

December Quarter Activities Report Update

Black Canyon (ASX: BCA) provides this updated version of its December Quarterly Activities Report. This revision involves the removal of a photo and several figures that included visual estimates, ensuring alignment with the Australian Institute of Geoscientists (AIG) and ASX guidelines on visual estimates.

This announcement has been authorised for release by the Board of Black Canyon Limited.

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

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Capital Structure (ASX: BCA)

Shares on Issue	70.1M
Top 20 Shareholders	41%
Board & Management	11%
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

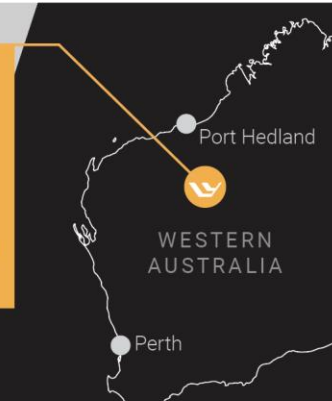
Balfour Manganese Field Highlights

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



December Quarter Activities Report

Wandanya High-Grade Manganese Discovery

- Reverse Circulation (RC) assay results received during the quarter confirmed the W2 Prospect at Wandanya as a new manganese discovery^{i,ii}.
- Hydrothermal manganese at **W2 represents a significant new exploration model** and is highly complementary to the large mineral resources already defined by the Company across the Balfour Manganese Field and is located 80km south of the Woodie Woodie mine site. Significant results received during the quarter include:
 - 7m @ 28.3% Mn from 6m, including 5m @ 34.9% Mn (WDRC007)
 - 7m @ 26.3% Mn from 2m, including 3m @ 38.2% Mn (WDRC013)
 - 5m @ 31.1% Mn from surface, including 2m @ 42% Mn (WDRC005)
 - 6m @ 26.3% Mn from 4m, including 3m @ 40.1% Mn (WDRC021)
 - 6m @ 29.6% Mn from surface, including 3m @ 41.0% Mn (WDRC031)
 - 6m @ 29.2% Mn from 4m, including 3m @ 39.7% Mn (WDRC032)
 - 5m @ 32.4% Mn from 3m, including 3m @ 40.1% Mn (WDRC033)
- The RC drill program tested 240m of strike with subsequent mapping and rock chip samplingⁱⁱⁱ confirming an overall strike of outcropping manganese mineralisation of 3km.
- Further drilling is planned to increase the mineralised footprint and a density-based beneficiation metallurgical testwork program is well advanced to further upgrade the Wandanya mineralisation

High-Grade Iron Discovery at Wandanya

- Mapping and rock chip sampling program at Wandanya returned **high-grade iron mineralisation**^{iv}, including 64.3%, 62.4%, 58.8% and 58.6% Fe, within the typical ranges for Direct Shipping Ores (DSO).
- Significant exploration potential exists along a 5km long striking ridge** with multiple hematite rich and enriched iron formations between 50 and 300m wide, with the southern 2km hosting higher iron grades.
- Drilling planned at the conclusion of the wet season.

Corporate

- In December^v, the Company announced a **\$2.5 million** raising via an oversubscribed placement cornerstoned by **new shareholder Nero Resource Fund** to sophisticated investors and resource investment funds. The Placement was priced at \$0.06 per share.

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Capital Structure (ASX: BCA)

Shares on Issue	106M
Top 20 Shareholders	48.9%
Board & Management	7.5%
Funds & Institutions	20.6%

Board of Directors

Graham Ascough
Non-Executive Chairman

Brendan Cummins
Managing Director

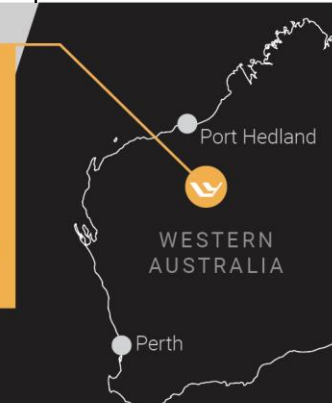
Simon Taylor
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Balfour Manganese Field Highlights

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



Australian manganese developer and explorer, Black Canyon Limited (**Black Canyon** or **the Company**) (**ASX: BCA**), is pleased to present its quarterly activities report for the three months to 31 December 2024 (**December Quarter**).

ACTIVITIES REPORT

Black Canyon has discovered and controls the largest manganese Mineral Resources in Western Australia's Pilbara region that total **314 Mt @ 10.5% Mn classified as Measured (32%), Indicated (48%) and Inferred (20%) for 33.1 Mt of contained Manganese.**^{vi}

Black Canyon has released a Scoping Study^{vii} for its KR1 and KR2 deposits (BCA 100%), that confirms the potential for **strong financial returns over a 16-year mine life, with a pre-tax NPV₈ of A\$340 million and IRR of 70%**, highlighting the quality of the project.

The Company's projects comprise more than 2,100km² of prospective tenure in the premier mining jurisdiction of the East Pilbara, close to the operating Woodie Woodie and Butcherbird manganese deposits. The projects can produce manganese concentrate for the steel industry and high purity manganese sulphate monohydrate (**HPMSM**) for cathodes of batteries used by electric vehicles.

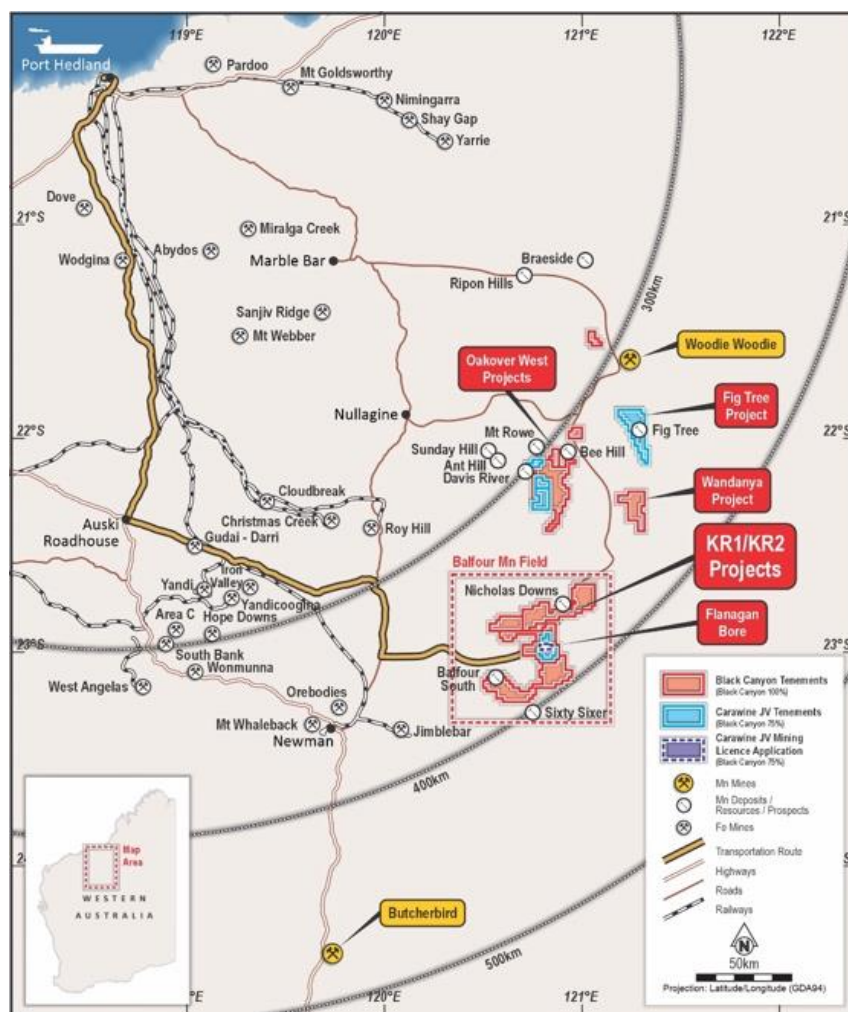


Figure 1: Location of BCA's Manganese Projects in the Pilbara Region of WA

WANDANYA PROJECT (BCA 100%)

Manganese RC Drill Results

Following positive rock chip sampling results released during the June quarter, the Company completed a maiden reverse circulation (RC) drill program during September^{Error! Bookmark not defined..ii} with assays received in the December quarter.

The W2 prospect was drilled on an approximate 40 x 40m grid testing a 240 long x 200m wide target. The initial drill program comprised 35 holes for 642m.ⁱ

Significant results include:

- **5m @ 31.1% Mn** from surface, including **2m @ 42% Mn** (WDRC005)
- **7m @ 28.3% Mn** from 6m, including **5m @ 34.9% Mn** (WDRC007)
- **7m @ 26.3% Mn** from 2m, including **3m @ 38.2% Mn** (WDRC013)
- **6m @ 26.3% Mn** from 4m, including **3m @ 40.1% Mn** (WDRC021)
- **6m @ 29.6% Mn** from surface, including **3m @ 41.0% Mn** (WDRC031)
- **6m @ 29.2% Mn** from 4m, including **3m @ 39.7% Mn** (WDRC032)
- **5m @ 32.4% Mn** from 3m, including **3m @ 40.1% Mn** (WDRC033)

The mineralisation shows consistent thickness and grades, with only 240m of strike drill tested at W2 within the 3km long manganese corridor identified at the Wandanya Project. The mineralisation is interpreted as fault related hydrothermal, stratabound manganese enrichment representing a significant new exploration model on the eastern margin of the Oakover Basin

Iron alteration and brecciation often associated from manganese mineralisation at Woodie Woodie was also observed. Significantly the age of the rocks drilled at W2 are younger than the rocks that host Woodie Woodie however similar processes may have occurred providing manganese rich fluids access to receptive units to form this unique stratabound mineralisation. The main advantage of this style of mineralisation is the benefit of hydrothermal high grades with the predictability of a mineralised layer which may extend over hundreds of metres and vary in thickness.

The W2 discovery is highly complementary to the large mineral resources already defined by the Company across the Balfour Manganese Field and is located 80km south of the Woodie Woodie mine site.

High Grade Iron Potential at Wandanya

In addition to the high-grade manganese discovery, the Company has also identified high-grade iron mineralisation over a 5km strike at Wandanya.

Outcropping iron formations at Wandanya returned high-grade assay results including: **64.3%, 62.4%, 58.8%, 58.6% Fe** in addition to previously reported results of **63.3%, 63.1 and 57.6% Fe^{viii}**.

The high-grade iron mineralisation results are within the typical grade ranges for Direct Shipping Ores (**DSO**). Significant exploration potential exists along a 5km long striking ridge with multiple hematite rich and enriched iron formations between 50 and 300m wide, with the southern 2km hosting higher iron grades adjacent to previously reported high-grade manganese. The potential quality of the high-grade iron formations is demonstrated with low deleterious content for elements such as phosphorus, silica and alumina.

Follow-up exploration and drill programs planned for early 2025 post the wet season.

Table 1. Significant iron assay results from the rock chip sampling program

Sample Id	East GDA94	North GDA94	Mn % XRF Lab	Fe % XRF Lab	Al ₂ O ₃ % XRF Lab	SiO ₂ % XRF Lab	P % XRF Lab	LOI %	Description
WDRC001*	322838	7525151	0.09	57.6	0.6	7.1	0.02	1.2	iron lag sample
WDRC004*	322812	7525382	0.09	63.1	0.6	3.4	0.02	1.2	Iron rich sediment
WDRC005*	322282	7526000	0.18	63.3	0.4	3.1	0.02	1.3	Iron rich sediment
WDRC019	322797	7525498	0.1	64.3	0.8	5.1	0.01	1.5	Iron rich sediment
WDRC020	322339	7527546	0.3	58.6	0.6	13.6	0.03	1.4	Iron rich sediment
WDRC021	322525	7527935	0.2	58.8	0.5	13.2	0.02	1.4	Iron rich sediment
WDRC031	322356	7528611	0.2	56.0	0.7	18.2	0.01	0.5	Iron rich sediment
WDRC033	322427	7529103	0.0	55.6	0.7	18.9	0.02	0.5	Iron rich sediment
WDRC038	322595	7525999	0.4	62.4	1.5	7.0	0.02	1.3	Iron rich sediment

* denotes assay information released 14 November 2023^{viii}

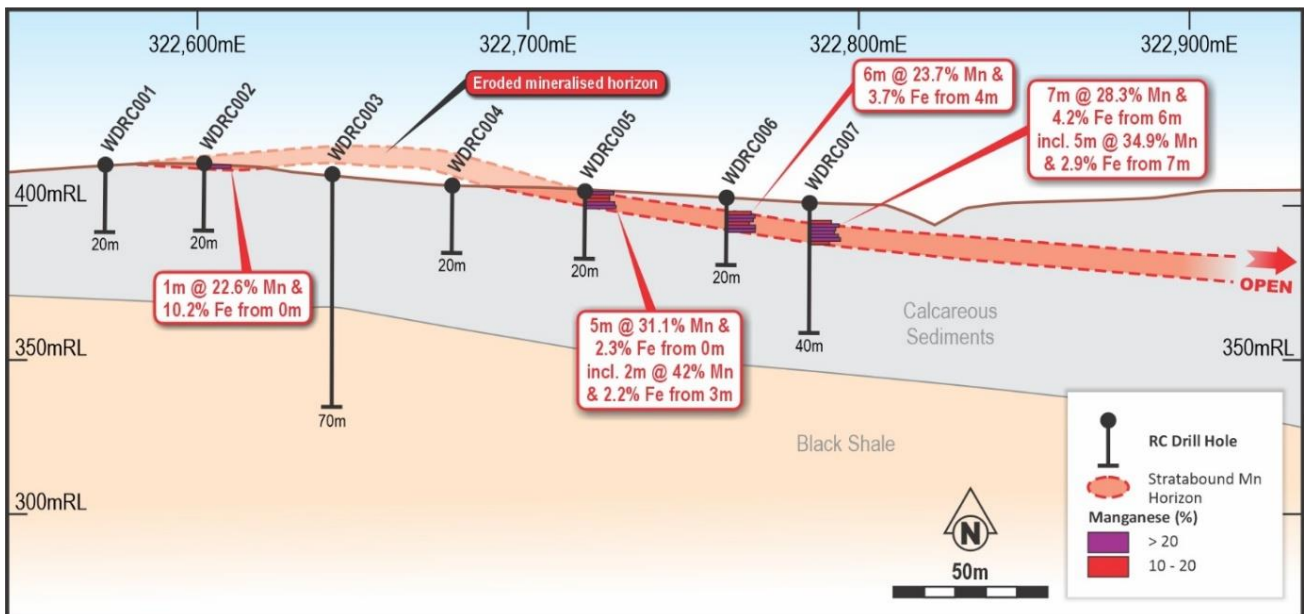


Figure 2. W2 Manganese drilling - Cross section 7,524,000mN (Vertical Exaggeration = 2)

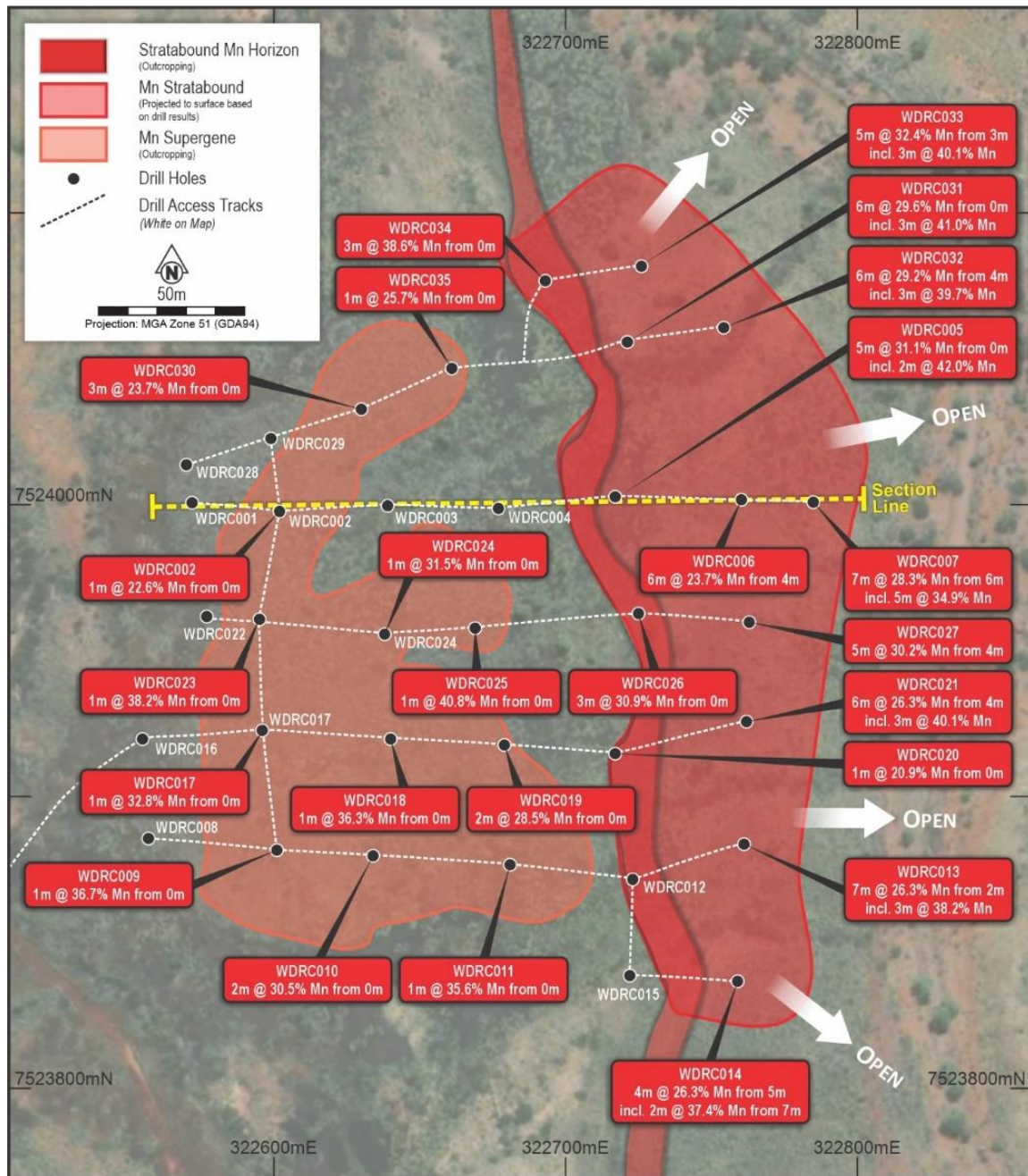


Figure 3. W2 manganese drill collar location plan showing stratabound mineralisation projected to surface and outcropping manganese mineralisation.

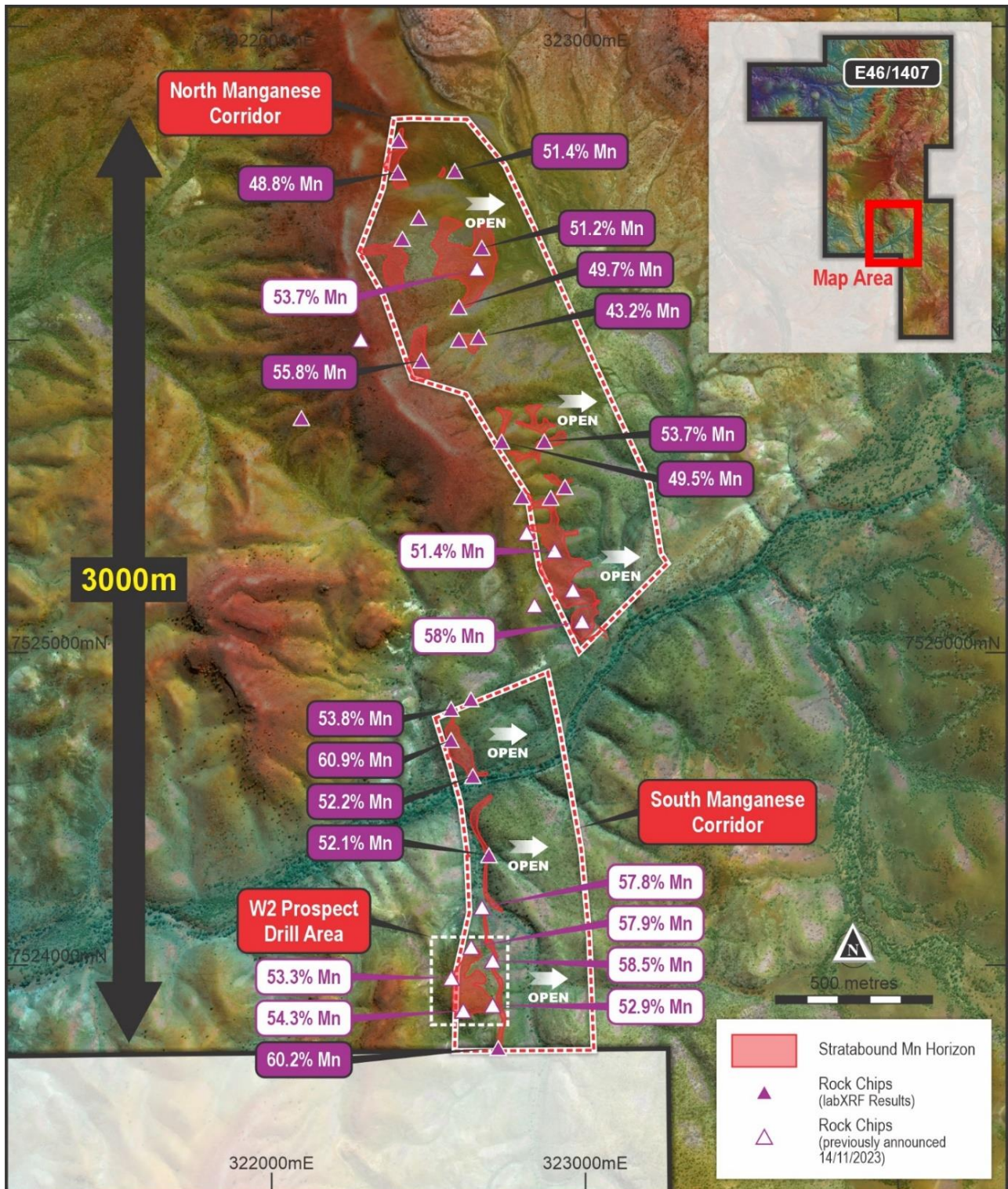


Figure 4. W2 prospect drill location and manganese corridors at the Wandanya Project with manganese results above 30% shown overlying satellite imagery and draped with digital elevation model.

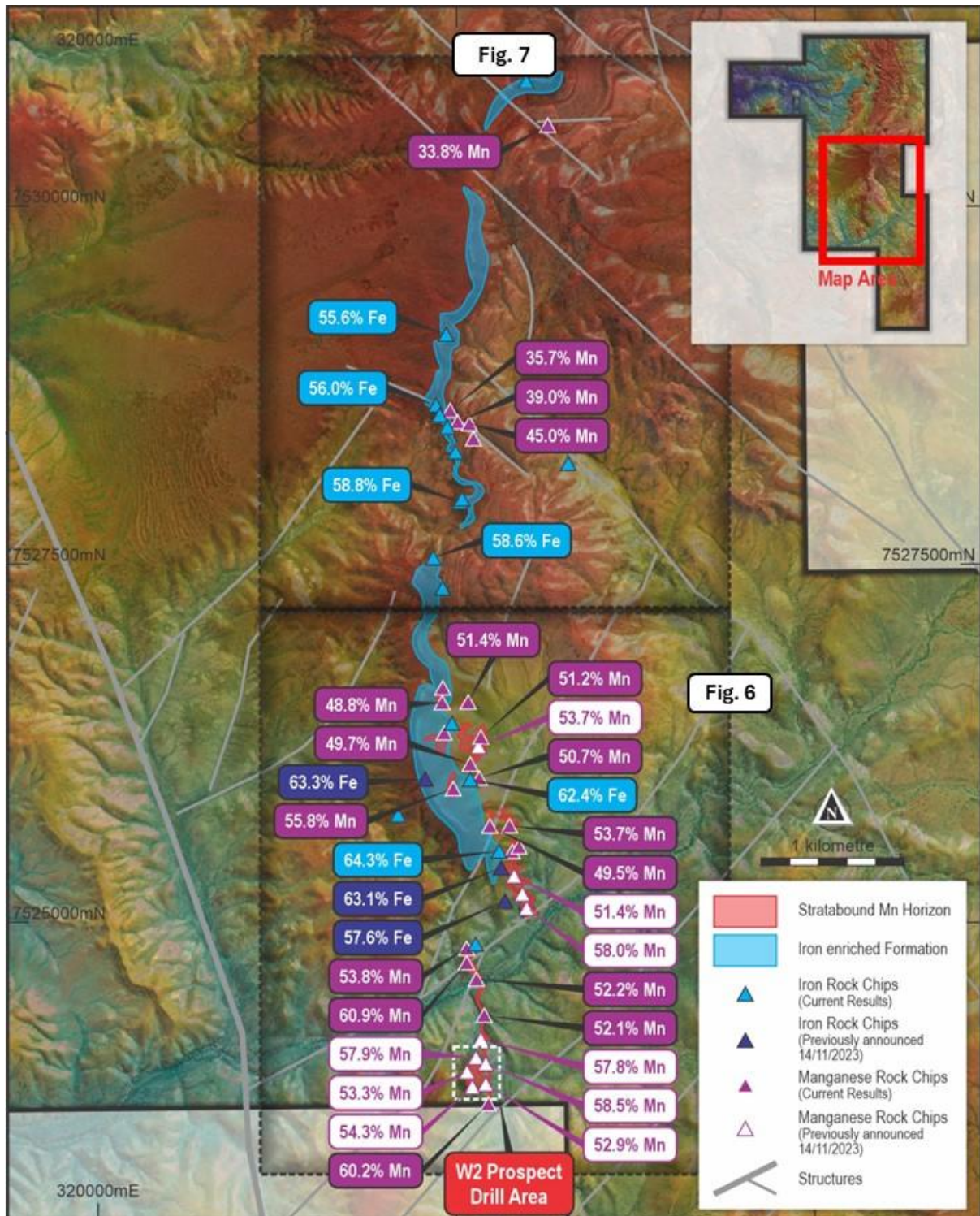


Figure 5. Wandanya significant iron and manganese assays overlying the satellite imagery and draped with a digital elevation model.

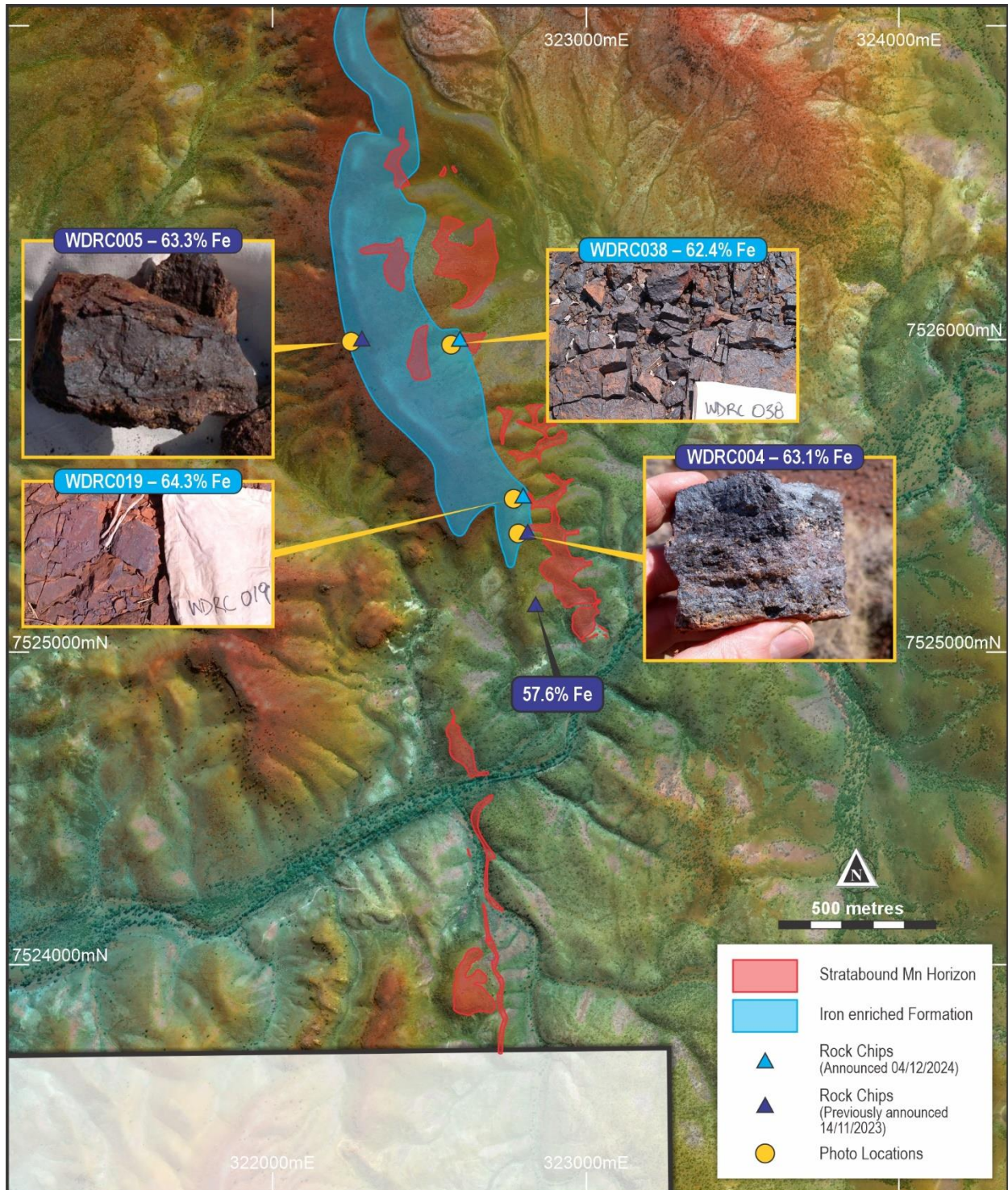


Figure 6. Significant iron assays and rock photos overlay satellite imagery and draped with a digital elevation model. Refer to Table 1 for further details.

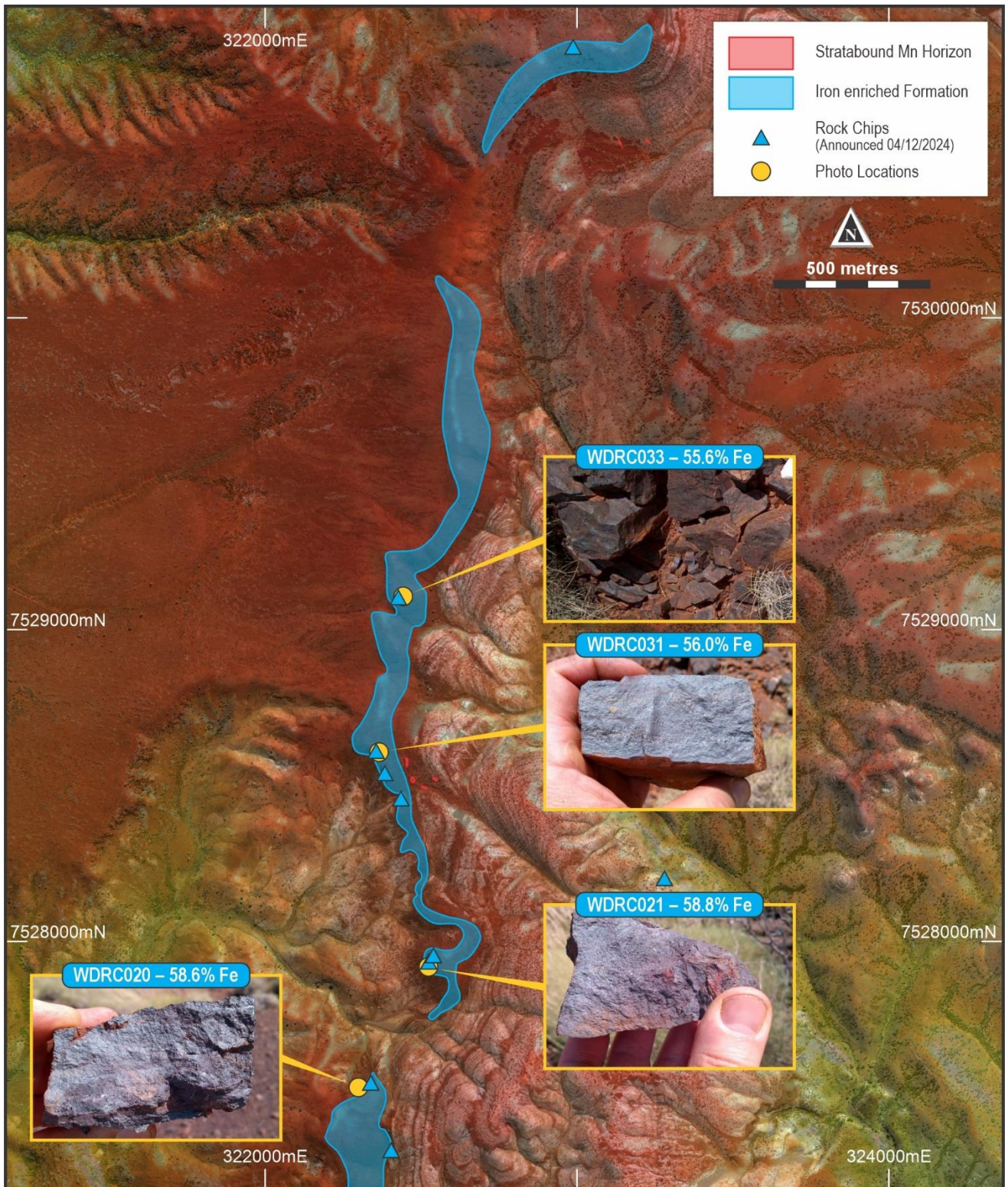


Figure 7: Significant iron assays and rock photos overlay satellite imagery and draped with a digital elevation model. Refer to Table 1 for further details.

W2 Manganese Metallurgical Testwork

Initial metallurgical testwork has commenced to examine the potential to produce a high-quality manganese concentrate for silico or ferro alloying and feedstock for high purity manganese sulphate (**HPMSM**) testwork. A number of high grade (40%Mn) and lower grade (20%Mn) composite samples from the RC program have been submitted to ALS metallurgy for benchtop scale density-based beneficiation testwork. The objective is to increase the insitu 30% Mn grade by removing lower density calcareous waste interbedded with the manganese mineralisation. The metallurgical program is well advanced with results and analysis expected early in the March quarter.

Manganese Mapping and Rockchip sampling campaign

Following the completion of the RC drill program, the Company undertook further mapping and rock chip sampling to assess the full strike extent of the Wandanya project. Portable XRF (**pXRF**) analysis identified multiple widespread rock chip samples with similar grades to the RC drilling completed at W2, ranging between **30 and 50% Mn**. The pXRF results were confirmed and upgraded with the receipt of the laboratory based XRF results that included high-grade manganese assays of 60.9%, 60.2%, 55.8%, 53.8 and 53.7% Mn.^{iv}

An overall strike of 3km of outcropping manganese mineralisation is now confirmed with only 240m of this target drill tested at W2. There is a significant opportunity to expand the mineralised footprint with extensive manganese outcrops well exposed in multiple incised gulleys extending 150m cross strike and shallowly dipping to the east.

Further RC drilling is planned to drill test the outcropping and interpreted down dip extensions of the manganese mineralisation to the east at the end of the wet season.



Figure 8. A gully from the northern manganese corridor exposing widespread manganese outcrop (looking south east)

BALFOUR MANGANESE FIELD (BCA 100%)

KR2 Infill RC Drill Program

The Company infill drilled the KR2 Inferred Mineral Resource following the completion of the Wandanya RC program. The KR2 mineral resource currently stands at 24 Mt @ 11.9% Mn and is one of the higher-grade mineral deposits the Company has discovered across the BMF. The KR2 deposit was also integral to the positive KR1 and KR2 Scoping Study^{vii}. Whilst the KR2 resource is currently classified as Inferred, based on previous resources estimates completed across the BMF the infill drill program should improve the understanding of the grade and geological continuity to potentially upgrade the resource classification. An upgraded resource classification from KR2 can be used to update the Scoping Study by bringing forward high grade, shallow tonnes that were previously accessed from year 5. Bringing forward shallow high-grade resource tonnes in the mine schedule may have a further positive effect on the economics of the project.

A total of 31 holes for 881m were completed at KR2. The infill drill program has reduced the previous drill pattern from 200 x 200m to 100m x 100m. The assay results have been received and are being interpreted with the previous June 2023 drill results.

CARAWINE JV (BCA 75%)

Black Canyon has earned 75% in the Carawine JV Project tenements which are subject to a joint venture agreement with Carawine Resources Ltd (ASX:CWX) with both parties contributing to JV expenditure according to their interests. The JV status remains unchanged from previous quarters and the JV is operating under a minimum tenement expenditure basis to ensure the tenements are maintained in good standing.

There are no significant activities to report from the CWX JV tenements during the quarter. Minimum expenditure programs and budgets have been agreed between the JV partners for 2025.

CORPORATE

Share Purchase Plan (SPP)

In October, the Company announced that the Share Purchase Plan (SPP) had been completed, raising \$263,000. The SPP was priced at \$0.07 per share with applicants also receiving one option for each two shares applied for, with the Options having a two-year term and exercise price of \$0.14 per share.

Placement^v

In December, the Company announced a Placement of fully paid Ordinary New Shares to institutional and sophisticated investors to raise a total of A\$2.5 million (before costs) over two tranches. The funds will be used to undertake exploration programs at Wandanya including reverse circulation and diamond drilling, metallurgical testwork programs, development studies and exploration across the Company's Manganese and Iron tenement portfolio.

The Placement comprised an offer of 41.7 million Ordinary Shares at an Issue Price of \$0.06 per Share.

An updated Top 20 shareholders list is provided in Table 2.

Table 2. Black Canyon Top 20 Shareholders (14/01/2024)

Computershare			
BLACK CANYON LIMITED			All Shares
Top Holders (Grouped) As Of 14/01/2025		Composition : ORD,ES6,ES7,ES8,ES9	
Rank	Name	Units	% Units
1	PALM BEACH NOMINEES PTY LIMITED	6,711,632	6.33
2	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	4,540,894	4.28
3	TREASURY SERVICES GROUP PTY LTD <NERO RESOURCE FUND A/C>	4,208,802	3.97
4	GP SECURITIES PTY LTD	3,393,839	3.20
5	KILLI RESOURCES LIMITED	3,044,666	2.87
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,946,161	2.78
7	JETOSEA PTY LTD	2,562,910	2.42
8	MS LETITIA BURBURY	2,533,262	2.39
9	THIRD REEF PTY LTD	2,486,068	2.34
10	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	2,214,982	2.09
11	MRS SIMONE ELIZABETH ARCHER	2,000,000	1.89
11	MR KENNETH JOSEPH HALL <HALL PARK A/C>	2,000,000	1.89
11	MR NICHOLAS JOHN ROBERT SHANAHAN	2,000,000	1.89
14	SAMATZO HOLDINGS PTY LTD <HILL FAMILY A/C>	1,923,809	1.81
15	CALAMA HOLDINGS PTY LTD <MAMBAT SUPER FUND A/C>	1,740,884	1.64
16	ICON CUSTODIANS PTY LTD <CUMMINS FAMILY A/C>	1,617,168	1.52
17	MR GRAHAM LESLIE ASCOUGH + MRS PATRICIA LYNN ASCOUGH <ASCOUGH S/F A/C>	1,591,992	1.50
18	TRBG INVESTMENTS PTY LTD <TRB GOYDER SUPER A/C>	1,515,169	1.43
19	MULTITASK INTERNATIONAL PTY LTD	1,500,000	1.41
20	NURRAGI INVESTMENTS PTY LTD	1,384,066	1.30
Totals: Top 20 holders of All Shares		51,916,304	48.94
Total Remaining Holders Balance		54,167,724	51.06

Cash

The Company's consolidated available cash was \$718k as of 31 December 2024 with no debt. Subsequent to the quarter the Company received Tranche 1 of the Placement totalling \$1.1m (before costs). A further \$1.4m is expected subject to Shareholder approval in the March Quarter.

Summary of Expenditure

Expenditure on Exploration and Evaluation was \$349k and Admin and Corporate costs totalling \$187k. This information is presented in the Quarterly Cashflow Report (Appendix 5B).

KEY ACTIVITIES PLANNED FOR THE MARCH 2025 QUARTER

- Completion of the second tranche of the Placement ^{vi}.
- Review RC assays KR2 deposit.
- Review the Wandanya RC drill results and field data to plan additional exploration programs.
- Schedule and implement a Heritage Survey at Wandanya for planned manganese and iron drill programs.
- Review metallurgical testwork programs from samples gathered from the W2 prospect for beneficiation and HPMSM feedstock studies.
- Update the KR2 Mineral Resource and review the KR1/KR2 Scoping Study results.
- Apply to DEMIRS for Exploration Incentive Scheme (EIS) grants for drilling and geophysics
- Review the autumn flora/vegetation and fauna surveys completed across the KR1 and KR2 project areas and plan follow up surveys.
- Tenement rationalisation to reduce holdings costs and increase focus on key assets.
- Progress engagement with strategic parties interested in offtake or involvement in producing HPMSM and manganese concentrate products

DECEMBER QUARTER ASX RELEASES

Additional details pertaining to information reported in this Quarterly report, including JORC 2012 reporting tables where applicable, can be found in the ASX announcements lodged with the ASX during the quarter:

8-Oct-24	Assays confirm high-grade manganese discovery at Wandanya
11-Oct-24	Share Purchase Plan completion
14-Nov-24	High-grade manganese results from the Wandanya Project
27-Nov-24	3km strike of outcropping manganese confirmed from Wandanya
4-Dec-24	High-grade iron results from Wandanya
23-Dec-24	Capital raising to accelerate exploration at the Wandanya iron & manganese discovery

ASX ADDITIONAL INFORMATION

1. ASX Listing Rule 5.3.1– Mining exploration activities and investment activity expenditure during the quarter was \$349,000. Full details of the activity during the quarter are set out in this report.
2. ASX Listing Rule 5.3.2 – Mining production and development activity expenditure for the quarter was Nil and there were no substantive mining exploration activities for the quarter.
3. ASX Listing Rule 5.3.3 – Tenement Schedule

Project	Tenement	Beneficial Interest at start of quarter	Beneficial Interest at end of quarter
Carawine Joint Venture tenements	E46/1116-I	75%	75%
	E46/1119-I	75%	75%
	E46/1301	75%	75%
	MLA46/546	75%	75%
	E46/1069-I	75%	75%
Davis Creek	EL46/1382	100%	100%
Pickering Creek	EL46/1404	100%	100%
Davis North	EL46/1406	100%	100%
Wandanya	EL46/1407	100%	100%
Warawagine	EL45/5954	100%	100%
Bee Hill West	EL46/1422	100%	100%
Balfour South	EL46/1396	100%	100%
Hurricane	EL46/1394	100%	100%
Billanooka	EL46/1488	100%	100%
KR	EL46/1383	100%	100%

Note EL – Granted Exploration Licence.
 ELA – Exploration license in application.
 MLA – Mining Licence in application.

4. ASX Listing Rule 5.4.5 – Payments to related parties of the Company during the quarter and outlined in the Appendix 5B include \$65,000 for Salaries, Director Fees and Consulting Fees paid to Directors.

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

For further details:

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For media and broker enquiries:

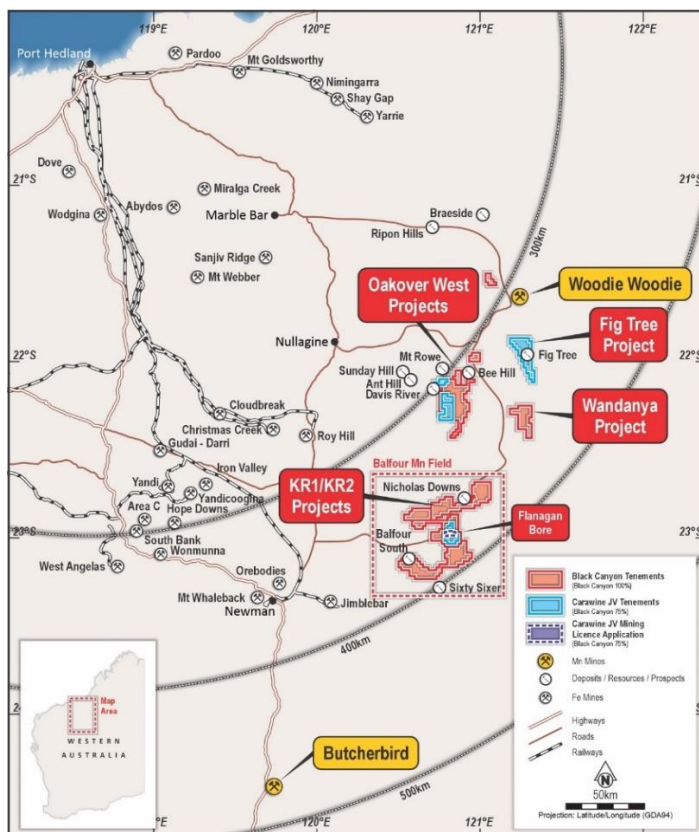
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ABOUT BLACK CANYON



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 a 100% interest in several exploration licenses 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 of 314 Mt @ 10.4% Mn has been defined across the Balfour Manganese Field projects. This MRE comprises 100Mt @ 10.4% Mn

(Measured), 150Mt @ 10.1% Mn (Indicated) and 64Mt @ 11.9% Mn (Inferred) – refer to ASX release 12 Dec 2023.

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.

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.

The information in this report that relates to metallurgical testwork results is based on information reviewed by Mr David Pass, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Pass is an employee of BatteryLimits and consultant to Black Canyon Limited. Mr Pass has sufficient experience relevant to the mineralogy and type of deposit under consideration and the typical beneficiation thereof to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr Pass consents to the inclusion in the report of the matters based on the reviewed information in the form and context in which it appears.

For further information, please refer to ASX announcements dated 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 and 23 December 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.

ASX REFERENCES

ⁱ ASX Announcement 8 October 2024 – Assays confirm high-grade manganese discovery at Wandanya

ⁱⁱ ASX Announcement 14 November 2024 – High-grade manganese results from the Wandanya Project

ⁱⁱⁱ ASX Announcement 27 November 2024 – 3km strike of outcropping manganese confirmed from Wandanya

^{iv} ASX Announcement 4 December 2024 – High-grade iron results from Wandanya

^v ASX Announcement 23 December 2024 – Capital raising to accelerate exploration at the Wandanya iron & manganese discovery

^{vi} ASX Announcement 12 December 2023 – Global Balfour Manganese MRE Exceed 300 Mt

^{vii} ASX Announcement 2 July 2024 – Positive Results Confirmed from the KR1 and KR2 Scoping Study

^{viii} ASX Announcement 14 November 2023 – Multiple high grade Manganese rock chip samples from Wandanya Project