BLACK CANYON

ASX: BCA
1 July 2026

State Government EIS Funding and Project Update

Advancing Exploration Programs and Pre-Development Activities

Highlights

- **The Wandanya manganese and iron targets have been recognised for their technical merit and innovation with the award of up to $264,800** for co-funded geophysics and deep RC drilling under the WA Government Exploration Incentive Scheme (**EIS**).
- **The EIS Co-funded grant will be applied to the upcoming detailed gravity survey ($84,800) and follow-up deeper RC drilling ($180,000).** The extensive gravity survey to commence in July will target potentially concealed manganese mineralisation beneath the Wandanya strataform manganese and iron footprint.
- **Black Canyon attended the annual International Manganese Institute (IMnI) conference**, where marketing groups and manganese alloy producers showed strong interest in Wandanya 's potential to produce a high-quality product and recognition of the strategic value of Australian sourced manganese ores.
- **Resource definition drilling totalling 18,500m** of RC drilling for about 640 holes has been completed with finalised assays expected over the next 6 weeks.
- **Maiden Mineral Resource Estimate (MRE) planned for delivery by the end of Q3 2026.**
- **Upscaled pilot Dense Media Separation (DMS) metallurgical testwork completed** with final assays and recovery information pending.
- **Scoping Study key assumptions and cost estimates discussions underway** with key consultants, contractors and equipment suppliers.
- **Initial baseline Autumn Flora/Vegetation and Fauna surveys completed**.
- **Fourth Heritage Survey in six months concluded** in preparation for further exploration and water search drilling programs. A further Heritage Survey is planned for August.
- **Hydrological assessment with recommendations** to test drill potential aquifers/targets and initial water quality review.

Australian manganese explorer and developer, Black Canyon Limited (**Black Canyon** or the **Company**) is pleased to advise that it has been awarded co-funded grants under the Western Australian Exploration Incentive Scheme (EIS). The grants will be applied to a detailed gravity survey and follow-up RC drilling of any targets generated from the gravity survey.

Pre-development de-risking activities are advancing, including baseline environmental surveys, heritage surveys, pilot scale DMS testwork and a hydrological review with recommendations to drill test bores. With the conclusion of the detailed resource definition drill program, a maiden MRE will be prepared as the basis for the planned Scoping Study scheduled for completion in Q4 2026.

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Capital Structure (ASX: BCA)

Shares on Issue	162.2M
14c Options (exp 14/10/2026)	8.0M
Top 20 Shareholders	45%
Board & Management	8%
Funds & Institutions	28%

Wandanya Project
High-grade Mn & Fe discovery

Balfour Manganese Field
Global MRE 315Mt @10.5% Mn*
Largest Resource in Western Australia

BCA Announcement 22/10/25

Black Canyon's Managing Director Brendan Cummins said:

"The Company is pleased that the Wandanya project has again been recognised under the EIS and received a significant grant for co-funding of the ground gravity and follow-up RC drill phase. The EIS program is highly competitive, and our proposal was able to demonstrate an innovative exploration model for manganese evident at Wandanya with potential to discover concealed mineralisation."

"With 18,500m of resource definition drilling completed and metallurgical beneficiation testwork consistently approaching or exceeding high-grade manganese oxide benchmarks, we are rapidly moving towards delivering a maiden JORC Mineral Resource Estimate by late Q3 2026.

"In parallel the Company is working on multiple fronts to de-risk the Wandanya project with the commencement of key site surveys and engaging with specialist consulting groups to map out a project development pathway."

"Wandanya is a highly strategic asset located in a tier one mining jurisdiction proximal to key Asian markets. The strong international interest we received at the IMnI conference validates our confidence in the project and puts Black Canyon in an ideal position to capitalise on potential Mn oxide supply deficits in late 2028."

Round 33 EIS Co-Funded Grants

The WA Department of Mines, Petroleum and Exploration (DMPE) has advised the Company was successful with its EIS application for Round 33 co-funded geophysics and RC drilling to be completed within an 18-month window closing in November 2027.

The EIS is a merit-based competitive program administered by the Geological Survey and Resources Strategic Division of the DMPE to encourage innovative geophysical and drilling projects in regional WA that can lead to discovery.

Black Canyon has been offered co-funding up to a maximum of $180,000 for deep RC drilling and $84,800 for geophysics totalling $264,800. An additional $50,000 supplement is also available to offset international supply chain disruptions leading to delays and higher drill costs.

The EIS co-funded geophysical grant will be used to complete a detailed gravity survey over the Wandanya mineralised trend covering an area 10km along strike and 4.5km across strike.

In other manganese deposits gravity surveys have led to the discovery of concealed high-grade hydrothermal mineralisation which is considerably denser than the surrounding host rocks (Figure 1). Should gravity anomalies be detected at Wandanya then the EIS co-funded deep RC drilling grant will be applied to test the gravity anomalies.

The gravity survey is commencing on site in mid-July and expected to take 4 weeks to complete.

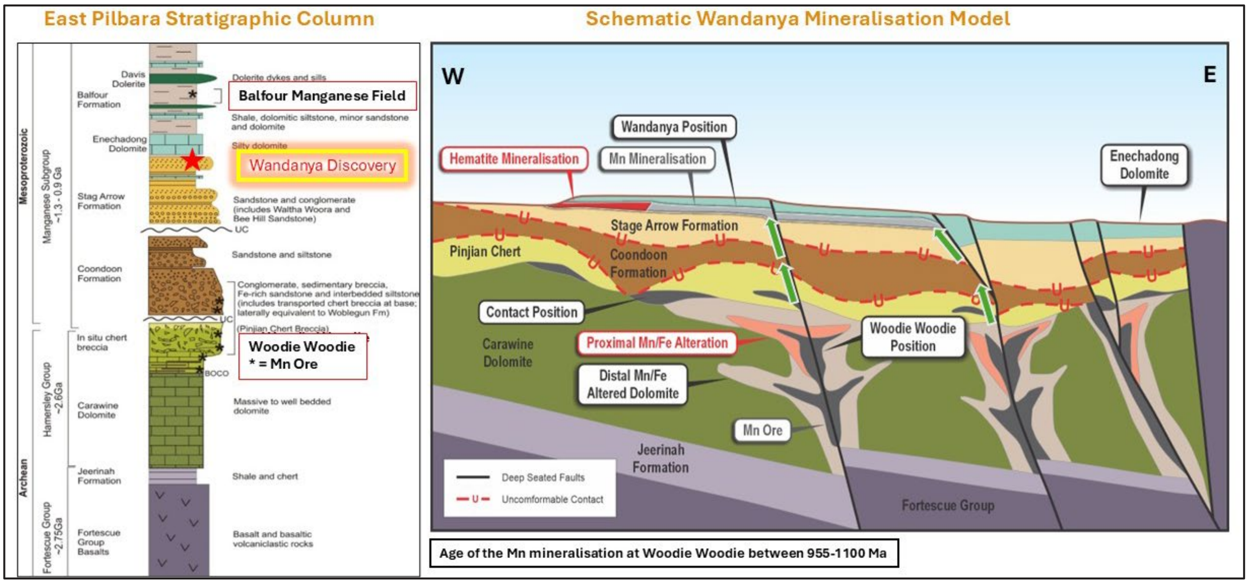

Figure 1. Deeper manganese targets that that may be detected by undertaking a detailed gravity survey which include targets like the high-grade manganese "Woodie Woodie and Contact Positions" identified above.

Manganese Market

The Company recently attended the IMnI annual conference that brought together over 200 delegates representing 109 companies from 35 countries. The conference attracted key stakeholders from across the global manganese value chain, including industry-leading manganese miners, alloy, metal and chemical producers, alongside traders, consultancies, logistics companies and prominent players from the steel and battery sectors.

The emerging Wandanya development project received strong interest due to the potential for the project to produce high-grade and quality products over the medium to long term. Various manganese alloy producers and marketing groups recognise the strategic value of Australian based manganese supply.

Overall manganese market sentiment was neutral with forecast pricing for the 44% Mn benchmark expected to remain around USD$5.00 DMTU. Some concerns are being raised regarding the reliability of future supply of Gabonese high-grade manganese oxide.

In June 2025 the Gabonese Government announced that by the end of 2028 they intend to halt the export of raw manganese to encourage in-country processing to create jobs, expertise and revenue.

Currently, the country of Gabon is the second largest producer of manganese, exporting 4.6Mt of contained manganese or 23% of world supply (USGS 2025). It is anticipated a reduction or loss of Gabonese supply to Indian and Chinese based alloy smelters could have a material impact on the supply and pricing for high-grade manganese oxide.

Resource Definition Drill Program

The resource definition drilling program at Wandanya along the 3km long base case target (Figure 2) is close to being completed. The assay results are expected to be available over the next 4 to 6 weeks. The Company has also completed the expansion programs to the north and south with the results to be reported as the assays are received.

A total of 18,500m of RC drilling has been drilled to date for 640 holes to an average depth of 29m. The 3km long base case mineralised footprint has been drilled on a regular 50 x 50m drill density. To the east and north the drill grid was expanded to 100m or 200m lines spacing with 50m hole centres.

Further exploration drilling is planned to target the 1.8km southern extension and 2.8km northern extension. RC drilling is expected to re-commence in early August.

Maiden Mineral Resource Estimate

Upon completion of the resource definition drill program the Company will compile the drill data, review the QA/QC data, undertake cross-sectional interpretations and complete a down hole density survey across selected holes within the 3km long base case target.

The drill hole spacing has been reduced to a 50 x 50m regular grid pattern from the initial 200m or 100m line spacing with 40m hole centres. This increased drill density is expected to be suitable for Indicated or Measured Mineral Resource Estimates, appropriate for scoping and more detailed feasibility studies.

The Mineral Resource Estimate is planned for completion by the end of Q3 2026.

Metallurgical Testwork – Piloting DMS

Larger scale pilot Dense Media Separation (DMS) was completed at ALS Metallurgical in Balcatta using nominal 80kg samples of Blend 1 and Blend 2. The DMS testwork continues on from the laboratory based heavy liquid separation testwork[1] where both blend feeds produced grades consistently above 40% Mn and over the 44% Mn benchmark with grade recoveries ranging between 73% and 82% using 2.8 and 3.0g/cm^3 dense liquids.

The results of the DMS are expected in July which will be used to inform the Scoping Study in addition to the general trends recorded from the HLS testwork. More detailed geometallurgical testwork is planned to be undertaken once the geological, grade and mineralogical domains are established from the MRE.

Wandanya Scoping Study

The Company has been advancing the main assumptions and cost estimate inputs for the Scoping Level financial evaluation of Wandanya. Black Canyon continues to work with Battery Limits who manage, provide advice and recommendations in relation to process engineering and project development. Battery Limits will provide project advisory for the Wandanya Scoping Study and work with the Company on delivering the report.

Upon completion of the MRE, the Company will undertake preliminary optimisation studies, mine scheduling, equipment selections and evaluate several production scenarios to deliver a DSO iron product, DSO manganese product and dense media upgraded manganese product.

The metallurgical testwork completed by the Company will be used to inform the processing flowsheet design and recovery estimates based on the positive trends reported to date. A key cost focus is trucking with discussions underway with transport companies to optimise the logistics.

Finalisation of the Scoping Study is targeted for Q4 2026.

[1] ASX release 14 May 2026 – Wandanya Beneficiation Delivers High-Grades 40 to 45% Mn Products

Environmental Surveys

Leading industry environmental and approvals consultants have been engaged by the Company to provide strategic advice, regulator engagement, potential approval pathways and co-ordinating the engagement and deployment of environmental consultants.

The Autumn environmental surveys have been completed undertaking Detailed and Targeted surveys for terrestrial fauna, short-range endemic (SRE) and significant invertebrate fauna across the project and extended areas. A follow-up survey is planned late in Q4 2026.

Detailed flora and vegetation survey was also completed during at the end of the wet season. A pre-wet season survey is scheduled for completion in Q4 2026.

The surveys were conducted in accordance with EPA survey guidelines which will be sufficient to inform the EIA process administered by the Environmental Protection Authority (EPA) under Part IV of the Environmental Protection Act 1986 and satisfy State and Commonwealth environmental approval requirements. At the conclusion of the 12-month baseline survey period the reported environmental data will be referred to the EPA to determine the level of assessment required for the project. This referral submission is planned for late Q1 2027.

Heritage Surveys

A fourth Heritage survey was completed in June allowing further exploration drill access to the north and south along strike of the 3km base case target (Figure 2). Additional drill access lines were also surveyed for heritage beyond the mineralisation extents in preparation for water bore test holes. A fifth Heritage survey is also planned for August to infill drill mineralisation encountered along strike of the 3km long base case target and for other access requirements.

The Company would like to thank the Karlka Nyiyaparli Aboriginal Corporation (KNAC) and its Members who have supported the completion of multiple Ethnographic and Archaeological surveys at Wandanya.

Hydrological Assessment

Hydrogeological Consultants completed a scoping level groundwater study to determine the potential for groundwater to meet the project's anticipated water requirements, identify prospective groundwater exploration targets, and develop a staged forward work plan toward potential bore field development. Several targets have been selected for RC drill bore testing to evaluate potential depth to aquifers, characterisation, yields and water quality analysis. A 26D license has been issued for the drill program which is planned for execution in early Q4.

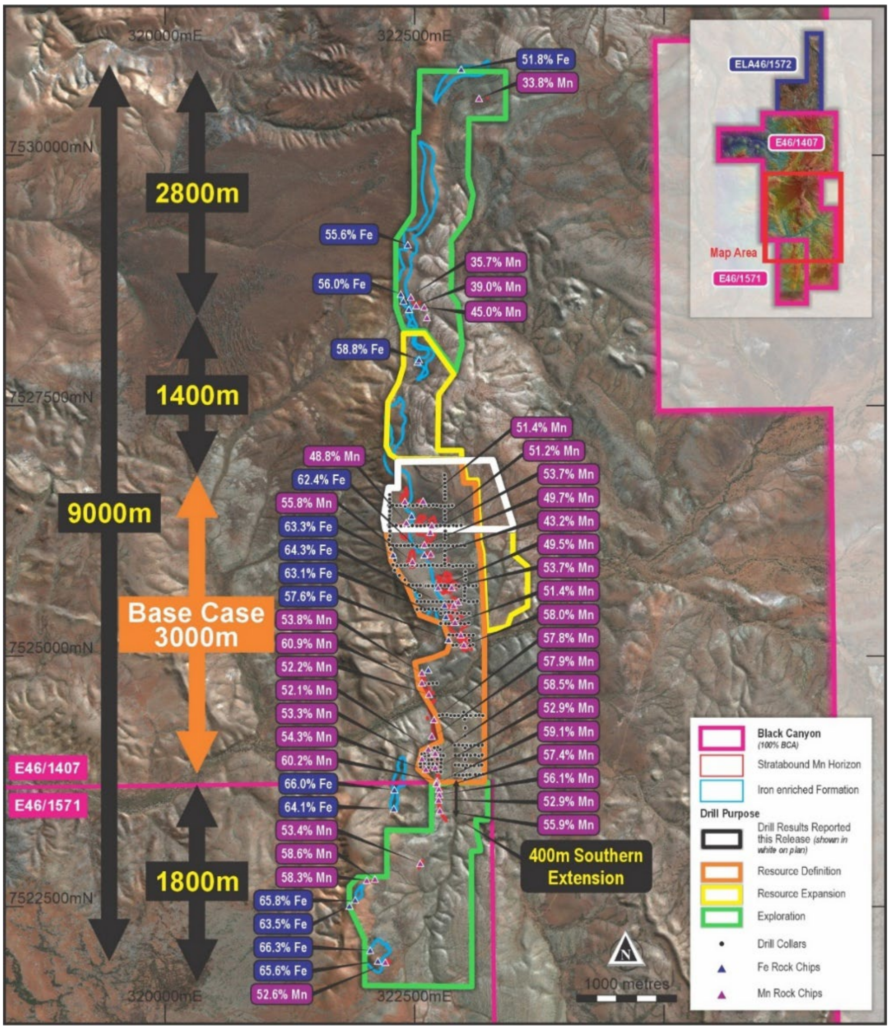

Figure 2. Drill purpose plan showing the area of reported drill results (white outline) within the central 3km long base case resource definition drilling program, rock chip data and planned exploration programs located to the north and south).

- ENDS -

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

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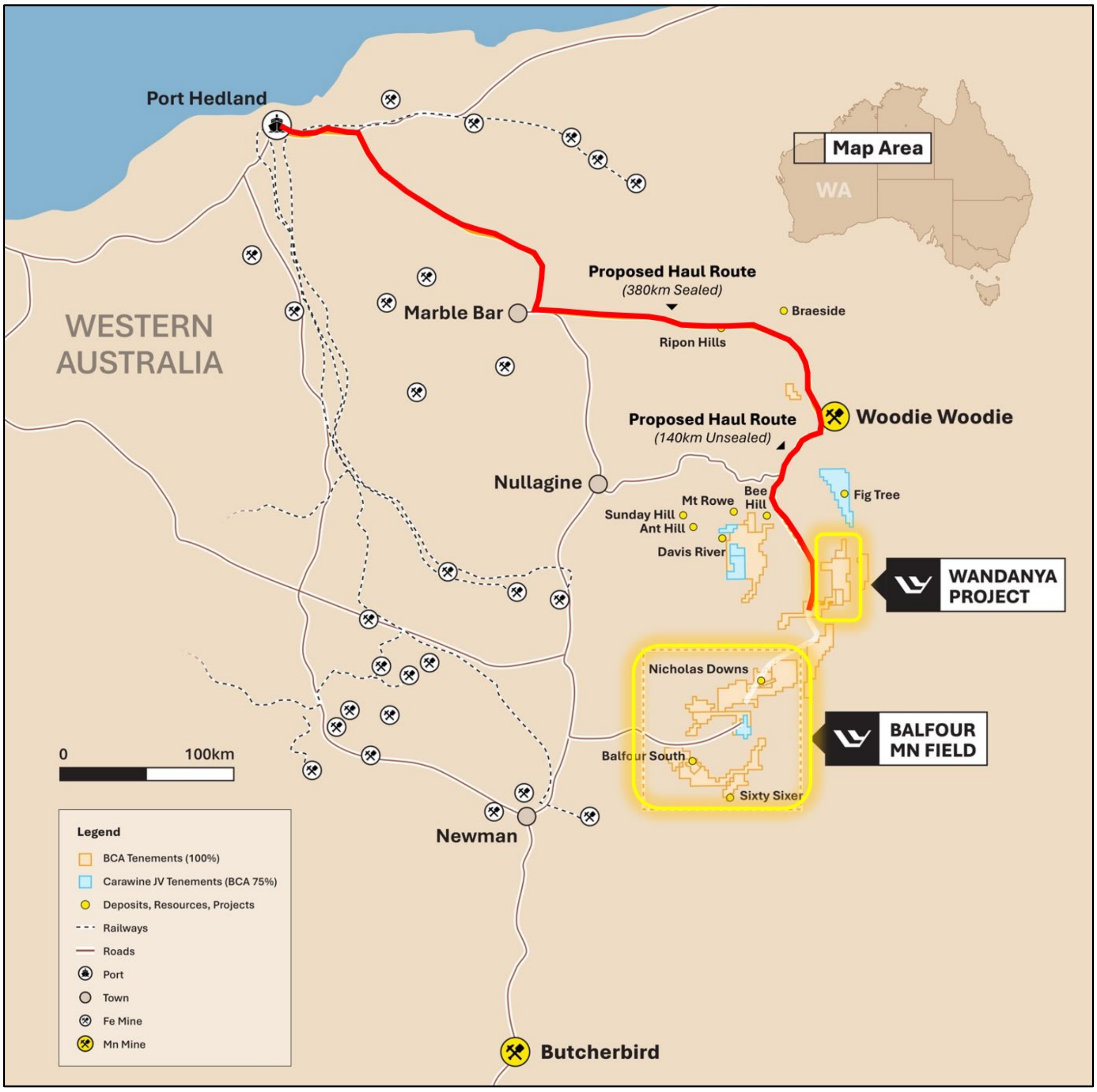
About Black Canyon

Black Canyon has consolidated a significant land holding over 2,000km^2 in the underexplored Balfour Manganese Field (BMF) and across the Oakover Basin, in Western Australia.

The Company holds several exploration licenses 100% or under joint venture within the BMF. A Global Mineral Resource (Measured, Indicated & Inferred) of 315 Mt @ 10.5% Mn has been defined across the BMF projects. This MRE comprises 100Mt @ 10.4% Mn (Measured), 173Mt @ 10.2% Mn (Indicated) and 42Mt @ 11.9% Mn (Inferred) – announced to the ASX on 22 October 2025.

The Wandanya Discovery represents a new exploration model on the eastern margin of the Oakover Basin comprising, stratabound high-grade manganese and high-grade iron with significant scale and grade potential.

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.



Black Canyon's Project Locations

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 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, 21 August 2024, 25 September 2024, 27 September 2024, 8 October 2024, 18 October 2024, 14 November 2024, 27 November 2024, 4 December 2024, 23 December 2024 and 11 February 2025, 1 April 2025, 16 April 2025, 1 May 2025, 30 June 2025 7 July 2025, 7 August 2025, 27 August 2025, 1 September 2025, 8 October 2025, 28 October 2025 ,10 November 2025, 26 November 2025, 10 December 2025, 17 March, 2026, 8 April 2026, 14 April 2026, 14 May 2026 and 25 May 2026 which are available from the ASX Announcement web page on the Company's website.

The Company confirms that it is not aware of any new information or data that materially affects the information included in this release that relate to Exploration Results and, in the case of mineral resource estimates, that all material assumptions and technical parameters underpinning the estimates in the relevant release continue to apply and have not materially changed.