



Notice of Annual General Meeting, ASX Reinstatement and Capital Raising Strategy

BLINA MINERALS NL

SHAREHOLDER LETTER

16 February 2021

Board:

Matthew Driscoll

Non-Executive Chairman

Gino D'Anna

Non-Executive Director

Michael Scivolo

Non-Executive Director

Neville Bassett

Non-Executive Director

Capital Structure:

6.269 Billion Shares

1.014 Billion Options

@ \$0.002 exp 17/08/21

ASX Code: BDI

IMPORTANT INFORMATION FOR SHAREHOLDERS

Blina Minerals NL (ASX: BDI) ("**BDI**" or the "**Company**") is convening its Annual General Meeting of shareholders to be held on **Friday, 19 March 2021 at 11:00am WST** at the office of Advanced Share Registry located at 110 Stirling Highway, Nedlands in Western Australia ("**Meeting**").

In accordance with temporary modifications to the Corporations Act under the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Company is not sending hard copies of the Notice of Meeting to shareholders.

A copy of the Notice of Meeting ("Meeting") is available at the following link:

<https://www2.asx.com.au/markets/trade-our-cash-market/announcements.bdi>

You may vote by attending the Meeting in person, by proxy or by appointing an authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place as set out above. If possible, shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, so that the Company may check the Shareholders' holding against the Company's register and note attendance.

Voting by Proxy

Appointment of Proxy:

Shareholders who are entitled to attend and vote at the Meeting, may appoint a proxy to act generally at the Meeting and to vote on their behalf. The proxy does not need to be a Shareholder.

A Shareholder that is entitled to cast two or more votes may appoint two proxies and should specify the proportion of votes each proxy is entitled to exercise. If a Shareholder appoints two proxies, each proxy may exercise half of the Shareholder's votes if no proportion or number of votes is specified.

Voting by proxy:

A Shareholder can direct its proxy to vote for, against or abstain from voting on each Resolution by marking the appropriate box in the voting directions to your proxy section of the Proxy Form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed in the Proxy Form.

Proxy Forms must be received by no later than 11:00am (WST) on **Wednesday, 17 March 2021**.

This is an important time for shareholders as the Company moves to hold its Annual General Meeting which, once all resolutions are passed, will allow the Company to complete the acquisition of the remaining 50% interest in the Barkly-Babbler Copper-Gold Project (**Barkly Project**), located in the Northern Territory, as well as execute upon its capital raising strategy, providing the Company with sufficient funds to not only allow reinstatement of the Company to Official Quotation on the ASX, but also enable the Company to resume its exploration activities at the Barkly Project, as well as evaluate other complementary asset acquisition opportunities.

IT IS IMPORTANT THAT SHAREHOLDERS READ THE NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM IN FULL.

SHAREHOLDERS ARE ENCOURAGED TO VOTE IN FAVOUR OF ALL RESOLUTIONS. IF ANY ESSENTIAL RESOLUTIONS ARE NOT PASSED, THE COMPANY WILL NOT BE ABLE TO COMPLETE THE PROPOSED ACQUISITION AND THE RECAPITALISATION WILL NOT PROCEED. IF THIS OCCURS, IT IS UNLIKELY THAT THE COMPANY WILL ACHIEVE REINSTATEMENT TO TRADING AND MAY BE DELISTED.

On 25 January 2021, the Company advised shareholders that a binding Deed of Sale with Kalgoorlie Mine Management Pty Ltd (**KMM**) had been executed in relation to the acquisition of the remaining 50% interest in Colour Minerals Pty Ltd (**CMPL**), the 100% owner of the Barkly-Babbler Copper-Gold Project located in the Northern Territory, Australia (**Barkly Project**).

The remaining 50% interest is being acquired from KMM for proposed total consideration of 100 million shares (*on a post-consolidation basis*) and the issue of 50 million options (*on a post-consolidation basis*) exercisable at \$0.03 per option (*on a post-Consolidation basis*) expiring 3 years from the date of issue.

The completion of this acquisition will mean that BDI will own 100% of CMPL.

As part of the Recapitalisation Strategy, the Company will be completing a Share Placement pursuant to a Prospectus to raise \$2.15 million at an issue price of 1 cent per share with a free attaching option on a 1-for-2 basis, each option exercisable at 3 cents with a term of 3 years to expiry from the date of issue.

An Option Placement to raise a further \$187,500 via the issue of 187,500,000 options at an issue price of \$0.001 will also be completed. Each option will be exercisable at 3 cents with a term of 3 years to expiry from the date of issue.

WESTAR CAPITAL LIMITED HAS BEEN APPOINTED AS THE UNDERWRITER TO THE SHARE PLACEMENT AND OPTION PLACEMENT.

A Share Purchase Plan (**SPP**) will also be conducted by the Company. This will give existing shareholders the opportunity to participate in the Recapitalisation Strategy on the same terms as the Share Placement. Participants in the SPP will also receive a free attaching option on the same terms as the Share Placement. The SPP will raise an additional \$250,000.

SHAREHOLDERS ARE ENCOURAGED TO PARTICIPATE IN THE SPP EARLY TO SECURE AN ALLOCATION.

INDEPENDENT EXPERT'S REPORT

Shareholders should carefully consider the Independent Expert's Report prepared for the purposes of shareholder approval required under ASX listing rule 10.1 (refer to resolution 13) and shareholder approval required under section 611 item 7 of the Corporations Act (refer to resolution 14). The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of these resolutions to the non-associated shareholders.

THE INDEPENDENT EXPERT HAS DETERMINED THE TRANSACTIONS THE SUBJECT OF RESOLUTIONS 13 AND 14 ARE FAIR AND REASONABLE TO THE NON-ASSOCIATED SHAREHOLDERS.

ESSENTIAL RESOLUTIONS

RESOLUTIONS 7, 8, 9, 10, 13 AND 14 ARE ESSENTIAL RESOLUTIONS TO THE RECAPITALISATION STRATEGY AND THE PROPOSED ACQUISITION (AS DETAILED IN THE NOTICE). IF ANY OF THE ESSENTIAL RESOLUTIONS ARE NOT APPROVED BY SHAREHOLDERS, ALL OF THE ESSENTIAL RESOLUTIONS WILL FAIL AND COMPLETION OF THE RECAPITALISATION STRATEGY AND THE PROPOSED ACQUISITION WILL NOT OCCUR.

SHAREHOLDERS ARE FURTHER ADVISED THAT IT IS A CONDITION PRECEDENT TO THE CMPL AGREEMENT (WHICH PROVIDES THE TERMS AND CONDITIONS OF THE PROPOSED ACQUISITION) THAT ALL RESOLUTIONS SET OUT IN THIS NOTICE ARE PASSED AT THE MEETING (UNLESS OTHERWISE WAIVED).

THE BUSINESS OF THE MEETING AFFECTS YOUR SHAREHOLDING AND YOUR VOTE IS IMPORTANT.

SHAREHOLDERS ARE ENCOURAGED TO CONTACT THE COMPANY SHOULD THEY HAVE ANY QUESTIONS.

ENDS

For further information please contact:

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Gino D'Anna
Non-Executive Director
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Stuart Usher
Company Secretary
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ABOUT THE BARKLY PROJECT

The Barkly Project is located approximately 45km east of the town of Tennant Creek in the Northern Territory and comprises two Exploration Licences, being EL 28620 (Barkly Project) and EL 30701 (Babbler Project) located in central Northern Territory, south of the Barkly Highway. The Barkly Project comprises two granted Exploration Licences EL28620 and EL30701. The Barkly Project is considered highly prospective for magnetite hosted gold-copper similar to other deposits found elsewhere in the Tennant Creek Goldfield.

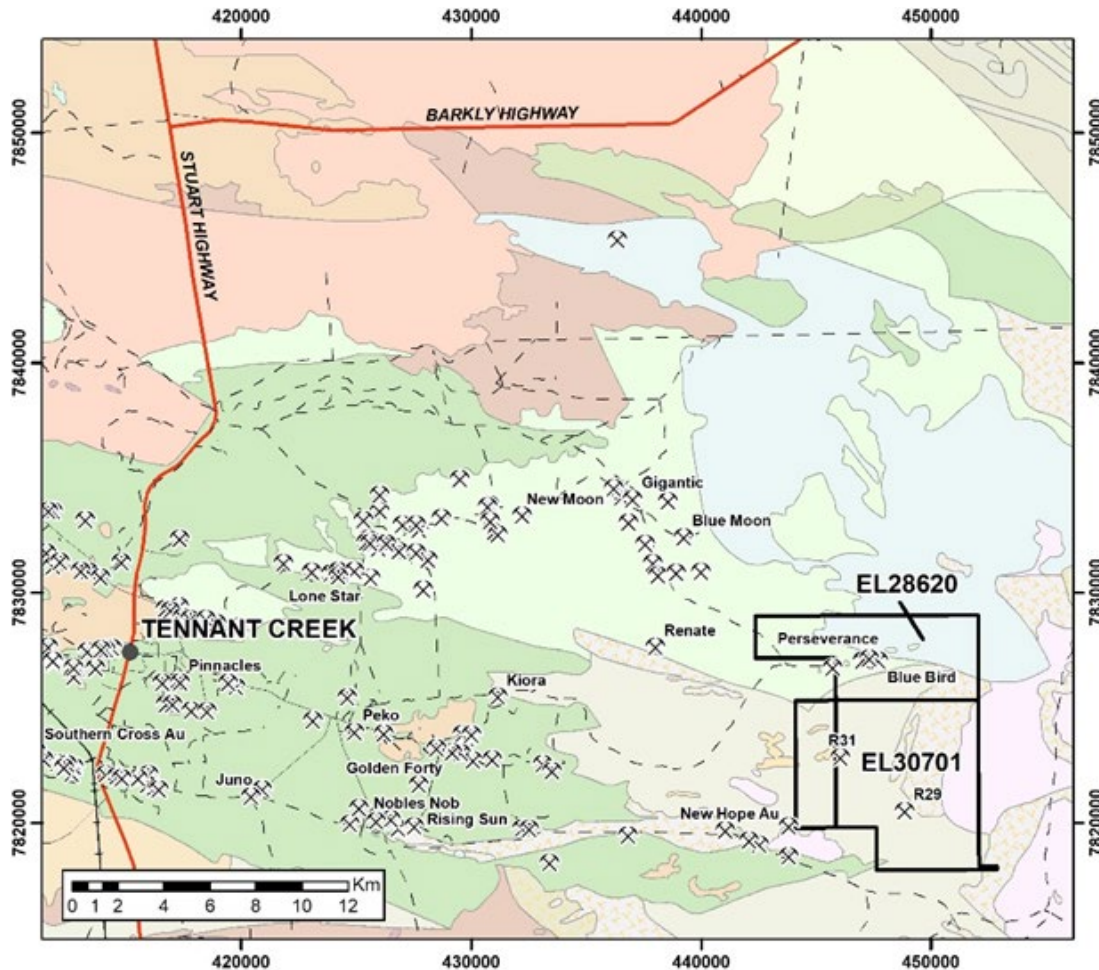


Figure 1: Barkly Project location plan

The current exploration focus of the Company is the Barkly Project.

EL28620 was formerly subject to a farm-in Joint Venture Agreement between Colour Mineral's Pty Ltd and Meteoric Resources NL with Colour holding a 70% interest. In 2019, Colour Minerals acquired Meteoric's 30% interest in EL28620 after which Blina Resources NL executed a legally binding heads of agreement to acquire a 50% interest in Colour Minerals.

EL30701 was previously held by Meteoric Resources. In 2019, Colour Minerals acquired Meteoric's interest after which Blina Resources NL executed a legally binding heads of agreement to acquire a 50% interest in Colour Minerals.

Ground magnetic and gravity surveys followed by soil geochemistry focussed attention on the Bluebird prospect which is a small outcropping ironstone body pitted by historic mining and prospecting. RAB drilling programs were conducted in 2005 and 2006 intersecting hematite ironstone and hematite-chlorite alteration over a 600m strike length with anomalous copper, gold and bismuth. RC and diamond drilling programs were conducted

between 2014-2016 by Blaze International Exploration¹. Significant intersections include: **20m @ 8.17g/t Au from 157m in BBDD002¹ and 16m @ 3.02% Cu, 0.65g/t Au from 139m in BBDD004¹.**

Recent drilling program at the Barkly Project

The Barkly-Babbler Project is considered highly prospective for magnetite hosted gold-copper similar to other deposits found elsewhere in the Tennant Creek Goldfield. A reverse circulation drilling program comprising seven (7) holes for 1,169.5m was recently completed at the advanced Bluebird Prospect.

The holes were drilled to in-fill and extend previous drilling that intersected high-grade copper-gold mineralisation within an ironstone unit on a west-northwest trending, steeply south dipping fault zone. Significant results from the drill program included²:

BBRC0015 20m @ 1.79g/t Au, 1.67% Cu from 156m²

Incl. 10m @ 2.87g/t Au, 2.32% Cu²

BBRC0019 15m @ 3.46% Cu, 0.61g/t Au from 172m²

Incl. 4m @ 6.28% Cu, 0.24g/t Au from 175m²

and 1m @ 4.80% Cu, 3.95g/t Au from 186²

(finishing in mineralisation at end of hole)

Significantly, drill hole BBRC0019 was drilled below BBRC013 which was previously the deepest and most westerly hole drilled at Bluebird. The hole intersected strongly hematite altered siltstone and ironstone from 172m to 187m at which depth the hole was abandoned due to in-hole caving. The hole ended in mineralisation with the last metre containing 3.9g/t Au and 4.8% Cu.²

Several of the other holes were also abandoned due to in-hole caving prior to reaching the mineralised zone or target depth. The difficult drilling conditions are caused by brecciated ironstone in the fault zone in combination with high water in-flow rates.

Refer to ASX Announcement dated 18 March 2020 released by the Company on the ASX announcements platform and titled "High-Grade Copper and Gold Intersected in Drilling Program at Bluebird".

The Bluebird Prospect has a prominent aeromagnetic and gravity anomaly along a west-north-west fault trend. At the surface the prospect is marked by an ironstone that forms a low hill with several shallow workings. At the surface the ironstone has low levels of gold and copper because of strong leaching that extends to a depth of over 100m. High copper and gold values have been intersected at a supergene enriched zone at a depth of approximately 120-150m vertical. Bluebird is one of several coincident magnetic and gravity anomalies along the fault. Previous drilling has been shallow reconnaissance style and is unlikely to have penetrated the strongly leached zone.

¹ Refer to ASX Announcement dated 24 September 2019 released by Blina Minerals NL and titled "STRATEGIC ACQUISITION OF HIGH-GRADE GOLD-COPPER PROJECT" released by the Company on the ASX announcement platform.

² Refer to ASX announcement dated 18 March 2020 released by Blina Minerals NL and titled "High-Grade Copper and Gold Intersected in Drilling Program at Bluebird" released by the Company on the ASX announcement platform.

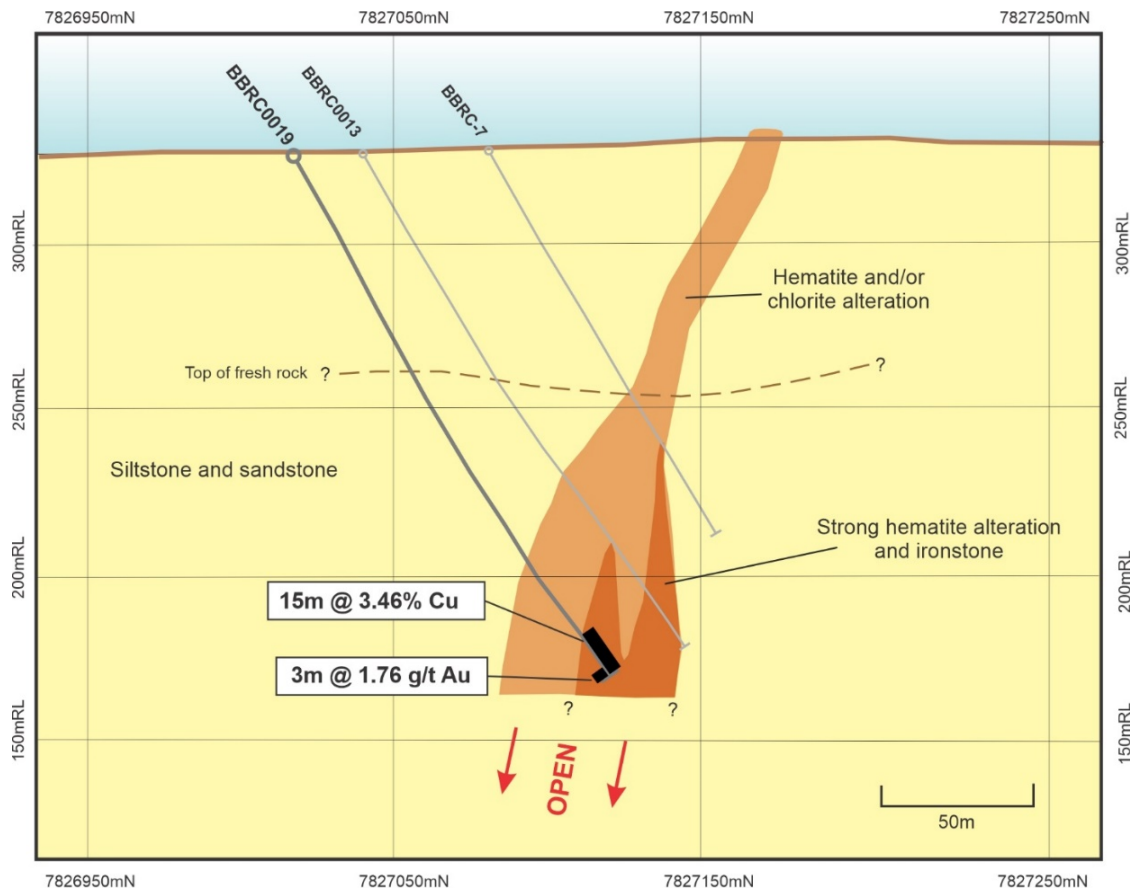


Figure 2: Bluebird prospect cross section 448360E

Further RC and diamond drilling has been planned at Bluebird in order to complete those holes which were abandoned prior to reaching the target mineralised zone due to in-hole caving and to extend the copper-gold mineralisation along strike to the west. Drilling will also be conducted to test targets along the west north-west trending coincident magnetic and gravity anomaly.

Exploration and Development Strategy for Bluebird

The Company's primary objective is to complete further drilling in order to estimate a JORC compliant mineral resource and ultimately to develop a mining project at the Bluebird Prospect. Bluebird is the highest priority and most advanced prospect within the Barkly Project area. Systematic close spaced drilling will aim to accurately define the grade and the geometry of the known Au-Cu-Bi mineralisation.

COMPETENT PERSON'S DECLARATION

The information in this report that relates to exploration results is based on information compiled or reviewed by Mr Martin Bennett, who is a consultant of Colour Minerals Pty Ltd and a member of the Australian Institute of Geoscientists. Mr Bennett has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bennett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ASX LISTING RULES COMPLIANCE

In preparing this shareholders letter, the Company has relied on the announcements previously made by the Company and specifically dated 24 September 2019 and 18 March 2020. The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this shareholders letter.