25 August 2026

UNDERGROUND DRILLING TO COMMENCE AT SHAFTER

Final underground operational-readiness activities underway ahead of a Stage-1 underground drilling program targeting resource growth and definition at the Shafter Silver Project, Texas

Highlights

- **Final underground operational-readiness activities are underway at Shafter ahead of access to the existing mine decline and commencement of underground drilling**
- **MSHA has been onsite assessing the final safety and operational requirements for underground access, with American Mining and Tunnelling (AMT) supporting underground readiness and rehabilitation activities**
- **Underground drill platforms are expected to enable shorter, more targeted holes from existing development, improving drilling efficiency and providing direct access to mineralised zones around the underground developments**
- **Drill planning is underway, with initial holes expected to focus on areas around previously operated stopes that are difficult to test efficiently from surface. Final details of the underground drill program will be confirmed after targeted rehabilitation is completed.**
- **Program will support restart optionality through resource validation and infill drilling, improved geological and geotechnical definition, assessment of historical mining areas and inputs into mine planning and restart studies.**

Black Bear Minerals (ASX: BKB; OTCQX: BKBMF) ("**Black Bear Minerals**" or "**the Company**") is pleased to provide a progress update for the Shafter Project ("**Shafter**" or "**the Project**"), located in Presidio County, Texas, USA.

Black Bear Minerals Chief Executive Officer, Dennis Lindgren, commented:

"We're completing the final operational-readiness steps to access the underground developments at Shafter and commence underground drilling, leveraging existing decline development and ground support that remain in good condition. Drill planning is underway, targeting extensions to high-grade silver mineralisation while supporting planned JORC conversion, MRE updates and key mine-restart inputs. Leveraging the underground workings allows us to rapidly advance exploration while supporting our restart ambitions.

Underground Operational Readiness

Black Bear has been progressively returning the Shafter site and its underground infrastructure to an operational-ready state. AMT has been supporting the Company with underground readiness, inspection and rehabilitation planning, while MSHA has been onsite as the Company completes the remaining safety and operational requirements for underground access.

Figure 1 - Shafter Mine hoist repair and refurbishment work ongoing by American Mining and Tunnelling (AMT)

The initial is focus is on workings developed by previous operator Aurcana. Based on inspections completed to date, the relevant declines and installed ground support/pinning are in good condition, as advised by AMT. Targeted rehabilitation and any additional ground-support works identified through the final readiness process will be completed before personnel and drilling equipment advance into the relevant mine areas.

Figure 2 - Shafter site team undertaking required training ahead of underground operations.

The Company intends to commence underground drilling once the remaining MSHA-related requirements and planned rehabilitation activities have been completed. This work is a prerequisite to safe underground access and does not represent a decision to restart mining operations.

Underground Drilling

Planning of the initial underground drilling program is underway and will focus on areas accessible from the existing underground development, including the Presidio East and Ramp areas as described in the Company's exploration strategy announced 4 March 2026 and 2 July 2026.

The program will be designed to support further definition of the mineralised system and test for extensions to silver mineralisation within and beyond the existing Foreign MRE footprint.

The underground program will aim to provide additional drilling coverage in and around the Presidio mine workings, where the Company has previously reported that mineralisation remaining within the mine area is currently excluded from the Foreign MRE and encompasses approximately 1km of strike that is yet to be adequately quantified[1].

Underground drilling will also aim to complement further planned surface exploration drilling across the broader Shafter Project and will provide additional geological information to support resource definition, the planned JORC conversion and future MRE updates.

Underground access provides the opportunity to systematically test the continuity of mineralisation between underground developments and the current resource footprint, while also targeting potential extensions beyond previously defined mineralisation.

Where access conditions permit, the Company also intends to integrate underground geological observations and sampling with drilling data to refine structural and stratigraphic models and improve targeting across the broader Shafter mineralised system.

Supporting Restart Optionality

The underground campaign is designed to generate information that can be incorporated into the Company’s ongoing assessment of a potential restart of the Shafter operation. Priority work is expected to include resource validation and infill drilling in areas relevant to potential early mine sequencing, improved geological and geotechnical definition around existing developments, and verification of conditions in areas that may be incorporated into future mine planning.

Importantly, drilling from existing underground developments will allow the Company to focus technical work around infrastructure that could potentially be utilised in a mine restart scenario. This should improve the quality of data available for mine design, sequencing and rehabilitation planning and support the broader Rapid Mine Restart work program.

No development decision has been made, and any restart remains subject to completion of technical studies, permitting, funding and other required approvals.

[1] Refer to the Company's ASX announcement dated 2 October 2025

Next Steps

Following completion of the remaining underground operational-readiness requirements, Black Bear Minerals intends to commence the staged underground drilling program as part of a broader program of exploration, resource definition and restart activities at Shafter.

Underground drill program design is underway and will aim to achieve efficient access to the mineralised system from existing underground developments, support infill and validation drilling for the planned JORC Mineral Resource and subsequent MRE updates, while also testing extensions to high-grade silver and broader polymetallic mineralisation along strike and down-dip.

Underground drilling will complement future planned surface drilling, with both programs to progressively target areas within and beyond the existing Foreign MRE and refine the geological and structural model across the broader Shafter mineralised system.

Access to the underground developments also provides an opportunity to further assess areas that are poorly represented or excluded from the current Foreign MRE, including mineralisation surrounding developments and stopes. Results from underground drilling, mapping and sampling are expected to provide important inputs into resource definition, mine planning, geotechnical understanding and the evaluation of potential future mining areas.

In parallel, the Company continues to advance its Shafter restart workstreams, including ongoing assessment and rehabilitation of existing underground and surface infrastructure, mine planning, metallurgical and process optimisation, infrastructure reuse strategies, environmental and permitting activities, and capital, operating and execution planning. These activities are focused on determining the most efficient pathway to leverage Shafter's substantial existing brownfield infrastructure in any potential restart.

Accordingly, the next phase of work at Shafter provides a series of complementary catalysts, including commencement of underground drilling, continued surface exploration, further exploration results, JORC conversion and MRE updates, assessment of additional mineralisation within the mine footprint, advancement of restart engineering and mine planning, and progressive definition of the potential restart pathway.

Background on Black Bear Minerals

Black Bear Minerals (ASX: BKB; OTCQX: BKBMF) is a North American precious metals developer focused on advancing high-grade gold and silver assets in Tier-1 U.S. jurisdictions.

The Company's portfolio is anchored by the 100%-owned Shafter Silver Project in Texas and the Independence Gold Project in Nevada's Battle Mountain region. Together, the assets provide exposure to large-scale domestic silver and gold systems supported by existing infrastructure, established mining districts and strong leverage to precious and critical metals markets.

The Company also retains a non-core lithium exploration portfolio in Québec's James Bay region.

Shafter Silver Project – Texas

Resource & Mineralisation

Shafter currently hosts a high-grade foreign mineral resource estimate (prepared under Canadian NI 43-101 standards) which Black Bear is currently working to convert to JORC standards and reporting.

Table 1: Shafter Silver Project Foreign Mineral Resource Estimate

Classification	Cut-Off (Ag g/t)	Tonnes (Mt)	Grade (Ag g/t)	Ag Ounces (Moz)
Measured	137	0.09	299	0.89
Indicated	137	1.01	314	10.17
Inferred	137	0.79	256	6.51
Total	**137**	**1.89**	**289**	**17.57**

The Company first announced the foreign MRE for the Shafter Project on 2 October 2025. The mineral resource estimate is a foreign estimate prepared in accordance with Canadian National Instrument 43-101. A competent person has not done sufficient work to classify the foreign estimate as a mineral resource in accordance with the JORC Code 2012, and it is uncertain whether further evaluation and exploration will result in an estimate reportable under the JORC Code 2012. The Company is undertaking validation and technical work to assess whether the estimate can be converted to a JORC-compliant Mineral Resource. Until that work is completed, there can be no assurance that the estimate will be reported under the JORC Code.

Independence Gold Project – Nevada

<u>Project Overview</u>

The Independence Project consists of 80 unpatented mining claims and 84 unpatented mill sites, situated in Lander County, Nevada, and spans approximately 1,861 acres of Bureau of Land Management (BLM) administered lands. It is adjacent to the Nevada Gold Mine's Phoenix Operation and about 16km south of Battle Mountain. In addition, the Project encompasses Section 17; 470 acres of private fee surface land in the Battle Mountain Mining District, where the Company holds exclusive water rights for future production wells.

<u>Nevada – Tier 1 Jurisdiction</u>

Nevada is widely recognised as one of the world's premier mining jurisdictions, consistently ranking among the top regions in the Fraser Institute mining survey. The state is a leading producer of gold and silver and offers a stable regulatory framework, established infrastructure, skilled mining workforce and direct access to major U.S. markets. Nevada's long history of mining development and supportive permitting environment continue to underpin strong investment and project development activity.

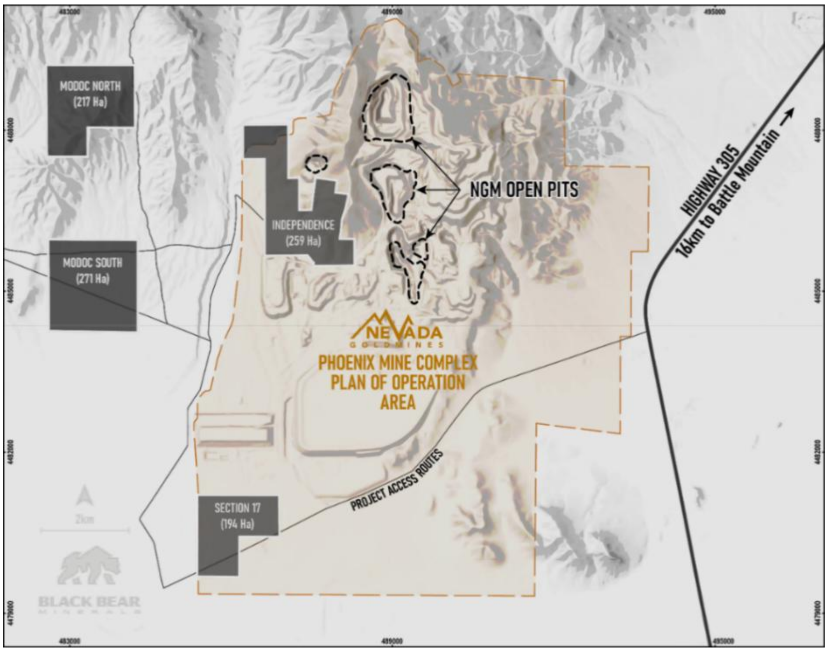

Figure 3: Independence Property overlayed with active Nevada Gold Mines (Newmont-Barrick JV) Phoenix Mine Complex, Plan of Operations.

Mineral Resource

The Project contains a JORC 2012 Mineral Resource as outlined below[2]:

Table 2: Independence Project JORC Mineral Resource Estimate.

Independence Project - Mineral Resource Estimates							
Classification	Tonnes	Grade (g/t)			Ounces		
		AuEq	Au	Ag	AuEq	Au	Ag
Epithermal Mineral Resource Estimate							
Indicated	26,641,200	0.44	0.4	7.5	376,200	345,300	6,452,200
Inferred	63,279,300	0.41	0.37	6.6	841,100	755,200	13,518,200
Subtotal (Indicated + Inferred)	***89,920,600***	***0.42***	***0.38***	***6.9***	***1,217,400***	***1,100,500***	***19,970,400***
Skarn Mineral Resource Estimate							
Inferred	4,958,400	-	6.29	-	-	1,002,500	-

References to metal equivalents is a function of metal prices, the Gold Equivalent is based on a Gold Price of US$2,590.60/oz and Silver Price of US$30.50/oz, and metal recoveries for both gold and silver. The recovery of gold is stated as 79% in oxide, 50% in transitional and 22% in fresh (Au Recovery). Silver averages 27% across all material. Resultantly, the AuEq calculation is: Au g /t + (Ag g/t ÷ ((2,590.6 x Au Recovery) ÷ (30.5 x 0.27))). The Company believes that all metals included in the metal equivalent calculation have a reasonable potential to be recovered and sold.

Scoping Study

On 3 August 2026, the Company announced the results of a Scoping Study outlining a conventional, low-capital open-pit heap-leach development pathway for the near-surface epithermal mineralisation at the Independence Gold Project.

The Study delivered a post-tax NPV_5 of approximately A$511 million, a 64% IRR and a 1.4-year payback. The preliminary production target comprises 31.9Mt at 0.30g/t gold and 6.09g/t silver, with estimated recovered production of approximately 250koz gold and 1.77Moz silver over a 9.7-year mine life. The development concept includes contract mining, two-stage crushing, heap leaching and Merrill-Crowe recovery at 9,000 tonnes per day, with estimated initial capital of approximately A$119 million[3].

Importantly, the Study was based solely on a portion of the epithermal Mineral Resource and excludes both the substantially larger epithermal Mineral Resource and the high-grade skarn resource. The Company intends to incorporate the updated resource into future mine planning and technical studies, supported by further infill drilling and metallurgical testwork.

Quebec Lithium Assets

Black Bear Minerals has 100% interest in one of the largest lithium exploration portfolios in the James Bay region. The Joule, Aero, Aqua and La Grande East Properties are located in the La Grande sub-province along-trend from PMET Resources (ASX: PMT) Shaakichiuwaanaan deposit.

[2] For previously reported estimate of mineral resources refer to the Company's ASX announcement dated 13 May 2026.
[3] For previously released Scoping Study results refer to the Company's ASX announcement dated 3 August 2026.

This announcement is authorised for release by the Board of Directors of Black Bear Minerals.

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Forward-looking statements

This announcement may contain certain forward-looking statements, guidance, forecasts, estimates or projections in relation to future matters (Forward Statements) that involve risks and uncertainties, and which are provided as a general guide only. Forward Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimate", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of the Company. The Company can give no assurance that these expectations will prove to be correct. You are cautioned not to place undue reliance on any forward-looking statements. None of the Company, its directors, employees, agents or advisers represent or warrant that such Forward Statements will be achieved or prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this announcement. Actual results may differ materially from those anticipated in these forward-looking statements due to many important factors, risks and uncertainties. The Company does not undertake any obligation to release publicly any revisions to any "forward- looking statement" to reflect events or circumstances after the date of this announcement, except as may be required under applicable laws.

Competent Person Statement

*The information in this announcement that relates to previously reported exploration results at the Shafter Silver Project is extracted from the Company's ASX announcement dated 2 October 2025 (**Original Announcement**). The Company confirms that it is not aware of any new information or data that materially affects the relevant information contained in the Original Announcement.*

The resource estimate for the Shafter Silver Project is a foreign estimate prepared in accordance with Canadian National Instrument 43-101. The Company first announced the foreign estimate on 2 October 2025. The supporting information provided in the original market announcement continues to apply and has not materially changed. The Company confirms it is not in possession of any new information or data that materially impacts on the reliability of the foreign estimates or the Company's ability to verify the foreign estimates as mineral resources in accordance with the JORC Code.

The information in this announcement that relates to previously reported estimates of mineral resources for the Independence Gold Project is extracted from the Company's ASX announcement dated 13 May 2026. The Company confirms that it is not aware of any new information or data that materially affects the information contained in the original announcement and, in respect of the estimate of mineral resources, the Company confirms that all material assumptions and technical parameters underpinning the Mineral Resource estimates continue to apply and have not materially changed.

The information in this announcement that relates to the production target, or forecast financial information derived from the production target, of the Scoping Study for the Independence Gold Project is extracted from the Company's ASX announcement dated 3 August 2026. The Company confirms that all material assumptions underpinning the production target, or forecast financial information derived from the production target, in the original announcement continue to apply and have not materially changed.