

30 April 2024

March 2024 Quarterly Activities Report

Highlights

Corporate

- « **Strong balance sheet position, with ~\$107M in cash and investments¹ at quarter-end** – positions Chalice well to progress the Gonneville Project and West Yilgarn exploration activities.
- « **55% reduction** in cash outflows relative to Q4 CY23 – \$7M spent in the March quarter.

Gonneville PGE-Ni-Cu-Co Project, Western Australia (100% owned)

- « Gonneville high-grade sulphide Resource remodelled and revised to:
 - « **59Mt @ 2.0g/t 3E², 0.20% Ni, 0.21% Cu, 0.019% Co**
 - « Containing: **3.8Moz 3E, 120kt Ni, 120kt Cu, 11kt Co**
- « New model forms the basis for **selective open-pit and underground mining**, which is currently being investigated.
- « Gonneville global Resource also increased by **~18%** (since 28 March 2023) after incorporating 15 new step-out drill holes:
 - « **660Mt @ 0.79g/t 3E, 0.15% Ni, 0.083% Cu, 0.015% Co**
 - « Containing: **17Moz 3E, 960kt Ni, 540kt Cu, 96kt Co**
- « The high-grade sulphide Resource provides optionality to potentially **accelerate payback** before **expanding to a future bulk mining opportunity** – selective mining initially preserves this long-term, larger scale opportunity.
- « **Pre-Feasibility Study (PFS)** for the Project continues, targeted for completion in mid CY25.
- « Metallurgical testwork for the PFS continues, with 100 variability samples from 17 holes undergoing mineralogical analysis and initial comminution/flotation tests:
 - « Refinements of the grade-recovery algorithms as part of the PFS have the potential to **materially enhance the mining optimisations, scale and economics of the Project.**
- « A **strategic partnering process is continuing** in parallel with the progression of development studies and regulatory approvals, with the aim of securing a partner by the end of FY24.
- « **Regulatory approvals process commenced** with referral of the Project to State and Commonwealth Governments, including key infrastructure corridor options for power and water.

¹ Includes ~\$2.7M of listed investments as of 31 March 2024

² 3E = Palladium (Pd) + Platinum (Pt) + Gold (Au), with an average in-situ ratio of ~4.5:1:0.17 (Pd:Pt:Au)

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West Yilgarn Nickel-Copper-PGE Province, Western Australia

- « **New untested, high-conductance ground EM plates** defined at the Schrodinger South and Howard Kelpie Ni-Cu+/-PGE targets at the Northam JV Project – drilling planned as soon as possible subject to obtaining land access approvals.
- « **New untested, high-priority ~2,000m x 300m Ni-Cu-Cr-Au soil anomaly** defined at the Kann target at the Northam JV Project, which highlights a ~10km trend of prospective ultramafic rocks – drilling planned as soon as possible subject to obtaining land access approvals.
- « Reconnaissance AC drilling program (373 holes) completed across the **Julimar Project** – assays pending, which will determine the next steps for exploration.
- « Several gold-in-soil anomalies defined at the **Barrabarra Project**, with current extensional programs in progress.

1. Exploration and Development Activities

1.1 Gonneville PGE-Nickel-Copper-Cobalt Project, WA (100% owned)

1.1.1 Overview of activities

Chalice's strategy for the Gonneville Project (the Project) is to define the overall scale of the mineral system, progress development studies and regulatory approvals and select a strategic partner to assist in development of the Project. Chalice is targeting a Final Investment Decision (FID) in late CY26 and to commence production in CY29.

The Company continued to progress the Pre-Feasibility Study (PFS) for the Project during the March Quarter, with a key focus on:

- « Updating the Mineral Resource Estimate to inform the assessment of a smaller scale, higher grade 'starter case' development option;
- « Detailed metallurgical testwork to more accurately define geo-metallurgical domains, determine appropriate processing flowsheets and refine grade-recovery algorithms by metal for each domain; and
- « Definition of key infrastructure corridors for power and water.

The Project was referred to the relevant State and Commonwealth environmental regulatory authorities for evaluation in late March 2024. Subsequent to quarter-end, the WA regulator confirmed that the Project would be assessed at the Public Environmental Review level, which was expected.

Resource drilling at the Project was completed in the March Quarter, with sufficient resources now defined to allow completion of the PFS. No further resource drilling is planned at the Project in the near term and the field team supporting these activities has been downsized or re-assigned to regional exploration activities.

Chalice remains focused on attracting a tier-1 strategic partner for Gonneville with the financial, technical and/or marketing capabilities to assist the Company in bringing the Project into production. Discussions with potential partners are ongoing, however there can be no guarantee at this time of a transaction.

Chalice invested \$2.7M during the quarter on pre-development activities and \$1.9M on exploration activities at the Gonneville Project.

1.1.2 Resource update

On 23 April 2024, the Company released an updated Mineral Resource Estimate (Resource) for the Gonneville Project. Since the previous Resource update in March 2023, modelling work focused on re-interpreting high-grade sulphide zones within the Resource at a much more granular level, to allow the investigation of selective mining methods.

As part of the updated Resource, high-grade palladium, nickel and copper zones have been modelled separately to better define the mineralogical domains. Previous Resource models assumed bulk open-pit mining approaches only (with significantly larger block sizes).

56 additional drill holes have also been incorporated, both to increase confidence in the Resource as well as extend the Resource down-dip to a depth of ~1,100m.

The Resource includes a mix of oxide, transitional and fresh mineralisation. The sulphide mineralisation in-pit is reported at two different Net Smelter Return (NSR) cut-offs. One NSR cut-off to reflect the initial development focus on a high-grade, selective mining starter case, and a lower cut-off to reflect a future expansion into a bulk open-pit mining method.

The updated Resource for the Gonneville deposit as at 23 April 2024 is shown in Tables 1 and 2 below. Refer to the ASX Announcement on 23 April 2024 for full details.

Table 1. Gonneville Mineral Resource Estimate (MRE) – 23 April 2024.

| Classification* | Mass | Grade | | | | Contained Metal | | | |
|-----------------|------------|-------------|-------------|--------------|--------------|-----------------|------------|------------|-----------|
| | Mt | 3E (g/t) | Ni (%) | Cu (%) | Co (%) | 3E (Moz) | Ni (kt) | Cu (kt) | Co (kt) |
| Measured | 2.9 | 1.20 | 0.21 | 0.17 | 0.018 | 0.12 | 6.1 | 4.8 | 0.52 |
| Indicated | 400 | 0.79 | 0.15 | 0.087 | 0.015 | 10 | 610 | 370 | 65 |
| Inferred | 250 | 0.80 | 0.15 | 0.076 | 0.014 | 6.4 | 370 | 200 | 37 |
| Total | 660 | 0.79 | 0.15 | 0.083 | 0.015 | 17 | 960 | 540 | 96 |

* Within pit constrained cut-off of A\$25/t NSR and underground MSO cut-off of A\$110/t NSR (refer to ASX Announcement on 23 April 2024 for details of cut-off approach and assumptions). Note some numerical differences may occur due to rounding to 2 significant figures.

Table 2. Gonneville High-grade Sulphide Mineral Resource Estimate (MRE) – 23 April 2024.

| Classification* | Mass | Grade | | | | Contained Metal | | | |
|-----------------|-----------|------------|-------------|-------------|--------------|-----------------|------------|------------|-----------|
| | Mt | 3E (g/t) | Ni (%) | Cu (%) | Co (%) | 3E (Moz) | Ni (kt) | Cu (kt) | Co (kt) |
| Measured | 0.77 | 2.8 | 0.37 | 0.35 | 0.026 | 0.068 | 2.8 | 2.7 | 0.2 |
| Indicated | 35 | 1.9 | 0.21 | 0.23 | 0.019 | 2.1 | 73 | 80 | 6.8 |
| Inferred | 23 | 2.1 | 0.19 | 0.17 | 0.018 | 1.5 | 44 | 39 | 4.1 |
| Total | 59 | 2.0 | 0.20 | 0.21 | 0.019 | 3.8 | 120 | 120 | 11 |

* Within pit constrained cut-off of A\$100-110/t NSR and underground cut-off of A\$110/t NSR. Note some numerical differences may occur due to rounding to 2 significant figures.

1.1.3 Pre-Feasibility Study

The PFS for the Project commenced in Q4 CY23 and remains on track for completion in mid-2025. The objectives of the PFS are to:

- « Define the preferred, optimised case or development plan for the Project (including the mine, processing plant and support infrastructure), which can be progressed into a Feasibility Study (FS);

- « Estimate capital and operating costs associated with the optimised development plan, including for mining, processing and supporting infrastructure; and
- « Assess the technical, regulatory and financial viability of the Project to a PFS level of accuracy (typically +/- 20-30% for cost estimates).

1.1.3.1 Mining optimisations

A Scoping Study Starter Case is underway, which is investigating selective open pit and underground mining methods, utilising the new high-grade sulphide Resource (refer to ASX Announcement on 23 April 2024). This potential new case will then be progressed in the PFS alongside other potential options including the open pit options outlined in the 2023 Scoping Study (refer to ASX Announcement on 29 August 2023) to arrive at the preferred development case to take forward into a Feasibility Study.

The Starter Case is targeting an initial reduced scale processing plant throughput, and therefore reduced upfront development capital cost, higher grade, higher recoveries and improved margins, which will support the overall goal of achieving a shorter capital payback period and improved IRR at lower commodity prices. Importantly, selective mining initially preserves the long-term, larger scale bulk mining opportunity.

1.1.3.2 Metallurgical testwork and process flowsheet design

Metallurgical testwork to support the PFS is underway, with over 100 variability samples selected and prepared, from 17 dedicated metallurgical drill holes completed in late 2023. Assaying and mineralogical analysis has now been completed on these samples.

Several domain composites are being prepared from the variability samples, to represent the range of grades and litho-geochemical variability at Gonneville. In addition, several mining composites are being prepared to represent phases of the mining schedule. The aim of the testwork program is to define grade-recovery algorithms for each domain and explain the variability between and within domains. The results from the testwork will inform the engineering inputs of the processing plant and process infrastructure design.

Initial testwork is focused on comminution and flotation optimisation, assessing optimal grind size (25-106µm primary grind as well as consideration of staged grinding or mill-float-mill-float techniques) and flotation configuration (bulk versus sequential Cu-Ni flotation). The use of alternative comminution technologies such as High Pressure Grinding Rolls (HPGRs) will be tested, with first tests scheduled for Q2 of CY24. HPGR grinding is being studied for a potential energy cost improvement.

Flotation investigations will include the use of high-shear flotation cells, pre-treatment conditioning of feed to clean oxidised surfaces, extended flotation time and selection and optimisation of reagents, including novel reagents where warranted.

Several flowsheet configurations continue to be tested, including:

- « Sequential Cu-Ni flotation to produce saleable Cu-PGE and Ni-Co-PGE smelter concentrates;
- « Bulk flotation to produce a saleable PGE(+Ni-Cu-Co) smelter concentrate;
- « Nickel concentrate enrichment using hydrometallurgical processes to produce Ni-Co battery precursor products (on hold pending completion of flotation testwork); and
- « Leaching of oxide material and/or flotation tails to produce saleable PGE-Au doré.

The PFS will assess the trade-offs on value and risk for the various flowsheet options in detail, as well as evaluate potential phasing of the flowsheet construction over time. The Starter Case is assessing simpler flowsheet options initially whilst processing higher grade feed, and progressively applying more processing techniques as cut-off grade is reduced over time. Refinements of the grade-recovery

algorithms as part of the PFS has the potential to materially enhance the mining optimisations, scale and economics of the Project.

Concentrate samples have been provided to two potential hydrometallurgical technology providers. Work will initially focus on leach conditions to optimise leach extraction and reagent consumption.

Work is also progressing under the Cooperative Research Centre's grant project (CRCP) in JV with Curtin University and Dravslavka to investigate glycine leaching of flotation products (concentrate and tailings). It is expected that this project will move to pilot scale work in the next 12 months.

The option of stockpiling oxide material and direct trucking to an existing gold plant is also under assessment.

1.1.3.3 Supporting infrastructure

Key water and power infrastructure corridor options for the Project have been identified. These potential corridors will be further developed to allow technical and environmental data to be collected, for use in both preliminary design/engineering and the regulatory approvals process.

The options were included in the environmental referral submitted recently to the State and Commonwealth regulatory agencies. Several options will be investigated until a final optimal route is defined for both power and water lines. The Project Development Team is engaging with Western Power and Water Corporation in the development of these corridors.

1.1.4 Gonneville Resource growth potential

Since 23 January 2024, results have been received for an additional seven wide-spaced diamond holes drilled beyond the extent of the Resource at Gonneville, when the drilling database was closed for the Resource update.

These holes confirm that mineralisation continues for a considerable distance down-dip, within the central 'saddle' area of the Gonneville Resource, below the current extent of the Resource pit shell. These intercepts represent a significant longer term underground resource growth opportunity in this area.

Significant high-grade intersections from wide-spaced step-out drill holes beyond the new Resource include:

- « 5m @ 1.76 g/t 3E, 0.14% Ni, 0.09% Cu, 0.01% Co from 1164m (JD408);
- « 10m @ 2.13g/t 3E, 0.18% Ni, 0.21% Cu, 0.01% Co from 1191m (JD408 – the deepest mineralisation intersected at the Project to date);
- « 10m @ 1.47g/t 3E, 0.14% Ni, 0.11% Cu, 0.01% Co from 845m(JD430);
- « 7m @ 1.6g/t 3E, 0.19% Ni, 0.09% Cu, 0.02% Co from 1037m (JD430);
- « 8m @ 1.14g/t 3E, 0.15% Ni, 0.13% Cu, 0.01% Co from 1052m (JD430);
- « 6m @ 1.55g/t 3E, 0.15% Ni, 0.26% Cu, 0.01% Co from 1159m (JD430);
- « 3.9m @ 2.94g/t 3E, 0.23% Ni, 0.55% Cu, 0.02% Co from 1197.1m (JD430);
- « 17.1m @ 1.69g/t 3E, 0.16% Ni, 0.22% Cu, 0.02% Co from 1207m (JD430);
- « 2m @ 7.08g/t 3E from 621m (JD431);
- « 12m @ 1.48g/t 3E, 0.15% Ni, 0.14% Cu, 0.01% Co from 641m (JD431);
- « 3.8m @ 1.6g/t 3E, 0.18% Ni, 0.14% Cu, 0.02% Co from 64.2m (JD432);
- « 6m @ 1.81g/t 3E, 0.15% Ni, 0.08% Cu, 0.01% Co from 217m (JD433);
- « 11.2m @ 1.43g/t 3E, 0.22% Ni, 0.12% Cu, 0.02% Co from 305.2m (JD433);

- « 4m @ 1.11g/t 3E, 0.24% Ni, 0.11% Cu, 0.02% Co from 327m (JD433);
- « 2m @ 1.44g/t 3E, 0.17% Ni, 0.02% Co from 620m (JD435);
- « 3.2m @ 1.71g/t 3E, 0.23% Ni, 0.22% Cu, 0.02% Co from 765m (JD435);
- « 6.4m @ 1.16g/t 3E, 0.14% Ni, 0.14% Cu, 0.01% Co from 412m (JD436);
- « 12.6m @ 1.01g/t 3E, 0.21% Ni, 0.08% Cu, 0.02% Co from 442m (JD436);
- « 2m @ 1.16g/t 3E, 0.2% Ni, 0.12% Cu, 0.02% Co from 457m (JD436); and,
- « 3m @ 2.26g/t 3E, 0.32% Ni, 0.15% Cu, 0.03% Co from 624m (JD436).

Resource definition drilling is now largely complete with Inferred Resources defined to a vertical depth of ~1,100m in the north-western extension of the deposit. The Resource remains open beyond this depth and along strike to the north.

1.2 West Yilgarn Nickel-Copper-PGE Province, WA

Exploration activities continued at pace during the quarter over the West Yilgarn exploration projects. Targeting work focused on recently interpreted airborne magnetics and gravity surveys at the Barrabarra and Northam JV Projects, ground-based EM surveys at five targets within the Kings and Northam JV Projects as well as extensive surface geochemical surveys at the Barrabarra, Northam JV, Kings and South West Projects. This has led to the definition of new bedrock geology maps and several drill-ready targets.

The Province is considered one of the most exciting critical minerals provinces globally, given it is largely unexplored but is considered highly prospective for:

- « Orthomagmatic Ni-Cu+/-PGE sulphide deposits (i.e. ~30Moz PdEq Gonneville deposit);
- « Intrusion-related/orogenic gold-copper deposits (i.e. ~40Moz Boddington gold mine); and
- « Lithium-Caesium-Tantalum pegmatite deposits (i.e. ~2.5Mt Li Greenbushes lithium mine).

The main activities undertaken during the quarter include:

- « **Julimar Project:** ~12,000m reconnaissance AC and 2-hole DD drilling programs testing targets within the northern extension of the Julimar Complex and surrounding greenstone belt geology – final assays pending before assessment of next steps for exploration.
- « **Kings Project:** New geological and structural interpretation, reconnaissance surface geochemistry, field geological validation, successfully defining one new Ni-Cu-PGE target.
- « **Northam JV Project:** Ground EM surveys defined two new drill-ready Ni-Cu-PGE targets, with reconnaissance surface geochemistry and field geological validation (in progress).
- « **Barrabarra Project:** New geological and structural interpretation (including a new bedrock geology map) and extensive follow-up soil geochemical surveys (in progress).
- « **SW Project:** Surface geochemical surveys (soils, laterite) and field geological validation defining one new Li-Ta-Cs target.

Chalice invested \$3.7M during the quarter on exploration activities in the West Yilgarn Province.

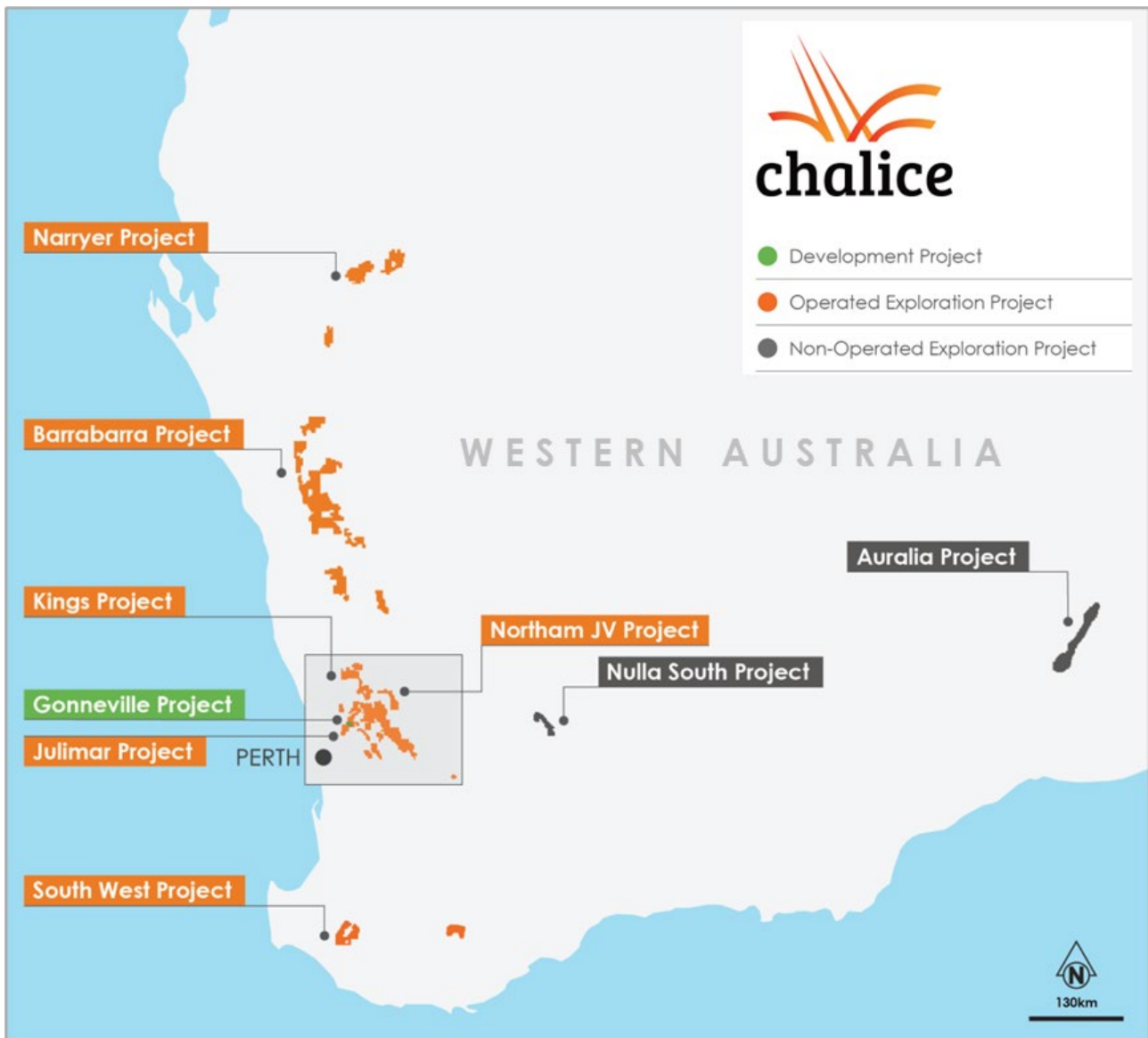


Figure 1. Chalice portfolio map.

1.2.1 Julimar Ni-Cu-PGE Exploration Project (100% owned)

A reconnaissance AC drilling program (373 holes for 11,970m) was completed during the quarter along existing tracks within the Julimar State Forest, to the north of the Gonneville Project (Figure 2). The drilling program is designed to provide a first-pass test of the broader exploration potential of the Julimar Complex and surrounding greenstone belt geology. Assays are pending, which will determine the next steps for exploration.

Two diamond drill holes were completed from existing tracks at the Torres target to test coincident magnetic and soil geochemical targets. Drill-hole TD001 intersected Gonneville-type ultramafic rocks with trace amounts of weakly disseminated sulphides and assays have revealed a narrow zone of elevated nickel and copper anomalism. Drill-hole TD002 intersected predominantly metasediment and failed to intersect prospective ultramafic to mafic intrusive rocks. Any further follow-up drill testing will be subject to results from the recently completed AC drilling over this target.

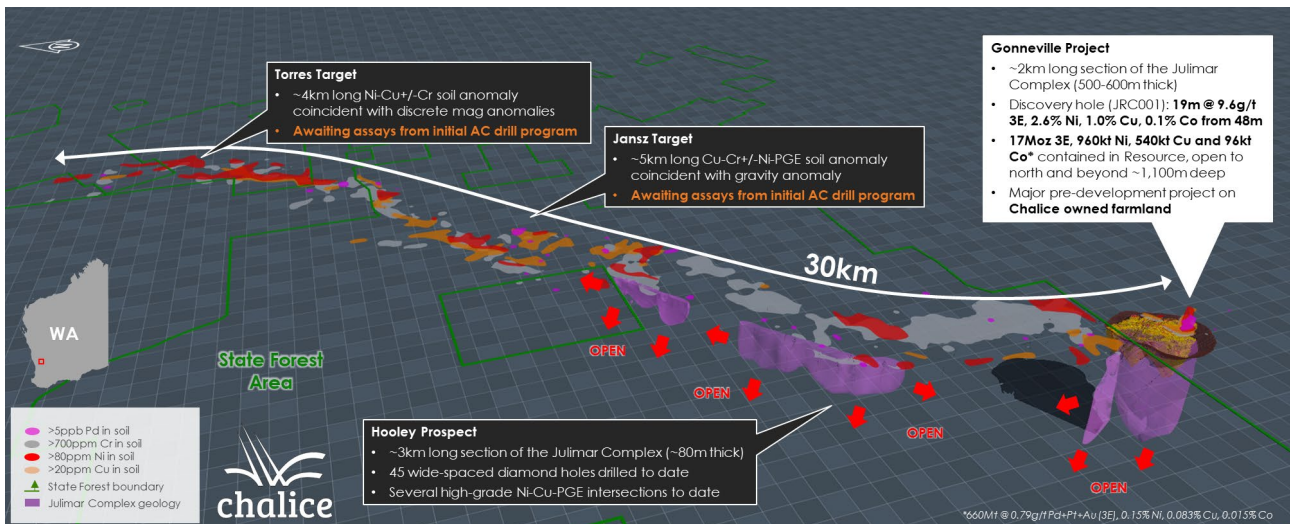


Figure 2. Julimar Complex 3D View (looking ESE).

1.2.2 Northam Nickel-Copper-PGE Exploration Joint Venture Project (Earn-in to 70%)

Initial exploration was progressed during the quarter over the highest priority of 28 interpreted ultramafic to mafic intrusive targets identified from a recently completed ultra-detailed airborne magnetic survey and geological mapping.

A program of MLEM was completed across five high-priority PGE-Ni-Cu targets during the quarter with EM anomalies identified over four targets. High-conductance EM plates were defined at the Schrodinger South and Howard Kelpie targets (located ~50km NE of Gonneville) and a program of auger soils has been conducted over Schrodinger South, with results expected in Q2 CY24. An initial drill test of the Schrodinger South EM conductors is planned subject to obtaining land access approvals.

An auger soil geochemical program over the Kann target (located ~65km NE of Gonneville) has identified coincident Ni-Cu-Cr anomalism associated with sparse outcrop of serpentinised ultramafic rocks. The ~2,000m x 300m target is not associated with any highly conductive EM plates, however the promising geochemical anomalism suggests a prospective sequence and exploration activities will focus along this ~10km trend. An initial drilling program is planned as soon as possible pending land access approvals.

1.2.3 Kings Nickel-Copper-PGE Exploration Project, WA (100% owned + Bolgart earn-in to 75%)

A single line of reconnaissance auger soil sampling across the Finders East target located ~30km NE of Gonneville has defined coincident Ni-Cr-Cu anomalism associated with a ~500m x 200m airborne magnetic anomaly interpreted as an ultramafic-mafic intrusion. This exciting target was not previously surveyed with airborne EM and a follow-up program of FLEM and infill soil geochemical sampling is planned subject to obtaining land access permissions.

1.2.4 Barrabarra Nickel-Copper-PGE Exploration Project, WA (100% owned + Koojan earn-in to 80%)

A detailed geological structural interpretation has been completed across the project utilising recently completed ultra-detailed airborne magnetic and Falcon gravity surveys in conjunction with >150 field geology data points.

This project-wide dataset has facilitated a new understanding of the bedrock geology and identified trends of previously unrecognised ultramafic to mafic intrusive geology which is prospective for Ni-Cu-PGE sulphide mineralisation. In addition, the interpreted geology map has identified large areas of unrecognised Archaean greenstone belts transected by complex structures, which highlights prospectivity for orogenic Au-Cu.

A second extensive phase of soil geochemistry is continuing across the project to follow-up along strike from known surface geochemical anomalism and to test new PGE-Ni-Cu, Au-Cu and Li target areas which have not been previously recognised. A total of ~4,300 soil samples were collected during the quarter and the program is expected to be completed in Q2 CY24.

Assay results were returned for a 7-hole RC program completed last quarter with results indicating only minor copper anomalism associated with sulphide mineralisation hosted in mostly mafic intrusive rock types.

1.2.5 South West Nickel-Copper-PGE Exploration Project, WA (100% owned + Venture earn-in to 70%)

A total of 76 infill laterite samples were collected during the quarter over a previously defined Sn/Ta anomaly (~2km² grid) and results have extended the Sn and Ta anomalism to ~2.5km x 1km. A follow-up soil sampling program is planned in Q2 CY24 to infill this anomaly on a 400m x 50m sample spacing and to check for any prospective pegmatite geology.

Results were returned for infill sampling over one priority Lithium-Caesium-Tantalum (LCT) target which failed to extend the Li anomalism. Subsequent field checking did not locate any pegmatite geology in laterite and clay regolith and no further work is planned.

1.2.6 Narryer Nickel-Copper-PGE Exploration Project, WA (100% owned + Mt Narryer earn-in to 75%)

No activities were completed during the quarter.

1.3 Non-Operated Exploration Projects

1.3.1 Auralia Nickel-Copper-PGE Exploration Project, WA (100%)

SensOre formally notified of its withdrawal from the project and the company is reviewing work completed under the Earn-in & JV agreement.

1.3.2 Nulla South Gold Exploration Project (Ramelius earning 75%)

No activities were completed during the quarter.

2. Sustainability

2.1 Health and Safety

There were no significant health or safety incidents during the quarter. The Company also had zero Lost Time Injuries across all work sites.

2.2 Environment

There were no significant environmental incidents during the quarter.

The Company formally referred the Gonneville Project to WA and Commonwealth Governments for environmental assessment on 27th and 28th March respectively. Referral documentation was released for public comment by the WA Environment Protection Authority (EPA) in early April 2024 with the final determination for the Project that it will be assessed via Public Environmental Review, the highest level of assessment, with provision for further public comment.

Annual environmental compliance reports were submitted to the WA Government confirming that all exploration activities within the Julimar State Forest were undertaken in accordance with relevant approvals (Conservation Management Plans) and Native Vegetation Clearing Permit requirements.

2.3 Heritage

The Whadjuk and Yued Traditional Owners continued cultural heritage monitoring of exploration activities within the Julimar State Forest during the quarter. No cultural heritage sites have been identified in exploration areas through surveys or monitoring activities to date.

Whadjuk Traditional Owners completed ethnographic and archaeological cultural heritage surveys across the Gonneville Project site during the quarter. Whadjuk survey participants have been nominated by the Whadjuk Aboriginal Corporation Cultural Advice Committee.

2.4 Stakeholder engagement

Chalice's stakeholder engagement for the Gonneville Project continued, with Commonwealth, State and local government site visits and briefings conducted during the quarter.

Community engagement throughout the quarter was focused on providing information and briefings on the scope of the Gonneville Project and environmental assessment process ahead of the referral to WA and Commonwealth Governments.

3. Corporate

3.1 Board Changes

On 31 March 2024, Mr Morgan Ball retired as a non-executive director of the Company due to increasing commitments associated with his full-time position as Chief Financial Officer at Genesis Minerals Limited (ASX: GMD). Mr Ball made a significant contribution to Chalice over the last eight years, especially during the significant growth of the Company following the Gonneville discovery.

As a consequence of Mr Ball's retirement, Ms Linda Kenyon has been appointed as Chair of the Audit Committee and a member of the Remuneration and Nomination Committee. She has also retired as a member of the Risk & Sustainability Committee. Additionally, Ms Jo Gaines has been appointed as a member of the Audit Committee.

There is currently no intention to appoint a replacement for Mr Ball to the Board.

3.2 Cash and Investments

As of 31 March 2024, Chalice had a cash balance of ~\$104 million and ~\$2.7 million in listed investments.

During the quarter, operating cash outflows totalled ~\$7 million which was a 55% reduction from the previous quarter. This reduction reflects the successful implementation of the expenditure review announced in January 2024 to ensure Chalice's strong cash balance is preserved. This cash balance will allow continued execution of Chalice's growth strategy with maximum flexibility and capital discipline, without needing to raise capital in the foreseeable future.

Subsequent to quarter-end, the Company acquired a strategic interest of ~6.1% in Encounter Resources Limited (ASX: ENR) for \$7.2 million.

3.3 Payments to related parties of the entity and their associates

Payments of \$301,000 reported in Item 6.1 of the attached Appendix 5B relate to the remuneration paid to the Managing Director & CEO, as well as fees paid to Non-Executive Directors (including superannuation).

3.4 Share Capital

During the quarter, the Company issued 175,000 FY2023-24 Performance Rights under the terms of the Employee Securities Incentive Plan and 60,382 Retention Rights and 57,468 Performance Rights were forfeited by employees upon cessation of employment.

The following table provides a summary of securities on issue as at 31 March 2024:

| Description | No. |
|---|-------------|
| Ordinary fully paid shares | 388,963,304 |
| 2020/2021 Performance Rights, vested, expiry 30 June 2024 | 199,388 |
| 2021/2022 Performance Rights, measurement date 30 June 2024 | 317,454 |
| 2022/2023 Performance Rights, measurement date 30 June 2025 | 925,711 |
| 2023/2024 Performance Rights, measurement date 30 June 2026 | 1,081,666 |
| Retention Rights, measurement date 31 December 2025 | 617,893 |

3.5 Tenement holdings

In accordance with ASX Listing Rule 5.3, please refer to Appendix A for a listing of all tenement holdings.

Authorised for release by the Board of Directors.

For further information, please visit www.chalicemining.com or contact:

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Competent Person Statement

The information in this Report that relates to previously reported exploration or metallurgical results for the Gonneville PGE-Nickel-Copper-Cobalt Project is extracted from the following ASX announcements:

“High Grade Ni-Cu-Pd Sulphide Intersected at Julimar”, 23 March 2020.

“Extensive Ni-Cu Soil Anomalism at Julimar”, 9 June 2021.

“New Wide High-grade Zones in 900m Step-out Drill Hole”, 31 July 2023.

“High-Grade Copper-PGE zones extended at Gonneville, 30 November 2023.

“Gonneville Resource Remodelled to Support Selective Mining”, 23 April 2024.

The above announcements are available to view on the Company's website at www.chalicemining.com. The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in the relevant original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the relevant original market announcements.

The information in this announcement that relates to Mineral Resources has been extracted from the ASX announcement titled “Gonneville Resource Remodelled to Support Selective Mining” dated 23 April 2024. This announcement is available to view on the Company's website at www.chalicemining.com.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the relevant original market announcement.

Mineral Resources Reporting Requirements

As an Australian Company with securities listed on the Australian Securities Exchange (ASX), Chalice is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act 2001 and the ASX listing rules. It is a requirement of the ASX listing rules that the reporting of exploration results and mineral resources estimates are in accordance with the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves (“JORC Code”).

The requirements of the JORC Code differ in certain material respects from the disclosure requirements of United States securities laws and other reporting regimes. There is no assurance that the Company's mineral resource estimates and related disclosures prepared under the JORC Code would be the same as those prepared under United States securities law and other reporting regimes. The terms used in this announcement are as defined in the JORC Code. The definitions of these terms differ from the definitions of such terms for purposes of the disclosure requirements in the United States and other reporting regimes.

Mineral Resource Estimates that are not Ore Reserves do not have demonstrated technical feasibility and economic viability. Due to lower certainty, the inclusion of Mineral Resource Estimates should not be regarded as a representation by Chalice that such amounts can be economically exploited, and investors are cautioned not to place undue reliance upon such figures. No assurances can be given that the estimates of Mineral Resources presented in this report will be recovered at the tonnages and grades presented, or at all.

Forward Looking Statements

This Report may contain forward-looking statements and forward information, (collectively, forward-looking statements). These forward-looking statements are made as of the date of this Report and Chalice Mining Limited (the Company) does not intend, and does not assume any obligation, to update these forward-looking statements.

Forward-looking statements relate to future events or future performance and reflect the Company's expectations or beliefs regarding future events and include, but are not limited to: the impact of the discovery on the Gonneville Project's capital payback; the Company's planned strategy and corporate objectives; estimated timing of the Gonneville Project development schedule; objectives of the strategic partnering process and targeted completion timeframe; the realisation of Mineral Resource Estimates; anticipated production; sustainability initiatives; climate change scenarios; the likelihood of further exploration success; the timing of planned exploration and study activities on the Company's projects; mineral processing strategy; access to sites for planned drilling activities; planned production and operating costs profiles; planned capital requirements; the success of future potential mining operations and the timing of the receipt of exploration results.

In certain cases, forward-looking statements can be identified by the use of words such as, "aim", "commence", "considered", "continue", "estimate", "expected", "for", "forecast", "future", "is", "may", "open", "opportunity", "plan" or "planned", "potential", "prospective", "strategy", "target" or "targeted", "will" or variations of such words and phrases or statements that certain actions, events or results may, could, would, might or will be taken, occur or be achieved or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Such factors may include, among others, risks related to actual results of current or planned exploration and development activities; whether geophysical and geochemical anomalies are related to economic mineralisation or some other feature; whether visually identified mineralisation is confirmed by laboratory assays; obtaining appropriate approvals to undertake exploration and development activities; metal grades being realised; metallurgical recovery rates being realised; results of planned metallurgical test work including results from other zones not tested yet; the outcomes of feasibility studies, scaling up to commercial operations; the speculative nature of mineral exploration and development; changes in project parameters as plans continue to be refined and feasibility studies are undertaken; changes in exploration programs and budgets based upon the results of exploration; successful completion of the strategic partnering process; changes in commodity prices and economic conditions; political and social risks, accidents, labour disputes and other risks of the mining industry; delays or difficulty in obtaining governmental approvals, necessary licences, permits or financing to undertake future mining development activities; changes to the regulatory framework within which Chalice operates or may in the future; movements in the share price of investments and the timing and proceeds realised on future disposals of investments as well as those factors detailed from time to time in the Company's interim and annual financial statements, all of which are filed and available for review on the ASX at asx.com.au.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated, or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Appendix A Portfolio and Tenement Holdings

The following information is provided in accordance with ASX Listing Rule 5.3 for the quarter ended 31 March 2024.

Table 3. Listing of tenements held.

| Location | Project | Tenement No. | Registered Holder | Nature of interest |
|----------------------|-------------------------|-------------------------|----------------------------|---|
| Western Australia | Nulla South | E77/2353 to E77/2354 | CGM (WA) Pty Ltd | 20% - JV with Ramelius Resources |
| | Gonneville | E70/5118 to E70/5119 | CGM (WA) Pty Ltd | 100% |
| | Kings (regional) | E70/5350 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/5351 | CGM (Julimar) Pty Ltd | 100% |
| | | E70/5352 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/5353 | CGM (WA) Pty Ltd | 100% |
| | | E70/5354 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/5358 to E70/5361 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/5367 to E70/5369 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/5373 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/5151 | Northam Resources Limited | 0% - Earn-in agreement, right to earn up to a 75% interest |
| | | E70/5865 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/5985 to E70/5986 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/6564 to E70/6566 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | Northam Resources JV | E70/6481 to E70/6482 | OBR Exploration Pty Ltd |
| | E70/3536-I | | Northam Resources Limited | |
| | E70/4243-I | | Northam Resources Limited | |
| | E70/4508-I | | Northam Resources Limited | |
| | E70/4692-I | | Northam Resources Limited | |
| | E70/5035 | | Northam Resources Limited | |
| | E70/5097 | | Northam Resources Limited | |
| | E70/5125 to E70/5127 | | Northam Resources Limited | 0% - Earn in agreement, right to earn up to a 70% interest. |
| | E70/5139 to E70/5140 | | Northam Resources Limited | |
| | E70/5149 to E70/5150 | | Northam Resources Limited | |
| | E70/5152 to E70/5153 | | Northam Resources Limited | |
| | E70/5276 to E70/5277 | | Northam Resources Limited | |
| | E70/5426 | | Northam Resources Limited | |
| | E70/5456 | | Northam Resources Limited | |

| Location | Project | Tenement No. | Registered Holder | Nature of interest | |
|----------|------------|----------------------|--|---|------|
| | | E70/5724 | Northam Resources Limited | | |
| | | E70/5757 to E70/5759 | Northam Resources Limited | | |
| | Auralia | E69/3636 to E69/3637 | CGM (South Yilgarn) Pty Ltd | 100% | |
| | | E69/3700 | CGM (South Yilgarn) Pty Ltd | | |
| | Barrabarra | E70/5263 to E70/5264 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E70/5355 to E70/5356 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E70/5535 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E70/5550 to E70/5551 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E70/5560 to E70/5561 | Koojan Exploration Pty Ltd | 0% - Earn in agreement, right to earn up to an 80% interest | |
| | | E70/5624 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E70/5666 to E70/5667 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E70/5695 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E70/5705 to E70/5706 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E70/6535 to E70/6536 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E59/2451 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E59/2549 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E59/2797 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E59/2818 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | South West | E70/5086 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | | E70/5532 | CGM (West Yilgarn) Pty Ltd | 100% |
| | E70/5685 | | CGM (West Yilgarn) Pty Ltd | 100% | |
| | E70/6219 | | CGM (West Yilgarn) Pty Ltd | 100% | |
| | E70/4837 | | CGM (West Yilgarn) Pty Ltd (51%) & Venture Lithium Pty Ltd (49%) | | |
| | E70/5067 | | CGM (West Yilgarn) Pty Ltd (51%) & Venture Lithium Pty Ltd (49%) | Earn-in agreement, right to earn up to a 70% interest | |
| | E70/5421 | | CGM (West Yilgarn) Pty Ltd (51%) & Venture Lithium Pty Ltd (49%) | | |
| | Wubin | E70/5357 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | | E09/2436 | CGM (West Yilgarn) Pty Ltd | 100% | |
| | Narryer | E09/2704 | Red Heart Mines Pty Ltd | 0% - Earn in agreement, right to earn up to a 75% interest | |
| | | E09/2446 to E09/2447 | CGM (West Yilgarn) Pty Ltd | 100% | |

| Location | Project | Tenement No. | Registered Holder | Nature of interest |
|--------------------|---------------|--------------|--|---|
| Northern Territory | Warrego North | EL23764 | CGM (WA) Pty Ltd (51%) & Meteoric Resources NL (49%) | Earn-in agreement, right to earn up to a 70% interest |
| | | EL31608 | CGM (WA) Pty Ltd | |
| | | EL31610 | CGM (WA) Pty Ltd | 100% |

Table 4. Listing of tenements acquired (directly or beneficially) during the quarter.

| Location | Project | Tenement No. | Registered Holder | Interest at end of quarter |
|-------------------|------------------|----------------------|----------------------------|----------------------------|
| Western Australia | Kings (regional) | E70/6564 to E70/6566 | CGM (West Yilgarn) Pty Ltd | 100% |
| | | E70/5985 to E70/5986 | CGM (West Yilgarn) Pty Ltd | 100% |
| | Barrabarra | E59/2818 | CGM (West Yilgarn) Pty Ltd | 100% |

Table 5. Tenements relinquished, reduced or lapsed (directly or beneficially) during the quarter

Nil

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Chalice Mining Limited

ABN

47 116 648 956

Quarter ended ("current quarter")

31 March 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | 61 |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (7,210) | (36,249) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (712) | (2,337) |
| (e) administration and corporate costs | (360) | (1,260) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 1,209 | 3,902 |
| 1.5 Interest and other costs of finance paid | (33) | (104) |
| 1.6 Income taxes (paid)/received | - | - |
| 1.7 Government grants and tax incentives | 125 | 250 |
| 1.8 Other (provide details if material) | 70 | (248) |
| - | | |
| 1.9 Net cash from / (used in) operating activities | (6,911) | (35,985) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | (59) | (4,500) |
| (d) exploration & evaluation | - | - |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|---|------------------------------------|--|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | (67) |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | 27 | 27 |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | 2 | 73 |
| 2.6 | Net cash from / (used in) investing activities | (30) | (4,467) |

| | | | |
|-------------|---|--------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | (128) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | (129) | (361) |
| 3.10 | Net cash from / (used in) financing activities | (129) | (489) |

| | | | |
|-----------|--|---------|----------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 111,348 | 145,223 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (6,911) | (35,985) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (30) | (4,467) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (129) | (489) |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | (1) | (5) |
| 4.6 | Cash and cash equivalents at end of period | 104,277 | 104,277 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 2,181 | 2,010 |
| 5.2 | Call deposits | 102,096 | 109,338 |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 104,277 | 111,348 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|-----------|---|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 301 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

| 7. | Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|-----------|---|---|--|
| 7.1 | Loan facilities | - | - |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | Total financing facilities | - | - |
| 7.5 | Unused financing facilities available at quarter end | | |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| | | | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (6,911) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (6,911) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 104,277 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 104,277 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 15.0 |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: Not applicable | |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| Answer: Not applicable | |
| 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| Answer: Not applicable | |
| <i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i> | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:30 April 2024.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.