

Exploration Licence Fact Sheet

The Julimar Nickel-Copper-PGE Project

Western Australia

Updated December 2020

Key Information

The following suite of fact sheets can be found at the Chalice website:

<https://chalicemining.com/community-julimar-project>:

- Community Fact Sheet
- Drilling Activity Fact Sheet
- Exploration Licence Fact Sheet
- Environment Fact Sheet



1. What does mineral exploration mean?

Mineral exploration is the process of searching for deposits of minerals in the ground. The information gathered during exploration is used to assess the size and quality of a mineral deposit and to determine if it can be economically recovered.

2. What is an exploration licence?

All exploration and mining activity in WA must be conducted under an Exploration Licence authorised by the Department of Mines, Industry Regulation and Safety (DMIRS).

Exploration licences allow licence holders to explore for minerals on limited areas of land. Exploration licences are typically granted and renewed for periods of between two and five years. An exploration licence can cover up to hundreds of square kilometres.

An exploration licence contains detailed conditions to protect the environment to ensure explorers satisfy licence requirements and complete rehabilitation of areas disturbed during exploration.

Before an exploration licence is granted, Chalice must advertise their application in a major newspaper with circulation covering the biggest population base for the area where the licence application has been lodged.

3. Can an exploration licence holder undertake mining?

Exploration licences do not permit mining, nor do they guarantee that a mining lease will be granted.

Exploration licences simply allow Chalice to explore for minerals. Economically recoverable mineral resources are very rare, which means that exploration does not always lead to mining.

If there is the potential for a mine to be developed, any mine proposal must undergo a rigorous assessment under the Mining Act 1978 - Western Australia and Mining Regulations 1981- Western Australia. This assessment involves a series of stages that normally take several years.

4. What does exploration involve?

Please refer to the 'Chalice Drilling Activity Fact Sheet' at <https://chalicemining.com/community-julimar-project> for specific information on drilling techniques, stages and set-up.

5. What happens if Chalice wants to access my land?

Chalice must reach a land access agreement with the landholder before exploring on their land.

An access agreement details the conditions on which an explorer will access the land and any compensation. Chalice will respect the rights of all landowners and seek to minimise any potential disturbance associated with our activities as much as possible.

6. How are the environmental impacts of exploration managed?

Chalice is committed to ensuring all aspects of its exploration program cause minimal disturbance to the environment.

There are a number of legal requirements in the Mining Act 1978 and in exploration licence conditions to minimise the impacts of exploration on the environment and the land. Under law, Chalice is required to rehabilitate the land to pre-disturbance conditions.

The access agreement between the landholder and explorer also contains provisions covering duration of entry, exploration methods, precautions to minimise the risk of disease or weed introduction and compensation for damage. For further information, please refer to our 'Chalice Environmental Fact Sheet' at <https://chalicemining.com/community-julimar-project>.

7. An Exploration Licence has been lodged on my land – what now?

If your property falls within the area of an exploration licence application, it does not automatically follow that entry to your land is required. Chalice will contact only those landowners whose land falls within targeted exploration areas, with the vast majority of areas within these exploration licences not affected.

All new licence applications must be advertised in a newspaper circulating in the locality of the proposed licence. This public notification gives landholders the opportunity to raise concerns by lodging an objection or making a comment for ministerial consideration before the application is determined.

8. Can I still carry on my regular business?

Yes. However, if there is an access agreement in place, landholders will need to act in accordance with that agreement's terms and conditions as agreed upon by both parties.

9. Further Information:

- A suite of [Fact Sheets](#) are available on the Chalice website.
- The [Private Land Provisions Fact Sheet](#) published by DMIRS.
- Department of Mines, Industry Regulation and Safety (DMIRS) can be contacted directly:
Telephone: (08) 9222 3215
Email: LandAccessWA@dmirs.wa.gov.au

10. Company Contacts

Below are the contact details for key personnel associated with the Julimar Project:

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