



ASX Release 20 January 2026

Early Works Underway for Near Term Start of Mining Operations at the Pinnacles Ag-Pb-Zn Mine

Summary:

Broken Hill Mines Limited (ASX: **BHM**) is pleased to provide an update on the initiation of early works and operational readiness activities at the Pinnacles silver-lead-zinc Mine¹. The Company has commenced multiple workstreams to support the near term resumption of mining operations at Pinnacles and ore delivery to its operational Rasp Processing Plant.

BHM is on track to start operations at the Pinnacles Mine in the June Quarter 2026.

BHM has also kicked off its planned Phase 2 (25,000m) drilling program at Pinnacles, with two rigs mobilised to site. Phase 2 drilling is targeting a significant uplift in overall mineral resource size and grade.

In addition, further drilling results from the Pinnacles Phase 1 drilling program (completed late 2025) are due imminently.

Both Phase 1 and 2 drilling programs continue to advance BHM's strategy of expediting near-term open pit operations at Pinnacles, which are targeted to supply high grade ore for processing at the Company's operating Rasp Mine processing plant, located ~15km away.

Pinnacles Early Works Highlights:

- **BHM's operational readiness program** is focused on integrating Pinnacles with Rasp, enabling a capital-efficient restart that **targets initial operations in the June Quarter 2026**.
- **Mining services and ore haulage contracts executed**, securing capacity to support the planned commencement of mining and ore movements from Pinnacles.
- **Surface works underway** to upgrade pit access, relocate site offices, and remove redundant legacy infrastructure, improving site layout, safety and operational efficiency.
- **Targeted operational and technical hires completed**, strengthening site capability in preparation for increased activity levels across drilling and mining operations.
- **Second drilling rig mobilised**, enabling parallel execution of geotechnical, metallurgical and mine planning infill drilling alongside continued resource expansion.
- **Metallurgical optimisation test work progressing** to confirm the most efficient treatment strategy for multiple ore sources (including campaign vs blending) through the Rasp Processing Plant, maximising recovery and concentrate quality.

¹ BHM holds a 70% operational profit share over the Pinnacles Mine. See page 4 for further details.

Pinnacles Operational Readiness Activities

Broken Hill Mines has commenced a coordinated operational readiness program at Pinnacles, focused on aligning contractors, site preparation, metallurgical optimisation and production planning ahead of near-term mining activity. Contracts have been awarded for key mining services and ore haulage, providing certainty around execution capability, operational cost structures and logistics pathways.

Surface works are progressing to upgrade access to the open pit, relocate offices to locations away from current and future open pit mining areas, and remove redundant infrastructure inherited from historical operations. These works are intended to streamline site layout, reduce operational risk, and support safe, efficient mining activities as activity levels increase.

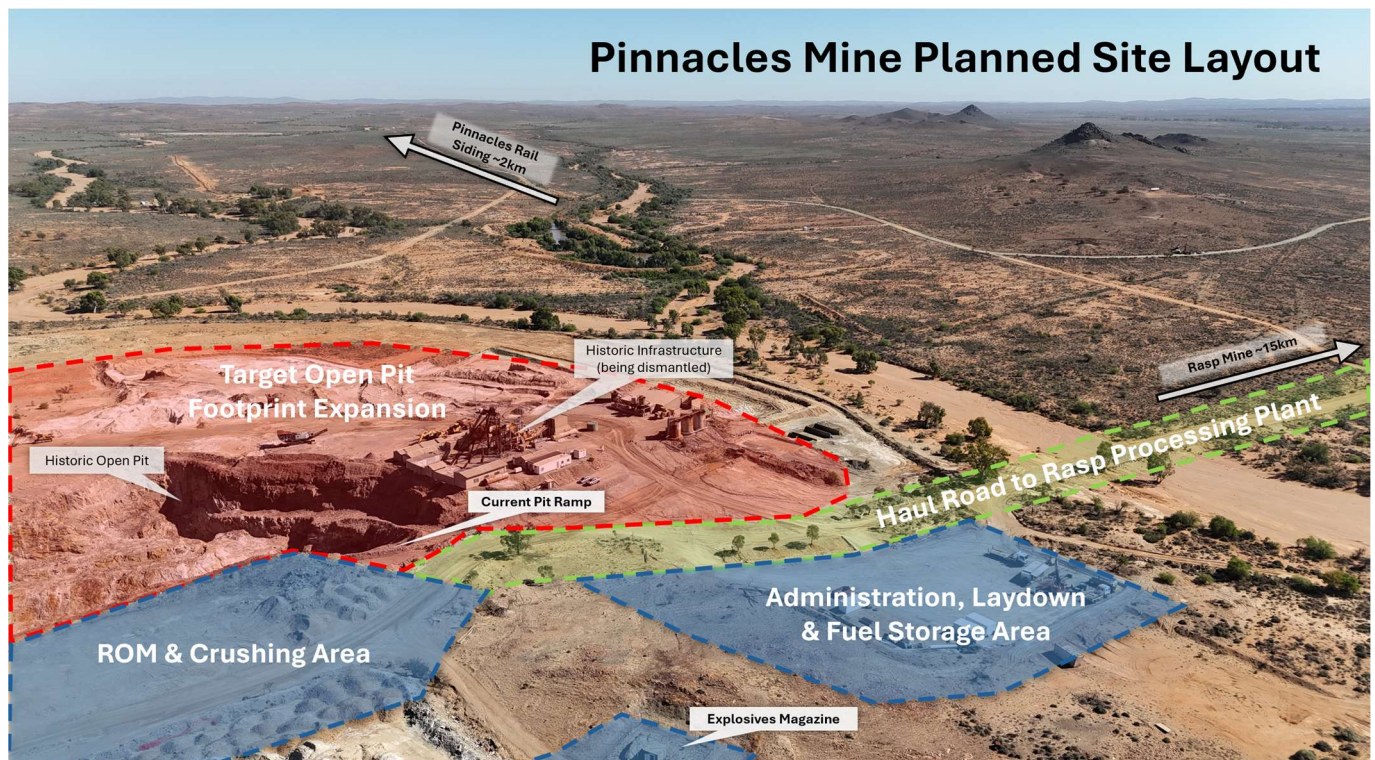


Figure 1 - Pinnacles site layout for the near-term resumption of mining operations

In parallel, confirmational metallurgical test work is underway to refine and optimise the processing flowsheet for treatment of Pinnacles ore through the operating Rasp Processing Plant. This work is aimed at validating expected recoveries, concentrate quality and circuit performance, and will inform final operating parameters ahead of sustained ore delivery.

Drilling has recommenced following a short break over the Christmas period, with processing of previously drilled core (~7,000m remains under assay awaiting ASX release) continuing in parallel. The Company expects to report the next tranche of assay results imminently.

Recent BHM Phase 1 shallow drilling results amenable to open pit mining include²:

- **7.9m @ 56.4% ZnEq, 1,562g/t AgEq** (921g/t Ag, 18.8% Pb, 6.8% Zn, 0.1% Cu, 0.7g/t Au) from 57m – BPD0038
- **4.4m @ 36.5% ZnEq, 1,013g/t AgEq** (763g/t Ag, 9.4% Pb, 1.2% Zn, 0.2g/t Au) from 39.1m – BPD0040
- **3.0m @ 29.2% ZnEq, 807g/t AgEq** (68g/t Ag, 2.0% Pb, 23.5% Zn, 0.5g/t Au) from 101.9m – BPD002
- **4.8m @ 19.4% ZnEq, 537g/t AgEq** (364g/t Ag, 5.9% Pb, 1.5% Zn, 0.1g/t Au) from 46.5m – BDP0042

² See BHM ASX Announcements 22 September 2025, 14 October 2025, 13 November 2025. BHM confirms that it is not aware of any new information or data that materially affects the information included in the relevant ASX announcements.

- **4.9m @ 19.2% ZnEq, 532g/t AgEq** (328g/t Ag, 6.1% Pb, 2.5% Zn, 0.1g/t Au) from 29.8m – BPD0043
- **12.0m @ 18.6% ZnEq, 514g/t AgEq** (42g/t Ag, 1.0% Pb, 11.1% Zn, 0.2% Cu, 1.6g/t Au) from 69m – BPD033
 - Within a broader intercept including **23.1m @ 1.1g/t Au & 0.2% Cu** from 63.5m
- **8.1m @ 14.5% ZnEq, 400g/t AgEq** (41g/t Ag, 0.7% Pb, 11.2% Zn, 0.2% Cu, 0.3g/t Au) from 65m – BPD0039
- **12.1m @ 13.4% ZnEq, 371g/t AgEq** (29g/t Ag, 0.4% Pb, 7.5% Zn, 0.5% Cu, 1.1g/t Au) from 113m – BPD006
- **8.8m @ 11.7% ZnEq, 325g/t AgEq** (193g/t Ag, 4.6% Pb, 0.7% Zn, 0.2g/t Au) from 14.2m – BPD0039

A second diamond drill rig has been mobilised to site, enabling a step-change in drilling productivity. The additional rig will allow high-impact resource expansion drilling to continue in parallel with targeted geotechnical and mine planning infill drilling, accelerating both resource growth and the delivery of data required for initial production planning and operational design.

To support this increased level of activity, the Company has made several targeted operational and technical appointments, strengthening on-site capability across geology, processing and project delivery functions. These hires underpin capacity to execute the expanded drilling program, while enabling parallel progression toward mining operations targeted for the June Quarter 2026.



Figure 2 – Delivery of new office buildings to Pinnacles Mine

The Board of Directors of Broken Hill Mines Limited authorised the release of this announcement.

Further Information

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Rasp Mine Overview & History

Background

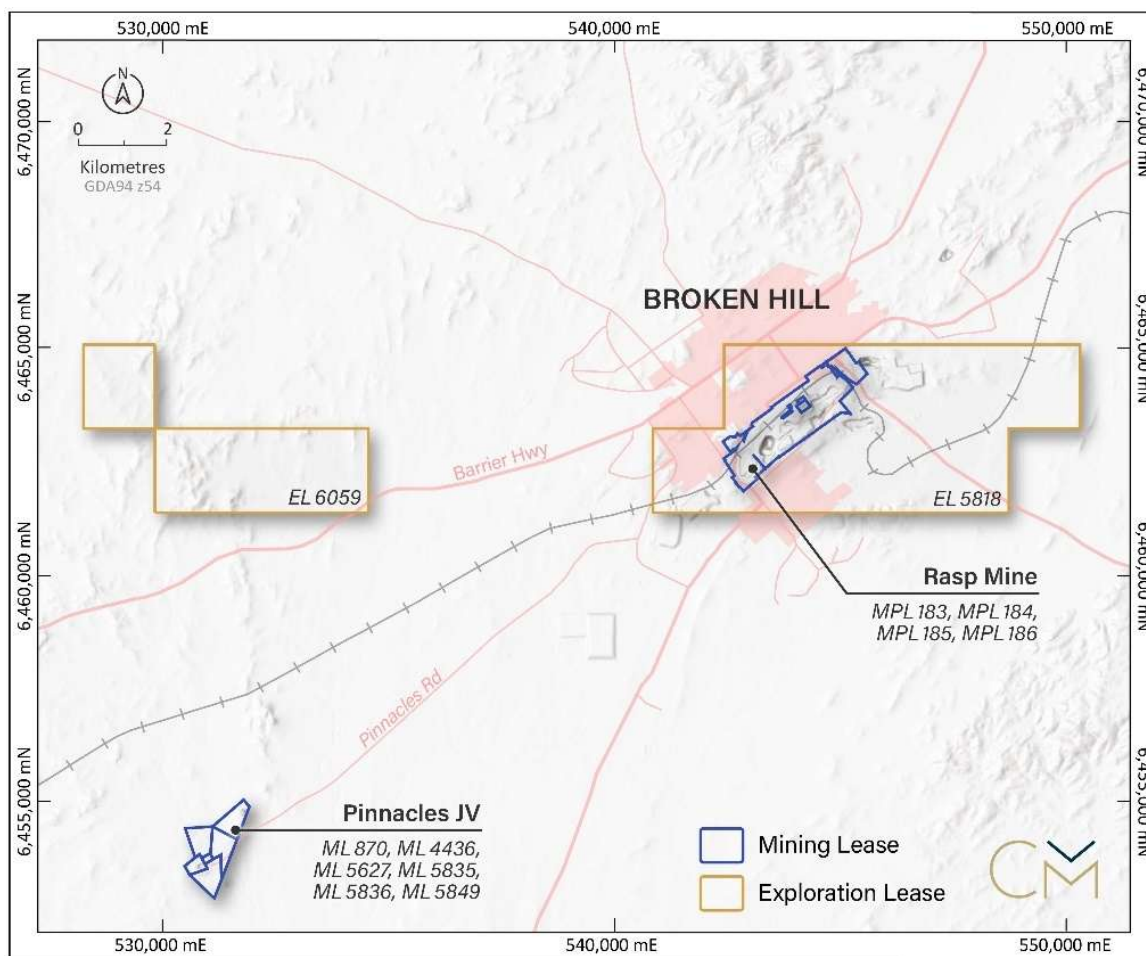


Figure 5 - Location of the Pinnacles Mine and Rasp Mine

The Pinnacles Mine is a stratiform silver rich Broken Hill Type sulphide deposit which lies approximately 15km south-west of the main Broken Hill Lode (**Rasp Mine**). The Pinnacles ore body was discovered in 1886 and has been mined intermittently from underground and open cut.

More recent drilling (2000's) has resulted in discovery of the high-grade Perseverance lode, adding significantly to the high-grade resource.

Pinnacles Operating Joint Venture

BHM holds a binding joint venture agreement (**HOA**) for mining operations at the Pinnacles Mine. Under the terms of the HOA, BHM is the exclusive operator of the Pinnacles Mine, with mined ore to be transported and processed at BHM's Rasp Mine processing plant, located approximately 15km away.

Profits from operations at the Pinnacles Mine are shared approximately 70% BHM / 30% Pinnacles via an agreed net smelter return calculation with applicable deductions.