
BLACKSTONE MINERALS LIMITED

ACN 614 534 226

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:00am (WST)

DATE: Wednesday, 27 November 2019

PLACE: Suite 3, Level 3
24 Outram Street
WEST PERTH WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 25 November 2019.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9425 5217.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10:00am (WST) on Wednesday, 27 November 2019 at:

Suite 3, Level 3
24 Outram Street
WEST PERTH WA 6005

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ANDREW RADONJIC

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 6.3(c) of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Mr Andrew Radonjic, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES UNDER LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 14,800,035 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES UNDER LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 15,200,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 - APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 23 October 2019

By order of the Board



**MR JAMIE BYRDE
JOINT COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.blackstoneminerals.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF MR ANDREW RADONJIC

3.1 General

ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Clauses 6.3(c) and 6.3(f) of the Constitution provide that one third of Directors (rounded down to the nearest whole number) must retire at each annual general meeting and are eligible for re-election. The Managing Director is not counted when calculating the number of Directors who must retire.

The Company currently has four (4) Directors (one of which is the Managing Director) and accordingly one must retire. Andrew Radonjic, who has served as a director since 30 August 2016 and was last re-elected on 29 November 2017, retires by rotation and, being eligible, seeks re-election under clause 6.3(f) of the Constitution.

3.2 Qualifications and other material directorships

Mr Andrew Radonjic is a geologist and mineral economist with over 25 years of experience in mining and exploration, with a specific focus on gold and nickel in the Eastern Goldfields of Western Australia. Mr Radonjic began his career at the Agnew Nickel Mine before spending over 15 years in Paddington, Mount Pleasant and Lady Bountiful Extended gold operations north of Kalgoorlie. He has fulfilled a variety of senior roles which gave rise to three gold discoveries, totally in excess of 3 million ounces in resources and in the development of over 1 million ounces. Mr Andrew Radonjic was appointed Technical Director on 30 August 2016 and is also a Director of Venture Minerals Limited and Fin Resources Limited.

3.3 Independence

Having regard to the ASX Corporate Governance Principles and Recommendations (3rd edition), the Board considers Mr Radonjic not to be an independent director.

3.4 Board recommendation

The Board supports the re-election of Mr Radonjic and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTIONS 3 AND 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

4.1 Background

On 23 September 2019, the Company announced it had received commitments to raise up to \$4.5m pursuant to a private placement to sophisticated, professional and institutional investors (**Placement**).

15,200,000 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 28 November 2018 and 14,800,035 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1 (together, the **Placement Shares**).

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Placement Shares.

The Board recommends that Shareholders vote in favour of Resolutions **Error! Reference source not found.** and 2.

4.2 Resolution 3 – ASX Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. This rule provides that where a company in a general meeting ratifies the previous issue of securities made without shareholder approval under ASX Listing Rule 7.1 (and provided the previous issue did not breach ASX Listing Rule 7.1), those securities shall be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

4.3 Resolution 4 – ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue of Shares the subject of Resolutions 3 and 4, the base figure (i.e. variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

4.4 Technical information required by ASX Listing Rule 7.4

Pursuant to, and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 3 and 4:

- (a) 30,000,035 Placement Shares were issued;
- (b) the issue price was \$0.15 per Placement Share;
- (c) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing issued Shares;
- (d) the Placement Shares were issued to institutional, professional and sophisticated investors, none of whom are related parties of the Company. No party, either individually or in association with any related entity, was issued securities, which would, if added to existing holdings, result in the holder and their related entities holding in excess of 19.9% of the issued capital of the Company;
- (e) the proceeds from the issue of the Placement Shares are intended to be used to fund ongoing exploration at the Ta Khoa Nickel Project, Vietnam and general working capital; and
- (f) a voting exclusion statement is included in the Notice.

5. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY

5.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity for the purposes of Listing Rule 7.1A is an entity that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a market capitalisation of \$300 million or less (excluding restricted securities and securities quoted on a deferred settlement basis).

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$25,883,748 (based on the number of Shares on issue and the closing price of Shares of \$0.135 on 16 October 2019).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has 1 class of quoted Equity Securities on issue, being the Shares (ASX Code: BSX).

If Shareholders approve Resolution 5, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

5.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Capacity:

(a) Minimum Issue Price

The issue price of Equity Securities under Listing Rule 7.1A must be no lower than 75% of the volume weighted average price (**VWAP**) of Equity Securities in the same class calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) Date of Issue

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; and
- (ii) the date of the approval by shareholders of a transaction under Listing Rule 11.1.2 (a significant change to that nature of scale of activities) or Listing Rule 11.2 (disposal of main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issued Equity Securities under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 11 October 2019.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.073 50% decrease in Issue Price	\$0.145 Issue Price	\$0.22 50% increase in Issue Price
Current Variable A 191,731,467 Shares	10% Voting Dilution	19,173,146 Shares	19,173,146 Shares	19,173,146 Shares
	Funds raised	\$1,390,053	\$2,780,106	\$4,170,159
50% increase in current Variable A 287,597,201 Shares	10% Voting Dilution	28,759,720 Shares	28,759,720 Shares	28,759,720 Shares
	Funds raised	\$2,085,079	\$4,170,159	\$6,255,239
100% increase in current Variable A 383,462,934 Shares	10% Voting Dilution	38,346,293 Shares	38,346,293 Shares	38,346,293 Shares
	Funds raised	\$2,780,106	\$5,560,212	\$8,340,318

The table above uses the following assumptions:

1. There are currently 191,731,467 Shares on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 11 October 2019.
3. The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issues. This is why the voting dilution is shown in each example as 10%.

9. This table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of new resource assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(e) Allocation policy under the 10% Placement Capacity

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company; and
- (v) prevailing market conditions
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resource assets or investments, it is likely that the recipients under the 10% Placement Capacity will be the vendors of the new resource assets or investment.

(f) Previous approval under ASX Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 November 2018 (**Previous Approval**).

The Company has issued 25,200,000 Shares pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 27 November 2018, the Company otherwise issued a total of 70,326,701 Shares and 21,000,000 Options which, together with the Equity Securities issued under the Previous Approval, represents approximately 110.6% of the total diluted number of Equity Securities on issue in the Company on 28 November 2018, which was 105,404,766.

Further details of the issues of Equity Securities by the Company during the 12-month period preceding the date of the Meeting are set out in Schedule 1.

(g) Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

(h) Voting Exclusion

At the date of the Notice, the Company has not approached any existing Shareholder to participate in the issue of the Equity Securities. Therefore, no existing Shareholders will be excluded from voting on Resolution 5.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

10% Placement Capacity has the meaning given in Section 5.1.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Blackstone Minerals Limited (ACN 614 534 226).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities has the same meaning as in the ASX Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or

indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 27 NOVEMBER 2018

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 20 December 2018 Appendix 3B – 20 December 2018	12,000,000	Shares ⁴	Sophisticated and professional investors who participated in a placement undertaken by the Company as announced on 17 December 2018.	\$0.10 (no discount or premium to Market Price)	Amount raised = \$1,200,000 Amount spent = \$1,200,000 Use of funds = fund further exploration at the BC Cobalt-Gold Project, Canada and the Silver Swan South Nickel-Gold Project, Western Australia.
Issue – 1 March 2019 Appendix 3B – 1 March 2019	4,000,000	Shares ⁴	Conversion of Class A Performance Shares expiring 22 January 2022 upon the occurrence of all prospecting licence applications comprising the Middle Creek Project being granted under the Mining Act.	No issue price (non-cash consideration)	Consideration: Part consideration for the acquisition of Black Eagle Pty Ltd as set out in the prospectus dated 31 October 2016 Current value ³ = \$400,000 per 30 June 2019 Annual Report. Current value ³ is \$520,000.
Issue – 15 May 2019 Appendix 3B – 15 May 2019	10,000,000	Shares ⁴	Sophisticated and professional investors who participated in Tranche 1 of the placement undertaken by the Company as announced on 10 May 2019	\$0.05 (representing a discount to Market Price of 40.5%)	Amount raised = \$500,000 Amount spent = \$500,000 Use of funds = to fund the Company's Ta Khoa Nickel Project and BC Cobalt-Gold Project, Canada, ongoing administrative and working capital costs.
Issue – 5 July 2019 Appendix 3B – 5 July 2019	30,000,000	Shares ⁴	Sophisticated and professional investors who participated in Tranche 2 of the placement undertaken by the Company as announced on 10 May 2019	\$0.05 (representing a discount to Market Price of 44.4%)	Amount raised = \$1,500,000 Amount spent = \$1,000,000 Use of funds = to fund the Company's Ta Khoa Nickel Project and BC Cobalt-Gold Project, Canada, ongoing administrative and

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
					<p>working capital costs.</p> <p>Amount remaining = \$500,000</p> <p>Proposed use of remaining funds² will be consistent with the use of funds stated in the announcement 10 May 2019.</p>
<p>Issue – 5 July 2019</p> <p>Appendix 3B – 5 July 2019</p>	750,000	Shares ⁴	Holders of Unquoted Options which are exercisable at \$0.001 on or before 6 November 2020	\$0.001 (representing a discount to Market Price of 98.7%)	<p>Amount raised = \$750</p> <p>Amount spent = \$750</p> <p>Use of funds = working capital purposes.</p>
<p>Issue – 5 July 2019</p> <p>Appendix 3B – 5 July 2019</p>	10,000,000	Advisor Options ⁶	708 Capital Pty Ltd in consideration for corporate advisory services	No issue price (non-cash consideration)	<p>Consideration: for corporate advisory services provided by 708 Capital Pty Ltd</p> <p>Current value³ = \$317,407</p>
<p>Issue – 16 August 2019</p> <p>Appendix 3B – 16 August 2019</p>	8,000,000	Shares ⁴	Acuity Capital	No issue price (non-cash consideration)	<p>Consideration: collateral for the Controlled Placement Agreement announced on 16 August 2019.</p> <p>Current value³ = \$1,040,000.</p>
<p>Issue – 27 September 2019</p> <p>Appendix 3B – 27 September 2019</p>	30,000,035	Shares ⁴	Sophisticated and professional investors who participated in a placement undertaken by the Company as announced on 23 September 2019	\$0.05 (representing a discount to Market Price of 65.5%)	<p>Amount raised = \$4,500,005</p> <p>Amount spent = \$Nil</p> <p>Use of funds = to fund exploration at the Company's Ta Khoa Nickel Project and other working capital purposes.</p> <p>Amount \$remaining = 4,500,005 (include only if applicable)</p> <p>Proposed use of remaining funds² = consistent with the use of funds as per announcement September 2019.</p>

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 11 October 2019 Appendix 3B – 11 October 2019	776,666	Shares ⁴	Eligible shareholders participating in a share purchase plan pursuant to a share purchase plan offer booklet dated 27 September 2019	\$0.15 (representing a 7.1% premium to the Market Price)	Amount raised = \$116,500 Amount spent = \$Nil Use of funds = to fund exploration at the Company's Ta Khoa Nickel Project, operating expenses and other working capital purposes. Amount remaining = \$116,500. Proposed use of remaining funds ² = consistent with use of funds per the offer booklet dated 27 September 2019.
Issue – 11 October 2019 Appendix 3B – 11 October 2019	7,000,000	Performance Options ⁵	Directors/related parties as approved at the Shareholder meeting held on 9 October 2019	No issue price (non-cash consideration)	Consideration: Performance based remuneration for services provided to the Company. Current value ³ = \$910,000.
Issue – 11 October 2019 Appendix 3B – 11 October 2019	4,000,000	Performance Options ⁵	Hamish Halliday as approved at the Shareholder meeting held on 9 October 2019	\$0.001 (representing a 99.3% discount to the Market Price)	Amount raised = \$4,000 Amount spent = \$4,000 Use of funds = Working capital purposes.

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
3. In respect of quoted Equity Securities, the value is based on the closing price of the Shares \$0.13 on the ASX on 16 October 2019. In respect of unquoted Equity Securities, the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market-based performance conditions (i.e. conditions linked to the price of Shares).
4. Fully paid ordinary shares in the capital of the Company, ASX Code: BSX (terms are set out in the Constitution).

5. Performance Options, exercisable at \$0.001 each, on or before 30 September 2024. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 9 October 2019.
6. Advisor Options, exercisable at \$0.10 each, on or before 17 May 2021. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 2 July 2019.

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BLACKSTONE MINERALS LIMITED

ACN: 614 534 226

REGISTERED OFFICE:SUITE 3, LEVEL 3
24 OUTRAM STREET
WEST PERTH WA 6005

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SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000
T: 1300 992 916
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

BSX

Holder Number:

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

 The meeting chairperson
OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10:00am WST on Wednesday 27 November 2019 at Suite 3, Level 3, 24 Outram Street, West Perth WA 6005 and at any adjournment of that meeting.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions.

In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

	For	Against	Abstain*
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director - Mr Andrew Radonjic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of prior issue of Placement Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of prior issue of Placement Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Sole Director & Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10:00am WST on Monday 25 November 2019.

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My/Our contact details in case of enquiries are:

Name:

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Number:

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX 52
Collins Street West VIC 8007

Street Address Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

