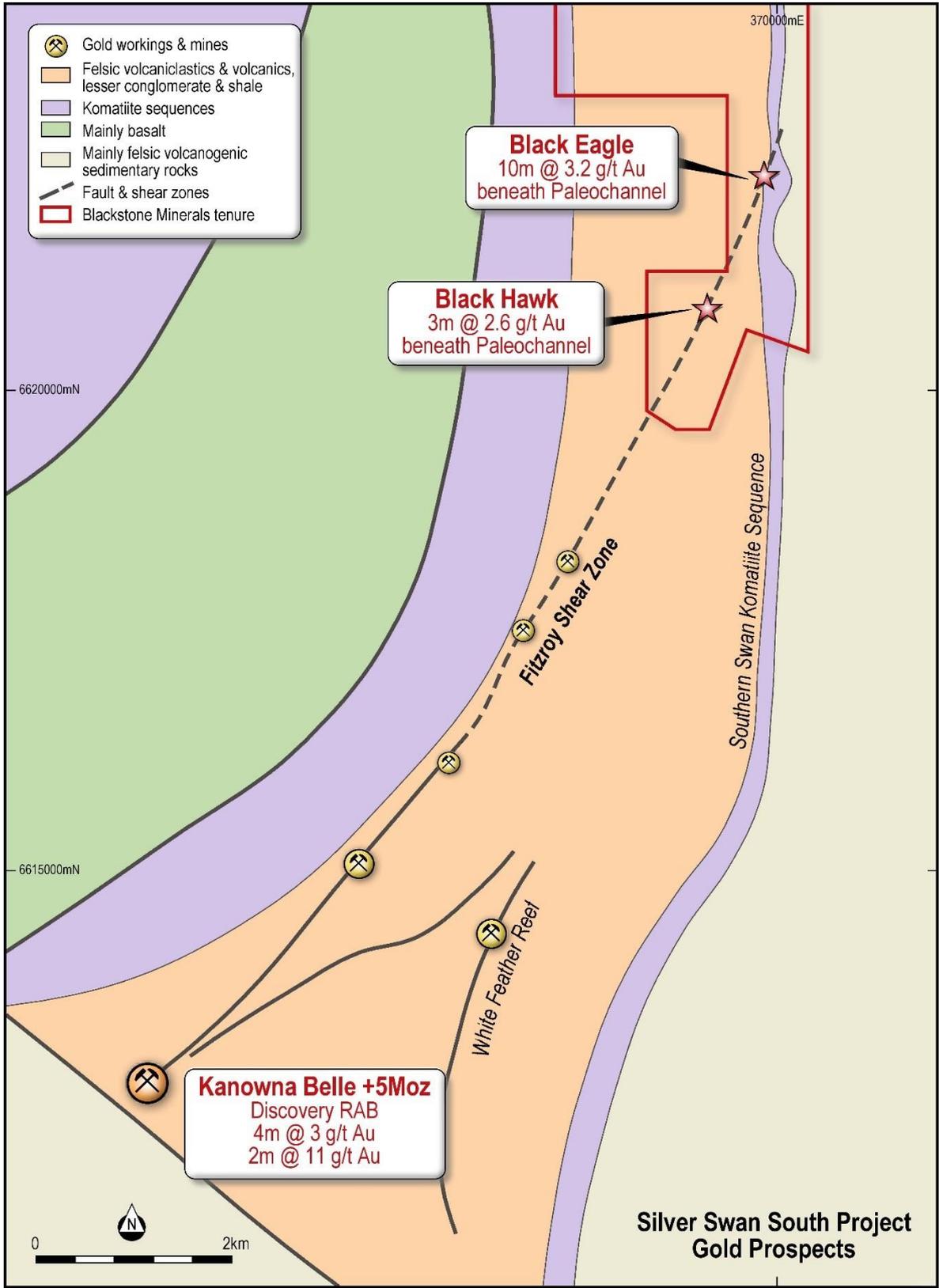


Figure Seven | Silver Swan South Gold Prospects

2. Review of Operations (continued)

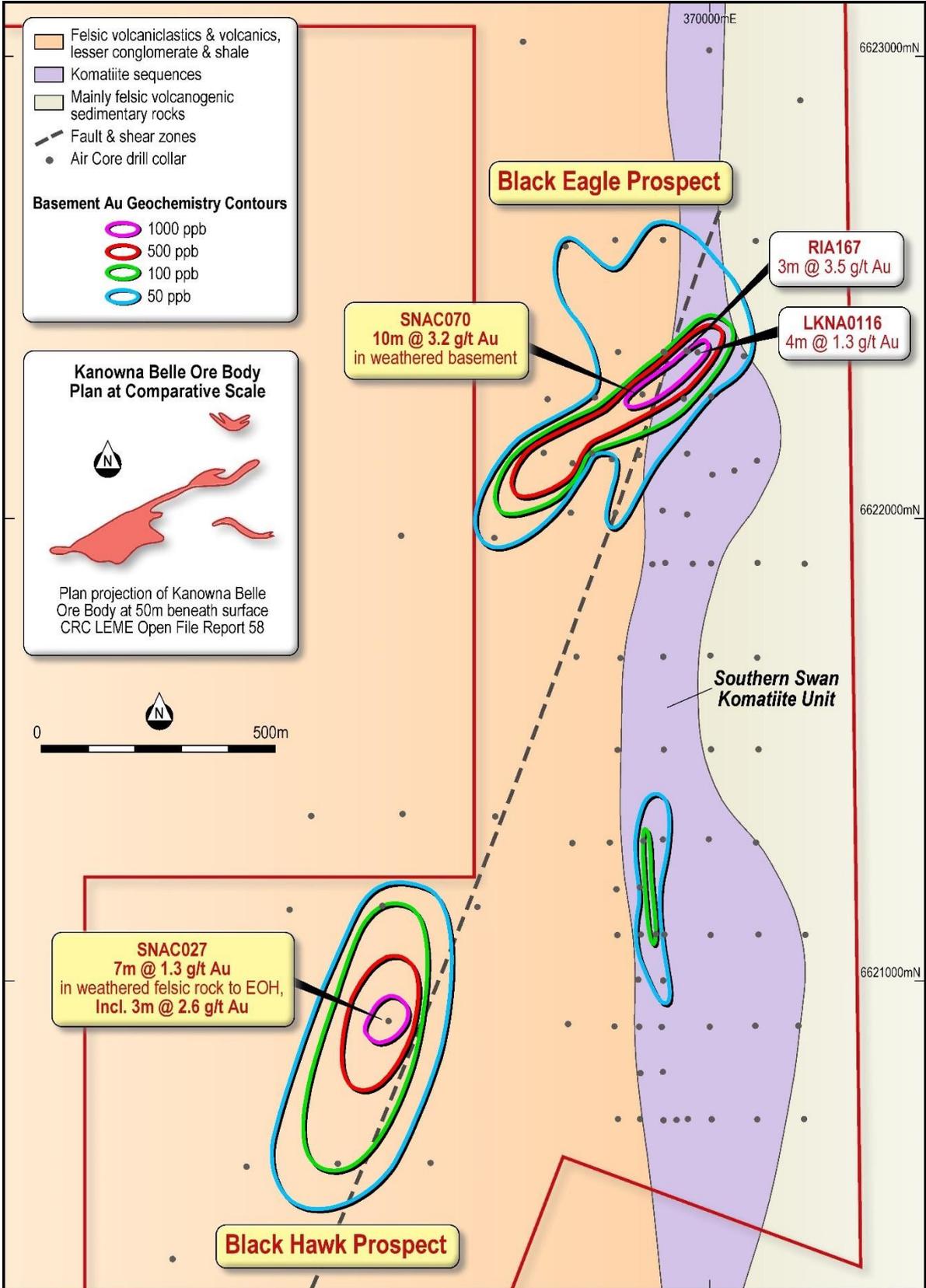


Figure Eight | Silver Swan South Gold Prospects with Basement Gold Geochemistry Contours



2. Review of Operations (continued)

Red Gate Project (100% interest)

Introduction

The Red Gate Project consists of one granted Exploration Licence E31/1096 covering an area of 145.2 km². The Project is centred 10 km north of the Porphyry Gold Mine (0.9 Moz gold endowment), 140 km northeast of Kalgoorlie. Historical exploration work has mostly targeted the Porphyry North Prospect where shallow, outcropping mineralisation has been defined. There is the potential to discover further mineralisation at Porphyry North and several other prospects nearby.

Activities during the Half Year

Blackstone Minerals has entered into a Binding Option Agreement (refer ASX Announcement 6 August 2018) with Expose Resources Limited (ASX code: EXX) formerly named Golden Pacific Resources Limited to divest 100% of the Red Gate Project. Expose Resources lodged a Prospectus with the Australian Securities and Investments Commission (ASIC) on 9 October 2018. The Initial Public Offering ("IPO") process has been delayed due to difficult capital markets. For a copy of the Prospectus please visit the Expose Resources website: www.goldenpacificresources.com.au

The material terms of the agreement as amended are:

- Blackstone has extended an exclusive irrevocable Option to Purchase to EXX until 30 April 2019. EXX shall complete its IPO and list on the ASX by 30 April 2019;
- Upon EXX achieving an ASX listing the Option to Purchase will be deemed to be exercised by EXX and the Purchase Price shall be payable to Blackstone;
- The Purchase Price shall be \$250,000 plus the \$50,000 option fee due in cash within 5 days of EXX listing on the ASX and \$250,000 within 6 months off EXX listing as well as \$500,000 worth of EXX shares, to be issued at the IPO price, payable and to be issued within 10 business days of EXX listing on the ASX;
- The shares issued shall be subject to any escrow requirements imposed by the ASX.

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 koz gold since 2012 and as at 31st July 2018 had a 1.1Moz resource inventory), in the Pilbara region of Western Australia (Refer Figure Nine) and consists of 22 prospecting licence applications covering 39.7 km² within the Mosquito Creek belt.

2. Review of Operations (continued)

Activities during the Half Year

During the period Blackstone completed a reconnaissance surface sampling program at Middle Creek. Assay results from the program are pending.

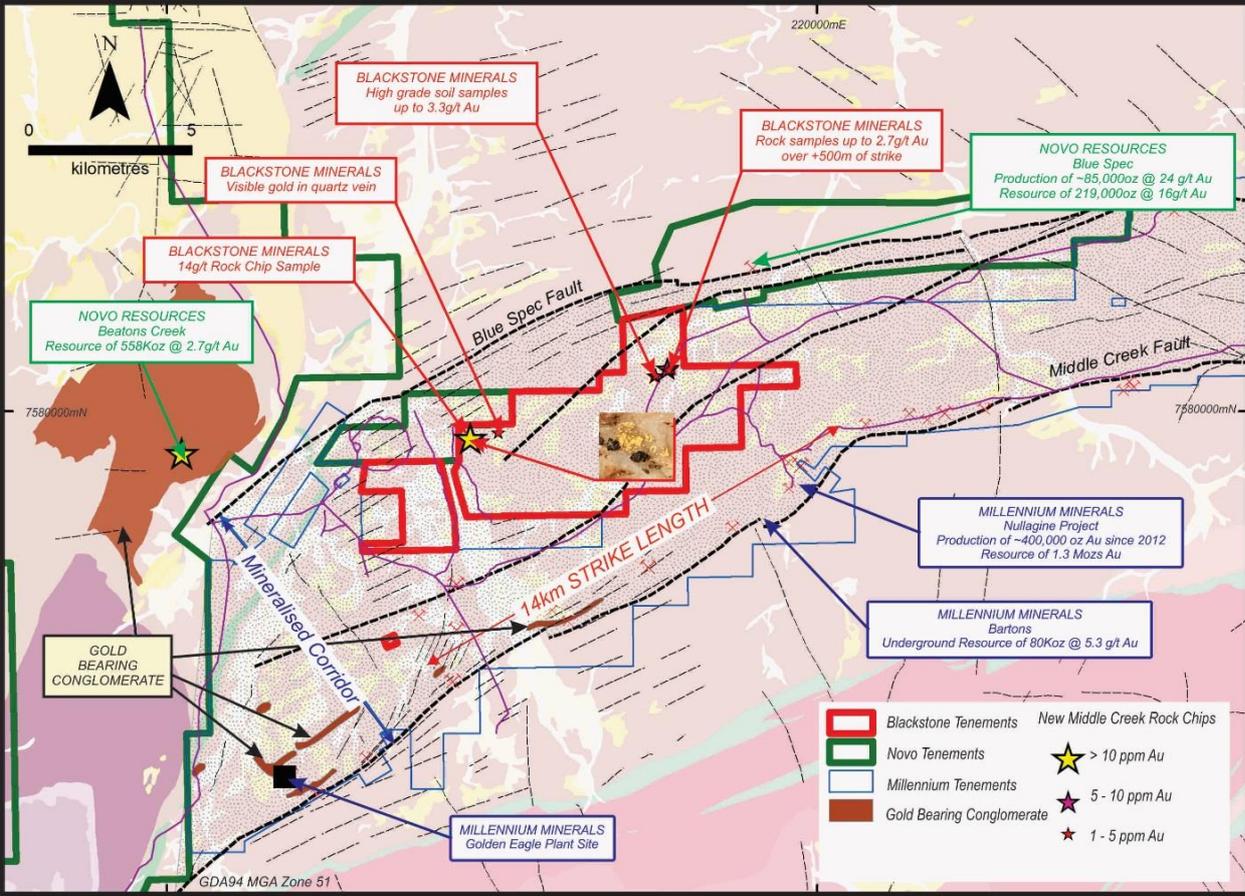


Figure Nine | Geology of the Middle Creek Project area



3. Lead Auditor's Independence Declaration

A copy of the lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 17.

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

A handwritten signature in black ink, appearing to read "S Williamson".

Scott Williamson
Managing Director

Perth, Western Australia, 13 March 2019

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.

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

13 March 2019

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

Dear Sirs

RE: BLACKSTONE MINERALS LIMITED

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

As Audit Director for the review of the financial statements of Blackstone Minerals Limited for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

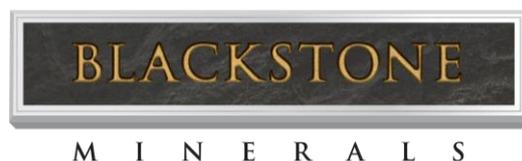
- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

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



Martin Michalik
Director



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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by Blackstone Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

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

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

A description of the nature of the Company's operations is included in the directors' report on pages 3 to 16, which is not part of this financial report.

The interim financial report was authorised for issue by the directors on 13 March 2019. The Company has the power to amend and reissue the financial report.

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



Consolidated Statement of Profit and Loss and
Other Comprehensive Income

For the Half-Year Ended 31 December 2018

		Consolidated 31 December 2018 \$	31 December 2017 \$
Revenue			
Revenue from continuing operations	2	97,033	18,321
Expenditure			
Administration costs		(355,838)	(230,776)
Consultancy expenses		(189,984)	(34,084)
Employee benefits expense		(286,455)	(242,547)
Share based payments expense		(180,142)	(4,119,614)
Occupancy Expenses		(35,705)	(29,783)
Compliance and regulatory expenses		(54,790)	(48,913)
Insurance expenses		(22,267)	(9,346)
Exploration expenditure	5	(1,574,875)	(813,983)
Depreciation expense		(7,371)	(10,194)
Finance and interest costs		(5,443)	(2,935)
Loss before income tax		(2,615,837)	(5,523,854)
Income tax benefit		-	-
Loss for the half-year attributable to owners		(2,615,837)	(5,523,854)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>		35,263	(690)
<i>Items that will not be classified to profit or loss</i>		-	-
Total comprehensive loss for the half-year attributable to owners		(2,580,574)	(5,524,544)
Basic loss per share (cents per share)		(2.7)	(12.2)
Diluted loss per share (cents per share)		N/A	N/A

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



As at 31 December 2018

	Notes	31 December 2018 \$	30 June 2018 \$
Current Assets			
Cash and cash equivalents	4	1,199,808	3,064,947
Trade and other receivables		250,112	241,285
Total Current Assets		1,449,920	3,306,232
Non-Current Assets			
Trade and other receivables		96,184	96,183
Property, Plant and Equipment		21,724	29,095
Exploration and Evaluation Expenditures	5	10,127,010	10,127,010
Total Non-Current Assets		10,244,918	10,252,288
Total Assets		11,694,838	13,558,520
Current Liabilities			
Trade and other payables	6	290,139	911,703
Provisions		58,664	53,811
Total Current Liabilities		348,803	965,514
Total Liabilities		348,803	965,514
Net Assets		11,346,035	12,593,006
Equity			
Issued capital	7	22,492,262	21,338,801
Reserves		773,760	558,355
Accumulated losses		(11,919,987)	(9,304,150)
Total Equity		11,346,035	12,593,006

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



Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2018

	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Option Premium Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2017	4,342,357	(865,159)	-	684,140	4,161,338
Total comprehensive loss for the half-year:					
Loss for the half-year	-	(5,523,854)	-	-	(5,523,854)
Foreign Exchange Differences	-	-	(690)	-	(690)
Total comprehensive loss for the period	-	(5,523,854)	(690)	-	(5,524,544)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	1,397,990	-	-	-	1,397,990
Share based payments transactions	4,500,000	-	-	7,439,614	11,939,614
	5,897,990	-	-	7,439,614	13,337,604
Balance at 31 December 2017	10,240,347	(6,389,013)	(690)	8,123,754	11,974,398
Balance at 1 July 2018	21,338,801	(9,304,150)	(77,366)	635,721	12,593,006
Total comprehensive loss for the half-year:					
Loss for the half-year	-	(2,615,837)	-	-	(2,615,837)
Foreign Exchange Differences	-	-	35,263	-	35,263
Total comprehensive loss for the half year	-	(2,615,837)	35,263	-	(2,580,574)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	1,153,461	-	-	-	1,153,461
Share based payments transactions	-	-	-	180,142	180,142
	1,153,461	-	-	180,142	1,333,603
Balance at 31 December 2018	22,492,262	(11,919,987)	(42,103)	815,863	11,346,035

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



For the Half-Year Ended 31 December 2018

	Notes	Consolidated	
		31 December 2018 \$	31 December 2017 \$
Cash flows from operating activities			
Payments to suppliers and employees		(829,892)	(624,370)
Payments for exploration and evaluation (net of option fees received)		(2,292,454)	(692,770)
Interest received		15,111	18,731
Other income		68,635	-
Net cash (used in) operating activities		(3,038,600)	(1,298,409)
Cash flows from Investing activities			
Purchase of property, plant and equipment		-	(12,790)
Payments for security bonds		-	(66,183)
Payments for acquisition of projects		-	(457,984)
Proceeds from prospects		20,000	-
Cash acquired on acquisition of subsidiary		-	1,304
Net cash provided by/ (used in) investing activities		20,000	(535,653)
Cash flows from financing activities			
Proceeds from issue of shares		1,200,000	1,520,400
Share issue transaction costs		(46,539)	(122,410)
Net cash provided by financing activities		1,153,461	1,397,990
Net (decrease)/increase in cash and cash equivalents		(1,865,139)	(436,072)
Cash and cash equivalents at the beginning of the period		3,064,947	2,616,932
Cash and cash equivalents at the end of the period	4	1,199,808	2,180,860

Amounts shown above relating to payments to suppliers and employees include goods and services tax. The above statement of cash flows should be read in conjunction with the accompanying notes.

1. Basis of preparation of half-year report

This interim financial report for the half-year reporting period ended 31 December 2018 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report is to be read in conjunction with the annual report for the period ending 30 June 2018 and any public announcements made by Blackstone Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

New and Revised Accounting Requirements Applicable to the Current Half-year Reporting

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

Impact of Standards issued but not yet applied by the Group

AASB 16 was issued in February 2016. When applied, it will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

Going Concern

The financial statements have been prepared on a going concern basis of accounting which assumes that the Group will be able to meet its commitments, realise its assets, discharge its liabilities in the ordinary course of business and meet exploration budgets. In arriving at this position, the Directors recognise the Group is dependent on various funding alternatives to meet these commitments which may include share placements and suitable project funding arrangements including earn-ins, joint ventures or project divestment.

The loss for the half year ended 31 December 2018 was \$2,615,837 with \$1,199,808 of cash and cash equivalents, net assets of \$11,346,035 as at 31 December 2018.

The Directors believe that at the date of signing the financial statements there are reasonable grounds to believe that having regard to matters set out above, the Group will be able to raise sufficient funds to meet its obligations as and when they fall due.

In the event that the Group does not achieve the matters set out above there is significant uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial statements.



2. Segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions. For the purposes of segment reporting the chief operating decision maker has been determined as the board of directors. The board monitors the entity primarily from a geographical perspective, and has identified three operating segments, being exploration for mineral reserves within Canada, Australia and the corporate/head office function.

The segment information provided to the board of directors for the reportable segments for the half-year ended 31 December 2018 is as follows:

	Exploration			Total
	Canada	Australia	Corporate	
	\$	\$	\$	\$
Half-year ended 31 December 2017				
Total segment revenue	-	-	18,321	18,321
Interest revenue	-	-	18,321	18,321
Depreciation expense	-	-	10,194	10,194
Total segment profit/(loss) before income tax	(138,348)	(675,634)	(4,709,872)	(5,523,854)
Half-year ended 31 December 2018				
Total segment revenue and other income	-	55,000	42,033	97,033
Interest revenue	-	-	8,398	8,398
Option Fee Income	-	35,000	-	35,000
Sale of Tenements	-	20,000	-	20,000
Other Income	-	-	33,635	33,635
Depreciation expense	-	-	7,371	7,371
Total segment profit/(loss) before income tax	(1,382,106)	(192,769)	(1,040,962)	(2,615,837)
Total segment assets				
31 December 2018	8,622,275	1,600,000	1,472,563	11,694,838
30 June 2018	8,622,275	1,600,000	3,336,245	13,558,520
Total segment liabilities				
31 December 2018	14,165	-	334,638	348,803
30 June 2018	-	-	965,514	965,514

3. Dividends

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

	31 December 2018	30 June 2018
	\$	\$
Cash & Cash Equivalents		
(a) Cash & cash equivalents		
Cash at bank and in hand	599,808	1,064,947
Deposits at call	600,000	2,000,000
Total cash and cash equivalents	1,199,808	3,064,947
(b) Cash at bank and on hand		
Cash on hand is non-interest bearing. Cash at bank bears interest rates of between 0.00% and 0.50% (30 June 2018: Between 0.00% and 0.90%)		
(c) Deposits at call		
Deposits at call are bearing interest rates of 2.10% (30 June 2018: Between 2.22% and 2.55%)		

	31 December 2018	30 June 2018
	\$	\$
Exploration and Evaluation Expenditure		
Opening balance at 1 July	10,127,010	1,600,000
Exploration and evaluation expenditure at cost	1,574,875	2,511,782
Acquisition of assets	-	8,527,010
Exploration expensed to profit and loss	(1,574,875)	(2,511,782)
Closing balance	10,127,010	10,127,010

	31 December 2018	30 June 2018
	\$	\$
Trade and Other Payables		
Current		
Trade Payables	199,816	613,169
Other Payables	90,323	298,534
Total Trade and Other Payables	290,139	911,703
No trade or other payables are considered past due and are generally settled within 30 days.		



	31 December 2018 Shares	30 June 2018 Shares	31 December 2018 \$	30 June 2018 \$
Issued Capital				
(a) Issued capital	108,204,766	96,204,766	22,492,262	21,338,801
Ordinary shares – fully paid	108,204,766	96,204,766	22,492,262	21,338,801

	Date	Shares	Issue Price	Total \$
Issued Capital				
(b) Movements in issued capital				
Opening Balance 1 July 2018		96,204,766		21,338,801
Issue of shares	20 Dec 18	12,000,000		1,200,000
Less: Transaction costs				(46,539)
Closing Balance at 31 Dec 2018		108,204,766		22,492,262

4. Commitments & Contingencies

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

5. Events Occurring Subsequent to Reporting Date

There are no other material events subsequent to reporting date.



In the directors' opinion:

- (a) the financial statements and notes set out on pages 18 to 26 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standard *AASB 134 Interim Financial Reporting*, the *Corporations Act 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended 31 December 2018; and
- (b) there are reasonable grounds to believe that Blackstone Minerals Limited will be able to pay its debts as and when they become due and payable.

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

A handwritten signature in black ink, appearing to read "S Williamson".

Scott Williamson
Managing Director

Perth, Western Australia, 13 March 2019

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Blackstone Minerals Limited, which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Blackstone Minerals Limited (the Group). The Group comprises both Blackstone Minerals Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Blackstone Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Blackstone Minerals Limited on 13 March 2019.

Conclusion

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

- (a) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its performance for half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter Relating to Going Concern

Without modifying our conclusion expressed above, attention is drawn to the following matter.

As referred to in Note 1 to the financial statements, the consolidated financial statements have been prepared on the going concern basis. At 31 December 2018, the Group had cash and cash equivalents of \$1,199,808 and incurred a loss from continuing operations after income tax of \$2,615,837.

The ability of the Group to continue as a going concern and meet its planned exploration, administration and other commitments is dependent upon the Group raising further working capital and/or successfully exploiting its mineral assets. In the event that the Group is not successful in raising further equity or successfully exploiting its mineral assets, the Group may not be able to meet its liabilities as and when they fall due and the realisable value of the Group's current and non-current assets may be significantly less than book values.

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

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
13 March 2019