

Big Q3 coming up for Blackstone

Nickel sulphide explorers in Western Australia have rightfully earned the market's gaze, however, the work being done by peers offshore is no less significant.

"It is fair to say that if we were drilling these sorts of intersections in Western Australia our market cap would be much higher, but I think that is an education thing and we need to educate the market on what it is like to operate in Vietnam," Blackstone Minerals Ltd managing director Scott Williamson told **Paydirt**.

The likes of Legend Mining Ltd and Challice Gold Mines Ltd have seen their share prices run along impressively already this year after nickel sulphide discovery success in the Fraser Range and north of Perth, respectively.

Blackstone is far from shunned in the nickel sector, but its popularity is set to be boosted in the coming months.

"We have to educate the market on why we like Vietnam, because it is fair to say that there is a discount in our share price for the Vietnam factor. We still have a good market cap for a company without a maiden resource. We are pushing towards a resource in Q3 and then a scoping study straight after [Q3] and hopefully that will help the market understand exactly what we have," Williamson said.

"Obviously, we have some good infrastructure, and the previous owners have left a fair bit of nickel behind, but we haven't really got any numbers that the market can digest. It is important to show the maiden resource and on the back of the scoping study get a bit of traction."

Blackstone's maiden resource at the Ta Khoa project will comprise disseminated material from Ban Phuc and King Cobra (discovery hole: 60m @ 1.3% nickel and 142m @ 0.41%, with a high-grade zone of 13.9m @ 2.25%).

Drilling continues at Ban Phuc and at depth at King Cobra, while immediate success has come via a second rig dedicated to the Ban Chang prospect.

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Ban Chang is the first massive sulphide target outside the main orebody and with the intersection within a few metres of the modelled EM plate, Williamson said the company's confidence in EM being the tool to use to unlock the Ta Khoa district was growing.

In addition to Ban Chang, the company's second rig is testing other high priority EM



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targets generated from 25 massive sulphide vein (MSV) prospects at the project including, King Snake, Ban Khoa, and Ban Khang.

The MSV targets are analogous to the Ban Phuc MSV, which had produced 975,000t @ 2.4% nickel and 1% copper for 20,700t nickel and 10,100t copper from an average vein of 1.3m for over three years under previous ownership.

"We are waiting for assays. We will continue to drill those EM plates and hopefully hit more massive sulphides," Williamson said.

Vietnam's quick reaction to COVID-19 has successfully suppressed the outbreak but has meant flights in and out of Singapore have been disrupted. Therefore, the turnaround of assays is expected to take longer, according to Williamson.

"The assays go to Australia and what is normally a two-week turnaround is three weeks because there are not as many flights through Singapore making transit a little longer," he said.

Aside from the timing of assaying, Black-

stone's work programme has been largely unaffected by the coronavirus, thanks to hard work in the two years prior.

"We did seven site visits in seven months last year and got as many investors to site as we could. That allowed us to do the EcoPro deal and we were able to get EcoPro in right at the bottom of the COVID crisis. They paid a 62% premium to market, but that was two years in the making, so we are lucky that we put in the hard yards and it is all going to plan so far," Williamson said.

Korean company EcoPro Co Ltd, the world's second largest nickel-rich cathode materials manufacturer, completed a \$6.8 million investment in Blackstone in April.

The investment is supportive of the downstream processing potential to produce nickel sulphate for lithium-ion batteries. A scoping study on the downstream potential of the material from Ta Khoa and a maiden resource from the project is on track for completion in Q3.

– Mark Andrews