



BLACK CANYON

ASX Announcement



7 March 2022

ASX:BCA

Black Canyon completes acquisition of strategic tenements adjacent to the Flanagan Bore Manganese Project

HIGHLIGHTS

- Black Canyon has completed the acquisition (100%) of Panther Exploration Pty Ltd to further expand areas under exploration around its flagship Flanagan Bore Project by 625km²
- The granted licences are strategically located in an emerging manganese enriched province of the Oakover-Collier Basins, extending from Nicholas Downs in the north to Butcherbird Mine in the south
- Close proximity to infrastructure including Newman (130km) and the Great Northern Highway
- Previous shallow drill intersections from the acquired tenements include:
 - 6m @ 18.3% Mn from 7m including 3m @ 27.7% Mn (WD012)
 - 12m @ 16.4% Mn from 3m including 4m @ 29.2% Mn (WD005)
 - 10m @ 21.2% Mn from 3m including 5m @ 31.4% Mn (WD003)

Black Canyon ('Company' or ASX: BCA) is pleased to advise that it has completed the acquisition (100%) of Panther Exploration Pty Ltd ('Panther'). On 2 December 2021, the Company announced that it would be acquiring Panther subject to a number of conditions including the grant of Tenements E46/1394 & E46/1396 (Balfour Project) held by Panther (see ASX announcement 2 December 2022 – Acquisition of Strategic Tenements Adjacent to Flanagan Bore). The tenements, covering 625km², consolidate prospective manganese enriched shale horizons extending over 50km strike from the manganese deposits of Balfour South, Sixty Sixer, Hill 616, Flanagan Bore and the past producing manganese mine of Nicholas Downs (Figure 1).

Black Canyon Executive Director Brendan Cummins said: "The strategic acquisition of Panther by the Company has enabled the consolidation of a large landholding in an underexplored region of the prospective southern Oakover Basin. The new tenements surround the Company's emerging Flanagan Bore Project where the Company announced substantial thick intersections of manganese enriched shale at the LR1 and FB3 deposits, which will ultimately lead to a significant expansion of the global Mineral

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Resource. The completion of this acquisition complements the existing portfolio and contributes to the Company's aggressive growth and development strategy."

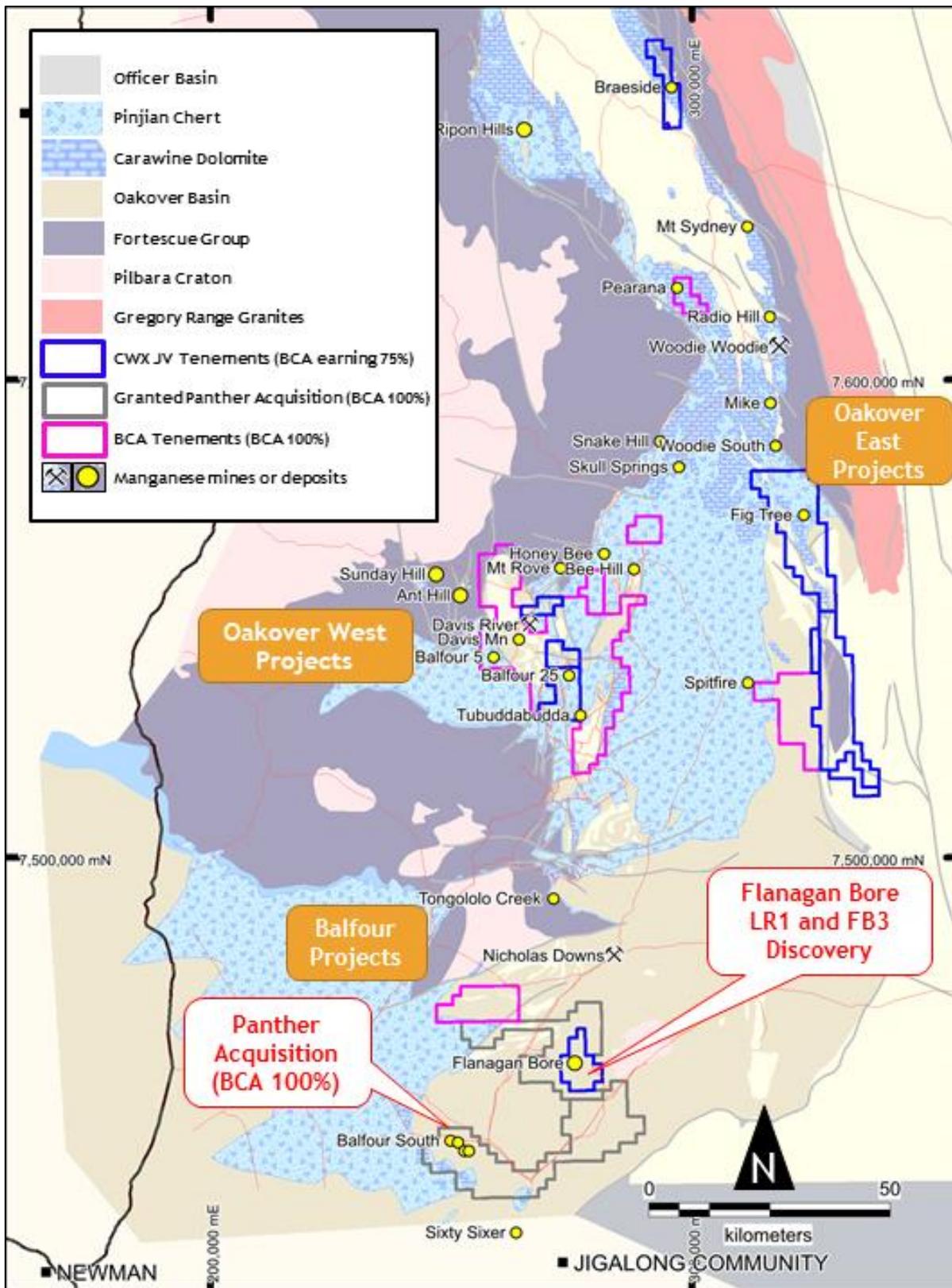


Figure 1. Black Canyon tenements – CWX JV (BCA earning 75%) Panther Acquisition and other BCA 100% owned tenements.

The manganese enriched shales of the Balfour and Ilgarari Formations of the Oakover and Collier sub-basins host a significant manganese endowment. Black Canyon is well placed with a substantial and key strategic tenement holding in this emerging manganese shale province. The newly acquired Balfour Project surrounds Consolidated Minerals' Retention Licence overlying the historically explored high-grade Balfour South Mn deposit and surrounds the Company's Flanagan Bore Project where Black Canyon is earning up to a 75% interest from Carawine Resources (ASX:CWX). The Balfour Project is also located just 17km southwest of Hancock Prospecting's Nicholas Downs deposit, 4km northeast of Element 25's Black Hill deposit and just 9km north of Firebird's Sixty Sixer deposit (Figure 2).

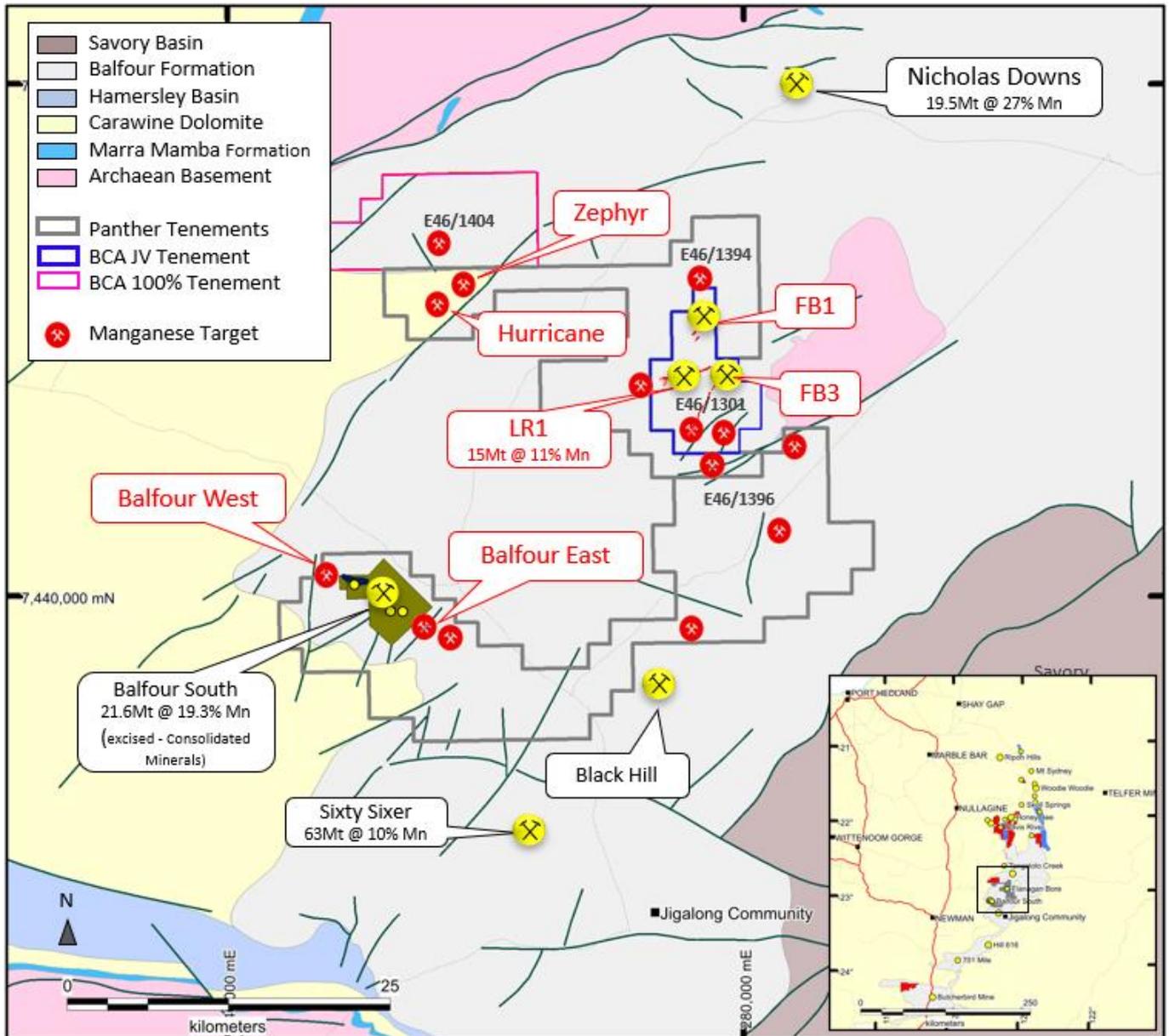


Figure 2 Location of the Balfour Project, manganese mineral resources and targets (BCA has the right to earn 75% of the Carawine JV tenement)

A number of high priority drill targets are located within the Balfour Project tenements that will be the focus of the initial drill programs once Heritage Surveys have been completed. Two of the more advanced targets are summarised below.

Balfour South Prospects (E46/1396)

Tenement E46/1396 surrounds Mining Licence application M46/527 (replacing Retention Licence R46/01) that is owned by Pilbara Manganese Pty Ltd (a subsidiary of Consolidated Minerals Ltd) with a published historical non-JORC Mineral Resource for the high-grade Balfour South Deposit of 21.6Mt @ 19.3 % Mn (refer to WAMEX report A77474). Mineralisation at the Balfour South deposit occurs as primary manganese shales with supergene enrichment of the manganese shales occurring near surface (Figure 3).

The newly acquired licence by Black Canyon has captured the strike extents of the Balfour South deposit to the west and east of the Retention Licence where the prospective manganese enriched-shale horizon is interpreted to trend under thin cover (Figure 3). Approximately 1500m of strike extent is interpreted under cover to the west whilst to the southeast several kilometres of potential strike has been interpreted.

Outcropping manganese supergene enrichment occurs just 60m from the tenement boundary of E46/1396 with mineralisation potentially trending along strike to the west north-west and down dip to the north into E46/1396.

Geophysical surveys and RC drilling will focus on testing this for extensions to known high grade mineralisation upon completion of Heritage Surveys.

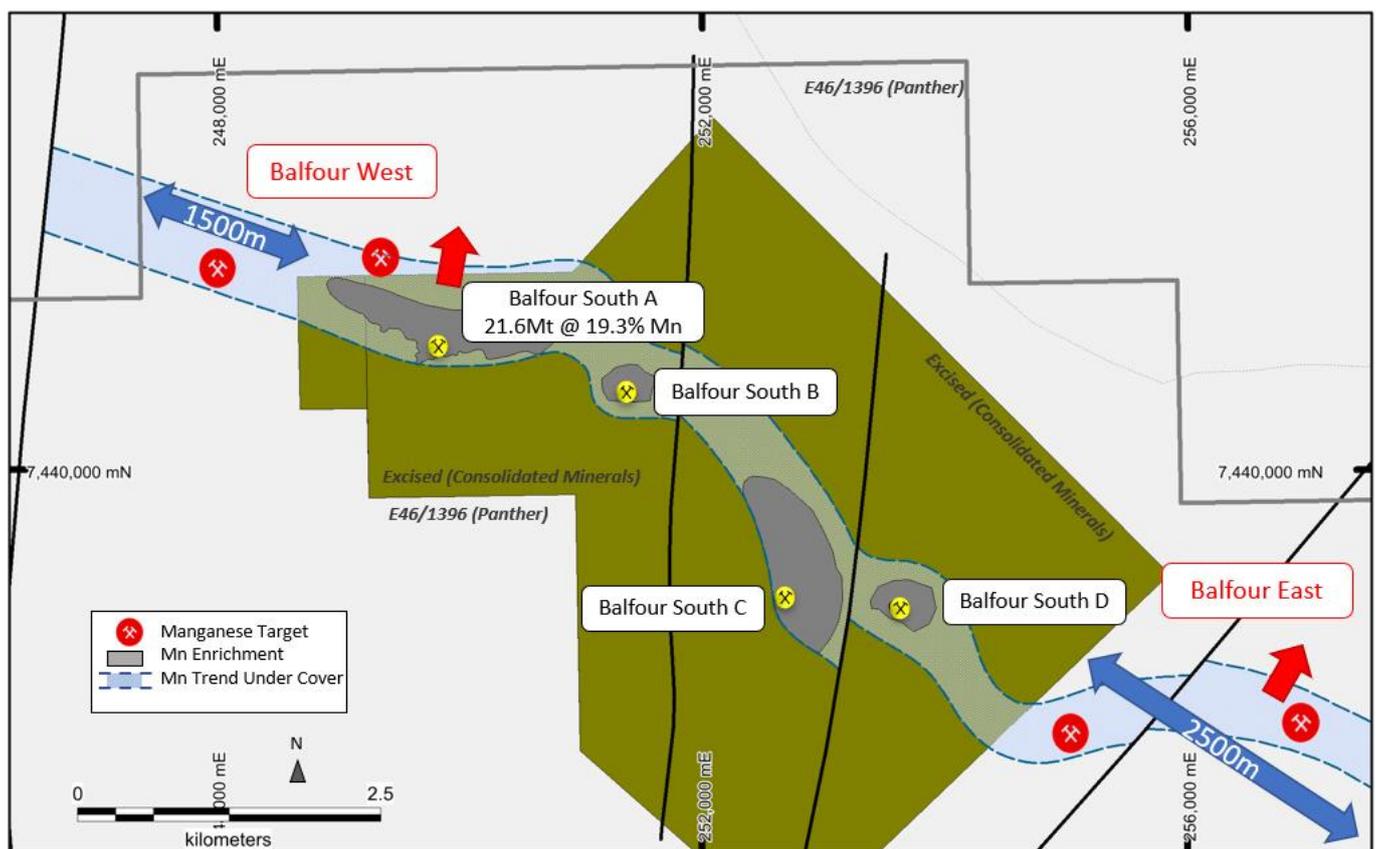


Figure 3. Target areas around the historic Balfour South A Mineral Resource Estimate (note Balfour South A is excised from the Panther tenement acquisition)

Hurricane and Zephyr Prospects (E46/1394)

Tenement E46/1394 surrounds the Flanagan Bore Project (E46/1301) where Black Canyon recently drilled the LR1 and FB3 manganese targets as part of the Carawine JV. The tenement is also located to the south of application E46/1404 that is 100% owned by Black Canyon.



The manganese mineralisation at the Hurricane and Zephyr prospects is related to high grade, fault or contact hosted hydrothermal mineralisation (Figure 4).

Historic drill results from a single north-south drill traverse comprising 5 drill holes over 100m of strike encountered strong manganese mineralisation at the Hurricane prospect including (refer to ASX release 2 December 2021):

- **10m @ 21.2% Mn from 3m, Including 5m @ 31.4% Mn (WD003)**
- **12m @ 16.4% Mn from 3m, Including 4m @ 29.2% Mn (WD005)**
- **4m @ 23.5% Mn from 6m, Including 3m @ 27.7% Mn (WD002)**
- **2m @ 25.9% Mn from 7m (WD010)**
- **1m @ 11.7% Mn from 6m (WD016)**

Significant historic drill results from near surface at Zephyr include:

- **6m @ 18.3% Mn from 7m, Including 3m @ 27.7% Mn (WD012)**



Figure 4. High grade manganese enrichment located at the Hurricane prospect (E46/1394) overlying Carawine Dolomite

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

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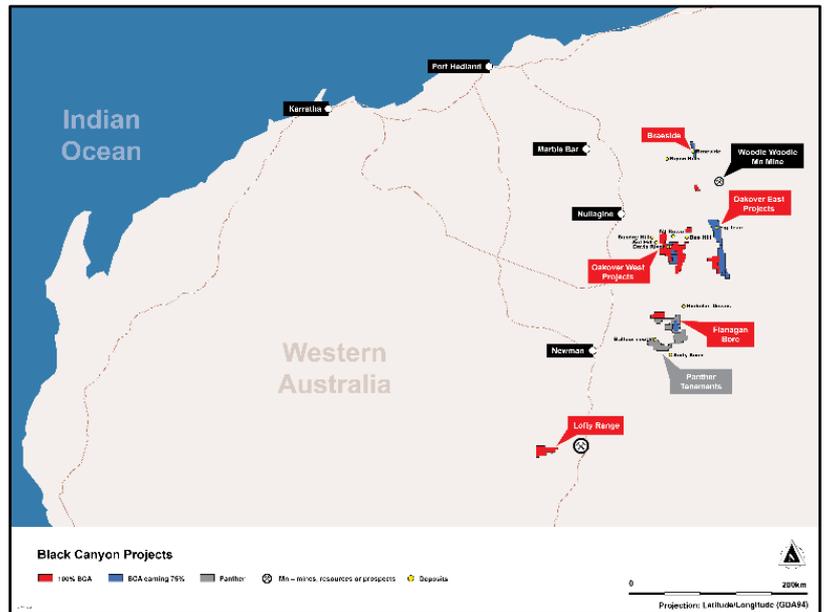
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About Black Canyon

Black Canyon has entered into a farm-in and joint venture with ASX listed Carawine Resources Limited (ASX:CWX) to acquire a majority interest in the Carawine Project in Western Australia. The Carawine Project covers approximately 800km² of tenure located south of the operating Woodie-Woodie manganese mine, providing a large footprint in a proven and producing manganese belt. Black Canyon has also applied for and acquired other exploration licences adjacent to the Carawine Project that would increase the total land holdings to over 2600km². In addition to manganese, the Carawine Project also hosts multiple copper occurrences including the Western Star prospect which comprises a large zone of surface copper enrichment.



The Company has also secured the Lofty Range manganese project located immediately to the west of the Butcherbird manganese deposit being developed by Element 25. Manganese and copper continue to have attractive fundamentals with growing utilisation in the battery mineral sector and challenging supply conditions.

Compliance Statements

Reporting of Exploration Results and Previously Reported Information

The information in this report that relates to historic Exploration Results is based on, and fairly represents, information and supporting documentation reviewed by Mr Brendan Cummins, Executive 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 2 December 2021 which is 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 the JORC Table 1 appendices that relate to historic Exploration Results and Mineral Resources in the original market announcements.