



BLACK CANYON

ASX: BCA

16 Sept 2024

RC drilling at Wandanya and KR2 commences.

- Reverse Circulation (RC) drilling has commenced at the Wandanya Project to follow up high-grade assays from rock chip samples at the W2 prospect¹ to be followed by infill drilling at KR2.
- The main body of mineralisation at the Wandanya - W2 prospect is approximately 300m long and 150m wide and has had no previous drilling to determine potential thickness
- The KR2 mineral resource is currently Inferred and infill drilling is planned to upgrade the resource classification so it can be used for more detailed development studies
- Drill assay results are expected through October
- Share Purchase Plan scheduled to close at 5:00pm (WST) on 30 September 2024

Australian manganese explorer and developer, Black Canyon Limited (**Black Canyon** or the **Company**) (**ASX: BCA**) is pleased to announce that RC drilling has commenced on the W2 prospect within the Wandanya Project (BCA 100%) and at KR2 where previous drilling successfully defined a Mineral Resource of 24Mt @ 11.9% Mn².

Black Canyon's Managing Director Brendan Cummins said:

"The Company is excited to be drilling the first holes into this high-grade manganese target. The mapping and surface rock chip samples we previously gathered across the Project are encouraging and warrant drill testing. Establishing the potential thickness of the mineralisation will be key to understanding the grade range and size potential. DDIP surveys completed over the W2 Prospect also identified several deeper targets that are to be tested during this drill campaign."

We have also taken the opportunity to infill drill the KR2 deposit within the Balfour Manganese Field (BMF), which we hope to upgrade from its current Inferred status to a higher classification so it can be used in future feasibility studies. The Scoping Study released by the Company earlier this year demonstrated the benefit of shallow, low strip ratio and higher-grade mineralisation we discovered at KR2."

"The Company has continued its strategy to demonstrate the scale of the BMF to provide development options to produce manganese concentrate for the steel industry and a HPMSM feedstock."

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Capital Structure (ASX: BCA)

Shares on Issue	80.9M
Top 20 Shareholders	47%
Board & Management	9%
Funds & Institutions	15%

Board of Directors

Graham Ascough
Non-Executive Chairman

Brendan Cummins
Managing Director

Simon Taylor
Non-Executive Director

Adrian Hill
Non-Executive Director

Balfour Manganese Field Highlights

Global MRE of 314Mt @ 10.5% Mn. *
 Largest Resource in Western Australia.
 Development Options – Traditional Mn concentrate or HPMSM processing for EV's.

*BCA Announcement 12/12/23





Figure 1: RC drill rig on tenement E46/1407 testing the W2 anomaly.

Wandanya High-Grade Mineralisation (BCA 100%)

The drill program will follow up a previously completed detailed sampling campaign, which returned several high-grade manganese samples, between 80 and 100m (across and along strike) apart.¹

- WDRC009 **58.5% Mn**
- WDRC011 **57.9% Mn**
- WDRC010 **57.8% Mn**
- WDRC008 **53.3% Mn**

There has been no historic drilling completed at W2 and this initial program has been designed to establish the thickness of mineralisation across the impressive outcrops. Subject to the thickness of the mineralisation there may be scope to outline a coherent zone of mineralisation and estimate a mineral resource.

The RC drill program will comprise about 40 holes for 1000m on a 40 x 40m regular grid pattern. The Company has completed ethnographic and archaeological surveys over the W2 prospect and received all other approvals to enable drill access.

A dipole-dipole IP survey was completed in 2023 and comprised two east-west lines located 100m apart¹. The main body of mineralisation at W2 is highlighted by a well-defined resistivity low, imaged to approximately 20m depth. A strong chargeable anomaly is located to the east of the main body of mineralisation and may represent a down-dip extension. A deeper discrete chargeable anomaly was detected between 50 and 100m below the main body of mineralisation which will also be drill tested in this phase of exploration.

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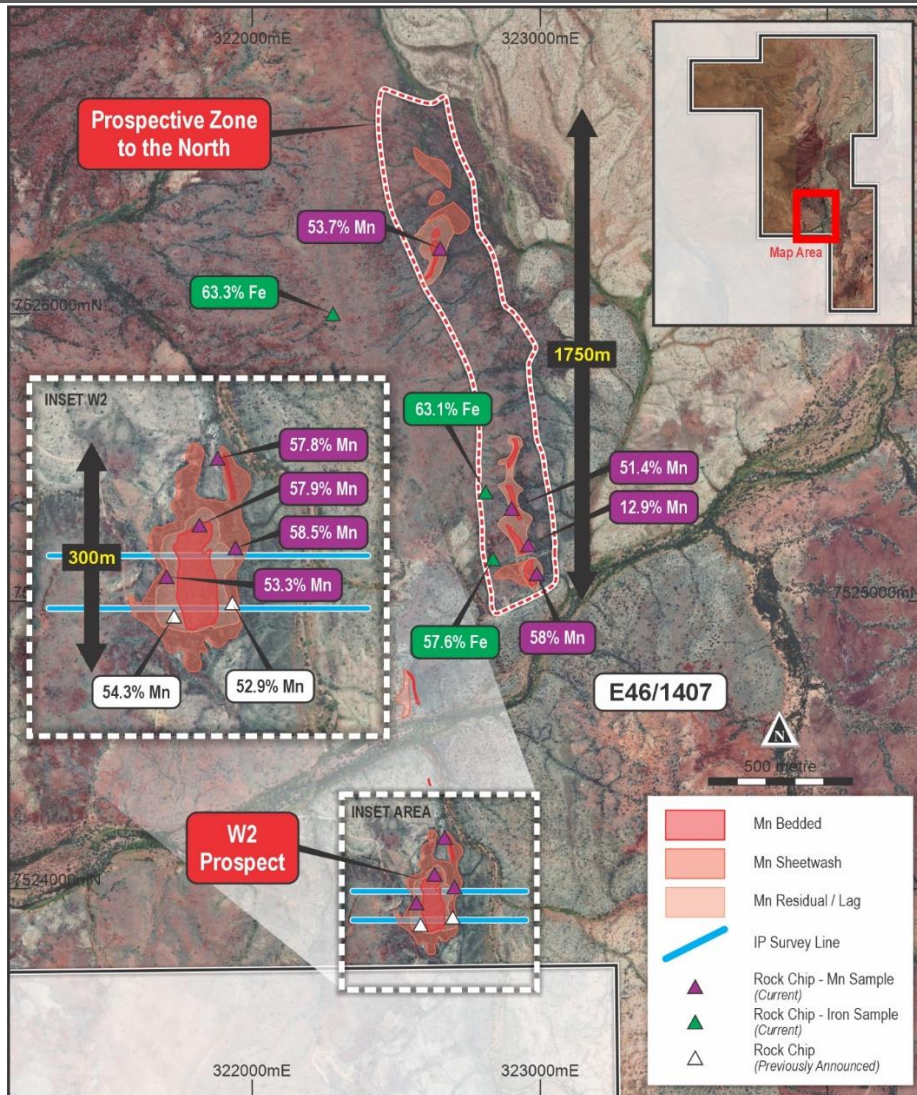


Figure 2: W2 prospect, Wandanya Project (E46/1407) showing high-grade manganese and the IP survey lines.

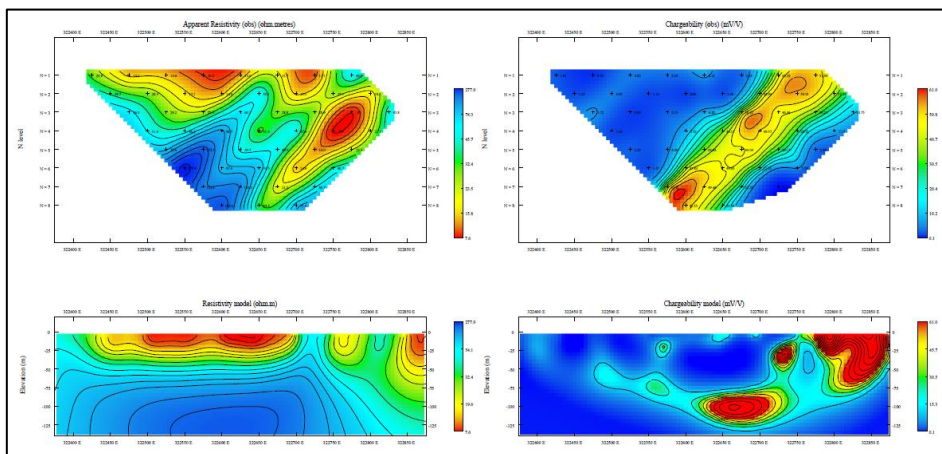


Figure 3. W2 prospect DDIP line 7,523,900mN with 50m dipole spacing showing a low resistive anomaly related to the main body of the W2 manganese mineralisation and chargeable anomaly partly below the main body of mineralisation that spans between 322,550mE to 322,700mE.

KR2 Infill Drill Program (BCA100%)

Whilst the RC rig has been mobilised to the area the Company has taken the opportunity to infill and potentially extend the KR2 Inferred Mineral Resource. The mineral resource currently stands at 24 Mt @ 11.9% Mn and is one of the higher-grade mineral deposits the Company has discovered in the BMF. The KR2 deposit was integral to the positive KR1 and KR2 Scoping Study that showed over a 16-year mine life a pre-tax NPV of \$340m and IRR of 70%³.

The current drill spacing at KR2 is 200 x 200m and the infill program will reduce this to 100 x 100m. Closer spaced drilling may enable an upgrade to higher confidence Indicated or even Measured mineral resources which can be used in more advanced feasibility studies to estimate reserves.

Share Purchase Plan⁴

On 29 July 2024, the Company announced the successful completion of a capital raising to raise \$0.85m (before costs) through a Two Tranche placement of approximately 12.1 million fully paid Ordinary shares (**New Shares**) at \$0.07 per New Share together with one free Attaching Option (to be listed subject to ASX requirements) for every two New Shares issued under the placement. The Attaching Options will have a strike price of \$0.14 per option and a 2 year term from the date of issue (**Placement**).

As a part of the capital raising, the Company's existing eligible shareholders, being those that are residents in Australia that held shares on the 26 July 2024, are invited to participate in a Share Purchase Plan (**SPP**) under the same terms as the Placement.

The SPP provides eligible shareholders with the opportunity to increase their holding by up to A\$30,000 without incurring any brokerage or transaction costs.

The SPP is targeted to raise A\$0.5 million and is currently scheduled to close at 5:00pm (WST) on 30 September 2024. Further information regarding the SPP (including terms and conditions of the SPP) are available in the SPP offer Prospectus⁵ announced to the ASX on 5 September 2024.

Eligible shareholders wishing to participate in the SPP will need to apply in accordance with the instructions in the SPP offer document. The Placement and the SPP are not underwritten.

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This announcement has been approved by the Board of Black Canyon Limited.

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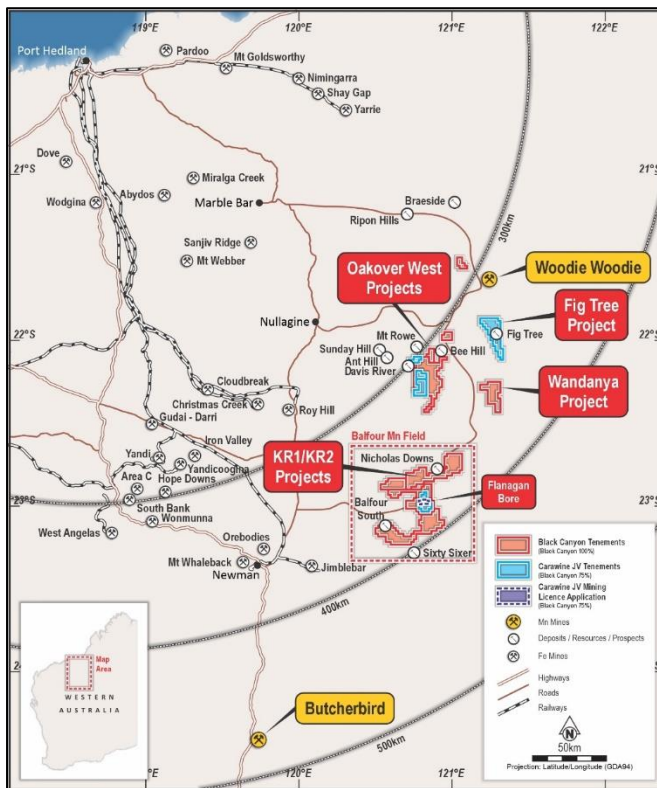
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Reference List:

1. ASX Announcement 14 November 2023 – Multiple high grade Manganese rock chip samples from Wandanya Project
2. ASX Announcement 27 November 2023 – KR1 and KR2 Mineral Resource Estimate Exceeds 100 Mt
3. ASX Announcement 2 July 2024 – Black Canyon Scoping Study Report
4. ASX Announcement 29 July 2024 – Capital Raising to continue Exploration and Feasibility Studies
5. ASX Announcements 5 September 2024 – Share Purchase Plan – Prospectus and Share Purchase Plan – Target Market Determination

About Black Canyon



Black Canyon has consolidated a significant land holding totalling 2,100km² in the underexplored Balfour Manganese Field and across the Oakover Basin, in Western Australia.

The emerging potential for the Balfour Manganese Field is evident by the size of the geological basin, mineral resources identified to date, distance from port, potential for shallow open pit mining and a likely beneficiated Mn oxide concentrate product grading between 30 and 33% Mn. Black Canyon holds several exploration licenses 100% within the Balfour Manganese Field along with a 75% interest in the Carawine Joint Venture with ASX listed Carawine Resources Limited. A Global Mineral Resource (Measured, Indicated & Inferred) of 314 Mt @ 10.4% Mn has been defined across the Balfour Manganese Field projects.

Manganese continues to have attractive long-term fundamentals where it is essential and non-substitutable in the manufacturing of alloys for the steel industry and a critical mineral in the cathodes of Li-ion batteries.

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Compliance Statements

Reporting of Exploration Results and Previously Reported Information

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation reviewed by Mr Brendan Cummins, Managing Director of Black Canyon Limited. Mr Cummins is a member of the Australian Institute of Geoscientists, and he has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken 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 Cummins consents to the inclusion in this release of the matters based on the information in the form and context in which they appear. Mr Cummins is a shareholder of Black Canyon Limited.

For further information, please refer to ASX announcements dated 17 May 2021, 10 June 2021, 7 July 2021, 15 July 2021, 5 October 2021, 4 January 2022, 8 February 2022, 21 February 2022, 2 March 2022, 23 March 2022, 13 April 2022, 9 June 2022, 7 September 2022, 15 September 2022, 11 October, 21 & 24 November 2022, 5 December 2022, 28 December 2022, 14 February 2023, 27 March 2023, June 1 2023, June 14 2023, June 17 2023, July 14 2023, 23 August 2023, 5 September 2023, 26 September 2023, 12 October 2023, 27 November 2023, 12 December 2023, 26 March 2024, and 1 May 2024, 2 July 2024 and 21 August 2024 which are available from the ASX Announcement web page on the Company’s website. The Company confirms that there is no new information or data that materially affects the information presented in this release that relate to Exploration Results and Mineral Resources in the original market announcements.

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