



# 2024 ANNUAL REPORT

Chalice Mining Limited





## Acknowledgement of Country

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Chalice acknowledges the Traditional Owners of the land on which we work. We recognise their continuing connection to land, waters and culture.

We pay our respects to their Elders past, present and emerging.

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# FY2024 Highlights



## Gonneville PGE-Ni-Cu-Co Project

### Exploration and Evaluation

Completed a Scoping Study for the Project assessing bulk open-pit development options – outlining a new long-life, low-cost, low-carbon critical and strategic minerals project in Western Australia.

Commenced the Pre-Feasibility Study to investigate the optimal project development pathway, including starter case options to suit a range of commodity price environments.

Executed a strategic non-binding Memorandum of Understanding (MOU) with Mitsubishi Corporation to advance the development of Gonneville and collaborate on the Project's technical, financing, marketing and offtake aspects.

Delivered an upgrade to the Gonneville Mineral Resource Estimate (Resource) to suit selective open-pit and underground mining:

**660Mt @ 0.79g/t 3E PGE, 0.15% Ni, 0.083% Cu, 0.015% Co, containing<sup>1</sup>:**

**17Moz 3E | 960kt Ni | 540kt Cu | 96kt Co**

**Including a higher-grade sulphide resource:**

59Mt @ 2.0g/t 3E PGE, 0.20% Ni, 0.21% Cu, 0.019% Co

### Regulatory Approvals

Referred the Gonneville Project to State and Commonwealth environmental regulatory authorities for environmental assessment and approval in March 2024.

Scoping and assessment of power and water infrastructure corridor options for the Gonneville Project.

Third year of comprehensive baseline environmental surveys conducted for the Gonneville Project, including groundwater, surface water, flora, fauna and dieback.

### Community Engagement

Completed a second Local Voices Community Survey to understand how local communities feel about key issues over time – 75% of respondents have a moderate to very high level of support for the Gonneville Project.

Signing of a landmark Heads of Agreement (HOA) with the Shire of Toodyay for the future establishment of the Chalice Mining Community Fund.

**~\$138,000**

**in funding awarded to local initiatives**

through the Chalice Community Investment Program for the Gonneville Project, focussed on the Shires of Toodyay, Chittering and Northam.

**\$4.3 million**

**in local spend by Chalice**

in the Shires surrounding the Gonneville Project since the discovery.

Traditional Owners continued to undertake cultural heritage monitoring to ensure appropriate management of cultural heritage values.

Whadjuk Traditional Owners conducted ethnographic and archaeological cultural heritage surveys across all Chalice-owned farmlands, including the Gonneville Project site - >100 Traditional Owners have participated in this work since 2021.



### Exploration – West Yilgarn Province

- Defined >40 untested greenfield Ni-Cu-PGE and Cu-Au targets across the West Yilgarn Province from reconnaissance work over the ~10,000km<sup>2</sup> licence holding.

<sup>1</sup> Mineral Resource Estimates as at 23 April 2024 as per ASX announcement "Gonneville Resource Remodeled to Support Selective Mining" For tonnes and grade by confidence category, refer to the Mineral Resource Statement within this Annual Report.

- 6 drill-ready, high-priority greenfield targets – with further delineation and refinement of targets ongoing.
- 12,000m reconnaissance drilling program completed across the Julimar Exploration Project, confirming a ~12km trend at Hartog-Dampier containing Gonneville-like mineralised ultramafic intrusive geology.
- Successful implementation of low-impact exploration drilling techniques in vegetated areas, demonstrating industry-leading practice since 2022.
- Signed an additional earn-in agreement over third-party licence holdings in the West Yilgarn, further expanding Chalice's dominant position in this exciting new mineral province.



## Corporate

- \$111 million in cash and investments at end of FY2024, ensuring Chalice is well-funded to progress the Gonneville Pre-Feasibility Study and other development activities in FY2025.
- Implemented disciplined reductions in expenditures and overheads to reflect extremely weak commodity market conditions.
- \$7.7 million strategic investment in West Arunta focused explorer Encounter Resources Limited (ASX: ENR).
- Zero significant environmental incidents in FY2024.
- Zero lost-time injuries, fatalities or high potential safety events.
- Improved in-field safety systems to increase connectivity, accountability and reliability of information for teams working remotely.



# Letter from the Managing Director & CEO and Chair

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## Dear Shareholders,

On behalf of the Chalice Board of Directors, we are pleased to present our 2024 Annual Report.

Despite the challenges of a difficult year for the Company and shareholders – with significant macro-economic headwinds seeing sharp falls in the prices of both palladium and nickel over the course of the year – we have maintained focus on optimising the world-class Gonneville Project (Project) and adding value through exploration of the exciting West Yilgarn Province.

In light of the metals price environment, in August 2024, the Company made targeted reductions to corporate overheads and project expenditures. The reductions ensure we remain in a strong financial position to advance the Project and continue to undertake targeted value-add exploration activities.

The supply of critical and strategic minerals from western sources continues to decline, accentuated by short-term price volatility. Our 100%-owned Gonneville Platinum Group Element-Nickel-Copper-Cobalt (PGE-Ni-Cu-Co) Project remains one of the leading future sources of these minerals in the western world.

Major governments have also continued their commitment to accelerate the development of critical and strategic metals projects, and Gonneville's location in one of the world's most stable and mining-friendly jurisdictions puts us in a strong position to benefit from this support.

The spot price for palladium remains deep in the industry cost curve, with a significant portion of palladium producers operating at a loss. As such, we expect cuts to production in the near term, in the absence of a price recovery.

As the economic impacts of unsustainably low spot prices play out, we believe the palladium price should return to more sustainable levels.

Russia and South Africa account for ~80% of global primary production and western economies remain exposed to heightened supply and geopolitical risks. Gonneville is in a very good position in this context as the only palladium project of scale in the western world.



# Executing our strategy

Since the initial Gonneville discovery by Chalice's exploration team in 2020, our strategy has been to:

- Understand the full extent of the Julimar Complex mineral system.
- Define and de-risk the optimal development pathway for Gonneville.
- Secure strategic partners for the development, funding our strategy whilst maintaining control and optionality.
- Unlock the exploration potential of the surrounding West Yilgarn Province.

In FY2024 we delivered positive progress on these objectives. We successfully delineated the extent of the Julimar Complex, over ~12km of strike length from the Gonneville Resource at the southern end, to the Dampier Prospect at the northern end. The mineral system is extensive and highly prospective for further discovery.

We completed a Scoping Study in August 2023 on bulk open-pit development scenarios for Gonneville. While the Study demonstrated the potential for Gonneville to become a long life, low-cost, low-carbon critical and strategic minerals mine, it was clear that the larger bulk open-pit scenarios presented required higher commodity prices, or improvements in metallurgical recoveries to be incentivised.

The negative reaction to the Scoping Study was exacerbated by a rapidly deteriorating metals price environment. Chalice commenced work on a staged, high-grade development pathway as part of a Pre-Feasibility Study, with the aim of enhancing resilience in lower commodity price environments. Our work on the Pre-Feasibility Study was the major focus throughout the year, and we continue to optimise the project development strategy.

It is important to note that, despite short-term volatility in commodity markets, we remain convinced that the scale and unique metals mix make Gonneville a genuine tier-1 Resource. This provides Chalice with strong optionality and significant leverage to rising metal prices as the markets for these highly strategic commodities return to more sustainable levels. We will continue to progress and de-risk the project to put ourselves in the best possible position to capitalise on these rising prices when commodity markets recover from their cyclical lows.

Our fourth Mineral Resource Estimate (Resource) upgrade for Gonneville was released in April 2024 and was completed with a view to providing more granularity and detail over the high-grade areas of the Resource. The upgrade delivered a 25% increase in PGE grade and a 17% increase in copper grade across the high-grade



Resource, relative to the previous high-grade estimate delivered in March 2023.

Importantly, 61% of the Resource is now classified in the higher confidence Measured and Indicated categories, with the high-grade Resource now being used as the basis for the evaluation of the initial phase of development in Pre-Feasibility Study.

On the regulatory front, our referral of the Gonneville Project to the State and Commonwealth environmental regulatory authorities for environmental assessment during the year marked a major milestone and an important step towards progressing the project to become a reliable source of critical and strategic minerals.

The strategic partnering process that progressed during the year, culminated in the signing of a strategic non-binding Memorandum of Understanding (MOU) with Mitsubishi Corporation in July 2024. We view this as the first step of a foundational and long-term relationship with a tier-1 strategic partner.

Mitsubishi Corporation is one of Japan's largest conglomerates and a leading global natural resources investor, with a long and successful track record of partnering with mining companies to fund and develop major mining projects globally. We consider Mitsubishi an ideal strategic partner that could contribute significantly to the scoping, funding and development of the Gonneville Project. We are enjoying working together with Mitsubishi and have built a strong relationship that we aim to formalise into a potential binding partnership upon completion of the Pre-Feasibility Study.

Chalice remains committed to high sustainability standards in the development of the Gonneville Project, with a focus on minimising impacts to the environment, making a positive contribution to local communities, and working with Traditional Owners to ensure that cultural heritage values are understood and appropriately managed.

Chalice has a strong track-record of sound financial management, and throughout the year we made targeted reductions to expenditures while still continuing to execute our strategy.

During FY2024, operating cash outflows were reduced by ~26 % compared with the previous year. Subsequent to the end of FY2024, we announced further targeted reductions in corporate overheads and project expenditures to ensure Chalice's strong cash balance is preserved. The Company

<sup>2</sup> Aggregate of palladium, platinum and gold.

ended the financial year with \$111 million in cash and investments with upcoming expenditure rates targeted to reduce from \$2.4 million per month down to \$1 million per month. This resulted in the Board of Directors reducing from six to four, following the resignations of Linda Kenyon and Jo Gaines. The Company extends its sincere thanks to Linda and Jo for their significant contributions over several years and wishes them the very best in the future.

We would also like to acknowledge the dedicated efforts of Morgan Ball, who stepped down from the Board after eight years of service to the Company.

Chalice has an exceptionally strong financial position which ensures we can execute our strategy with capital discipline and flexibility, and be well placed when commodity prices recover to more sustainable levels.

## Delivering growth through exploration

Chalice has an outstanding track record of delivering shareholder returns through exploration and discovery in frontier geological provinces. We continue to hunt for the next big discovery, with a key focus on our large landholding in Western Australia's West Yilgarn Province.

Chalice has a truly unique strategic advantage, with a largely 100%-owned licence holding extending over more than 10,000km<sup>2</sup>, and a detailed understanding of the Gonneville mineral system and its distinct geochemical 'fingerprint'.

Systematic exploration programs continue, with a focus on major new greenfield copper-gold and magmatic nickel-copper-PGE discoveries. Chalice's exploration team has defined an exciting pipeline for FY2025, with >40 untested greenfield targets identified across the West Yilgarn Province, six of which are at drill-ready status.

## The outlook for Chalice

Chalice remains in a strong financial position with \$111 million in cash and investments at the end of FY2024.

As such, we are well-funded to continue Gonneville development studies, regulatory approvals and exploration of the West Yilgarn Province. We also have an ideal "first choice" partner in Mitsubishi to help advise on the optimal marketing and financing solutions for the Project. We look forward to discussing a formal binding partnership with Mitsubishi in FY2025.



"Chalice has an exceptionally strong financial position which ensures we can execute our strategy with capital discipline and flexibility, and be well placed when commodity prices recover to more sustainable levels."

The commodities that we are seeking to produce from our world-class Gonneville Project, and exploring for in the

West Yilgarn Province, are highly sought-after and remain vital inputs for urbanisation and decarbonisation. New large-scale, western deposits of these metals are especially sought after.

In closing, we would like to acknowledge the efforts of the entire Chalice team – fellow directors and management as well as our staff and contractors – who have gone above and beyond over the course of the year. We have an extraordinary, hard-working team that share a deep commitment to achieving our goals and we would like to sincerely thank everyone for their efforts.

To all our shareholders and stakeholders – a sincere thank-you for your contribution, support and ongoing loyalty. While our share price remains subject to prevailing macro-economic factors and market conditions, there are many compelling catalysts in the year ahead that give us cause for excitement and optimism.

We look forward to delivering on this opportunity in FY2025 and in the years ahead.

Yours sincerely,

**Alex Dorsch, Managing Director & CEO and Derek La Ferla, Non-executive Chair**

# Our Leadership

## Board of Directors

### Derek La Ferla

#### Independent Non-Executive Chair

- Qualifications: B.Arts, B.Juris, B.Law, FAICD
- Appointed 1 October 2021 and Chair on 24 November 2021

Mr La Ferla is a highly regarded ASX-200 chair and company director, with an extensive national network in business, capital markets, government and industry, backed by over 30 years of experience as a corporate lawyer.

Derek has a wide range of board experience, including as former Chair of Sandfire Resources Limited (ASX: SFR), where he was instrumental throughout the feasibility, development and operational phases of the major DeGrussa Project. Derek is currently the Chair of Green Peak Energy Pty Ltd, Icon Engineering Pty Ltd and Foodbank WA, and was formerly the Chair of Poseidon Nickel Limited (ASX: POS).

### Garret Dixon

#### Independent Non-Executive Director

- Qualifications: B.Eng (Hons), MBA
- Appointed 21 August 2020

Mr Dixon has extensive experience in the resources and mining contracting sectors in Australia and overseas. His work in both private and ASX-listed companies spans more than three decades, having worked in senior executive roles for major mine owners, mine operators and contractors.

Garret recently held the position of Executive VP Alcoa & President Bauxite, where he was responsible for the global bauxite mining business for the NYSE-listed Alcoa Corporation.

His career also includes the roles of Executive General Manager at civil construction and contract mining group Henry Walker Eltin Ltd and Managing Director of ASX-listed Gindalbie Metals Ltd (ASX: GBG).

### Alex Dorsch

#### Managing Director and Chief Executive Officer

- Qualifications: B.Eng (Hons), B.Fin
- Appointed 13 November 2018

Mr Dorsch has led Chalice since late 2018 and has steered the Company from junior explorer through to an ASX300 listed explorer-developer. He has led the Company through the transformational growth period following the Gonville discovery and into the feasibility and permitting stage of the Project. Alex was recognised as the 'Emerging Leader of the Year' by MiningNews and 'CEO of the Year' by Kitco in 2020. He also received the Young Mining Professionals 'Peter Munk Award' in 2022.

Alex has diverse experience in leadership roles across the resources sector, as a management consultant, engineer, project manager and corporate advisor. Prior roles included a Specialist Consultant with McKinsey & Company. He commenced his engineering career with resources giant BHP, and then spent over six years as an engineer in oil and gas exploration. He is currently a Non-Executive Director for Falcon Metals Limited (ASX: FAL).

### Stephen McIntosh

#### Independent Non-Executive Director

- Qualifications: B.Sc, MSc (Hons)
- Appointed 20 February 2021

Mr McIntosh is an internationally recognised figure in the mining industry, with a global career spanning over 37 years.

Most recently, he was a member of the Executive Committee for Rio Tinto (ASX: RIO) and held the position of Group Executive, Growth & Innovation and Health, Safety, Environment & Security. Prior to this, Stephen was Rio Tinto's global Head of Exploration.

Stephen has been involved in the discovery, evaluation and development of multiple projects across a diverse range of commodities globally. He currently serves on the board of the Australian Renewable Energy Agency (ARENA) and is Chair of Datarock Holdings Pty Ltd, which is a machine learning/AI start-up focussed on the resources sector.

Morgan Ball resigned from the Chalice Board on 31 March 2024. Jo Gaines and Linda Kenyon resigned from the Chalice Board on 31 August 2024. Refer to the Directors' Report for further information.



## Executive Management

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### Mike Nelson

#### General Manager - Project Development

➤ Qualifications: B.Sc (Hons), MAppFin, GradDipMgt

Mr Nelson is a highly experienced mining executive and project director, with over 30 years' experience in operational and project leadership.

Mike has played pivotal roles in major projects, including Reko Diq, a copper-gold project operated by Barrick Gold Corporation and Quebrada Blanca Phase II, a copper project operated by Teck Resources.

His metallurgy, engineering and project management expertise in large-scale precious and base metals operations and his proven ability to deliver significant projects make him uniquely qualified to lead the Gonneville Project.

Mike holds a Bachelor of Science (Hons) from the University of Western Australia, Master of Applied Finance from KAPLAN and Post Graduate Diploma in Management from Deakin University. Mike joined Chalice in February 2023.

### Chris MacKinnon

#### Chief Financial Officer

➤ Qualifications: LLB, CPA, GradDipAppFin

Mr MacKinnon is a qualified accountant and lawyer with over 15 years of professional and corporate experience in the energy and resources industry.

Chris has previously worked in corporate finance and legal roles in Carnarvon Petroleum and Australis Oil and Gas. Prior to that, he was an Associate Director at boutique investment bank, Miro Advisors, and was in legal private practice in a major national law firm.

Chris is a Certified Practising Accountant who holds a Bachelor of Laws from the University of Western Australia and a Diploma of Applied Finance from KAPLAN. Chris joined Chalice in July 2020, and previously held the role of Business Development and Legal Manager until March 2023.

# Introduction

## Company Overview

Chalice made a major greenfield discovery in early 2020 at the Gonneville Project in Western Australia. The transformational discovery hosts a rare mix of critical and strategic minerals required for decarbonisation and urbanisation, including palladium, platinum, nickel, copper and cobalt.

Gonneville has a tier-1 scale Mineral Resource Estimate (Resource) containing approximately 17 million ounces of platinum group elements (PGEs), 960 thousand tonnes of nickel, 540 thousand tonnes of copper and 96 thousand tonnes of cobalt – making it the largest PGE discovery in Australian history, and one of the largest recent nickel sulphide discoveries worldwide.

Chalice is advancing this world-class critical and strategic minerals resource towards development. A Scoping Study was released in August 2023 on bulk open-pit development options, and the Company is now progressing a Pre-Feasibility Study on a staged high-

grade development option targeted for completion in mid-CY2025.

The Scoping Study outlined a potential new long-life, low-cost, critical and strategic minerals mine in Western Australia. The focus of the Pre-Feasibility is to establish a phased development approach, with a more selective mining sequence and a simpler initial process flowsheet. Chalice has also entered into a strategic non-binding Memorandum of Understanding with Mitsubishi Corporation for collaboration on the technical, marketing and funding aspects of the Project.

Chalice also has an unrivalled >10,000km<sup>2</sup> licence holding in the exciting frontier region of the West Yilgarn Province. This licence holding was largely staked immediately after the Gonneville discovery, putting Chalice in the highly advantageous 'first mover' position to pursue further discoveries. We continue to actively explore the province for the next transformational magmatic sulphide or orogenic gold-copper discovery.



## Who we are

- Globally recognised team with a track record of finding and developing mines
- Commercially experienced group with a focus on shareholder returns
- High-performance, results-driven and values-based company culture

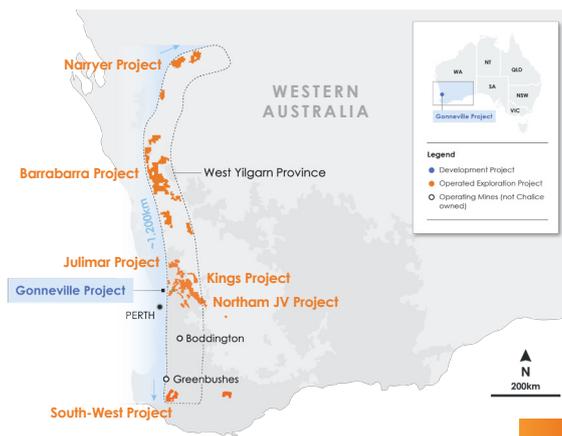
## Our Portfolio

### Gonneville PGE-Ni-Cu-Co Project

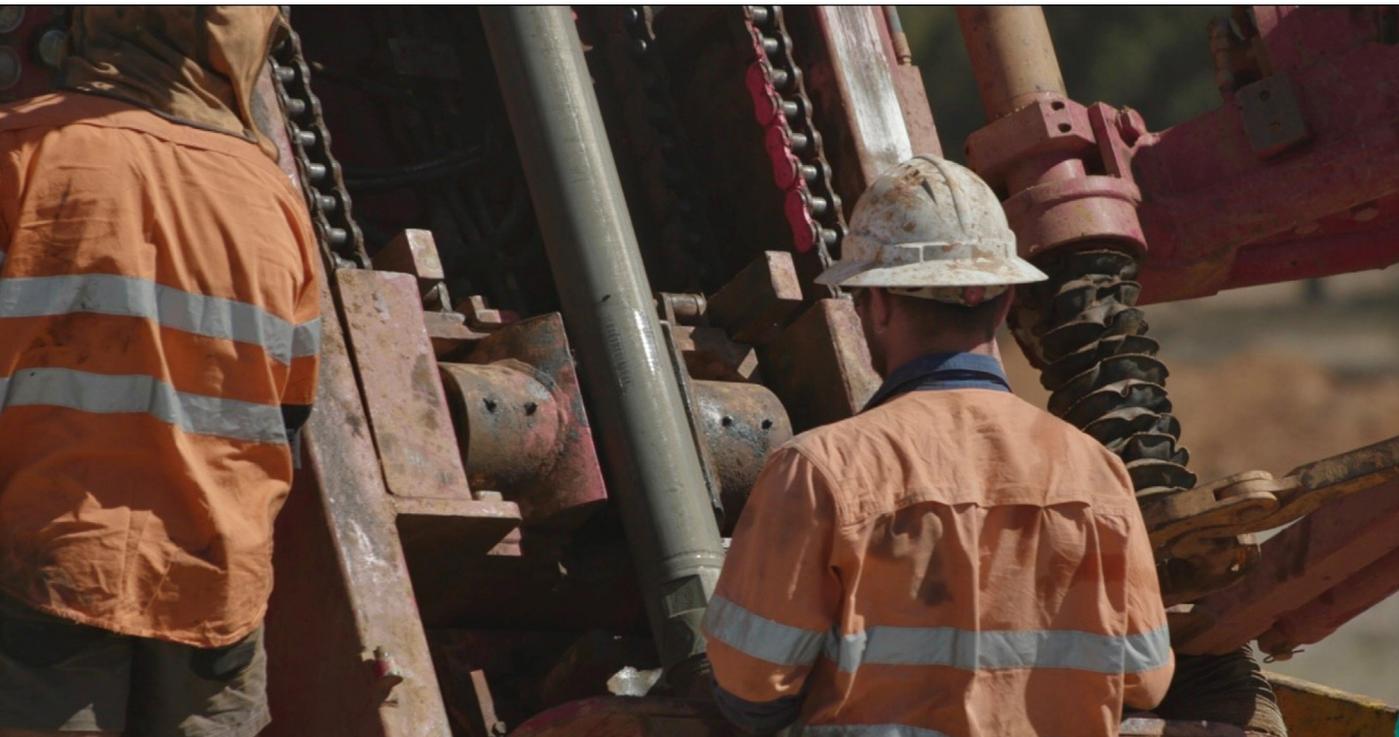
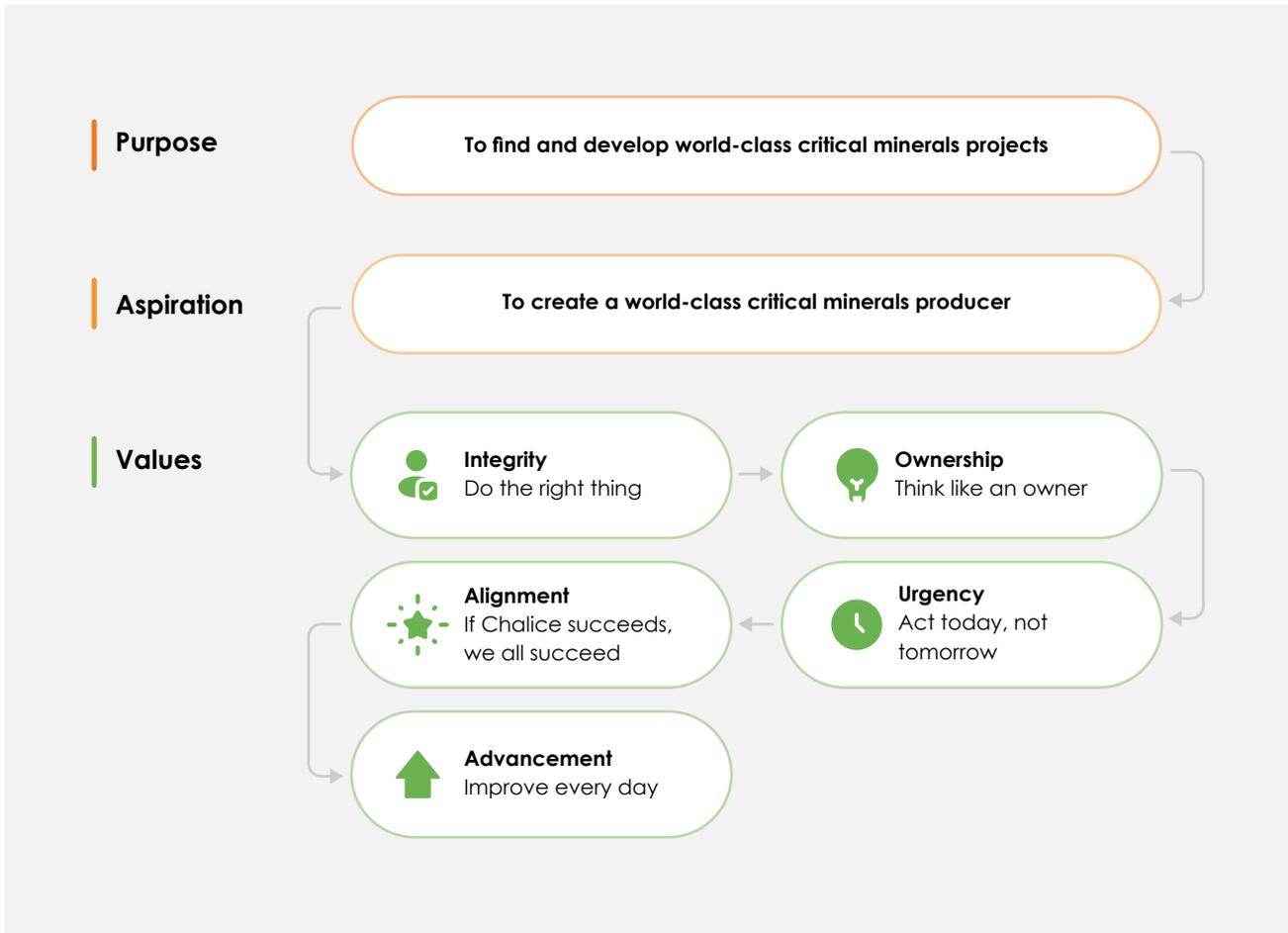
- Chalice is advancing a new world-class critical and strategic minerals resource in Western Australia towards development

### West Yilgarn Province

- Chalice is the first-mover in one of the most exciting frontier provinces worldwide



# The Chalice Way



# Our Strategy

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## 01

### Generate New Discoveries

- Conceptualise, define and prioritise new targets for potential major discoveries.
- Cultivate our 'discovery DNA' and leverage our intellectual property.

## 02

### Define New Resources

- Make new major discoveries and turn them into material Resources and Reserves.
- Define and characterise the mineral systems.

## 03

### De-risk Development

- Define project scope and advance regulatory approvals, maximising value and optionality whilst minimising risk.
- Form strategic partnership(s) and secure offtake customers for our products.

## 04

### Develop our Business and Market

- Understand and influence the market for Chalice's basket of commodities.
- Enhance and manage our portfolio of projects to maximise value for shareholders.

## 05

### Fund the Strategy

- Maintain financial flexibility and optionality to fund our strategy.
- Strengthen our controls and processes.

## 06

### Focus on People and Stakeholders

- Build our sustainability brand, reputation and social licence.
- Attract and retain the best people.
- Execute safely.

# Critical and Strategic Minerals

Critical and strategic minerals are required to decarbonise the global economy and address the global challenge of climate change. As the world's population continues to urbanise, this further increases demand for these metals. They are essential to modern life, however sustainable new sources of these metals in the world are becoming increasingly rare.

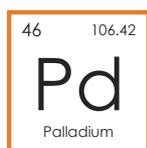
Large deposits of these metals are becoming increasingly difficult to find, and the Gonneville Resource is one of the largest and most significant discoveries in the western world in recent history.

The Gonneville Project has the potential to provide significant quantities of these metals, such as palladium, nickel, copper and cobalt, which are used in technologies like electric and hybrid vehicles, wind and solar energy, energy storage and green hydrogen.

The key demand driver of palladium is hybrid and internal combustion engine vehicles. Palladium is the key ingredient in the catalytic converters that are required to reduce harmful emissions from these vehicles. With roughly 85% of demand coming from the automotive industry, other uses for palladium include hydrogenation, jewellery and electronics.

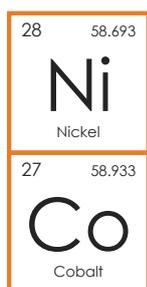
## Applications and Uses

The need to decarbonise and urbanise the global economy will underpin long-term demand for the critical and strategic minerals at Gonneville.



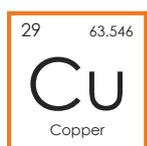
### Palladium

- Extremely rare, precious metal with highly versatile catalytic properties, used in emissions reduction technologies such as catalytic converters and in hydrogen electrolyzers.
- ~9Moz p.a.<sup>3</sup> Pd market in prolonged deficit, supply dominated by Russia and South Africa.



### Nickel and Cobalt

- Key industrial and electrification metals with unique chemical properties.
- Nickel supply dominated by carbon intensive, high environmental impact laterite sources, significant deficit forecast.
- Cobalt supply dominated by Democratic Republic of Congo with humanitarian challenges.



### Copper

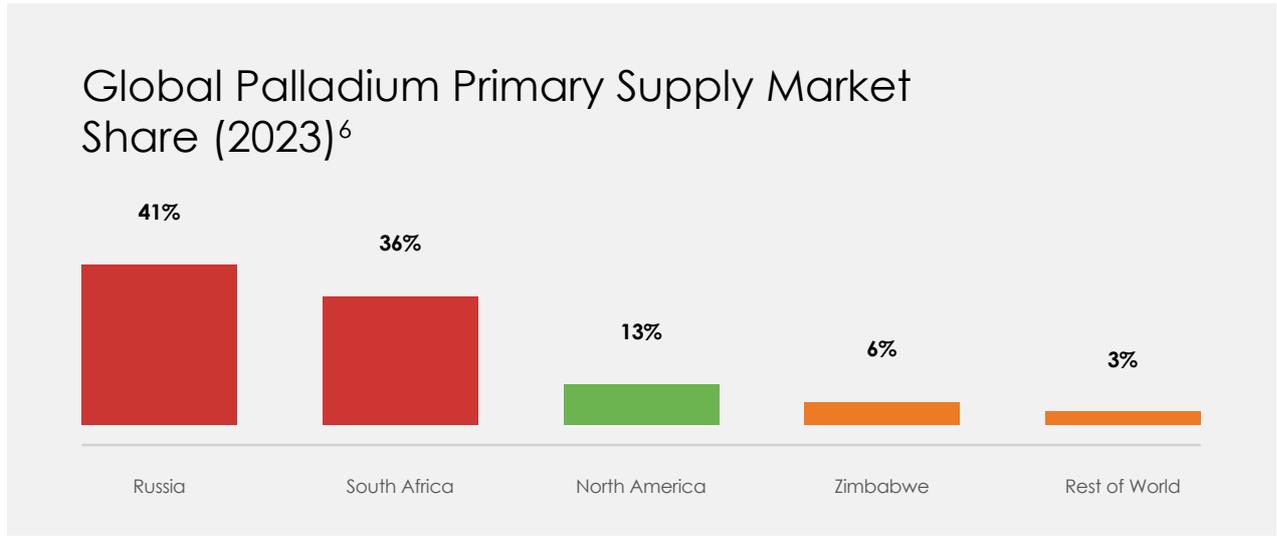
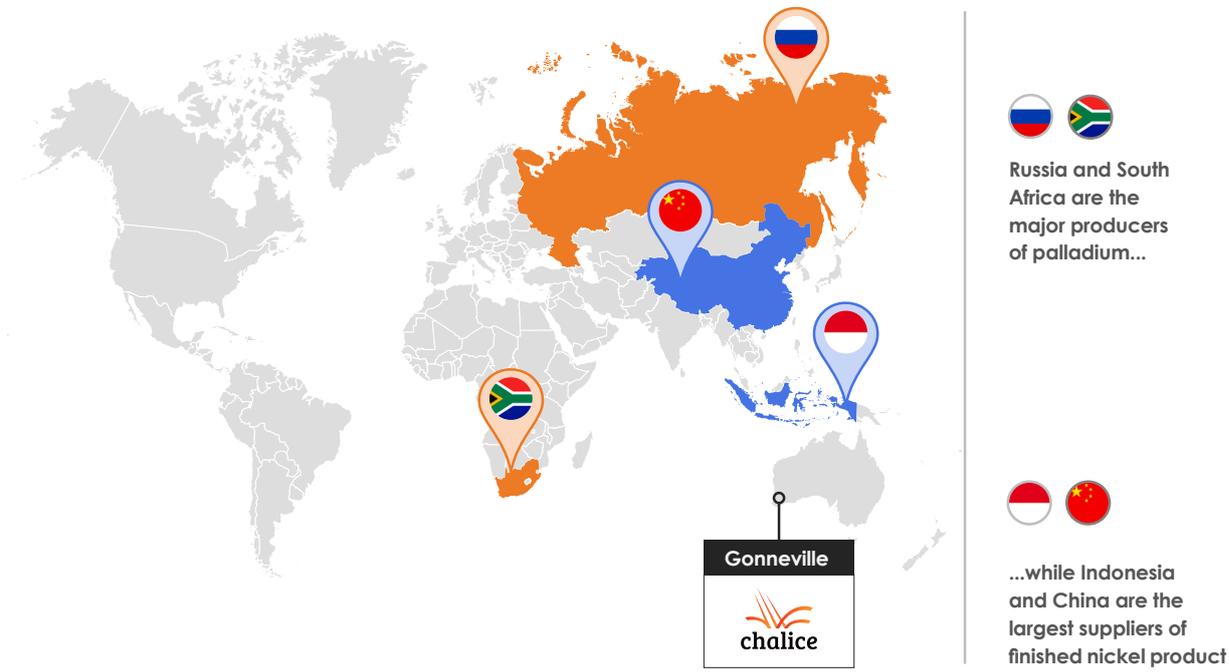
- Key industrial and electrification metal with high conductivity.
- Market, with severe lack of recent large-scale discoveries resulting in a significant deficit forecast<sup>4</sup>.

<sup>3</sup> SFA Oxford April 2024

<sup>4</sup> International Energy Agency

# Gonneville is positioned to become a strategic asset for Australia.

- Gonneville is the **first major PGE discovery in Australia** and one of the few recent large-scale magmatic sulphide discoveries in the western world.
- **Palladium, platinum, nickel and cobalt** are classified as '**critical minerals**' by most western governments; the case is also growing for copper.
- The western world is **extremely reliant on Russian and South African palladium supply** (~80% of global supply).
- Gonneville is located in one of the **world's most stable and mining-friendly jurisdictions** with a commitment to sustainable development.
- Western Governments are demonstrating their commitment to **accelerate strategically significant projects** and strengthen internal critical mineral security and supply chains<sup>5</sup>.
- The Gonneville Project aligns with the **US Inflation Reduction Act (IRA)**.



<sup>5</sup> 2023-2030 'Critical Minerals Strategy' Department of Industry, Science, Energy and Resources, Australian Government, June 2023  
<sup>6</sup> AME Research

# Operating & Financial Review

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# Gonneville PGE-Nickel-Copper-Cobalt Project

<b>Location</b>	~70km NE of Perth, Western Australia
<b>Development stage</b>	Resource; Pre-Feasibility and Permitting
<b>Acquired ownership</b>	Exploration licences staked in 2018
<b>Ownership</b>	100%

## Company Overview

The 100%-owned Gonneville Platinum Group Element-Nickel-Copper-Cobalt (PGE-Ni-Cu-Co) Project (Gonneville or the Project) is a pre-development project located on Chalice-owned farmland in Western Australia. The Project is centred on the Gonneville Resource – a significant greenfield mineral discovery made by Chalice's geologists in early 2020.

Gonneville has a tier-1 scale Mineral Resource Estimate (Resource) containing approximately 17 million ounces of platinum group elements (PGEs), 960 thousand tonnes of nickel, 540 thousand tonnes of copper and 96 thousand tonnes of cobalt – making it the largest PGE discovery in Australian history, and one of the largest recent nickel sulphide discoveries worldwide.

Chalice is advancing this world-class critical and strategic minerals resource towards development. A Scoping Study was released in August 2023 on bulk open-pit development options, and the Company is now progressing a Pre-Feasibility Study on a staged development option targeted for completion in mid-CY2025.

The Scoping Study outlined a new long-life, low-cost, critical and strategic minerals mine in Western Australia. The focus of the Pre-Feasibility Study (PFS) is to establish a phased development approach, with a more selective mining sequence and a simpler initial process flowsheet.

In July 2024, Chalice entered into a non-binding Memorandum of Understanding (MOU) with Mitsubishi Corporation to work together during the ongoing PFS. The MOU establishes a general framework for collaboration on technical, financing, marketing and offtake aspects of the Project with the intent to investigate a binding partnership at the completion of the PFS.

The permitting process was also progressed during the year resulting in formal environmental referral to the State and Federal environmental regulatory authorities in March 2024.

Chalice recognises the need to develop the Gonneville Project in a sustainable and responsible manner, with a commitment to effective environmental, social and cultural heritage management.

## Location

The Gonneville Project is located on Chalice-owned farmland ~70km north-east of Perth, Western Australia (Figure 1). Chalice owns ~26km<sup>2</sup> of farmland surrounding the Project area.

Being proximal to Perth, the region has excellent nearby infrastructure including high-voltage power, rail, sealed highways and deep-water ports, plus access to a significant highly skilled workforce.

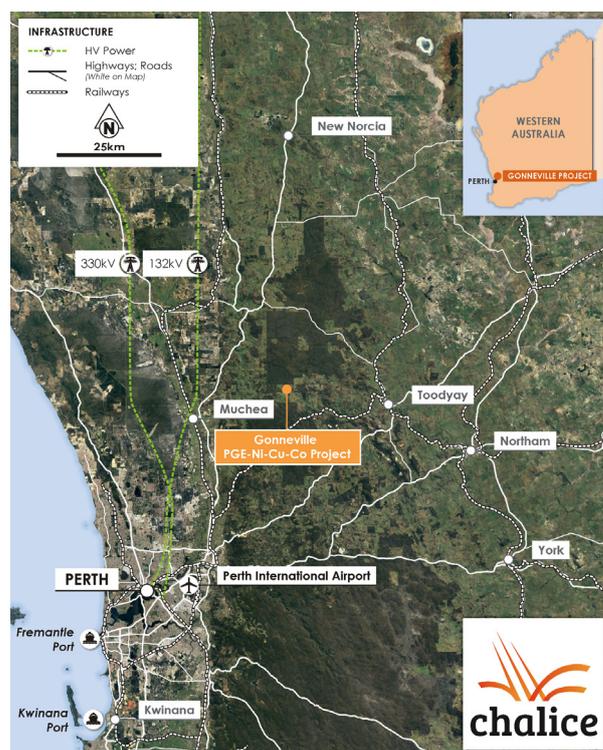


Figure 1. Location of the Gonneville Project.

# Geology & Exploration

The Resource is located at the southern end of a >12km long ultramafic-mafic intrusive belt, the Julimar Complex. Magmatic sulphide mineralisation has been confirmed over the entire length of the intrusive belt, making it a globally significant scale mineral system.

The Gonneville Intrusion has a rare chonolith-like geometry, which is similar to other major mafic-ultramafic orthomagmatic systems worldwide that host some of the world's largest nickel copper+/-PGE deposits, including Norilsk-Talnakh and Jinchuan<sup>7</sup>.

The Resource has been drilled to ~1,200m below surface and is open at depth. Primary PGE-Ni-Cu-Co sulphide mineralisation occurs principally within the ultramafic domains of the Gonneville Intrusion and to a lesser extent in gabbro subunits. Mineralisation occurs as a series of sub-parallel zones, typically 5m to 40m wide, that occur within broader intervals (100m to 150m wide) of weakly disseminated sulphides.

## Resource

The Mineral Resource Estimate (Resource) was updated in April 2024. The updated Resource increased by ~18% (from March 2023) after incorporating 15 new step-out drill holes. Updated Resource 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 open-pit and underground mining methods. This more granular model will be used as the basis to define a smaller, more selective starter case project being evaluated in the PFS.

### Gonneville Project Mineral Resource Estimate – April 2024<sup>8</sup>

660Mt @ 0.79g/t Pd+Pt+Au (3E PGE), 0.15% Ni, 0.083% Cu, 0.015% Co

Containing 17Moz 3E PGE, 960kt Ni, 540kt Cu and 96kt Co

#### Including a higher-grade sulphide component of the Resource of:

59Mt @ 2.0g/t 3E PGE, 0.20% Ni, 0.21% Cu, 0.019% Co

Containing 3.8Moz 3E PGE, 120kt Ni, 120kt Cu, 11kt Co

As part of the updated MRE, high-grade palladium, nickel and copper zones were modelled separately to better define the mineralogical domain in comparison to previous Resource models that assumed bulk open-pit mining approaches only (with significantly larger block sizes).

56 additional drill holes were incorporated, both to increase confidence in the Resource as well as to 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 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.

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



<sup>7</sup>Barnes et al, 2016

<sup>8</sup> Mineral Resource Estimates as at 23 April 2024 as per ASX announcement "Gonneville Resource Remodeled to Support Selective Mining". For tonnes and grade by confidence category, refer to the Mineral Resource Statement within this Annual Report.

## Development Studies

In August 2023, Chalice completed a Scoping Study (Study) for the Gonneville Project on bulk open-pit development options, which outlined a potential new long-life, low-cost, low-carbon critical and strategic minerals mine in Western Australia.

Based on the production profile of the Study, the Project is evaluated to be in the second quartile of the current 4E PGE (Pd+Pt+Au+Rh) industry cost curve, and the lowest-cost producer of PGEs in the western world, based on 2023 all-in sustaining costs and base metal by-product credit.



A long-life, tier-1 scale production profile provides significant leverage to critical and strategic minerals, which are in strong demand due to global decarbonisation and urbanisation trends.

Following release of the Scoping Study, Chalice commenced a Pre-Feasibility Study (PFS) for the Project, assessing a staged high-grade development approach, which is targeted for completion in mid-2025. The purpose of the PFS is to select a preferred development case (in terms of scope, cost and timeline) to progress into a Feasibility Study (FS) and deliver an assessment of the financial viability of the Project.

The current focus of the ongoing PFS is three-fold:

- Complete detailed metallurgical testwork to determine geo-metallurgical domains, the optimal process flowsheet and refine the grade-recovery algorithms by metal for each domain.
- Assess the viability and cost of selective open-pit and underground mining methods for the initial development phase of the project (the 'starter case').

- Define and cost key infrastructure requirements (power, water and logistics) and finalise selection of a commercial/delivery model.

The Company has estimated that the PFS will cost ~\$15 million to complete, which is comfortably covered by Chalice's cash and investments balance of \$111 million at 30 June 2024.

A key lever for the PFS is to increase metal recoveries and optimise the flowsheet. Initial results from the metallurgical testwork indicate that partial oxidation/staining may be inhibiting flotation recovery, which can be mitigated somewhat with modified flotation conditions and/or acid pre-treatment. The addition of a collector reagent in milling, longer residence time and acid pre-treatment can produce favourable increases in metal recoveries (relative to baseline conditions) at constant mass pull into bulk rougher concentrate.

Several processing flowsheet options are being investigated, with the aim of maximising metallurgical recoveries while minimising costs and risk. Given the large scale of the Resource and unique characteristics of the Project, flowsheet design and optimisation are likely to

<sup>9</sup> April 2024 SFA (Oxford) figures used for 2023 realised 4E cost curve data. Note: 1. 4E cost curve positioning assumes SFA Oxford 2023 actual by-product commodity prices of: Copper prices of: US\$8,486/t, Nickel US\$21,505/t, Iridium US\$4,682/oz, Ruthenium US\$464/oz, Chrome 42% CIF US\$312/t. Chalice internal Cobalt prices of US\$40,000/t have been assumed given not disclosed in SFA data. ZAR:USD exchange rate of 18.47 assumed. 2. AISC adjusted to reflect SFA Oxford 2023 actual by-product commodity prices (vs US\$360/oz on August 2023 Scoping Study prices)

continue throughout the study phases, with additional flowsheet steps and capital investment alternatives continually being assessed.

Studies are investigating sequential Cu/Ni flotation plus flotation tails leaching as a smaller scale, simpler, starter process flowsheet, to produce Cu-PGE-Au and Ni-Co-PGE concentrates for sale to western smelters and a PGE-Au doré for sale to a western precious metal refinery (Figure 3).

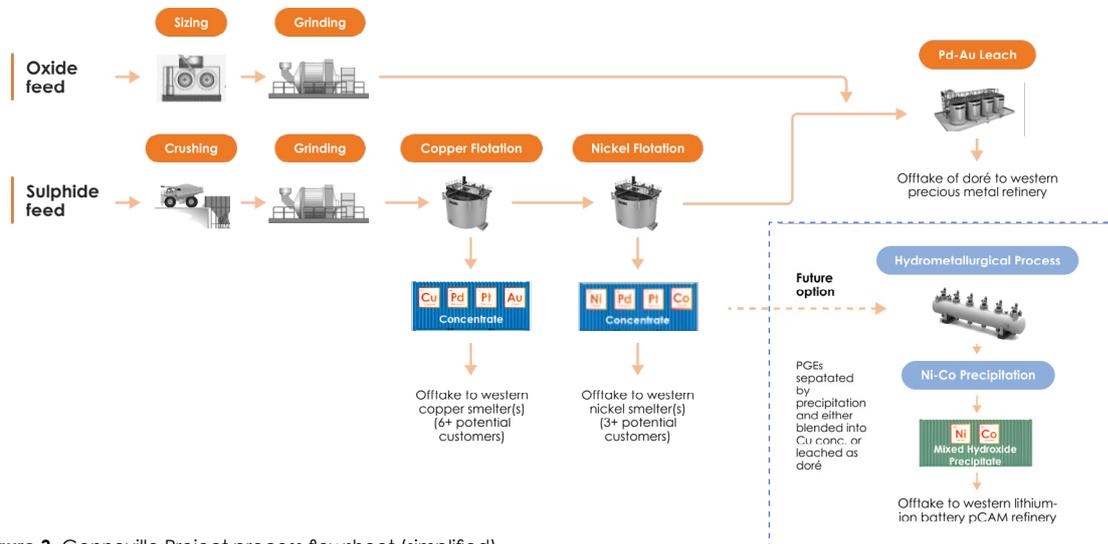


Figure 3. Gonneville Project process flowsheet (simplified).

This approach will reduce initial pre-production capital costs, on-site sulphide processing operating costs, and technical/complexity as well as ramp-up risks, relative to the Scoping Study flowsheet.

It is envisaged that a future expansion (of throughput and/or the process flowsheet) is likely at some point following first production. This should allow for the processing of lower-grade material (at reduced cut-off grade, or from a stockpile), where metal could be recovered to a low-grade Ni-Co-PGE or bulk Ni-Cu-Co-PGE concentrate and then treated by a hydrometallurgical process rather

than being sold to a nickel smelter(s) as envisaged in the Scoping Study process flowsheet.

Baseline surveys of ground water, surface water, flora, fauna and dieback continued to advance as part of the long-term baseline monitoring program, designed to support engineering studies and environmental assessments.

The regulatory approval process commenced in March 2024 with referral of Gonneville to the Commonwealth and State regulatory environmental authorities.



## Memorandum of Understanding

On 3 July 2024, Chalice announced it had entered into a non-binding Memorandum of Understanding (MOU) with Mitsubishi Corporation (Mitsubishi) in relation to Gonneville.

The MOU sets out a framework for ongoing collaboration and assistance between Chalice and Mitsubishi in relation to development of the Project, with the aim of exploring the possibility of forming a potential binding partnership following completion of the Gonneville PFS. Both parties intend to have discussions in good faith around entering into a binding partnership within 90 days of completion of the PFS, which could take the form of a joint arrangement and investment.

The MOU gives Chalice and Mitsubishi time to collaborate and align more closely on key project parameters such as determining the optimal flowsheet and product mix, which will be the primary driver of project scale, staging and development plan currently being refined through the PFS.

Mitsubishi is one of the leading natural resources investors in the mining industry, with significant long-term investments and joint ventures in tier-1 assets globally.

Mitsubishi brings a broad range of capabilities, experience and relationships, including strong connections to the Japanese Government and commercial banking groups which Mitsubishi has historically worked closely with, to facilitate low-cost funding for its joint venture projects.

## Achievements and Forward Plan

Chalice's multi-track value creation strategy at the Gonneville Project is to advance development studies and progress regulatory approvals for a potential mine at Gonneville (located on Chalice-owned farmland), continue exploration in the surrounding region to determine the full scale of the mineral system, and leverage the technical, financial and marketing capabilities of strategic partner(s) to enhance the value of the Project.



## Sustainability

Chalice recognises the need to develop the Gonneville Project sustainably and responsibly, with a commitment to responsible environmental, social and cultural heritage management, and contribution to local economic development.

Chalice developed the Gonneville Project Biodiversity Strategy in 2023, which sets a goal to ensure a science-based no net loss of species or habitat diversity as a result of our operations. An innovative program of work was completed during the year at Gonneville and surrounding properties, including a Black Cockatoo artificial hollow study and continued Chuditch radio-tracking studies. A comprehensive program of baseline environmental surveys also continued throughout FY2024, which has been underway at the Gonneville Project and regionally since 2021.

Chalice is proud to be part of the communities surrounding the Gonneville Project, and during the year we continued to engage with local communities to build respectful and collaborative relationships, with a goal of earning trust and achieving lasting social and economic benefits.

Chalice has built a strong relationship with Traditional Owners and continues work to understand the cultural values of the Gonneville Project area. Whadjuk representatives were involved in a variety of environmental studies work throughout the year, including aquatic and vertebrate fauna surveys, flora surveys and surface water monitoring, along with ethnographic and archaeological cultural heritage surveys across all Chalice-owned farmlands including the Gonneville Project site.

Refer to our Sustainability Report within this Annual Report for further details on this work.

# Generative Exploration and Strategic Investments

## The West Yilgarn Province

Chalice has continued to advance exploration over its large-scale exploration projects located in the West Yilgarn Province (West Yilgarn or Province).

Highlighted by Chalice's greenfield Gonneville discovery in 2020, the province is almost completely unexplored and is considered one of the most exciting new magmatic sulphide provinces globally.

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. ~17Moz PGE-Ni-Cu-Co Gonneville deposit);

- Intrusion-related/orogenic gold-copper deposits (i.e. ~40Moz Boddington gold mine – owned by Newmont Corporation (ASX: NEM); and

- Lithium-Caesium-Tantalum pegmatite deposits (i.e. ~2.5Mt Li Greenbushes lithium mine – owned by Tianqi Lithium Corporation / IGO Limited JV (ASX: IGO (51%) and Albemarle Corporation (NYSE: ALB) (49%)).

Chalice is systematically exploring the region primarily targeting greenfield copper and precious metals deposits. The Company's West Yilgarn portfolio is largely 100% owned, but also includes several earn-in joint ventures (Figure 4).

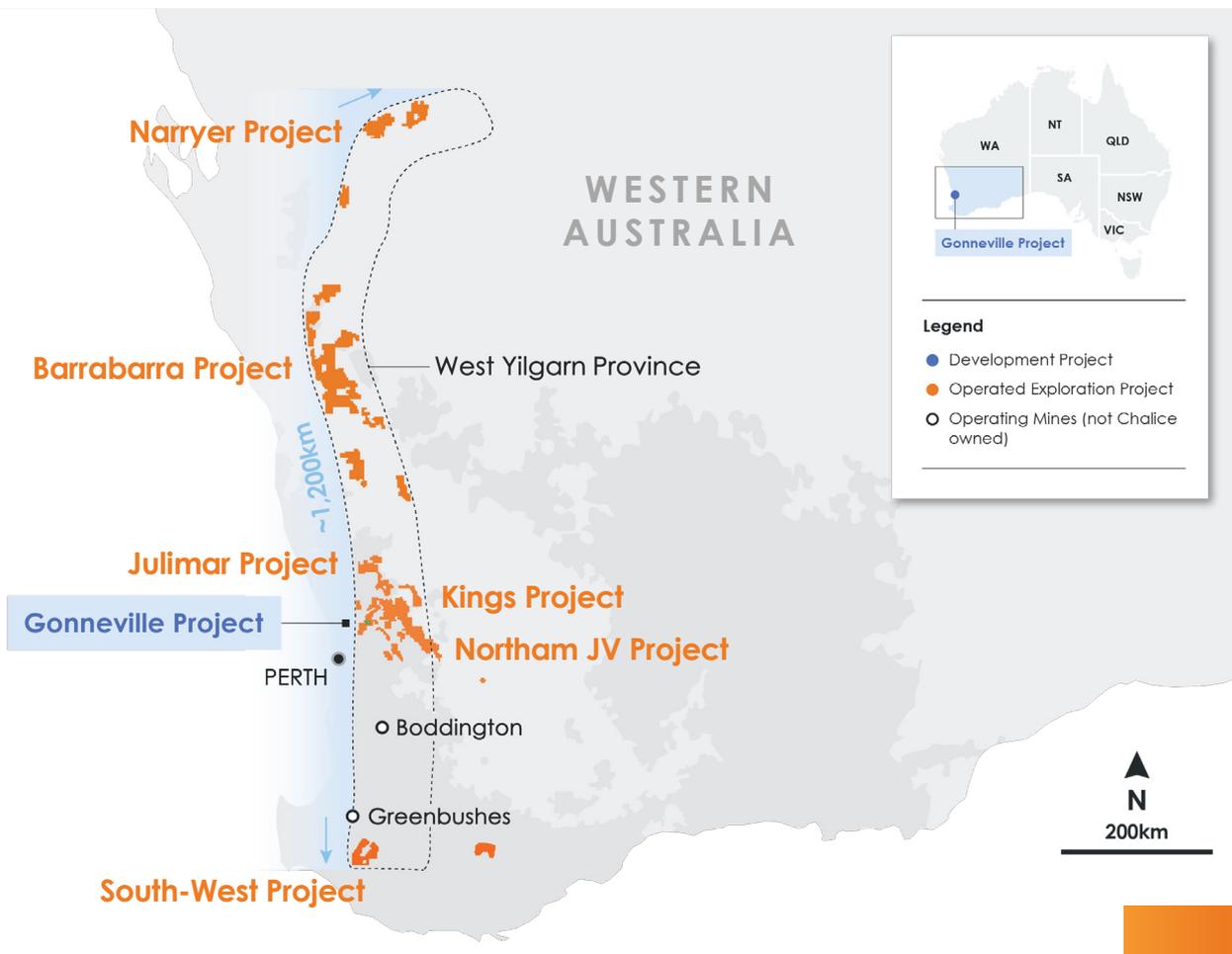


Figure 4. Chalice projects in the West Yilgarn province of Western Australia.

# Julimar Nickel-Copper-PGE Exploration Project (100%-owned)

The Julimar Project covers an area of ~350km<sup>2</sup> surrounding the Gonneville Project. Reconnaissance work by Chalice since 2021 has defined 5 mineralised prospects, as well as one additional target which remains untested by drilling.

The updated Resource for Gonneville is interpreted to cover only ~2km of the Julimar Complex's ~12km strike length. Broad-spaced drilling along the Julimar Complex has targeted the discovery of new high-grade Ni-Cu-PGE sulphide deposits, which could add considerable value to a potential mine at Gonneville (Figure 6).

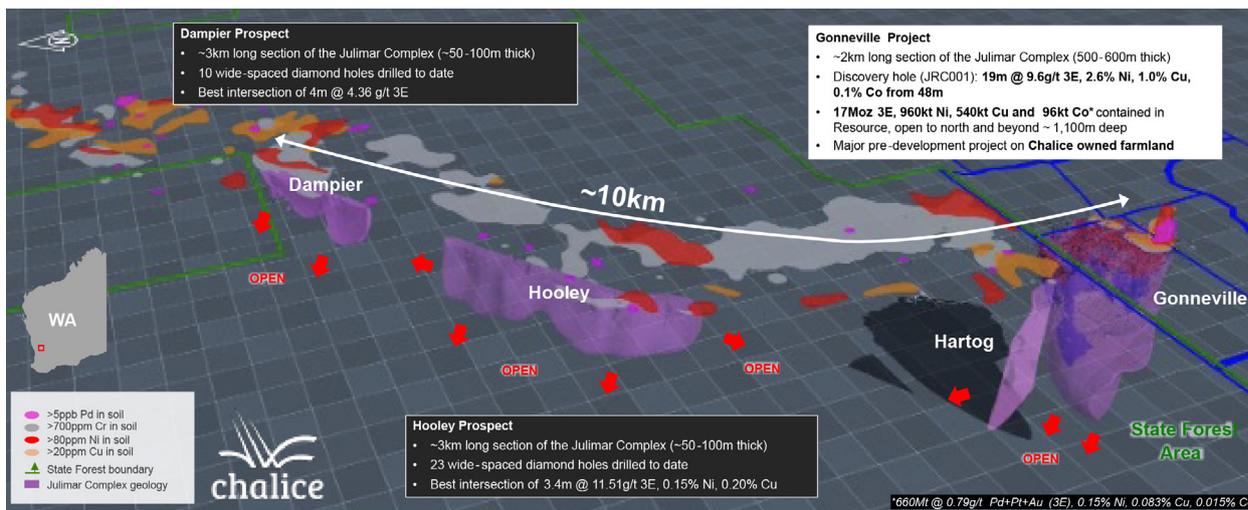


Figure 6. 3D view (looking ESE) of the Julimar Complex, Gonneville Resource and soil geochemistry

On-track exploration drilling was conducted within the Julimar State Forest (JSF) including a reconnaissance aircore (AC) drilling program (373 holes for 11,970m) and five diamond (DD) holes for 2,032m, with two of these DD holes designed to provide an initial test of the Torres magnetic/soil anomalies and three DD holes to test along strike from known disseminated mineralisation at the Hooley Prospect.

A solid geology interpreted map has been compiled from current and previous DD/AC drilling, which confirms previous exploration results highlighting a ~12km Hartog-Hooley-Dampier trend containing Gonneville-like mineralised ultramafic to mafic intrusive geology.

Chalice utilises innovative, low-impact exploration techniques in vegetated areas. Our exploration covers a small portion of the Julimar State Forest, which is strictly governed by a Conservation Management Plan – approved by the Western Australian State Government and developed in conjunction with the Department of Biodiversity, Conservation and Attractions.

During the year, all drilling in the State Forest was confined to existing tracks and cleared areas, and the use of small, track-mounted diamond drill rigs and air-core rigs removed the need for any mechanised clearing of vegetation.

Yued and Whadjuk Traditional Owners, through their cultural heritage management plans, continued to lead the monitoring and protection of cultural heritage for the exploration activities in the Julimar State Forest. This

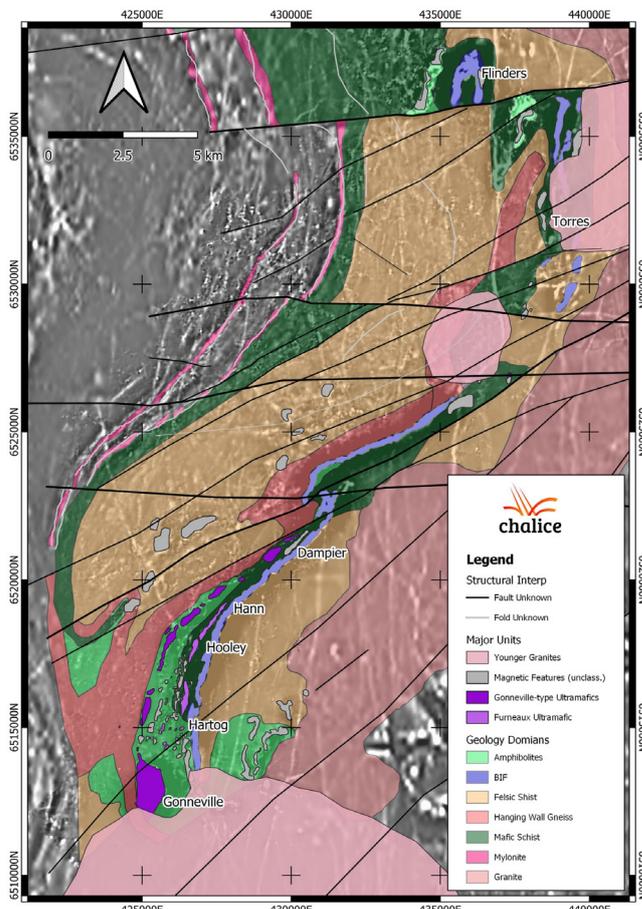


Figure 5. Julimar Complex basement geology interpretation.

included monitoring conducted by Yued and Whadjuk representatives before a drill rig was mobilised to an area. The role of the monitors is to confirm that all drilling activities are taking place within areas that do not contain any cultural heritage sites.

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## Kings Nickel-Copper-PGE Project

**(100% owned + Bolgart earn-in to 90%)**

The Kings Project covers an area of 1,450km<sup>2</sup> surrounding the Gonneville and Julimar Projects. Reconnaissance work by Chalice since 2021 has defined 20 targets across the project area, 15 of which remain untested by drilling.

Exploration was undertaken across 11 early-stage targets through a systematic approach comprising surface geochemical surveys (soil and rock chip geochemical sampling) and ground electromagnetic (EM) to follow-up to discrete aeromagnetic anomalies identified as potential ultramafic to mafic intrusive bodies. An outcropping zone of copper-gold mineralisation was identified at Byromanning with further work planned on this target subject to landowner consent.

A total of 50 AC holes for 2,200m were drilled to test the Faeroe Ag-Au and Sole Cr-Cu-Ni targets located ~80km north of Gonneville. No further work is planned for these targets.

A single line of reconnaissance auger soil sampling across the Finders East target, located ~30km NNE 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 Fixed Loop Electromagnetic (FLEM) and infill soil geochemical sampling is planned in late CY2024 subject to obtaining statutory approvals.

Field reconnaissance at the Eclipse and Peron targets identified subcropping serpentinite-pyroxenite rocks from a ~3km long series of magnetic highs located ~3-5km east of Gonneville. No Ni-Cu-PGE mineralisation was detected from surface exploration including auger soils, rock chips or Moving Loop Electromagnetic (MLEM) although the potential for mineralisation at depth is considered high.

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## Northam Resources Nickel-Copper-PGE JV Project

**(Earn-in to 70%)**

Chalice entered into an earn-in and joint venture with Northam Resources in October 2023 to earn up to 70% interest in a ~1,600km<sup>2</sup> contiguous exploration licence holding located adjacent to Chalice's 100%-owned Kings Project. Reconnaissance work completed by Chalice

and Northam Resources from 2019 to 2024 has defined 33 targets across the project area, 18 of which remain untested by drilling.

Project-wide exploration activities commenced in late 2023, including a ~33,700-line km ultra-detailed airborne magnetic survey to complement a previously acquired HeliTem AEM survey. Prospect-scale surface geochemical surveys were undertaken in summer including field reconnaissance and geological mapping, resulting in the delineation of 28 interpreted ultramafic to mafic intrusive targets located along two subparallel trends known as the Felburg and Caro-Kann trends, extending over 25km and 10km strike lengths respectively.

A program of MLEM and FLEM surveys was completed across ten PGE-Ni-Cu targets during the year, with bedrock EM conductors identified at four targets. High-conductance EM plates were defined at the Schrodinger North and South, Howard Kelpie and Chamberlain targets (located ~50km NE of Gonneville), with these targets prioritised for drill testing later in CY2024.

1,450 auger soil geochemical samples were collected over 14 targets, with promising coincident Ni-Cr-Cu-Co-Au anomalism identified at the Kann target located ~65km NE of Gonneville. A ~2,000m x 300m pathfinder geochemical anomaly is associated with subcrop after serpentinite and further exploration is planned along this ~10km trend.

A 3-hole (650m) diamond drill program was completed at the Bolgart target, which tested Airborne EM/ground EM anomalies associated with an interpreted ultramafic intrusion located close to the tectonic boundary between the South West Yilgarn and the Youanmi Terranes. A 7,000S conductor was intersected in BD001 which comprised barren pyrrhotite-dominant massive sulphides although problematic ground conditions in BD002 prevented testing of an 8,000S EM conductor located west of an interpreted ultramafic intrusion. BD003 intersected an 85m-wide weakly mineralised serpentinitised harzburgite. No further work was undertaken at the Bolgart target in FY2024.

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## Barrabarra Nickel-Copper-PGE Project

**(100% owned + Koojan earn-in to 80%)**

The Barrabarra Project covers an area of 4,355km<sup>2</sup> in the mid-west region of WA. Reconnaissance work by Chalice since 2021 has defined 12 high priority targets across the project area, 8 of which will be tested with AC drilling in CYQ4, pending harvest in the region.

Exploration during the year included an ultra-detailed aeromagnetic survey (67,600-line km/50m line spacing), Falcon AGG survey (5,700-line km/400m line spacing) and ground gravity (540 stations, 400m spacing) to assist with target definition within this poorly exposed part of the West Yilgarn Ni-Cu-PGE province.

A detailed geological structural interpretation has been

completed across the project utilising the newly acquired geophysical datasets in conjunction with >150 field geology data points.

The project-wide exploration activities have facilitated a new understanding of the bedrock geology resulting in newly recognised trends of ultramafic to mafic intrusive geology which are prospective for Ni-Cu-PGE sulphide mineralisation. In addition, the interpreted geology has identified large areas of unrecognised Archaean greenstone belts and a pervasive structural overprint, which highlights prospectivity for orogenic Au-Cu.

A second extensive phase of soil geochemistry was undertaken during the year to either extend known surface anomalism or to test new PGE-Ni-Cu, Au-Cu and Li target areas. A total of ~7,850 soil samples were collected and the results have been reviewed generating 15 new targets for follow-up exploration.

A focused soil geochemical survey undertaken at the Perenjori Target in the south-east of the project area identified a ~2km x ~300m Au-Bi-Te-Pd anomaly in lateritic soils coinciding with a prominent NW-trending aeromagnetic anomaly, interpreted as a fault. This target is planned for follow-up including infill auger geochemical sampling and drone magnetics.

A 7-hole (1,252m) RC drill program was completed to test unexplained AEM/ground EM conductors across the project area during FY2024, with only minor copper anomalism associated with sulphide mineralisation in mafic intrusive rock types.

The Barrabarra Project includes an earn-in and joint venture on the Koojan Project (E70/5560-5561) with Koojan Exploration Pty Ltd (Chalice earning up to 80% interest).

## Narryer Nickel-Copper-PGE Exploration Project

**(100% owned + Mt Narryer earn-in to 75%)**

The Narryer Project covers an area of 284km<sup>2</sup> in the Gascoyne region of WA, with an additional 114km<sup>2</sup> pending grant. Reconnaissance work by Chalice since 2021 has defined 6 high priority targets across the project area, all of which remain untested by drilling.

Regional surface geochemical programs were conducted across the project during the year comprising ~2,890 samples on 100% owned tenements and ~1,120 samples on E09/2704 (Platina earn-in & Mt Narryer JV).

The presence of transported cover in some target areas of the project necessitated an exploration approach utilising regional geophysical surveys including airborne magnetics (2,160-line km) and ground gravity surveying (3,870 stations, 400m spacing) to indirectly detect prospective host rocks. An interpreted geology map compiled from geophysical interpretation and geological reconnaissance has identified prospective ultramafic to mafic intrusives

aligned along two major trends.

The Narryer Project includes an earn-in and joint venture on the Mt Narryer Project (E09/2704) with Platina Resources Ltd (Chalice earning up to 75% interest).

## South West Nickel-Copper-PGE Project

**(100% owned + Venture earn-in to 70%)**

The South West Project covers an area of ~700km<sup>2</sup> near Yornup within the highly prospective West Yilgarn Ni-Cu-PGE Province. The Project is centred on a 'Julimar Complex lookalike', the Thor Ni-Cu-PGE Target – a ~20km long interpreted mafic-ultramafic complex with a strong magnetic signature and historical massive sulphide occurrences.

Exploration activities during the year pivoted to lithium-caesium-tantalum (LCT) pegmatite targets and six low-level Li+pathfinder targets were tested with auger soil geochemistry. No significant LCT anomalism was identified and no further work is planned for these targets.

The broader tenement package was explored through an initial phase of regional laterite geochemistry (~5km<sup>2</sup>) and an infill program (76 infill samples to ~2km<sup>2</sup>) which defined a ~2.5km x 1km coincident Sn-Ta anomaly. This target was further tested with auger soil geochemistry (500m x 50m) which defined discrete Be-Cs and adjacent Sn-Ta anomalies, although the low-order anomalism and lack of pegmatite indicator minerals in the regolith downgraded this target and no further work is planned.

The South West Project includes an Earn-in & Joint Venture with Venture Minerals (ASX: VMS) and 100% Chalice owned tenure.

## Strategic Investments

### Encounter Resources Limited (ASX:ENR)

In April 2024, the Company acquired a strategic ~6.1% interest in Encounter Resources Limited (ASX: ENR) for \$7.7 million. Encounter is a mineral exploration company focused on discovering major copper and critical mineral deposits in Australia. It has 100% ownership of the Aileron Project, which contains prospective tenements in the West Arunta Province of Western Australia, adjacent to WA1 Resources' (ASX: WA1) Luni niobium Resource.

The Company's interest in Encounter was valued at \$20.2 million at 30 June 2024.

### Caspin Resources Limited (ASX:CPN)

The Company holds ~8.7% interest in Caspin Resources valued at \$0.5 million at 30 June 2024. Caspin is a mineral exploration company actively exploring projects in the West Yilgarn and West Musgrave provinces.

# Financial Performance

The loss for the year ended 30 June 2024 of \$39.5 million was 39.8% lower (or \$26.1 million) than the net loss of \$65.6 million for the year ended 30 June 2023, largely due to a \$19.3 million reduction in exploration and evaluation expenditure (Table 1), lower share-based payments of \$0.8 million, offset by an increase in interest income of \$2.1 million and income tax benefit of \$4.0 million. Interest income increased due to higher interest rates applied to term deposits held during the financial year.

Corporate and administration costs decreased from \$6.3 million to \$6.0 million.

**Table 1.** Exploration and evaluation expenditure by project

	2024 \$'000	2023 \$'000
Gonneville, Western Australia	15,204	46,891
Gonneville – development/ studies	12,060	6,501
West Yilgarn, Western Australia	15,083	8,092
Other generative projects	145	349
<b>TOTAL</b>	<b>42,492</b>	<b>61,833</b>

## Financial Position

At 30 June 2024, the Company remains well funded to execute its corporate strategy outlined on page 13. The Group had net assets of \$162.8 million (2023: \$187.1 million) and an excess of current assets over current liabilities of \$109.4 million (2023: \$141.2 million).

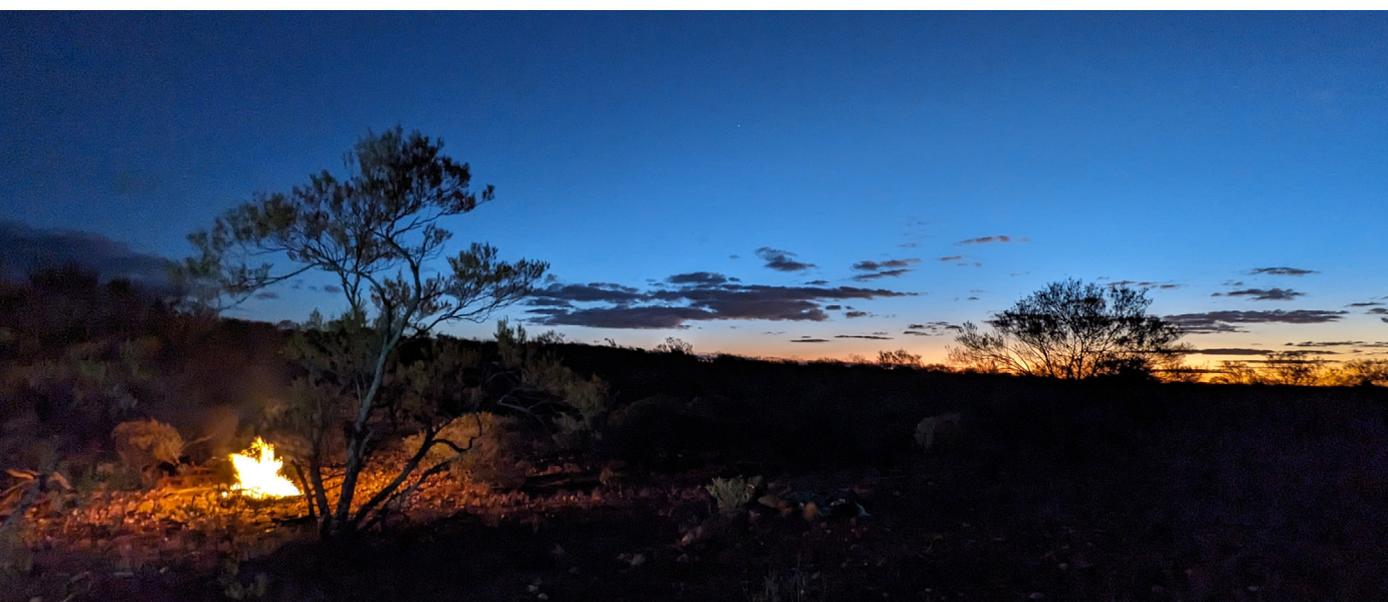
Current assets decreased by 23.9% to \$115.2 million (2023: \$151.5 million). Refer to the statement of cash flows discussed below for further details regarding the movement in cash equivalents during the year ended 30 June 2024.

Current liabilities at 30 June 2024 decreased significantly by 44.2% from \$10.4 million in 2023 to \$5.8 million at 30 June 2024. The decrease in liabilities is primarily due to a reduction in trade and other payables at 30 June 2024, in line with the reduction in overall costs and field activities.

## Statement of Cash Flows

Cash and cash equivalents at 30 June 2024 were \$89 million (2023: \$145.2 million). Cash used in operating activities reduced from \$59.9 million to \$44.1 million, primarily due to an increase in interest received on term deposits of \$4.8 million compared to \$2.7 million in 2023. Net cash used in investing activities increased by \$10.8 million predominately due to the acquisition of a private property (\$4.4 million) and the Company's investment in ENR (\$7.7 million).

The Company remains well funded to deliver the Pre-Feasibility Study in FY2025 and progress our other strategic objectives.



# Mineral Resource Statement

The Company may report Mineral Resources at a date other than 30 June. However, the Company reviews its Mineral Resources annually in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) 2012 Edition. The date of review is 30 June each year, to coincide with the Company's end of financial year.

The Company declared an updated Mineral Resource Estimate for the Gonneville Project on 23 April 2024 (Table 2). This Mineral Resource Estimate was reviewed as at 30 June 2024. No material changes have occurred since the declaration date of 23 April 2024 to 30 June 2024. The current Mineral Resource Estimate is reported below:

**Table 2.** Gonneville Mineral Resource Estimate (JORC Code 2012), 23 April 2024.

Domain	Cut-off NSR (SA/t)	Classification	Mass (Mt)	Grade						Contained Metal					
				Pd (g/t)	Pt (g/t)	Au (g/t)	Ni (%)	Cu (%)	Co (%)	Pd (Moz)	Pt (Moz)	Au (Moz)	Ni (kt)	Cu (kt)	Co (kt)
Oxide – in-pit	25	Measured	-	-	-	-	-	-	-	-	-	-	-	-	-
		Indicated	7.0	1.9	-	0.05	-	-	-	0.43	-	0.01	-	-	-
		Inferred	6.1	0.54	-	0.03	-	-	-	0.11	-	0.01	-	-	-
		<b>Subtotal</b>	<b>13</b>	<b>1.3</b>	<b>-</b>	<b>0.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.54</b>	<b>-</b>	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>-</b>
Sulphide (Transitional) – in-pit	25	Measured	0.4	0.82	0.18	0.03	0.19	0.160	0.020	0.01	-	-	0.67	0.56	0.07
		Indicated	14	0.68	0.16	0.03	0.16	0.103	0.020	0.30	0.07	0.01	22	14	2.7
		Inferred	0.1	0.72	0.21	0.02	0.13	0.101	0.014	-	-	-	0.19	0.15	0.02
		<b>Subtotal</b>	<b>14</b>	<b>0.69</b>	<b>0.16</b>	<b>0.03</b>	<b>0.16</b>	<b>0.104</b>	<b>0.020</b>	<b>0.32</b>	<b>0.08</b>	<b>0.01</b>	<b>23</b>	<b>15</b>	<b>2.8</b>
Sulphide (Fresh) – in-pit	25	Measured	2.5	1.0	0.22	0.03	0.21	0.168	0.018	0.08	0.02	-	5.4	4.3	0.45
		Indicated	380	0.60	0.14	0.02	0.15	0.088	0.015	7.4	1.7	0.3	570	340	57
		Inferred	240	0.60	0.14	0.02	0.15	0.074	0.015	4.6	1.1	0.15	350	170	35
		<b>Subtotal</b>	<b>620</b>	<b>0.60</b>	<b>0.14</b>	<b>0.02</b>	<b>0.15</b>	<b>0.083</b>	<b>0.015</b>	<b>12</b>	<b>2.8</b>	<b>0.45</b>	<b>930</b>	<b>520</b>	<b>92</b>
Sulphide (Fresh) - MSO	110	Measured	-	-	-	-	-	-	-	-	-	-	-	-	-
		Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-
		Inferred	7.3	1.7	0.38	0.09	0.16	0.192	0.015	0.4	0.09	0.02	12	14	1.1
		<b>Subtotal</b>	<b>7.3</b>	<b>1.7</b>	<b>0.38</b>	<b>0.09</b>	<b>0.16</b>	<b>0.192</b>	<b>0.015</b>	<b>0.4</b>	<b>0.09</b>	<b>0.02</b>	<b>12</b>	<b>14</b>	<b>1.1</b>
All		Measured	2.9	0.99	0.21	0.03	0.21	0.167	0.018	0.09	0.02	-	6.1	4.8	0.52
		Indicated	400	0.63	0.14	0.02	0.15	0.087	0.015	8.1	1.8	0.32	600	350	60
		Inferred	250	0.63	0.14	0.02	0.14	0.076	0.014	5.1	1.1	0.18	360	190	36
		<b>Total</b>	<b>660</b>	<b>0.63</b>	<b>0.14</b>	<b>0.02</b>	<b>0.15</b>	<b>0.083</b>	<b>0.015</b>	<b>13</b>	<b>2.9</b>	<b>0.5</b>	<b>960</b>	<b>540</b>	<b>96</b>

Note some numerical differences may occur due to rounding to 2 significant figures. Includes drill holes drilled up to and including 7 November 2023.

**Table 3.** High-grade sulphide (transitional and fresh) breakdown within Gonneville Resource, 23 April 2024.

Domain	Cut-off NSR (\$A/t)	Classification	Mass	Grade						Contained Metal					
				(Mt)	Pd (g/t)	Pt (g/t)	Au (g/t)	Ni (%)	Cu (%)	Co (%)	Pd (Moz)	Pt (Moz)	Au (Moz)	Ni (kt)	Cu (kt)
HG Sulphide – above 200m depth in-pit	100	Measured	0.8	2.3	0.45	0.05	0.37	0.35	0.026	0.06	0.01	0.00	2.8	2.7	0.20
		Indicated	25	1.4	0.32	0.07	0.21	0.22	0.020	1.1	0.26	0.06	54	54	5.1
		Inferred	1.1	1.2	0.37	0.04	0.20	0.14	0.019	0.05	0.01	0.00	2.2	1.6	0.21
		<b>Subtotal</b>	<b>27</b>	<b>1.4</b>	<b>0.33</b>	<b>0.07</b>	<b>0.22</b>	<b>0.22</b>	<b>0.020</b>	<b>1.2</b>	<b>0.28</b>	<b>0.06</b>	<b>59</b>	<b>58</b>	<b>5.5</b>
HG Sulphide – below 200m depth in-pit	110	Measured	-	-	-	-	-	-	-	-	-	-	-	-	-
		Indicated	9.7	1.6	0.43	0.13	0.19	0.27	0.018	0.51	0.14	0.04	19	26	1.7
		Inferred	15	1.6	0.39	0.07	0.21	0.16	0.019	0.51	0.18	0.03	30	24	2.7
		<b>Subtotal</b>	<b>24</b>	<b>1.6</b>	<b>0.41</b>	<b>0.09</b>	<b>0.20</b>	<b>0.20</b>	<b>0.018</b>	<b>1.3</b>	<b>0.32</b>	<b>0.07</b>	<b>49</b>	<b>50</b>	<b>4.4</b>
HG Sulphide – MSO	110	Measured	-	-	-	-	-	-	-	-	-	-	-	-	-
		Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-
		Inferred	7.3	1.7	0.38	0.09	0.16	0.19	0.015	0.40	0.09	0.02	12	14	1.1
		<b>Subtotal</b>	<b>7.3</b>	<b>1.7</b>	<b>0.38</b>	<b>0.09</b>	<b>0.16</b>	<b>0.19</b>	<b>0.015</b>	<b>0.40</b>	<b>0.09</b>	<b>0.02</b>	<b>12</b>	<b>14</b>	<b>1.1</b>
All HG Sulphide		Measured	0.8	2.3	0.45	0.05	0.37	0.35	0.026	0.06	0.01	0.00	2.8	2.7	0.20
		Indicated	35	1.5	0.35	0.09	0.21	0.23	0.019	1.7	0.39	0.10	73	80	6.8
		Inferred	23	1.6	0.39	0.07	0.19	0.17	0.018	1.2	0.29	0.06	44	39	4.1
		<b>Subtotal</b>	<b>59</b>	<b>1.5</b>	<b>0.37</b>	<b>0.08</b>	<b>0.20</b>	<b>0.21</b>	<b>0.019</b>	<b>2.9</b>	<b>0.69</b>	<b>0.15</b>	<b>120</b>	<b>120</b>	<b>11</b>

Note some numerical differences may occur due to rounding to 2 significant figures. This higher-grade component is contained within the reported global Mineral Resource. Includes drill holes drilled up to and including 7 November 2023.

Key difference between March 2023 and April 2024 estimates are shown in Table 4.

**Table 4.** Mineral resource comparison to prior reporting period

Domain	Category	Mass	Grade						Contained Metal					
			(Mt)	Pd (g/t)	Pt (g/t)	Au (g/t)	Ni (%)	Cu (%)	Co (%)	Pd (Moz)	Pt (Moz)	Au (Moz)	Ni (kt)	Cu (kt)
30 June 2023	Measured	2.7	1.1	0.24	0.03	0.23	0.18	0.019	0.09	0.02	-	6.2	4.9	0.51
	Indicated	300	0.70	0.15	0.03	0.16	0.09	0.015	6.8	1.4	0.26	460	280	45
	Inferred	250	0.70	0.15	0.03	0.15	0.09	0.015	5.7	1.2	0.22	390	230	37
	<b>Total</b>	<b>560</b>	<b>0.70</b>	<b>0.15</b>	<b>0.03</b>	<b>0.16</b>	<b>0.09</b>	<b>0.015</b>	<b>13</b>	<b>2.7</b>	<b>0.48</b>	<b>860</b>	<b>520</b>	<b>83</b>
30 June 2024	Measured	2.9	0.99	0.21	0.03	0.21	0.167	0.018	0.09	0.02	-	6.1	4.8	0.52
	Indicated	400	0.63	0.14	0.02	0.15	0.087	0.015	8.1	1.8	0.32	600	350	60
	Inferred	250	0.63	0.14	0.02	0.14	0.076	0.014	5.1	1.1	0.18	360	190	36
	<b>Total</b>	<b>660</b>	<b>0.63</b>	<b>0.14</b>	<b>0.02</b>	<b>0.15</b>	<b>0.083</b>	<b>0.015</b>	<b>13</b>	<b>2.9</b>	<b>0.50</b>	<b>960</b>	<b>540</b>	<b>96</b>

**Table 5.** Comparison of key parameters of the Mineral Resource Estimate between March 2023 and April 2024.

Key parameter	March 2023	April 2024
<b>Mineralisation wireframing approach</b>	Modelling of high-grade sulphide rich horizons above a nominal >0.9g/t Pd cut-off grade	Separate Pd, Ni and Cu high-grade sulphide wireframes
<b>No. of wireframes</b>	14	100
<b>Mining approach</b>	Bulk open-pit mining only (larger block sizes)	Selective open-pit and underground mining (smaller block sizes)
<b>Revenue / cut-off approach</b>	Nickel equivalent grade applied to each block – fixed recoveries used in the nickel equivalent formula	Net Smelter Return (NSR) applied to each block – variable recoveries according to grade based on metallurgical testwork to date and offtake terms from indicative western copper smelter proposals, western nickel-cobalt MHP benchmarks and an independent marketing expert
<b>Economic constraint approach</b>	Pit shell and nickel equivalent cut-off determined using Whittle pit optimisation, below-pit material reported above sub-level cave cut-off mining method	Pit shell and NSR cut-off determined using Whittle pit optimisation, below-pit material reported within Mineable Shape Optimiser (MSO) based on long-hole open stoping mining method
<b>Open-pit cut-off</b>	0.35% NiEq	A\$25/t NSR
<b>Underground cut-off</b>	0.40% NiEq	A\$110/t NSR
<b>High-grade sulphide cut-off</b>	0.60% NiEq	A\$100-110/t NSR in-pit and A\$110/t NSR underground

The Mineral Resource is an estimate and is, in a large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralisation or geological conditions may be different from those predicted. No assurance can be given that Mineral Resources constitute or will be converted into Ore Reserves.

For further information on the April 2024 Mineral Resource Estimate refer to the ASX announcement titled "Gonneville Resource Remodelled to Support Selective Mining" dated 23 April 2024, available at [www.asx.com.au](http://www.asx.com.au) ASX code "CHN".

## Governance Arrangements and Internal Controls

Chalice reports its Mineral Resource in accordance with the JORC Code (2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves) and the ASX Listing Rules.

The Company has ensured that the Mineral Resources reported are subject to thorough governance arrangements and internal controls including sign off by senior technical staff on inputs used in the preparation of the estimates. The 23 April 2024 Mineral Resource Estimate for Gonneville was prepared by independent mining consulting group Cube Consulting Pty Ltd with the pit optimisation used to constrain the Mineral Resource completed inhouse with input from SRK Consulting.

The Company's reporting governance for Mineral Resource Estimates consists of several assurance measures, including:

- Peer review by external consultants and senior technical staff before being presented to the Company's Board for approval and subsequent public reporting.

- The Competent Persons responsible for the estimate are current members of professional organisations recognised by the JORC Code:

- Mr Michael Millad is a Director and Principal Geologist/Geostatistician at Cube Consulting, and a Member in good standing of the Australian Institute of Geoscientists. Mr Michael Job is a Director and Principal Geologist/Geostatistician at Cube Consulting and a Fellow in good standing of the Australasian Institute of Mining and Metallurgy. Both Mr Millad and Mr Job have sufficient relevant experience to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.

- The Company received prior written consent from the Competent Persons to issue the Mineral Resource Statement in the form and context in which they appear in this Annual Report.
- The Company has received supporting documentation for the estimates to a level consistent with standard industry practice.

# Competent Persons' Statements

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## Competent Persons' Statements

The information in this Annual Report that relates to Mineral Resources in relation to the Gonneville PGE-Ni-Cu-Co Project is based on and fairly represents information and supporting documentation compiled by Mike Millad and Mike Job.

Mr Millad is a full-time employee and director of Cube Consulting and is a member in good standing of the Australian Institute of Geoscientists (#5799). Mr Millad does not hold securities in Chalice. Mr Millad has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Millad has reviewed the contents of this Annual Report and consents to the inclusion in this Annual Report of the matters based on his information in the form and context in which it appears.

Mr Job is a full-time employee and director of Cube Consulting and is a Fellow in good standing of the Australasian Institute of Mining and Metallurgy (#201978). Mr Job does not hold securities in Chalice. Mr Job has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Job has reviewed the contents of this Annual Report and consents to the inclusion in this Annual Report of the matters based on his information in the form and context in which it appears.

The information in this Annual Report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Dr. Kevin Frost BSc (Hons), PhD, a Competent Person, who is a Member of the Australian Institute of Geoscientists (#4530). Dr. Frost is a full-time employee of the Company, is entitled to participate in Chalice's Employee Securities Incentive Plan and holds securities in Chalice. Mr Frost has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Dr Frost consents to the inclusion in the Annual Report of all technical statements based on his information in the form and context in which it appears.

## Production Targets and Forecast Financial Information

The production targets and forecast financial information disclosed in this Annual Report is extracted from the Company's ASX announcement "Gonneville Nickel- Copper-PGE Project Scoping Study", dated 29 August 2023.

All material assumptions underpinning the production targets and forecast financial information derived from the production targets in the previous announcement continue to apply and have not materially changed.

## Cautionary Statement

This Annual Report includes information extracted from the Company's ASX announcement dated 29 August 2023, titled "Gonneville Nickel-Copper-PGE Project Scoping Study".

For the production targets and forecast financial information for the 15Mtpa Case scenario (modelled LOM - 19 years), Inferred Resources comprise 14% of the production schedule over the modelled Life of Mine (LOM). For the 30Mtpa Case scenario (modelled LOM - 18 years), Inferred Resources comprise 37% of the production schedule over the modelled Life of Mine (LOM). Significantly, in both the 15Mtpa Case and 30Mtpa Case scenarios, the Inferred Mineral Resources do not play a prominent role in the initial mine plan. Throughout the first 15 years of production, the Inferred Mineral Resources constitute less than ~20% in both production schedules. Accordingly, Chalice has concluded that it is satisfied that the financial viability of both development cases modelled in the Scoping Study is not dependent on the inclusion of Inferred Resources early in the production schedule given



an estimated payback period (from commencement of production) of ~2 years for the 15Mtpa Case and the 30Mtpa Case.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production targets themselves will be realised.

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## Reliance on Third-Party Information

This Annual Report contains information that has been derived from third party sources that has not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

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## Forward Looking Statements

This Annual 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 Annual 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, expenditure and corporate objectives; estimated timing of the Gonneville Project development schedule; the formal arrangements contemplated by the Memorandum of Understanding with Mitsubishi Corporation, the realisation of Mineral Resource Estimates; timing of anticipated production and final investment decision; sustainability initiatives; climate change scenarios; the likelihood of further exploration success; the timing and cost 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; estimated carbon emissions; planned capital requirements; the success of future potential mining operations and the timing of results from planned exploration programs and metallurgical testwork.

In certain cases, forward-looking statements can be identified by the use of words such as, "aiming",

"anticipate", "considered", "continue", "could", "estimate", "expected", "for", "forecast", "future", "intend", "indicates", "is", "likely", "may", "objectives", "optionality", "outlook", "open", "plan" or "planned", "potential", "strategy", "target", "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; 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 domains 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 and study programs and budgets based upon the results; successful completion of the objectives contemplated in the Memorandum of Understanding with Mitsubishi Corporation; 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](http://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.

# Tenement Schedule

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%
		E70/5363 to E70/5364	GE Resources Pty Ltd	100%
		E70/5367 to E70/5369	CGM (West Yilgarn) Pty Ltd	100%
		E70/5373	Northam Resources Limited	0% - Earn-in agreement, right to earn up to an 75% interest
		E70/5151	CGM (West Yilgarn) Pty Ltd	100%
		E70/5865	CGM (West Yilgarn) Pty Ltd	100%
		E70/5985 to E70/5986	CGM (West Yilgarn) Pty Ltd	100%
		E70/6512	CGM (West Yilgarn) Pty Ltd	100%
		E70/6514	CGM (West Yilgarn) Pty Ltd	100%
		E70/6564 to E70/6566	CGM (West Yilgarn) Pty Ltd	100%
	E70/6644	CGM (West Yilgarn) Pty Ltd	100%	
	Boomer Hill	E70/5009 to E70/5010	Denise Elaine Watts-Butler	Earn-in agreement, right to earn up to a 90% interest
	Northam Resources JV	E70/6481 to E70/6482	OBR Exploration Pty Ltd	0% - Earn in agreement, right to earn up to a 70% interest
		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	
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			

Location	Project	Tenement No.	Registered Holder	Nature of interest
Western Australia	Northam Resources JV	E70/5456	Northam Resources Limited	0% - Earn in agreement, right to earn up to a 70% interest.
		E70/5724	Northam Resources Limited	
		E70/5757 to E70/5759	Northam Resources Limited	
	Barrabarra	E70/5263 to E70/5264	CGM (West Yilgarn) Pty Ltd	100%
		E70/5355 to E70/5356	CGM (West Yilgarn) Pty Ltd	100%
		E70/5404	GE Resources 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	E70/5532	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%)	Earn-in agreement, right to earn up to a 70% interest
		E70/5067	CGM (West Yilgarn) Pty Ltd (51%) & Venture Lithium Pty Ltd (49%)	
	E70/5421	CGM (West Yilgarn) Pty Ltd (51%) & Venture Lithium Pty Ltd (49%)		
	Wubin	E70/5357	CGM (West Yilgarn) Pty Ltd	100%
	Narryer	E09/2436	CGM (West Yilgarn) Pty Ltd	100%
		E09/2704	Red Heart Mines Pty Ltd	0% - Earn in agreement, right to earn up to a 75% interest
E09/2446		CGM (West Yilgarn) Pty Ltd	100%	
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	100%
		EL31610	CGM (WA) Pty Ltd	100%

# Sustainability Report

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# Letter from the Chair of the Risk and Sustainability Committee

**Dear Shareholders,**

Welcome to Chalice Mining's 2024 Sustainability Report.

Despite a challenging market backdrop, Chalice's commitment to responsible sustainability practices remains integral to our Company purpose and culture. This is evident in the initiatives and projects we have progressed, aimed at minimising environmental impact, strengthening community engagement, and ensuring the safety of our workforce.

This commitment underscores our fundamental belief that exploration and mining can be conducted in ways that are sustainable, environmentally responsible and economically efficient.

The formal commencement of State and Commonwealth environmental approval processes for the Gonneville Project demonstrates this approach and marked a major milestone for the Company. This is the culmination of almost three years of environmental baseline work and stakeholder engagement, and places us well on the road towards development.

Safety remains paramount, and I'm pleased to report that our employees and contractors remained safe with no significant safety events through the year and a positive downward trend in recordable injuries from FY2023. Contributing to this performance is our day-to-day focus on understanding and managing our critical safety risks and embedding verification of critical controls in daily routines. We commenced a program to improve our critical risk management processes in FY2021 and further enhanced this work in FY2024 through a systematic review of our principal hazards and risks.

In FY2024, we continued to focus on strengthening our relationship with the local communities surrounding the Gonneville Project. We invested just over \$1.2M in local procurement, supporting regional businesses through the purchase of goods and services. Additionally, we allocated ~\$138,000 in grants and sponsorships to more than twenty local community groups across the Toodyay and Chittering Shires, reinforcing our commitment to deliver sustained shared value for stakeholders.

Another significant achievement during the year was the signing of a Heads of Agreement with the Shire of Toodyay for the future establishment of a community fund. This fund is the first of its kind, and the Agreement reflects the Shire and Chalice's shared objective of delivering long-term benefits to the local communities surrounding the Gonneville Project.



During the year, we also completed our second instalment of the Local Voices community survey program in the communities proximal to Gonneville. Local Voices provides Chalice with important insight into what matters most to community members, and to inform our decision-making processes. Pleasingly, our latest survey results showed that 75% of respondents have a moderate to very high level of support for the Gonneville Project and the development of a future mine on Chalice farmland.

While we work to deliver benefits to local communities, we equally seek to minimise our impacts on the environment. Pleasingly we had zero significant environmental incidents and maintained strong compliance with regulatory and permitting requirements across all our activities. We are also thankful for the work completed by Whadjuk and Yued Traditional Owners who continued to participate in environmental surveys and cultural heritage monitoring.

As you review this year's Sustainability Report you will see a company focused on our long-term, with significant progress over the past year on our commitments to minimise our environmental footprint through strong environmental stewardship, provide a safe and healthy workplace for our employees and contractors, create value for all our stakeholders, and play our part in addressing climate change.

Yours sincerely,

**Garret Dixon,**  
Chair of Risk and Sustainability Committee

# Our Approach to Sustainability

Our approach to sustainability remains central to value creation, enabling Chalice to realise opportunities, effectively manage risk and contribute to sustainable development. Our focus on sustainability is integral to fulfilling our Company Purpose:

## Purpose

- To find and develop world-class critical minerals projects

Chalice set its corporate sustainability strategy in 2021 and has made it an integral part of our overarching business strategy, forming one of our six key strategic pillars. The sustainability strategy is reviewed annually and remains strongly aligned to our purpose, corporate strategy and material sustainability issues.

Chalice's approach to sustainability is based on four pillars – or focus areas – that encompass our material sustainability issues and drive our performance across our activities through ten clearly defined, long-term

goals and targets. In essence, we seek to minimise our environmental footprint through strong environmental stewardship, manage climate change risk by contributing to the decarbonisation of the global economy and a low emissions future, create value for our stakeholders, and provide a healthy and safe workplace for our employees and contractors.

This report is structured in six sections that link to our four sustainability pillars and cover our ten material topics.

## Our Sustainability Vision and Pillars

- Deliver sustained shared value, for both stakeholders and shareholders, through responsible sustainability practices



**Strong Environmental Stewardship**



**Manage Climate Change Risk**



**Create Value for Stakeholders**



**Healthy and Safe Workforce**



## Strong Environmental Stewardship

Chalice is committed to rigorous standards and governance frameworks to ensure responsible environmental practices are followed in all our activities. We take our environmental responsibilities seriously. We are committed to achieving high standards in environmental management through understanding the sensitivities of the areas where we operate and applying the mitigation hierarchy, to avoid, minimise, mitigate, and where appropriate, offset our impacts on the environment.

**Material Topics:** Biodiversity • Land Rehabilitation • Water Stewardship

## Manage Climate Change Risk

Chalice believes in being part of the solution to climate change by responsibly discovering and developing new critical mineral deposits that provide the key metals required for decarbonisation. Supporting a low carbon emissions future is central to our purpose and strategy as an organisation.

**Material Topics:** Climate Change • Our Carbon Footprint; along with Taskforce on Climate-Related Financial Disclosures (TCFD)

## Create Value for Stakeholders

As a Western Australian-based company, Chalice is proud to be a part of the local communities where we work. We have actively and transparently engaged with local communities and Traditional Owners to build respectful and collaborative relationships, with a goal of earning trust and achieving lasting social and economic benefits. This also helps us better understand the potential social, environmental, and economic impacts of our activities in the communities where we are based.

**Material Topics:** Community Engagement and Investment • Cultural Heritage

## Healthy and Safe Workforce

Workforce health and safety lies at the heart of our business. Maintaining high health and safety performance requires the right mindsets and behaviours which, together with our systems, contribute to our strong safety culture. Our primary objectives are to maintain a culture of integrity and ownership, to provide a safe working environment at all Chalice locations and to maintain the health and wellbeing of our employees, contractors and local communities.

**Material Topics:** Health and Safety

## People and Culture

Chalice is focused on promoting wellbeing, supporting mental health and embracing diversity and inclusiveness. As an exploration and development company, our permanent workforce is small, so it is critical to invest in and develop our people and attract the best talent.

**Material Topics:** Inclusion and Diversity; along with Organisation Culture

## Operating Responsibly

Conducting our business ethically and with integrity is one of Chalice's core values, and is embedded in our Code of Business Conduct, Whistleblower Protection Policy, and Anti-Bribery and Anti-Corruption Policy. Chalice is committed to applying ethical business practices and sound systems of corporate governance and transparency.

**Material Topics:** Financial Performance • Business Ethics and Anti-corruption; along with Governance and Risk Management

## Our Reporting

We have used the Global Reporting Initiative (GRI) Universal Standards (GRI 1, 2 and 3) and other recognised standards as a guide to the principles and disclosures for sustainability reporting.

Chalice has also adopted the recommendations from the Taskforce on Climate-related Financial Disclosures (TCFD) for addressing climate-related risks and opportunities. Implementation of TCFD will be undertaken progressively and our planned activities are outlined in the 'Manage Climate Change Risk' section of this Report.

The 2024 Sustainability Report covers the sustainability goals, activities and performance of our wholly owned and operated exploration and development projects in Western Australia. These are activities over which Chalice had operational control in the 2024 financial year and that materially contributed to our sustainability performance.

On 9 December 2023, S&P Global notified the Company that it became a constituent of the S&P Dow Jones Sustainability Index Australia. The index represents the top 30% of companies in the S&P/ASX 200 based on long-term economic, environmental, and social criteria.

## UN Sustainable Development Goals

The United Nations Sustainable Development Goals (UNSDGs) promote action in areas that are critical to ending poverty, protecting the environment and improving the prosperity of all people through economic, social and technological progress. The goals are relevant for all countries and all sectors of society, including business.

Chalice recognises the importance of playing our part in helping achieve the UNSDGs by their target date of 2030. Of the 17 UNSDGs, we have identified eight immediate areas of focus.

Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

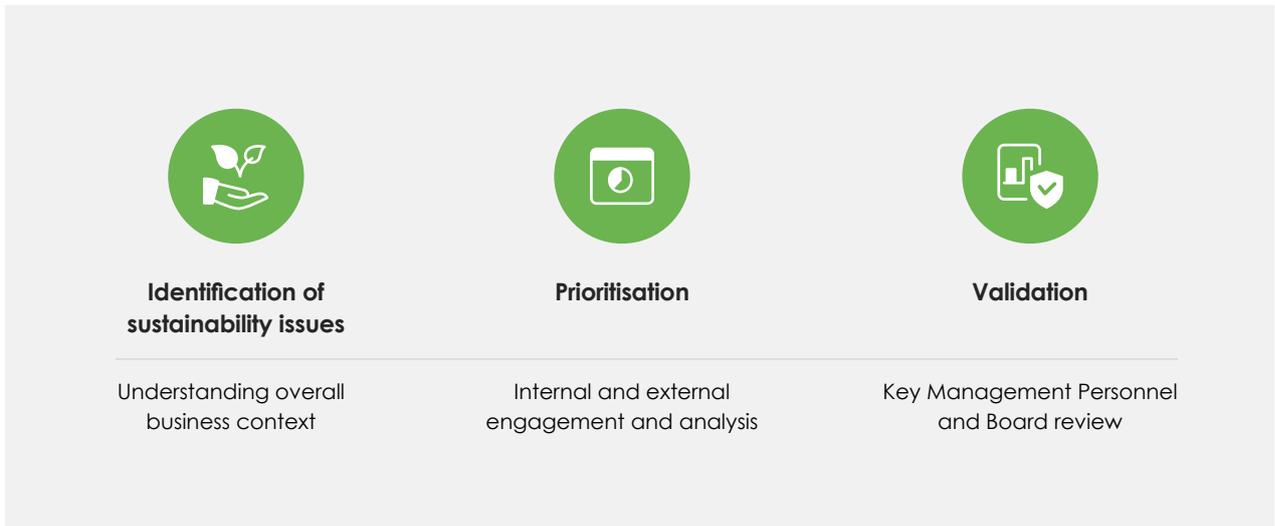


# Stakeholders and Materiality

Chalice conducted a complete materiality assessment in FY2022 underpinned by GRI principles, to inform the scope and level of sustainability disclosures and make informed decisions on our sustainability strategy.

This process included a review of current and emerging issues facing Chalice, stakeholder and investor feedback, industry benchmarking, shifts in government policy and regulatory settings, and material company risks. Issues were then prioritised by internal and external stakeholders (such as industry associations, government and non-government organisations and investors) and subject matter experts via surveys and focused discussions.

Finally, issues were evaluated by the Key Management Personnel (KMP) and Board to ensure they were aligned to business and stakeholder priorities. The top 10 issues shown in the table on page 40 and disclosed in this Sustainability Report focus on environmental, social and governance topics that were identified as being critical for the current stage of the Company's activities. These are the issues that we believe substantially impact our business performance and the decisions we make.



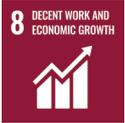
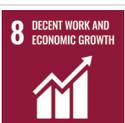
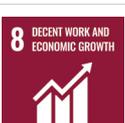
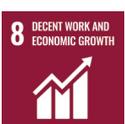
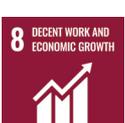
Following our comprehensive assessment and review of our material topics in FY2022 and FY2023, we have continued to assess and understand materiality through FY2024 by engaging with government stakeholders, local communities and investors. Our top 10 material issues have not changed since our FY2023 report was published and are listed on page 40.

In addition to formal materiality assessments, Chalice actively engages with stakeholders and local communities to understand the potential social, environmental, and economic impacts of our activities in the communities where we operate, as outlined in the 'Create Value for Stakeholders' section of this Sustainability Report. We will continue to monitor these key issues in FY2025 as we continue to engage with our stakeholders and review our performance.

While both tailings and waste management have been identified by stakeholders as important, as with our previous year's reporting these issues are not included in this report because Chalice does not currently produce any tailings material or noxious or toxic wastes that require disposal. These issues are currently being carefully considered as part of engineering studies and associated environmental assessments and approvals for the Gonneville Project.



## Top 10 Material Topics as Identified by Stakeholders

Theme	Material Topic	Material Topic - Description	Relevant Sustainable Development Goals
Environment	Biodiversity	We manage potential impacts to biodiversity and natural habitats, and we are committed to making a positive contribution to regional biodiversity values.	 
	Land Rehabilitation	We are committed to rehabilitation and remediation, and ensuring our exploration activities are progressively rehabilitated. We plan for future mine closure.	 
	Water Stewardship	We are implementing measures to ensure that our current and future activities do not adversely impact local water supplies and water quality.	 
	Climate Change	We are transparent in our exposure to climate-related risks and opportunities, and our plans and commitments to reduce our emissions in line with the objectives of the Paris Agreement - to limit global warming to well below 2°C and to pursue efforts to limit temperature increase to 1.5°C.	 
Social	Community Engagement and Investment	We actively engage and consult with local communities and Traditional Owners to ensure that their issues are understood by Chalice, that they have a say in how we respond to these issues, and that we contribute to regional economic development and provide opportunities for local communities.	 
	Cultural Heritage	We are engaging with Traditional Owners to understand and appropriately manage cultural heritage values.	
	Health and Safety	Our highest priority is the safety of our workforce and the communities where we are active.	
	Inclusion and Diversity	We are committed to creating an inclusive and diverse workplace that attracts the best talent and leads to improved company performance.	 
Governance	Financial Performance	Our commitment to sound business practices and strong financial disciplines underpin our goal to deliver returns for shareholders.	
	Business Ethics and Anti-corruption	We manage and monitor ethics and integrity issues effectively.	 

# Strong Environmental Stewardship

## Included in this section:

Environmental Management

Biodiversity

Baseline Environmental Surveys

Land Rehabilitation

Water Stewardship

Chalice is committed to rigorous standards and governance frameworks to ensure responsible environmental practices are followed in all our activities. We take our environmental responsibilities seriously. We are committed to achieving high standards in environmental management through understanding the sensitivities of the areas where we are active and applying the mitigation hierarchy to avoid, minimise, mitigate, and, where appropriate, offset our impacts to the environment.

At Chalice, we believe that meeting the global challenge of decarbonisation should not come at the cost of unacceptable local impacts. We fundamentally believe that mining can be undertaken sustainably and responsibly, and that mining development can co-exist with conservation and community values.

### FY2024 activities at a glance

- Referral of the Gonneville Project for State and Commonwealth environmental approvals.
- Commencement of Black Cockatoo artificial hollow study.
- Continued baseline environmental studies for the Gonneville Project.
- Continued progressive rehabilitation of all exploration activities.

### FY2025 focus

- Conduct of environmental impact assessments for the Gonneville Project.
- Establishment of seed production area as part of the Gonneville Restoration Project.
- Continuation of the Black Cockatoo artificial hollow study.
- Ongoing progressive rehabilitation of exploration activities.

As the world pledges to meet greenhouse gas emission targets, demand for the minerals needed to decarbonise the world is projected to surge. These critical minerals are essential to our everyday living and are essential in powering the technology and infrastructure needed for a decarbonised future. Large-scale deposits of critical minerals are rare, and the Gonneville Deposit is one of the largest and most significant discoveries in recent history.

## Environmental Management

Environmental management measures are applied proactively across all our exploration programs through procedures and standards established within our ISO14001 aligned HSEC Management System. Implementing and maintaining an environmental management system that aligns with the ISO14001 standard enables identification and effective management of potential environmental risks, impacts and opportunities across all our activities.

All environmental management is undertaken in accordance with our Environment Policy, which commits us to achieving excellence in environmental management to minimise the potential short and long-term impacts of

our activities on the environment and local communities.

In addition to Chalice's internal environmental governance, all of Chalice's exploration activities are governed by regulatory permits that contain stringent conditions to protect the environment such as Conservation Management Plans, Native Vegetation Clearing Permits (NVCP) and Programs of Work (PoW).

During FY2024, the Company complied with all relevant environmental laws and the obligations under applicable legislation and permits. Chalice has not had to pay any fines or penalties for environmental or ecological matters.

## FY2024 activities at a glance

	FY2022	FY2023	FY2024	FY2025 Target
Significant Environmental Incidents	0	0	0	0
Progressive Rehabilitation of Exploration Drilling Activities (disturbed ground : rehabilitated ground)	1.23/0.99 ha	9.32/8.39 ha	9.95/8.21 ha	1:1 ratio annually



## Biodiversity

### Gonneville Biodiversity Strategy

To ensure science-based no net loss of species or habitat diversity as a result of mining operations.

### Delivering the Biodiversity Strategy and Offsets

On-the-ground restoration work has begun to support fauna habitats and connect remnant areas of vegetation regionally.



#### Connectivity

Establish ecological corridors



#### Restoration

Implement restoration initiatives that address habitat fragmentation



#### Regeneration

Improve carbon sequestration

Chalice recognises the importance of understanding and managing land and biodiversity risks, and in contributing to a resilient environment in the areas surrounding our potential future operations. The Gonneville Project is situated adjacent to areas of biodiversity value including State Forest, conservation areas and areas of remnant woodland on agricultural land. Effectively managing biodiversity, rehabilitation and closure is therefore part of our commitment to responsible development and is integral to meeting community expectations and regulatory requirements.

Chalice's Biodiversity Strategy covers potential future mining operations at Gonneville, including the direct and indirect footprint associated with mining, processing, and associated infrastructure. The Strategy spans the life of the mine and beyond to ensure sustainable post-mining closure and land uses. Central to the Strategy are two biodiversity goals:

- To ensure science-based no net loss of species or habitat diversity as a result of any mining operations.
- To strive towards a net positive legacy for significant species and our local community.

The Strategy and goals will be achieved through restoration initiatives that address habitat fragmentation, establish ecological corridors and improve carbon sequestration.

Chalice has developed a detailed implementation plan for the Biodiversity Strategy and is progressing on-the-ground restoration work at a site adjacent to the Julimar State Forest.

## Baseline Environmental Surveys

A comprehensive program of baseline environmental surveys has been underway at the Gonneville Project and more regionally since 2021. This work is conducted by specialist botanists and zoologists covering a range of environmental factors including terrestrial and aquatic fauna, flora and vegetation, invertebrates, Black Cockatoos and Chuditch. The intent of these surveys is to gather information specific to the region to avoid and mitigate potential environmental impacts associated with the Gonneville Project and our exploration activities.



**Surveys undertaken across the year include but are not limited to the following activities:**

**Flora and vegetation including:**

- Dieback occurrence.
- Targeted surveys for conservation-significant flora and vegetation communities.
- Detailed surveys to characterise the flora, delineate vegetation communities and assess vegetation condition.

**Fauna including:**

- Fauna monitoring prior to drill rig mobilisations.
- Surveys to gather broad fauna information and map fauna habitat.
- Aquatic fauna surveys in dams and waterways.
- Short Range Endemic surveys and habitat assessments.
- Targeted Black Cockatoo surveys and habitat assessments.
- Targeted mammal surveys for species like the Chuditch.

Whadjuk and Yued representatives have participated in baseline fauna surveys, alongside zoologists. Whilst these engagements are crucial to environment and heritage, they also present a great two-way learning opportunity for both Chalice staff and Noongar representatives as they work side by side.

All survey methodology is consistent with relevant WA Environmental Protection Authority (EPA) and Commonwealth Government technical guidance for

environmental impact assessment, and the Index of Biodiversity Surveys for Assessments data standards.

Environmental baseline information will be utilised in the Gonneville Project's formal environmental impact assessment and studies to avoid and minimise impacts to significant environmental values.

## Land Rehabilitation

Rehabilitation is considered from the very first stages of exploration planning, such as choosing sites which require minimal vegetation and ground disturbance where possible. Chalice's low-impact exploration in vegetated areas also avoids the need for mechanised clearing, which has obvious advantages for rehabilitation. By not clearing trees, the impact on existing root stock, topsoil and the seed bank is minimised.

All rehabilitation sites in vegetated areas are photographed and monitored to ensure:

- No increase or introduction of weeds.
- No observable erosion has occurred.
- Hole capping is sufficient and has not created a hazard for animals.
- Natural regeneration of vegetation is occurring.

If the monitoring identifies an issue with the rehabilitation, rectification activities are implemented until the issue is addressed.

In FY2024, Chalice undertook 9.95 hectares of ground disturbance on farmland, with 8.21 hectares rehabilitated across all our operations. There was no ground disturbance associated with exploration activity in Julimar State Forest during FY2024; all exploration drilling was confined to existing tracks and cleared areas.

# Water Stewardship

## Groundwater and Surface Water

Chalice recognises that water is a critical shared resource that must be managed efficiently and responsibly. Whilst our current water usage in the exploration phase is minimal, we are conducting studies to understand the potential water usage of a mining operation at the Gonneville Project.

Our goal is to ensure that our activities do not compromise environmental values or have adverse impact on other local water users.

To deliver on this, and to better understand the groundwater and surface water systems at the Gonneville Project site, Chalice has been regularly sampling both groundwater and surface water since 2021. Chalice further expanded the groundwater and surface water monitoring program in FY2024, with another four groundwater monitoring bores and six surface water monitoring sites added to the network. The network now consists of 28 groundwater monitoring bores and 11 surface water monitoring sites.

The baseline groundwater and surface water sampling program will continue throughout the Gonneville Project development phase. Additional groundwater and surface water monitoring locations are being investigated at a regional scale.

Together, the groundwater and surface water monitoring assists Chalice in better understanding the water cycle in the Project area and will inform our assessment of impacts of a potential future mine development and operation.

All of Chalice's water sampling is undertaken by a specialised contractor, in line with relevant Australian Standards techniques. The water samples are sent through to a National Association of Testing Authorities, Australia (NATA) laboratory for independent analysis.

## Waste

All waste from our work sites (including hydrocarbon contaminated waste) is collected from site by a licensed contractor and disposed of offsite at licensed facilities.

Total liquid and solid waste generated in FY2024 amounted to 387 tonnes, compared to 582 tonnes in FY2023. Approximately 74% of this was solid waste and the remaining 26% was liquid waste. Approximately 97% of this total waste was sent to offsite waste disposal facilities with the remaining 3% being recycled.

Most of the waste during the year was general landfilled waste from on-site skip bins (58%), hydrocarbons (14%), and biowaste (10%).

## Chalice's annual total solid waste, by type of disposal method (NB: does not include liquid waste)

Solid Waste Generation	Unit	FY2021	FY2022	FY2023	FY2024
Total waste recycled/reused	Metric tonnes	0	0	0	0
Total waste disposed to landfill (non-hazardous)	Metric tonnes	187	5	380	287
Total waste disposed to landfill (hazardous)	Metric tonnes	10	0	57	0
Data Coverage	% of company's identified waste sources	>95%	<5%	>95%	>95%

Non-recycled solid waste is all reported as being sent to landfill (including hazardous materials). There is no incineration or other disposal methods for solid wastes. Data coverage extends across solid wastes collected from waste contractors at key facilities. FY2022 had a gap in municipal waste collection data for the Avalon facility.

As an exploration company, Chalice does not have any tailings material, noxious or toxic wastes that require disposal.

# Manage Climate Change Risks

## Included in this section:

[Climate Change](#)

[Taskforce on Climate-related Financial Disclosures \(TCFD\)](#)

[Our Carbon Footprint](#)

Chalice believes in being part of the solution to manage climate change by responsibly discovering and developing new mineral deposits that provide critical minerals which are essential to decarbonisation. Supporting a low-carbon emissions future is central to our purpose and strategy as an organisation.

### FY2024 activities at a glance

- Undertook further assessment of climate change risks and opportunities.
- Board review of Climate Change Policy.
- Engagement of Arca Climate Technologies to assess carbon capture potential of Gonneville tailings material.

### FY2025 focus

- Undertake assessment of carbon capture potential of Gonneville tailings material.
- Commence greenhouse gas assessment for the Gonneville Project.

## Climate Change

### Chalice's Position on Climate Change

Chalice believes in being part of the solution to manage climate change by responsibly discovering and developing new mineral deposits that provide the key metals which are critical to decarbonisation. Supporting a low-carbon emissions future, including through our operations, is central to our purpose and strategy as an organisation.

Chalice acknowledges the scientific consensus and the position expressed by the Intergovernmental Panel on Climate Change (IPCC). There is an urgent need to limit global warming to well below 2°C and to pursue efforts to limit the temperature increase to 1.5°C.

We recognise that climate change is a material issue for Chalice and anticipate that our strategy and operations will be influenced by climate-related issues in the short, medium and long term.

Chalice's Climate Change Policy formalises and makes public the Company's commitment to:

- Finding and developing new deposits of the minerals that are critical to the transition to a low-carbon economy.

- Identifying climate-related risks and developing plans to mitigate those risks.
- Investigating opportunities to decarbonise our future mining to achieve net zero emissions by 2050.
- Pursuing viable solutions for energy efficiency, electrification and renewable energy.
- Increasing maturity of the application of the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), so that the impacts of climate-related risks and opportunities are integrated into Chalice's strategy and financial planning.
- Transparent reporting and disclosure of Chalice's greenhouse gas emissions, climate change mitigation and adaptation plans and progress.



# Taskforce on Climate-related Financial Disclosures (TCFD)

Chalice issued its first TCFD disclosures in FY2022 and made a commitment to develop and start implementing a Roadmap in FY2023 to ensure progressive alignment with the TCFD recommendations.

The TCFD Roadmap and implementation plan were developed through engagement with members of Chalice's Risk and Sustainability Committee and key management personnel and endorsed by the Risk and Sustainability Committee.

The Committee has responsibility for oversight of the Roadmap and management is responsible for its implementation.

The following key actions were taken in FY2024 to implement the TCFD Roadmap:

- Board review of the Company's Climate Change Policy.
- Further, more granular, assessment of climate risks and opportunities by the executive team.



- Integration of climate risks and opportunities into Chalice's risk management system (CGR).

Chalice will continue to progress with the implementation of the TCFD Roadmap in FY2025, as shown in the figure below.

	FY2022	FY2023	FY2024 and beyond
Governance	Commit to develop and implement TCFD Roadmap	Strengthen climate governance to explicitly address climate risks and opportunities	Designate accountability of relevant executives for climate risks and opportunities
Strategy	Identify physical and transition risks and opportunities at general level	Set strategic direction in Climate Change Policy and undertake initial exploratory scenario analysis	Develop more granular assessment of risks, opportunities and impacts with more detailed scenario analysis
Risk Management	Implement revised Risk Management Framework and electronic risk management platform	Complete gap analysis and start preparation of climate risks and opportunities register	Integrate climate risks and opportunities into risk management system
Metrics and Targets	Prepare and publish organisational carbon footprint for FY2022	Undertake initial assessment of carbon intensity of potential product	Define benchmark carbon targets in engineering design

## TCFD Disclosures

### Governance

In FY2023, Chalice refined its governance system to explicitly address climate-related issues. This work included a capacity-building session conducted with the Board and executive team to examine directors' duties in relation to managing climate-related risks and disclosure obligations. Chalice's strategic response to climate change was further developed through the adoption by the Board of a Climate Change Policy in FY2023.

The Board has ultimate responsibility for the oversight of Chalice's strategic response to climate change and the associated risks and opportunities.

The Risk and Sustainability Committee reports to the Board and is responsible for the oversight of risk management including climate change risks, in accordance with Chalice's Risk Management Framework and the Risk and Sustainability Committee Charter. The Charter stipulates that the Committee's key responsibilities include the oversight of management's identification, assessment and management of climate change risks and opportunities, in accordance with Chalice's Risk Management Framework and the implementation of Chalice's Climate Change Policy.

Management is responsible for the implementation of the Climate Change Policy, identifying, assessing and managing climate change risks and opportunities in accordance with Chalice's Risk Management Framework. Chalice's Managing Director and CEO holds core accountability for oversight, strategic leadership, and implementation of these commitments. In turn, the Managing Director and CEO delegates specific responsibilities to the General Manager – Environment and Community. The General Manager – Environment and Community has day-to-day responsibility to understand and manage sustainability risks including climate change. The General Manager reports to the Risk and Sustainability Committee and provides regular reports to the Board.

As further progress is made in the study and design phases for Gonneville, specific responsibilities will also be delegated to the General Manager – Project Development for sustainability issues that arise in respect of the engineering design, including the physical and transition risks and opportunities of climate change.

### Strategy

Climate Change is one of the four pillars of Chalice's Sustainability Strategy and identified as a material issue.

Chalice is focused on the key challenges of climate change and anticipates that the Company's strategy and operations will be influenced by climate-related issues in the short, medium and long term. This focus led to the development of Chalice's first Climate Change Policy, which was endorsed by the Board in FY2023.

The Climate Change Policy will be reviewed and further refined as Chalice continues to mature its alignment with the TCFD recommendations and as the Company evolves

from explorer to developer. The Board undertook a review of the Policy in FY2024 to ensure that it remains relevant and appropriate for the Company.

### Risks and Opportunities for the Gonneville Project

As part of Chalice's progress through the TCFD Roadmap, Chalice has identified and assessed the climate-related risks and opportunities relevant to the Gonneville Project.

With support from sustainability consultants Perspektiv, a draft risk and opportunity register was prepared in the appropriate format for integration with Chalice's electronic risk management platform (CGR). The Chalice executive team undertook a workshop in FY2023 to review the descriptions of risks and opportunities provisionally included in the draft register. Further detail on the risk and opportunity assessment and scenario analysis was reported in the FY2023 Sustainability Report.

#### The transition risks include:

- Impacts of carbon pricing
- Increased electricity costs and constrained supply associated with transition to renewable energy
- Availability and affordability of solutions for decarbonising operations
- Increasing operating costs and constraints due to more stringent conditions and government regulation

#### The physical risks include:

- Increased water stress and constrained water supply
- Impacts of extreme weather events on operations and value chain

#### Significant opportunities arise for Gonneville:

- Increasing demand for critical minerals
- Potential price premium for low carbon products
- Favourable investment trends
- Adoption of energy efficient technology
- Government incentives to develop low carbon markets and technologies

A more detailed assessment of risks and opportunities was conducted in FY2024, and the register has been integrated into the Company's risk management system (CGR).

### Risk Management

Chalice's Risk Management Framework sets the overall structures and processes for the identification and management of enterprise and operational risks. It designates specific responsibilities for the oversight of risks by the Board, the Risk and Sustainability Committee, senior management and supervisors.

Climate-related risks are specifically addressed in Chalice's risk management system. The Risk Management Policy includes an explicit recognition that effective risk management mitigates material exposure to climate change and other sustainability risks. The Risk and Sustainability Committee Charter also states that Committee's key responsibilities include oversight of management's identification, assessment and management of climate change risks and opportunities in accordance with Chalice's Risk Management Framework and the implementation of Chalice's Climate Change Policy.

In accordance with the Risk Management Framework, risks are evaluated by workshops with senior management (for enterprise risks) and workshops with senior management and supervisors (for operational risks). Risks are identified and ranked, and control actions and ownership allocated.

Reviews are conducted semi-annually and material outcomes are presented to the Risk and Sustainability Committee, which reports to the Chalice Board.

Chalice uses an electronic risk management platform (CGR), which contains enterprise and operational risk registers. Climate-related risk and opportunities are included in CGR.

During FY2024, further work was undertaken to assess risks, apply risk ratings and develop controls. Progress will continue to be reported to the Risk and Sustainability Committee.

### Metrics and Targets

Setting a goal to assess and benchmark the carbon intensity of Chalice's products remains an objective of the Sustainability Strategy. In FY2023, Chalice engaged external consultants Perspektiv to prepare a study of the potential carbon intensity of nickel products from the Gonneville Project.

Chalice intends to define benchmark carbon targets in the basis of design for a mine at Gonneville and is planning further work to develop this in FY2025.

## Our Carbon Footprint

Chalice engaged the expertise of Life Cycle Assessment Certified Practitioners from Perspektiv to conduct an organisational carbon assessment of the Company's activities. The review assessed Chalice's operations, centred on its head office and the Gonneville Project site in Western Australia, alongside a number of exploration projects throughout Australia.

The assessment of Scope 1, 2 and 3 emissions in this report adheres to several international and national standards, including the Greenhouse Gas (GHG) Protocol, the Australian Standard for Organisation Level Quantification and reporting of Greenhouse Gas Emissions AS ISO 14064.1-2006 (reconfirmed 2018), the National Greenhouse and Energy Reporting (NGER), and the National Greenhouse Accounts Factors (NGA 2023). Task Force on Climate-

related Financial Disclosures (TCFD) Recommendations have been reviewed to ensure this report aligns with Chalice's reporting requirements.

As per the Greenhouse Gas (GHG) Protocol's guidance, Scope 1, 2 and 3 GHG emissions have been investigated across a range of activities:

- **Scope 1:** Direct emissions under Chalice's operational control, including emissions from combustion of fuel and natural gas. This includes energy uses invoiced directly to Chalice. It excludes indirect emissions from energy uses operated by contractors and suppliers.
- **Scope 2:** Indirect emissions associated with the generation of electricity consumed by assets owned, operated, or occupied by Chalice.
- **Scope 3:** Emissions resulting from upstream supply chain and downstream demand chain which also includes contractor activities (drilling, earthworks, etc.) at key facilities, as well as offsite activities such as freight, business travel, and waste disposal.

Calculation of all GHG emissions was done on basis of Chalice's financial accounts data and organisational control. Perspektiv conducted the GHG inventory, assessed all quantifiable sources using industry practice calculation methods, and reviewed the relevance of other non-quantified emissions sources.

All direct Scope 1 emissions and indirect Scope 2 emissions associated with electricity use have been quantified in line with the National Greenhouse and Energy Reporting (NGER) guidelines. Major Scope 3 emissions have also been quantified.

Overall, the FY2024 footprint has decreased by 43% when compared to FY2023. This was mainly due to a decrease in activity, with insignificant gains from efficiencies or renewable energy substitution. Chalice's total organisational greenhouse gas emissions for FY2024 amount to 2,368 tCO<sub>2</sub>-e. For context, in 2021, the Australian average household emitted 15 to 20 tonnes of CO<sub>2</sub>-equivalent gas, Chalice's total emissions this financial year would therefore be equal to emissions from up to 158 average Australian households.

Scope 3 continues to be the highest contributor to Chalice's emissions, accounting for 90% of the total footprint (2,119 tCO<sub>2</sub>-e).

Scope 1 and 2 emissions contribute to 7% (174 tCO<sub>2</sub>-e) and 3% (75 tCO<sub>2</sub>-e) respectively. Scope 2 emissions occur from the consumption of electricity from the grid.





**Chalice's annual scope 1 direct GHG emissions**

Direct GHG (Scope 1)	Unit	FY2021	FY2022	FY2023	FY2024
<b>Total direct GHG emissions (Scope 1)</b>	Metric tonnes CO <sub>2</sub> -equivalents [tCO <sub>2</sub> -e]	338	174	289	174
<b>Data coverage</b>	% of company's identified energy uses	100	100	100	100

**Chalice's annual scope 2 indirect GHG emissions from consumption of electricity (location-based vs market-based method of calculation)**

Indirect GHG (Scope 2)	Unit	FY2021	FY2022	FY2023	FY2024
<b>Location-based method for total Scope 2</b>	Metric tonnes CO <sub>2</sub> -equivalents [tCO <sub>2</sub> -e]	50	81	60	60
<b>Data coverage</b>	% of company's identified energy uses	100	100	100	100
<b>Market-based method for total Scope 2</b>	Metric tonnes CO <sub>2</sub> -equivalents [tCO <sub>2</sub> -e]	57	93	80	75
<b>Data coverage</b>	% of company's identified energy uses	100	100	100	100

Scope 1 and 2 emissions are mostly related to energy consumption and associated combustion of gaseous, liquid and solid fossil fuels. Non-energy related Scope 1 and 2 emissions sources for Chalice are currently deemed non-relevant.

**Total Indirect Scope 3 Emissions by Year [tCO<sub>2</sub>-e]**

Indirect GHG (Scope 3)	Unit	FY2021	FY2022	FY2023	FY2024
<b>Total indirect GHG emissions (Scope 3)</b>	Metric tonnes CO <sub>2</sub> -equivalents [tCO <sub>2</sub> -e]	2,754	4,438	3,754	2,119

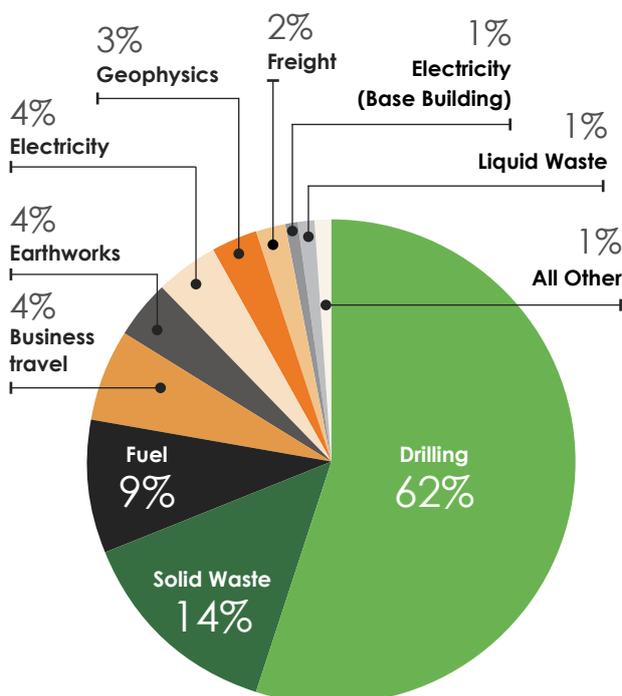
## FY2024 Scope 3 emissions by GHG Protocol emissions category

GHG Protocol Emission Category	Emissions in the FY2024 Reporting Year (Metric tons CO <sub>2</sub> -e)	Emissions calculation methodology and exclusions
01 Purchased goods and services	1,483	Drilling and earthworks: modelled using activity-based data from contractors (drill type meters, earthworks hours, and typical fuel consumption per unit of work). Geophysics: calculations referring actual \$ spend on fuel. Water: kL quantity data.
02 Capital Goods	Not quantified	Available data suggests minimal/ insignificant emissions.
03 Fuel-and-energy-related-activities (not included in Scope 1 or 2)	53	Calculations refer to same quantities reported under Scope 1 and 2 but using the Scope 3 emissions factors.
04 Upstream transportation and distribution	52	Actual activity-based calculations referring \$ expenditure data.
05 Waste generated in operations	360	Actual activity-based calculations referring weight or volumetric waste data.
06 Business travel	133	Actual activity-based calculations referring vehicle km travelled by land, passenger km travelled by air and some \$ expenditure data.
07 Employee commuting	Not quantified	No data available. Deemed insignificant.
08 Upstream leased assets	38	Partially quantified for headquarter office base build energy use (calculations refer to NABERS energy reports). Plant and fleet leases direct energy use addressed in Scope 1.
09 Downstream transportation and distribution		Excluded. Not yet relevant.
10 Processing of sold products		Excluded. Not yet relevant.
11 Use of sold products		Excluded. Not yet relevant.
12 End of life treatment of sold products		Excluded. Not yet relevant.
13 Downstream leased assets		Excluded. Not relevant.
14 Franchises		Excluded. Not applicable.
15 Investments		Excluded. Not relevant.
16 Other upstream		Excluded. Not relevant.
17 Other downstream		Excluded. Not relevant.

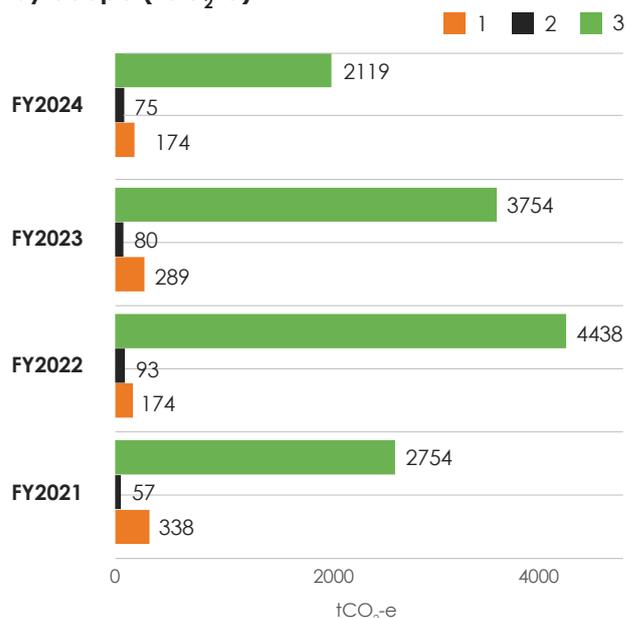
Scope 1, 2 and 3 emissions are shown below as per Chalice's financial account structure. The relative contribution by emissions source remain similar since FY2022 with the top three contributors being:

- Emissions associated with drilling activities, amounting to a total of 1,306 tCO<sub>2</sub>-e (55%)
- Solid waste emissions, amounting to a total of 324 tCO<sub>2</sub>-e (14%)
- Fuel combustion emissions, amounting to a total of 204 tCO<sub>2</sub>-e (6%)

### FY2024 Scope 1,2 and 3 emissions by activity



### Year-on-year Trend of Emissions by Scope (tCO<sub>2</sub>-e)



#### Energy

In FY2024, direct energy consumption by Chalice amounted to 815 MWh, compared to 1,070 MWh in FY2023. The majority, or 79%, of this energy use stems from fuel consumption. The remainder comprises of electricity (15%) and gas (6%) use. This covers all sites for which energy is billed directly to Chalice. Grid electricity consumption includes 19% renewable energy as per the Large-scale Renewable Energy Target (LRET).

Reported renewable energy consists of jurisdictional/mandatory renewable electricity and onsite/rooftop generated electricity.

### Chalices annual energy consumption by non-renewable/renewable

Energy consumption	Unit	FY2021	FY2022	FY2023	FY2024
Total non-renewables	MWh	569	802	1,041	784
Total renewables	MWh	21	29	29	31
Data coverage	% of company's identified energy uses	100%	100%	100%	100%

Annual energy consumption figures exclude energy consumed by contracted third parties such as for drilling, earthmoving and transport operations.

Overall, between FY2023 and FY2024, energy use has decreased by 24%. The highest decrease is observed for fuel energy, which decreased by 28% from FY2023 to FY2024. This reflects a decrease in exploration activities in the Julimar region over this period.

Similar to the last reporting period, total energy generation from two solar PV systems at Avalon Homestead totalled 14.9 MWh of energy, with approximately 5.2 MWh of this electricity exported back to the grid.

# Create Value for Stakeholders

## Included in this section:

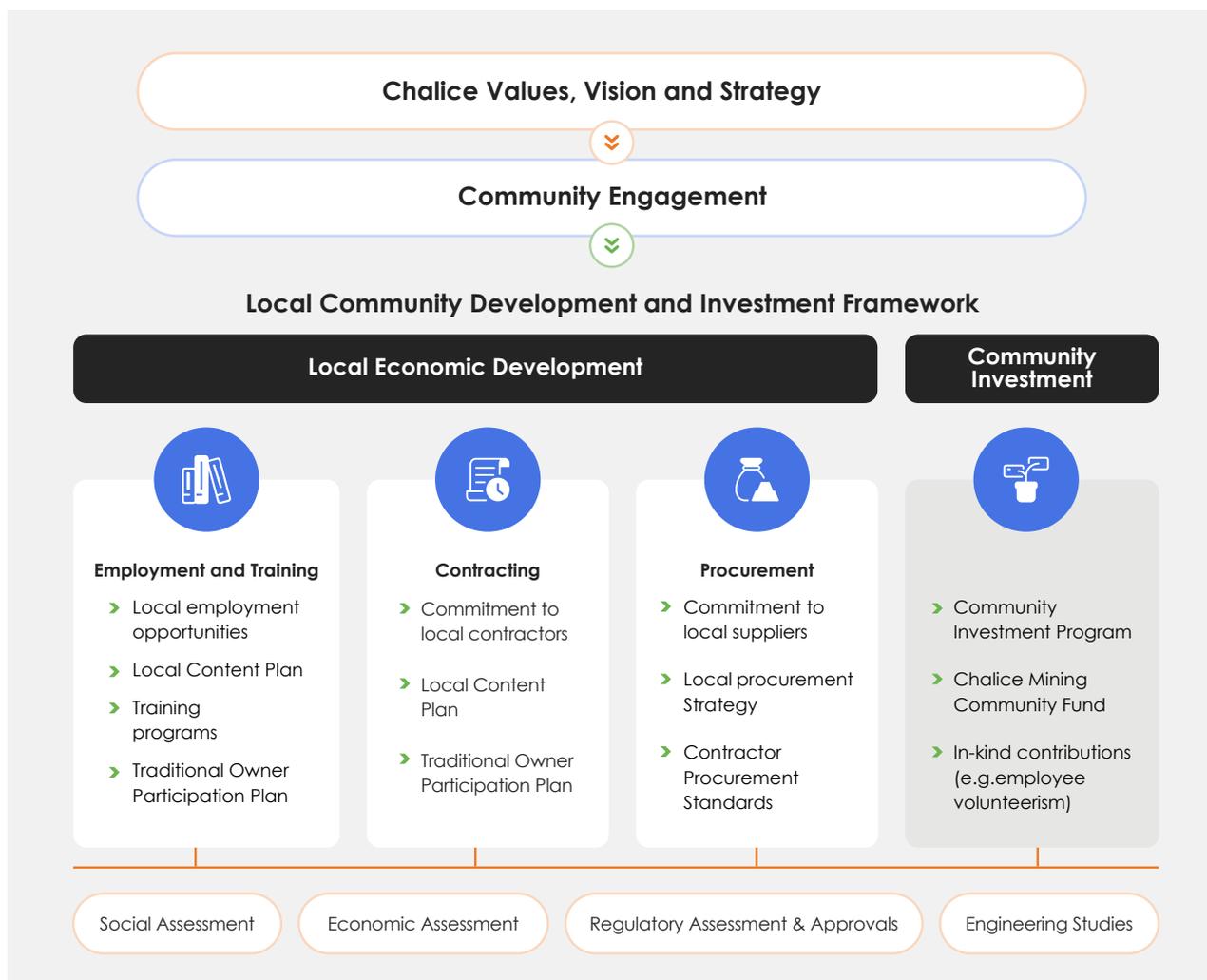
Community Engagement & Investment

As a Western Australian-based Company, Chalice is proud to be a part of the local communities where we work. We have actively and transparently engaged with local communities and Traditional Owners to build respectful and collaborative relationships, with a goal of earning trust and achieving lasting social and economic benefits. It also helps us better understand the potential social, environmental, and economic impacts of our activities in the communities where we are based.

From the discovery and early development of the Gonneville Project in 2020, Chalice has recognised that community engagement is critical.

Chalice considers the communities in the Shires of Toodyay and Chittering as key stakeholders, alongside neighbouring communities such as Northam, Goomalling, Victoria Plains, and the cities of Swan and Wanneroo, which are proximal to our Gonneville Project and associated infrastructure. All community engagement is undertaken in accordance with our Community and Heritage Policy.

As part of these communities, local employment, procurement and sponsorships are among the best ways Chalice can contribute today.



To ensure we deliver on these commitments, Chalice has developed a Community Engagement Framework to apply a best practice approach in all areas of our business. This framework outlines our targets for community engagement and the supporting initiatives we are implementing to achieve this.

As the Gonneville Project has evolved, the level of engagement has also increased, and Chalice continues to use a range of platforms to effectively communicate and distribute information to our host communities. Regular communications include the Gonneville Project Community Newsletter, local advertising, information sheets as well as formal and informal meetings.

Chalice has an office in Toodyay to support our engagement activities, allowing us to build better and broader relationships through face-to-face and direct communication and gain a deeper understanding of community issues and desired outcomes.

During FY2024, we expanded our channels for community engagement and information distribution with the launch of a dedicated Project website and Facebook page. The Gonneville Project website is a central location for stakeholders to find the latest information about the Gonneville Project, with information tailored to the key concerns of the community. The community Facebook page aims to broaden our reach to community stakeholders as well as allowing us to proactively address questions and concerns as they arise.

A key focus for the Community Engagement Framework is the contribution to local economic development – or simply, to buy local and support local. In FY2024 Chalice contributed ~\$138,000 in funding to local initiatives through the Chalice Community Investment Program, plus ~\$1,242,000 in direct local spend through procurement of goods and service in the local shires surrounding the Gonneville Project.

## Traditional Owners

Chalice continues to engage with the Traditional Owners through a collaborative approach, which has led to employment opportunities and the establishment of effective working relationships with Yued and Whadjuk representatives. This work and our achievements to date are covered in more detail in the Traditional Owner Engagement and Cultural Heritage section of this Report.

## Government

Our engagement with local, state and federal government continued throughout the year and was mainly facilitated via face-to-face briefings, with the purpose of providing a sound understanding of project status, upcoming activities and required future approvals.

Chalice consistently ensures that government stakeholders are informed and updated, providing open and timely communication, responding to questions or issues promptly, and ensuring there is a two-way dialogue.

## Stakeholder Engagement System

Chalice has implemented a robust stakeholder engagement system in which all engagements, including complaints are recorded, reviewed and dealt with in a constructive and timely manner. Our key stakeholders, their interests, and how we engage with them are summarised right.

### How we engaged with stakeholders in FY2024

Chalice has engaged early, actively and transparently to build respectful and collaborative relationships with stakeholders:

- Distribution of information to our host communities – Gonneville Project website, quarterly Community Newsletter, local advertising, information sheets and face-to-face meetings.
- Community Facebook page – a channel to share community engagement initiatives and activities and an opportunity to answer community questions directly and in a timely manner.
- Email communications – sharing monthly updates and digital copies of the Community Newsletter directly to our community database.
- Dedicated Chalice community office – a community hub for questions and information and an opportunity to engage directly with our team.

Chalice understands that community consultation will play a key role in all our planning, particularly as we consider a potential future mine at the Gonneville Project. To help us better understand the needs, concerns and priorities of the communities neighbouring our project, Chalice has engaged Voconiq to seek feedback through a third party and confidential survey program called Local Voices.

Local Voices is a unique community engagement program developed over 10 years within Australia's national science agency, CSIRO. As part of this program, a series of surveys will be conducted to help Chalice better understand what matters most to community members, helping Chalice to inform decision making processes.

Following on from the introduction of the Local Voices Program in early 2023, on behalf of Chalice, Voconiq undertook a second community survey from February to March 2024. This second survey aimed to find out how local communities feel about key issues over time, with some questions repeated and some new topics introduced. Survey results were collated and analysed by Voconiq independently and confidentially.

There were just over 200 responses to the survey, with 72% of respondents living within 30km of the Gonneville Project. Overall, 75% of respondents have a moderate to high level of support for a potential mine on Chalice-owned farmland if Chalice manages impacts to the environment responsibly and minimises community disruption during construction and operations. Ten per cent of respondents to the survey slightly support the Project and 14% do not support it at all.

As a thank you for completing the survey, participants were able to nominate a community group of their choice to receive a \$5 donation through the Local Voices Rewards program. To date \$3,629 of donations have been unlocked for local community groups from the Local Voices surveys.

## Community Investment

Established in 2020, Chalice developed a Community Investment Program to deliver positive long-term benefits through supporting local community-based initiatives.

### Chalice continues to prioritise three areas for community investment:



#### Education

Initiatives that advance and improve regional educational opportunities

- Sharing of knowledge and capabilities for the benefit of the local community
- Support innovation and advancement for local residents



#### Environment

Initiatives that protect and rehabilitate the environment

- Support the connection between community and the natural environment
- Restore our natural environment and protect our ecosystems and threatened species



#### Community Connection

Supporting local opportunities, events and groups to strengthen the community connection within the region

- Facilitate and support greater engagement between community members
- Respect and recognise local heritage and culture

### Our community contribution to date includes:

	FY2022	FY2023	FY2024
Chalice Community Investment contribution	\$70,000	\$122,000	\$138,000
Chalice - local procurement	\$1,215,000	\$1,344,000	\$1,242,000
Direct contractors – local procurement	\$1,567,000	\$2,005,000	\$450,000
<b>Total</b>	<b>\$2,852,000</b>	<b>\$3,471,000</b>	<b>\$1,830,000</b>

**In FY2024, Chalice's Community Investment Program contributed ~\$138,000 directly into supporting local groups, including the following organisations:**

Bindoon and District Agricultural Society	Toodyay Bowls Club
Bindoon Bushrangers Cricket Club	Toodyay Christmas Street Party
Bindoon Mountain Bike and Adventure Park	Toodyay Cricket Club
Carnaby Crusaders	Toodyay CWA
Chittering Junior Football Club	Toodyay District High School
Julimar Volunteer Bushfire Brigade	Toodyay Football Club
Marsupial Mamma's and Pappas Wildlife Care	Toodyay Junior Football Club
Moondyne Festival	Toodyay Kindergym
Moorangup Progress Association	Toodyay RSL
Noongar Kaartdijin Aboriginal Corporation	Toodyay Tennis Club
Toodyay Agricultural Society	Toodyay Volunteer Fire and Rescue Service



**Chalice Mining Community Fund**

In FY2024, the Company signed a landmark Heads of Agreement (HOA) with the Shire of Toodyay for the future establishment of the Chalice Mining Community Fund. The agreement reflects a shared objective to deliver long-term benefits to the local community from a potential mine.

Under the terms of the HOA, Chalice has agreed to provide funding for the delivery of community projects and programs that have been identified by the Shire of Toodyay and that align with Chalice's eligibility criteria.

Eligible projects will demonstrate community development and social investment priorities that are aligned with and preserve and promote the Shire of Toodyay's Council Plan, with a focus on local employment and training outcomes as well as other initiatives that contribute to community sustainability.

An initial step in the HOA has been the development of a Chalice Local Content Plan. This Local Content Plan outlines the ways that the Gonnevillle Project could potentially contribute to local job creation, training, business opportunities and procurement of goods and services from local businesses.

The HOA will also form the basis for Chalice to establish similar community funds with other neighbouring Shires in the region. The completion of a formal agreement and the establishment of the Community Fund are contingent on the Chalice Board making a Final Investment Decision (FID) in favour of proceeding with a development at the Gonnevillle Project, and the project achieving all the necessary approvals and funding requirements.

# Cultural Heritage and Traditional Owner Engagement

## Included in this section:

[Heritage Agreements](#)

[Cultural Heritage](#)

[Traditional Owner Engagement](#)

Traditional Owners have unique rights and interests to those of other stakeholders. Chalice recognises their rights, acknowledges their connection and responsibilities to their lands and waters, and respects their obligation to maintain culture, traditions and customs, and care for their country. We aim to establish collaborative and long-lasting relationships with all Traditional Owners on whose country we work, from which we can mutually benefit.

Our Community and Heritage Policy sets out our commitment to building respectful, trust-based and inclusive relationships with Aboriginal communities.

## Heritage Agreements

The Gonneville Project is located within the South West Native Title Settlement area. The Whadjuk and Yued peoples are the Traditional Owners of the lands of the Julimar region, which is subject to two Indigenous Land Use Agreements.

Chalice entered into heritage agreements with Yued and Whadjuk in 2018, in the form of two separate Noongar Standard Heritage Agreements. These agreements require Chalice to engage with the South West Aboriginal Land and Sea Council (SWALSC) before undertaking physical works or operations which may trigger the requirement for a cultural heritage survey to be conducted.

Chalice's regional exploration program also extends into Ballardong, Yamatji Nation and Wajarri Yamaji country. We have commenced engagement with these groups through their representative Regional Corporations and as required under our heritage agreements. Chalice has heritage agreements in place with Traditional Owner groups across all active tenements in Western Australia.

## Collaboration with Yued and Whadjuk

Chalice has been working with Yued and Whadjuk representatives to understand the cultural values across exploration areas in the Julimar State Forest and to identify and address the risks and opportunities to cultural heritage that might arise from our activities. In 2021, Yued and Whadjuk Traditional Owners conducted cultural heritage surveys across all proposed exploration areas in the Julimar State Forest.

These ethnographic and archaeological surveys led to the development of cultural heritage management plans by Yued and Whadjuk that set out both groups' expectations of Chalice for the protection and management of their cultural heritage. This includes processes to avoid impacts to cultural heritage material, build cultural competency of Chalice employees and contractors, ensure the cultural safety of Traditional Owners, and requirements for monitoring of exploration activities in the Julimar State Forest by Whadjuk and Yued.

In FY2024, Whadjuk Traditional Owners nominated by the Whadjuk Aboriginal Corporation (Whadjuk AC) Cultural Advice Committee, conducted ethnographic and archaeological cultural heritage surveys across all Chalice-owned farmlands including the Gonneville Project site.

In FY2025 Chalice will work with the Whadjuk AC to develop a cultural heritage management plan that will outline the appropriate management of Aboriginal heritage for the Gonneville Project.

## Cultural Heritage Monitoring

Yued and Whadjuk Traditional Owners, through their cultural heritage management plans, continued to lead the monitoring and protection of cultural heritage for the Gonneville Project and exploration activities in the Julimar State Forest.

This included monitoring conducted by Yued and Whadjuk representatives before a drill rig can be mobilised to an area. The role of the monitors is to confirm that all drilling activities are taking place within areas that do not contain any cultural heritage sites.

### Traditional Owner participation in environmental surveys

Chalice acknowledges the ongoing contribution of Indigenous knowledge to the scientific community and invites Traditional Owners to participate in environmental survey work where possible.

Whadjuk representatives were involved in a variety of environmental studies work throughout the year, including aquatic and vertebrate fauna surveys, flora surveys and surface water monitoring.

# Health & Safety in the Workforce

Workforce health and safety lies at the core of our business. Maintaining high health and safety performance requires the right mindsets and behaviours, which together with our systems, contribute to our strong safety culture. Our primary objectives are to maintain a culture of integrity and ownership, to provide a safe working environment at all Chalice locations and to maintain the health and wellbeing of our employees and contractors.

## FY2024 activities at a glance

- Implementation of a Psychosocial Hazard Management Plan
- Improvement of the infield remote worker safety system
- Roll-out of the Altora online contractor mobilisation, induction and on-boarding tool
- Implementation of a Principal Hazard Management Plan

## FY2025 focus

- Implementation of a Security Management Plan
- Systems audit of critical risk processes and Principal Hazard Management Plan
- Ongoing improvements to HSEC Management System to align to ISO 45001
- Continual review of critical risks in accordance with operational activities

## Health and Safety

Chalice is committed to ensuring occupational health and safety standards are implemented and owned by the workforce. Our Health, Safety, Environment and Community (HSEC) Management System governs our day-to-day activities, ensuring appropriate standards are adopted and hazards are identified, controlled, managed and monitored.

The system aligns with ISO 45001 (occupational health and safety management systems), ISO 14001 (environmental management systems) and ISO 9001 (quality management).

The Chalice HSEC Management System and processes are continually reviewed to ensure we can adapt to our exploration and project development portfolio. The system is comprised of four elements:

- 01 Corporate Policies, Charters and Frameworks
- 02 Company-wide HSEC Standards, Plans and Procedures
- 03 Site-level HSEC Procedures
- 04 HSEC Databases and Systems

This system links directly to the Risk Management Framework, under which KMP regularly review critical enterprise and operational risks. These elements help us understand, mitigate and manage risks to the business, employees, contractors, stakeholders and the environment across all our activities, as well as track our overall performance.

In FY2024, Chalice commissioned an external auditor, Bureau Veritas, to complete an ISO 45001 (2018) gap analysis. This audit identified several improvement opportunities including the documentation and further development of our consultation processes, further refinement of the HSEC Management Plan to align to ISO 45001 elements, and refinement of training and competency procedures and tools.

Following the audit, further improvements to our HSEC Management System have included the development of a consultation procedure, including the implementation of an Operational HSEC Committee with worker representation. Additionally, the development of a Security Management Plan has bolstered our identification of controls in relation to security risks. We also successfully completed the final stages of implementing the Altora

contractor management online portal, which enables contractor HSEC pre-qualification and personnel onboarding, site access and site induction training.

Our Health and Safety Policy outlines our commitment to implementing policies, systems, and procedures that assist with hazard identification, risk assessment and control, to ensure a safe system of work and mitigate the risk of health and safety incidents.

### Performance and FY2025 Targets (includes contractors)

	FY2022	FY2023	FY2024	FY2025 Target
<b>Fatalities</b>	0	0	0	0
<b>Lost Time Injury Frequency Rate (LTIFR)</b>	0	0	0	<0.3*
<b>High potential near-misses</b>	1	0	0	0
<b>Number of workers exposed above OEL**</b>	0	0	0	0

\*Sum of (Total Recordable Injury Cases (resulting in absence from work for 2 or more weeks)×1,000,000) / total hours worked for the year

\*\*Occupational exposure limit (OEL) for fibrous material is 0.01 fibres/milliliter

There was a significant reduction in site operational hours in FY2024, with work hours totalling 145,505 compared with 252,187 work hours in FY2023. There were no lost time injuries during FY2024. There was a positive downward trend in recordable injuries with one restricted work case in FY2024 period, compared with eight in the previous financial year.

Currently Total Recordable Injury Frequency Rate (TRIFR) is not a metric used as a performance target due to low monthly workhours, meaning the TRIFR would not provide

a meaningful indicator of safety performance and improvement focus areas.

The reduction in operational hours has resulted in a positive change to the risk profile, resulting in decreased exposure hours to our critical risks such as drilling, dropped or falling objects and heavy vehicle movements. Exposure hours to critical risks such as vehicle incidents in remote areas and workers affected by heat/humidity have increased due to an increase in activity at regional exploration projects such as Narryer and Barrabarra.

### Health and Safety Training

The primary focus of the health and safety training program in FY2024 has been to ensure that our field-based team are able to respond effectively in the event of an emergency in a remote location. Field-based teams have completed training in:

- Statutory Supervisor
- Operate and Maintain 4WD
- 4WD Recovery Techniques
- Side by Side (RTV) Operation
- Fire Extinguisher Operation
- Provide First Aid
- Remote/Advanced First Aid
- Low Voltage Rescue

We envisage that the training profile will not materially change in FY2025.

### Health and Hygiene

The Health and Hygiene Management Plan was further refined in FY2024 to reflect the reduction in drilling activities and workforce numbers at the Gonneville Project site. This refinement has resulted in a reduction in required sampling for potential health and hygiene risks within similar exposure groups (SEGs).

The development and implementation of the Psychosocial Hazard Management Plan allows for greater line-of-sight of the key controls we deploy to ensure a mentally healthy workplace. One of the key aspects of the plan is to ensure workers in remote settings can communicate using mobile Starlink setups and satellite communications. This has enabled workers to stay connected to families and colleagues while working away from home.

# People and Culture

At Chalice, we believe in creating positive and supportive relationships with our people. Our employees play an essential role in supporting Chalice to achieve its objectives and purpose.

Our Company values remain at the heart of our approach to people:

## Values



**Integrity**  
Do the right thing



**Ownership**  
Think like an owner



**Alignment**  
If Chalice succeeds,  
we all succeed



**Urgency**  
Act today, not  
tomorrow



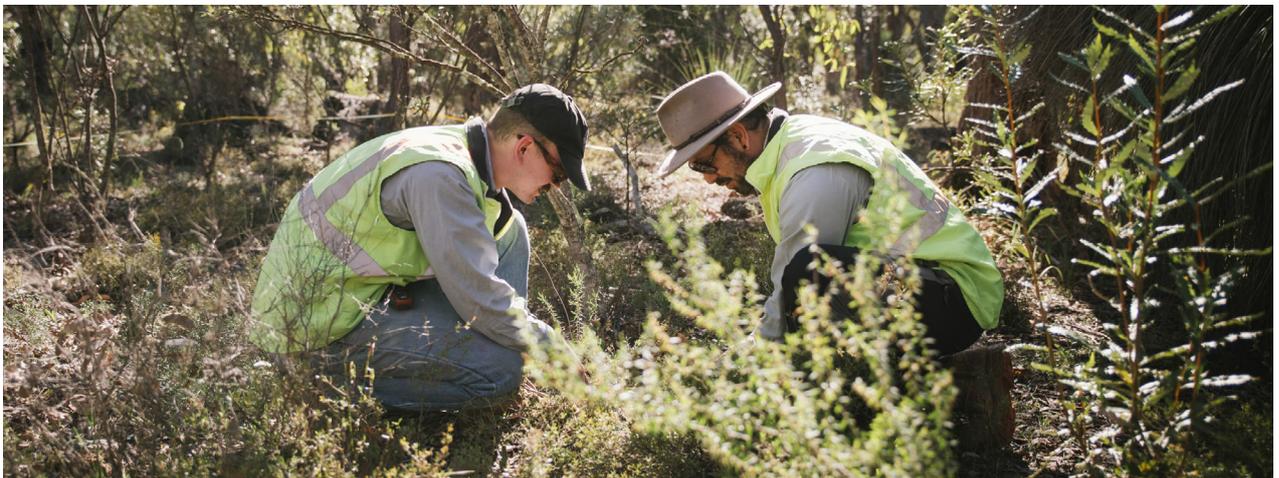
**Advancement**  
Improve every day

During the year, the total number of workforce employees at Chalice reduced. This reduction was largely due to the conclusion of resource drilling at the Gonneville Project, as the Company made the transition from high-intensity fieldwork to desktop development studies.

The Company also implemented a decisive and significant reduction in corporate overheads in order to maintain its strong financial position. This saw several executive, management and personnel changes implemented as part of a rationalisation of the Company's organisation and management structure.

## Diversity and Inclusion

Chalice recognises the importance of building a diverse and inclusive team with different individual backgrounds, skills, experiences and perspectives. At 30 June 2024, women made up 39% of our overall workforce with the respective proportions of women at various levels across the whole organisation set out in Chalice's Corporate Governance Statement.



# Operating Responsibly

## Included in this section:

Corporate Governance

Business Ethics and Anti-Corruption

Financial Performance

Risk Management

Conducting our business ethically and with integrity is one of Chalice's core values, and is embedded in our Code of Conduct, Whistleblower Protection Policy and Anti-Bribery and Anti-Corruption Policy. Chalice is committed to applying ethical business practices and sound systems of corporate governance and transparency.

## Corporate Governance

The Board acknowledges the importance of good corporate governance in striving to meet the expectations of our stakeholders whilst achieving the strategic objectives of the Company in an ethical and responsible manner.

Chalice's corporate governance framework has been developed to ensure that the Company is managed effectively, within a comprehensive system of control and accountability, while also encouraging a corporate culture that is aligned with one of our key values "acting with integrity".

The Company is committed to aligning its governance processes with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th edition ("Principles and Recommendations"). Through this process the Company is currently complying with 34 of the 35 Principles and Recommendations. Our Corporate Governance Statement for the year ended 30 June 2024, detailing the key aspects of our corporate governance framework, is available on our website along with information on our full suite of corporate governance practices at <https://chalicemining.com/about-us/corporate-governance/>.

During the year, the Board and its Committees were actively engaged in their governance responsibilities and fulfilling their role in accordance with the Board and Committee Charters. Key focus areas of the Board during the year included:

- Annual Board appraisal process.
- Annual Board skills assessment.
- Assessment of the measurable objectives for gender diversity.
- Periodic review of the Board Charter, Committee Charters and governance policies.
- Continuing to review the Company's Risk Management Framework to ensure that it appropriately evolves with the development of the Company and emerging risks.

- Updated strategic initiatives adopted by the Board aimed to deliver long-term value to shareholders.

## Business Ethics and Anti-Corruption

The Board is responsible for approving Chalice's core values. Conducting our business ethically and with integrity is one of Chalice's core values, and our governance structures are designed to encourage ethical behaviour that we believe will create a corporate culture that not only improves Chalice's performance as a business, but also positively enhances the impact of the organisation on all of our stakeholders.

### Code of Conduct

Our Code of Conduct (Code) guides the behaviour of our people on how to conduct themselves with integrity, honesty and fairness in all business practices and to observing the rule and spirit of the legal and regulatory environment in which the Company operates.



Our Code is supported by a range of policies including our Anti-Bribery and Anti-Corruption Policy, Whistleblower Policy, Diversity and Inclusion Policy and Human Rights Policy, all of which are available on our website at <https://chalicemining.com/about-us/corporate-governance/>.

Key Chalice advisers, consultants and contractors are made aware of the expectations set out in the Code and the Group's policies.

Material breaches of the Code of Conduct must be reported to the Board. There were no reported breaches of the Code of Conduct during the year ended 30 June 2024.

### Anti-Bribery and Anti-Corruption Policy

Chalice does not tolerate any form of bribery or corruption. Bribery and corruption involves the misuse of position and influence, in return for improper advantage, undermining integrity and fairness.

An Anti-Bribery and Anti-Corruption Policy has been adopted to provide information and guidance to people working for the Company, including the Board, employees, consultants and contractors.

The Anti-Bribery and Anti-Corruption Policy explains conduct that is prohibited and provides guidance on dealing with gifts and hospitality, donations, sponsorships, approval requirements and the records required to be maintained.

The consequences for breaching the Anti-Bribery and Anti-Corruption Policy depend on the severity of the breach but may include a reprimand, formal warning, demotion and/or termination of employment.

Any material breaches of the Anti-Bribery and Anti-Corruption Policy must be reported to the Board. There were no reported breaches of the Anti-bribery and Anti-Corruption Policy during the year ended 30 June 2024.

### Whistleblower Policy

The Company has established a Whistleblower Policy to encourage the reporting of suspected unethical, illegal, fraudulent behaviour and violations (or suspected

violations) of the Company's Code of Conduct or other policies and provide effective protection from victimisation or dismissal to those reporting by implementing systems for confidentiality and report handling.

Material matters reported under the Whistleblower Policy must be reported to the Board. There were no matters reported under the Whistleblower Policy during the year ended 30 June 2024.

### Human Rights

While Chalice is not currently required to prepare a Modern Slavery Statement in accordance with the Modern Slavery Act 2018 (Cth), the Company has adopted a Human Rights Policy to communicate Chalice's commitment to human rights and our commitment to seek continual improvement throughout our organisation to uphold human rights.

The Human Rights Policy outlines our commitments to:

- Developing, embedding and improving processes to identify and prevent adverse human rights impacts caused or contributed to by our business and operations.
- Not engaging in, or tolerating, forced or compulsory labour, other forms of modern slavery or child labour, and ensuring compliance with all relevant laws.
- Promoting and maintaining a physically and psychologically safe workplace that is free from violence, threats of violence, bullying, harassment, sexual harassment, discrimination, inhumane treatment or abuse.
- Acting with integrity and fairness and not discriminating against any individual based on race, religion, ethnic origin, nationality, age, marital or relationship status, sex, sexual orientation, gender identity, intersex status, pregnancy, parental status, disability, or other legally protected status.
- Respecting human rights related to working conditions, providing a safe and healthy workplace, employee privacy, freedom of association, speech and collective bargaining, maximum working hours, minimum wages, accommodation, equal and decent pay, and equal opportunity.

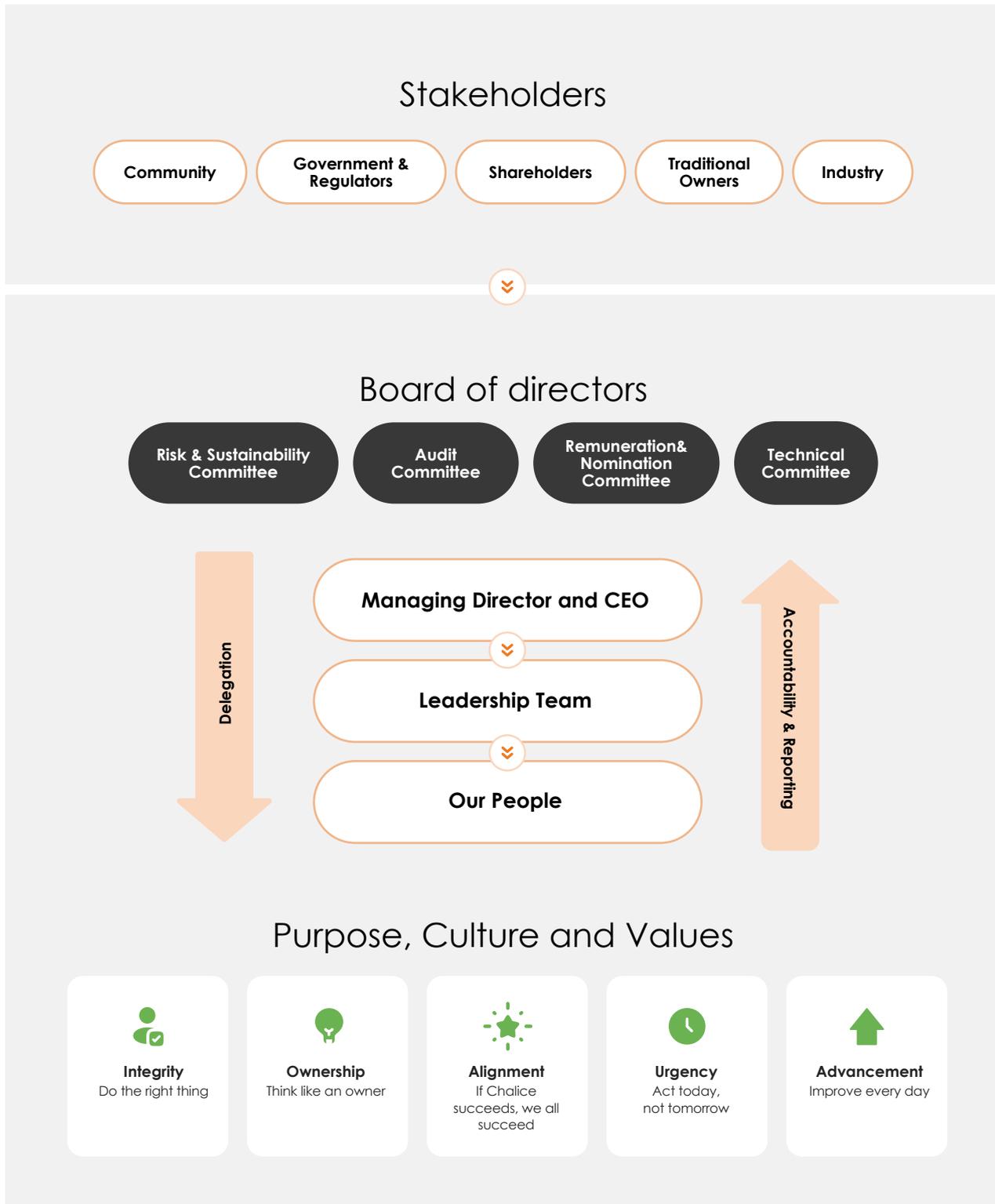


# Financial Performance

Our commitment to sound business practices and strong financial disciplines underpins Chalice's goal to deliver strong returns for our shareholders.

Please refer to the Operating and Financial Review section of this Annual Report for further information on our Financial Performance.

## Chalice Corporate Governance System



# Risk Management

Overall accountability for risk management lies with the Board of Chalice. The Board is supported in its oversight of risk by the Risk and Sustainability Committee. The Audit Committee assists the Board with its oversight of financial assurance matters. The Board annually reviews and approves the Risk Management Framework and sets the overall risk appetite. The Board endorsed an updated Risk Management Framework during the year ended 30 June 2024 in accordance with the Company's Risk Management Framework.

The Board has delegated the responsibility for implementing the Risk Management Framework and managing material risks to the Managing Director and CEO and Executive KMP.

The Board, Executive KMP, and the Risk and Sustainability Committee review the risk profile of the business and implement and monitor controls to effectively manage risks. Reviews of mitigations and verifications of controls are undertaken to ensure their effectiveness.

Further information can be found in the Risk and Sustainability Committee Charter and Risk Management

Policy available at <https://chalicemining.com/about-us/corporate-governance/>.

Chalice's Risk Management Framework focusses on the identification of material risks and the implementation and monitoring of the controls to mitigate those risks. Material risks are considered those financial and non-financial risks with major or extreme consequence (irrespective of probability) as well as those with major or extreme residual risk rating. Risk ratings are determined in accordance with ISO 31000:2018 recommended risk management practices.

While Chalice is in the exploration and evaluation phase, the risk management process focuses on material risks which have the potential to materially impact on the ability to execute Chalice's long- term strategy. These material risks are comprised of categories such as Economic, Strategic, Social Licence, Operational, Environmental, Legal and Governance.

The Group's identified material risks are summarised in the table below:

Risks	Mitigating Actions
<p><b>Major data loss or IT security breach</b></p> <ul style="list-style-type: none"> <li>Failure to appropriately secure data could have significant consequences to the Group through loss of business continuity, reputational loss and increased financial costs.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of controls associated with prevention, detection and data recovery supported by ongoing cyber security awareness training.</li> <li>Invest in cyber security processes, tools and expertise.</li> </ul>
<p><b>Impaired social licence to operate</b></p> <ul style="list-style-type: none"> <li>Loss of stakeholder support could result in the loss of social license to operate, disrupting operations or delaying license approvals.</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining a stakeholder management plan to guide Chalice's actions, engagement and behaviour.</li> <li>Development and implementation of a sustainability framework.</li> </ul>
<p><b>Major Field Incident (Safety, Health or Environmental)</b></p> <ul style="list-style-type: none"> <li>Exposure of our people to hazards at a level that causes harm.</li> <li>Environmental incident that negatively impacts the environment and community in which we operate.</li> </ul>	<ul style="list-style-type: none"> <li>Risk reduction by ensuring appropriate standards are adopted, hazards are identified, controlled, managed and monitored appropriately, supported by a comprehensive Health, Safety, Environment and Community (HSEC) Management System.</li> <li>Provide appropriate resources into the ongoing maturity of the HSEC Management System together with leadership development and training.</li> </ul>
<p><b>Loss of or Failure to Gain Land Access on Key Tenement</b></p> <ul style="list-style-type: none"> <li>Inability to undertake planned exploration activities results in a loss of opportunity or financial loss.</li> </ul>	<ul style="list-style-type: none"> <li>Chalice seeks to actively engage with stakeholders and has implemented internal controls designed to manage agreements with landholders, Traditional Owners and compliance with licence and permit requirements.</li> </ul>

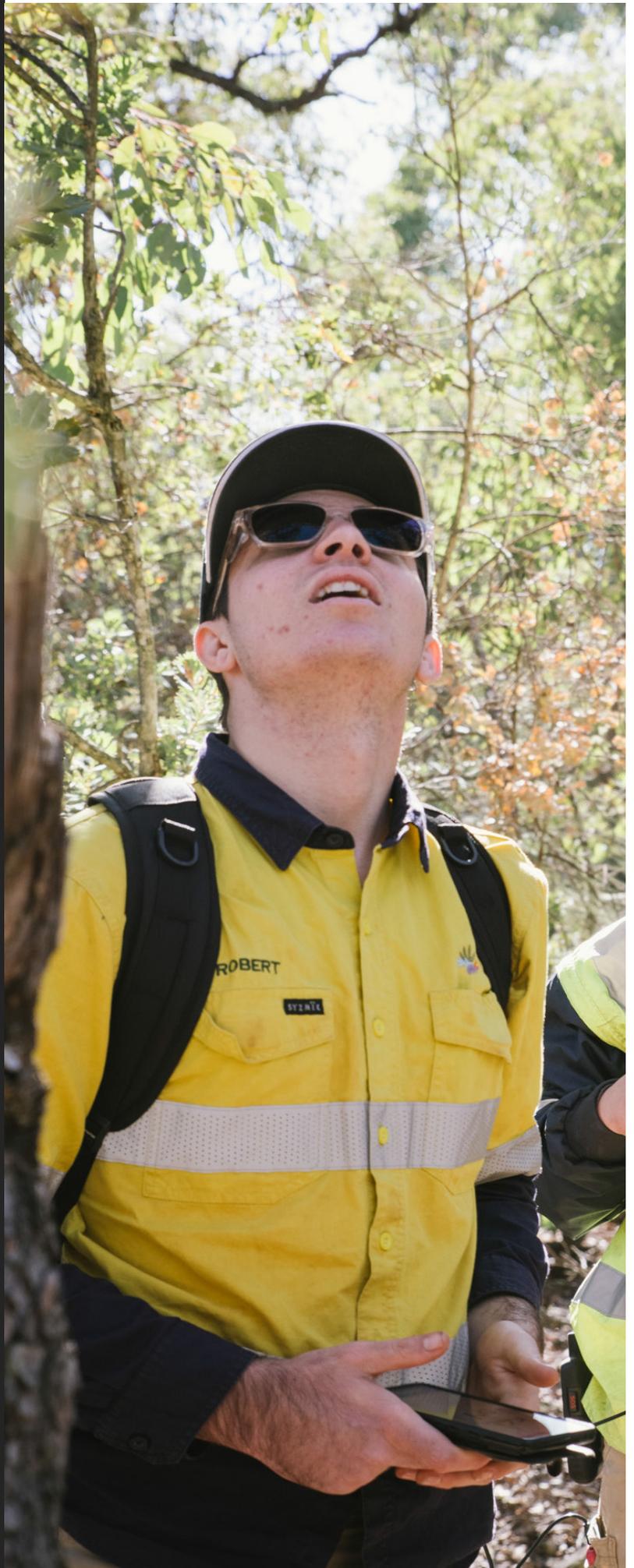
Risks	Mitigating Actions
<p><b>Capital Mismanagement (new ventures)</b></p> <ul style="list-style-type: none"> <li>➤ Loss of reputation and negative shareholder returns through the unsuccessful allocation of working capital to new ventures.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Prior to undertaking any acquisitions, Chalice undertakes appropriate due diligence to identify key risks and to determine that the opportunity is aligned with Company strategy. Material acquisitions are considered by the Board to ensure alignment with strategic objectives.</li> </ul>
<p><b>Capital Mismanagement (exploration projects)</b></p> <ul style="list-style-type: none"> <li>➤ Undisciplined expenditure on exploration projects.</li> <li>➤ Exploration projects are speculative in nature and often require substantial expenditure to establish the presence of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Employing and retaining experienced technical talent.</li> <li>➤ Actively managing key deliverables and uncertainties through strategic planning, budgeting, technical assessment and review.</li> </ul>
<p><b>Major Corporate Breach including Fraud</b></p> <ul style="list-style-type: none"> <li>➤ Material breach of law or regulation causing reputational damage and financial loss.</li> <li>➤ Inappropriate, unethical or unlawful conduct of our people.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Guided by our values and Code of Conduct, Chalice aims to maintain a culture of accountability and reporting through its risk management and governance systems, policies and procedures, with the effective involvement of management.</li> <li>➤ Providing mechanisms for reporting wrongdoing and prompt action on misconduct through the Whistleblower Policy.</li> <li>➤ Implementation of appropriate internal financial controls.</li> <li>➤ Enhance training to maintain and improve our culture and create a harassment free and ethical workplace.</li> </ul>
<p><b>Forfeiture of Key Tenements</b></p> <ul style="list-style-type: none"> <li>➤ Loss of title to key exploration tenements or licences may result in disruptions to operating performance and significant financial loss.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Maintaining a system of monitoring and compliance with the aim of continually meeting key tenement conditions.</li> </ul>
<p><b>Collapse of Equity / Financial Markets</b></p> <ul style="list-style-type: none"> <li>➤ Unexpected changes in macroeconomic conditions.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Maintain a strong financial position backed by an appropriately executed Board approved strategy.</li> </ul>
<p><b>Climate Change</b></p> <p>Physical risks</p> <ul style="list-style-type: none"> <li>➤ Impact on operations caused by extreme weather events and potentially constrained water supplies.</li> </ul> <p>Transition Risks</p> <ul style="list-style-type: none"> <li>➤ Increasing government regulation resulting in increased operating costs and constraints.</li> <li>➤ Constrained electricity supply resulting from transition to renewable energy and increasing costs.</li> <li>➤ Availability and affordability of solutions for decarbonising operations and the impact of carbon pricing.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Developing a greenhouse gas management plan for the Gonneville Project as part of the development approval process.</li> <li>➤ Commenced consultation with Western Power to connect to the South West Interconnected System for power supply.</li> <li>➤ Initiated consultation with the Water Corporation to secure a water supply from the Alkimos wastewater treatment plant.</li> <li>➤ Monitor regulatory and legislative developments related to climate change and engage with government entities and peak industry bodies to assess the implications of these changes.</li> </ul>

Risks	Mitigating Actions
<p><b>Adverse Change in Government Policies and Regulation</b></p> <ul style="list-style-type: none"> <li>➤ The Company is subject to a wide range of legal and regulatory requirements. Failure to manage adverse changes to laws, regulation and Government policy could negatively impact the Company's operations or ability to action strategic objectives.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Engage with Government and peak industry bodies to monitor and understand implications of regulatory changes to allow Chalice to anticipate and prepare for changes in the regulatory environment in which it operates.</li> </ul>
<p><b>Gonneville Project Does Not Meet Final Investment Decision Requirements</b></p> <ul style="list-style-type: none"> <li>➤ Inability to deliver a development project that meets Board defined final investment decision requirements and results in a project that is not viable due to factors such as permitting, environmental impacts, technical outcomes and financial feasibility.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Ensure disciplined approach to project evaluation through the attraction of appropriate capability and expertise.</li> <li>➤ Undertake studies to identify optimal infrastructure and processing options.</li> <li>➤ Complete environmental baseline studies and assessments.</li> <li>➤ Actively engage with stakeholders to facilitate obtaining the necessary permits, approvals and heritage management plans.</li> </ul>



# Directors' Report

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# Directors' Report

The Directors present their Directors' Report for the financial year ended 30 June 2024 for the consolidated entity consisting of Chalice Mining Limited ("**Chalice**" or "**the Company**") and its controlled entities (together "**the Group**").

## 1. BOARD OF DIRECTORS

The names and details of Directors in office during the financial year and until the date of this report are:

### CURRENT DIRECTORS

#### Derek N La Ferla

Non-Executive Chair

Appointed 1 October 2021

and

Chair on 24 November 2021

#### Independence status:

Independent

#### Committee memberships:

- « Remuneration and Nomination Committee (Chair)
- « Audit Committee
- « Risk & Sustainability Committee (since 31 August 2024)

#### Directorships of other listed entities:

In the past three years, Mr La Ferla has served as a Director of the following listed companies:

- « Poseidon Nickel Limited (Chair) (December 2019 to October 2023)
- « Sandfire Resources Limited (Chair) (May 2010 to July 2022)
- « Threat Protect Australia Ltd (Chair) (September 2015 to September 2021)

#### Alexander (Alex) C Dorsch

Managing Director and Chief Executive Officer (MD&CEO)

Appointed 13 November 2018

#### Independence status:

Not Independent

#### Committee memberships:

Technical Committee (Member) (until 7 December 2023)

#### Directorships of other listed entities:

In the past three years, Mr Dorsch has served as a Director of the following listed companies:

- « Falcon Metals Limited (since July 2021)

#### Garret J Dixon

Non-executive Director

Appointed 21 August 2020

#### Independence status:

Independent

#### Committee memberships:

- « Risk & Sustainability Committee (Chair)
- « Technical Committee
- « Remuneration and Nomination Committee (since 31 August 2024)
- « Audit Committee (Chair) (since 31 August 2024)

#### Directorships of other listed entities:

In the past three years, Mr Dixon has served as a Director of the following listed companies:

- « BCI Minerals Limited (since June 2020)
- « Dynamic Group Holdings Limited (from May 2020 to September 2024)
- « MLG OZ Limited (since March 2021)

**Stephen M McIntosh**  
Non-executive Director  
Appointed 20 February 2021

**Independence status:**  
Independent

**Committee memberships:**

- « Risk & Sustainability Committee (Member)
- « Technical Committee (Chair)
- « Remuneration and Nomination Committee (since 31 August 2024)
- « Audit Committee (since 31 August 2024)

**Directorships of other listed entities:**

In the past three years, Mr McIntosh has served as a Director of the following listed companies:

None

**FORMER DIRECTORS**

**Joanne (Jo) M Gaines**  
B.Arts, GradDip OHS  
Non-executive Director  
Appointed 17 August 2022  
Resigned 31 August 2024

Ms Gaines is an experienced, highly regarded leader and strategic policy director, having previously worked as the Deputy Chief of Staff to the Premier of Western Australia. She was a leader in the development of the WA Recovery Plan in response to the COVID-19 pandemic. Prior to this position, Jo served as Branch Assistant Secretary for the Community and Public Sector Union/Civil Service Association for over ten years.

Jo is currently Chair of the Government Employees Superannuation Board (GESB), Director of DevelopmentWA and a Non-executive Director of Australian Vanadium Limited (ASX:AVL). Jo is a graduate of the Australian Institute of Company Directors.

**Independence status:**

Independent

**Committee memberships:**

- « Risk & Sustainability Committee (Member) (resigned 31 August 2024)
- « Remuneration and Nomination Committee (Member) (resigned 31 August 2024)
- « Audit Committee (Member) (from 31 March 2024) (resigned 31 August 2024)

**Linda J Kenyon**  
LLB, B.Juris FGIA FCG  
Non-executive Director  
Appointed 24 August 2021  
Resigned 31 August 2024

Ms Kenyon is a highly experienced corporate lawyer, governance professional and former senior executive with a career spanning 32 years at Wesfarmers Limited (ASX: WES).

Linda was a member of Wesfarmers Executive Leadership Team and was Wesfarmers' Company Secretary for 17 years. During this time, she played a meaningful role in mergers and acquisitions, capital raisings and other significant commercial and property transactions.

Linda holds a Bachelor of Laws and Bachelor of Jurisprudence degrees from the University of Western Australia. Linda is a Fellow of the Governance Institute of Australia and a member of the Australian Institute of Company Directors.

**Independence status:**

Independent

**Committee memberships:**

- « Risk & Sustainability Committee (Member) (Until 31 March 2024)
- « Audit Committee (Chair) (Appointed Chair 31 March 2024) (resigned 31 August 2024)
- « Remuneration and Nomination Committee (Member) (appointed 31 March 2024) (resigned 31 August 2024)

**Morgan S Ball**

B.Com, CA, F Fin

Non-executive Director

Appointed 24 June 2016

Resigned 31 March 2024

Mr Ball is a Chartered Accountant with more than 30 years of Australian and international experience in the resources, logistics and finance industries. Mr Ball is currently the Chief Financial Officer for Genesis Minerals Limited (ASX: GMD). Mr Ball was formerly the Chief Financial Officer of ASX 50 gold producer, Northern Star Resources Limited (ASX: NST) and prior to that, the Chief Financial Officer of Saracen Mineral Holdings Limited (ASX: SAR). Mr Ball was Managing Director of ASX-listed BCI Minerals Ltd (ASX: BCI) from 2013 to 2016.

**Independence status:**

Independent

**Committee memberships:**

- « Audit Committee (Chair) (resigned 31 March 2024)
- « Remuneration and Nomination Committee (Member)(resigned 31 March 2024)

Details of the qualifications and experience of the Directors in office at the date of this report are set out on page 9 of this Annual Report.

Directors listed as Independent Non-Executive Directors have been independent throughout the period of their appointment.

**2. COMPANY SECRETARY****Jamie Armes**

B.Bus, CA

Mr Armes joined Chalice as Company Secretary in August 2019. For the past 20 years he has acted as Company Secretary and held finance roles in various ASX-listed companies, primarily within the mining and exploration industry providing corporate governance and financial reporting advice. Mr Armes is a Chartered Accountant and graduated from the University of Tasmania with a Bachelor of Business in 1993.

**3. DIRECTORS' INTERESTS**

The relevant interests of each director in the shares, performance rights or options over such instruments issued by Chalice and other related bodies corporate, as notified by the directors to the ASX in accordance with S205G(1) of the *Corporations Act 2001*, at the date of this report is as follows:

	Ordinary shares	Options over ordinary shares	Performance rights
Derek La Ferla	34,561	-	-
Alex Dorsch <sup>(1)</sup>	5,999,447	-	383,512
Garret Dixon	152,739	-	-
Stephen McIntosh	37,558	-	-

<sup>(1)</sup> In September 2024, the Board resolved, subject to shareholder approval at the Company's 2024 AGM to offer 696,458 performance rights to Mr Dorsch or his nominee.

#### 4. BOARD COMMITTEE STRUCTURE AND MEMBERSHIP

Directors acting as members on the committees of the Board as at 30 June 2024 are set out below:

Audit <sup>(1)</sup>	Risk & Sustainability <sup>(2)</sup>	Remuneration and Nomination <sup>(3)</sup>	Technical
<b>Chair:</b> Linda Kenyon	<b>Chair:</b> Garret Dixon	<b>Chair:</b> Derek La Ferla	<b>Chair:</b> Stephen McIntosh
<b>Members:</b> Derek La Ferla Jo Gaines	<b>Members:</b> Stephen McIntosh Jo Gaines	<b>Members:</b> Linda Kenyon Jo Gaines	<b>Members:</b> Garret Dixon Martin Reed <sup>(4)</sup>

<sup>(1)</sup> On 31 August 2024, Ms Kenyon and Ms Gaines retired as members of the Audit Committee. Mr Dixon was appointed as Chair of the Audit Committee and Mr McIntosh was appointed as a member of the Audit Committee.

<sup>(2)</sup> On 31 August 2024, Ms Gaines retired as a member of the Risk & Sustainability Committee and Mr La Ferla was appointed as a member of the Risk & Sustainability Committee.

<sup>(3)</sup> On 31 August 2024, Ms Kenyon and Ms Gaines retired as members of the Remuneration and Nomination Committee. Mr Dixon and Mr McIntosh were appointed as members of the Remuneration and Nomination Committee.

<sup>(4)</sup> On 7 November 2023, Mr Martin Reed was appointed as a member of the Technical Committee. Mr Reed is not a Director of the Company.

Mr Reed is a highly experienced mining engineer and company director, with a career spanning 40+ years in globally recognised mining and resource companies throughout Australia and the Asia Pacific. Over this time he has been involved in developing underground and open pit mining operations from feasibility through to operation. Mr Reed was a Non-Executive Director and Study Manager for Saracen Mineral Holdings (ASX:SAR), and recently held the role of Non-Executive Director at Horizon Power. Previously, Mr Reed developed the greenfield DeGrussa Copper Gold Project as a Project Manager and COO at Sandfire Resources (ASX:SFR). He also served as COO and GM – Operations and Development at St Barbara Ltd (ASX:SBM) overseeing the Gwalia Gold Mine, and was a Construction Manager for the Ravensthorpe Nickel Mine at BHP. Mr Reed holds a B.Eng (Hons), PostGradDipMgmt and a Diploma from the Australian Institute of Company Directors.

Directors were members of a committee for the entire financial year ended 30 June 2024 unless otherwise noted in Section 5, Board and Committee Meetings.

## 5. BOARD AND COMMITTEE MEETINGS

The number of Board and committee meetings held during the financial year ended 30 June 2024 and the number of meetings attended by each of the Directors in office during the financial year is summarised in the table below:

	Committee Meetings				
	Board Meetings	Audit	Risk & Sustainability	Remuneration & Nomination	Technical
	Attended/Held <sup>(1)</sup>	Attended/Held	Attended/Held	Attended/Held	Attended/Held
Derek La Ferla	7/7	2/2	1*	3/3	1*
Alex Dorsch <sup>(2)</sup>	7/7	2*	2*	3*	5/3*
Morgan Ball <sup>(3)</sup>	4/5	2/2	-/-	1/1	-/-
Garret Dixon	7/7	-/-	2/2	-/-	5/5
Stephen McIntosh	7/7	-/-	2/2	-/-	5/5
Linda Kenyon <sup>(4)</sup>	7/7	2/2	2/2	2/2	2*
Jo Gaines <sup>(5)</sup>	7/7	-/-	2/2	3/3	2*
Martin Reed <sup>(6)</sup>	N/A	N/A	N/A	N/A	3/3

(\*) Indicates that a Director attended a Committee meeting by invitation where they are not a member of a specific Committee. Any Director may attend any Committee meeting even if they are not a member of the relevant Committee.

<sup>(1)</sup> The number of meetings held whilst the Director or Committee member was eligible to attend.

<sup>(2)</sup> Mr Dorsch retired as a member of the Technical Committee on 7 December 2023.

<sup>(3)</sup> Mr Ball retired as a Non-executive Director effective 31 March 2024.

<sup>(4)</sup> Ms Kenyon was appointed as Chair of the Audit Committee and retired as a member of the Risk and Sustainability Committee on 31 March 2024.

<sup>(5)</sup> Ms Gaines was appointed as a member of the Audit Committee on 31 March 2024.

<sup>(6)</sup> Mr Reed was appointed as a member of the Technical Committee on 7 November 2023. Mr Reed is a member of the Technical Committee only and is not a Director of the Company.

## 6. PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year was the exploration and evaluation of the Gonneville PGE-Nickel-Copper-Cobalt Project and the exploration of projects located in the West Yilgarn region of Western Australia.

In the opinion of the Directors, there were no significant changes to the principal activities of the Group during the financial year under review that are not otherwise disclosed in this report.

## 7. OPERATING AND FINANCIAL REVIEW

Please refer to pages 16 to 26 of this Annual Report for information on the Group with respect to a review of operations during the year ended 30 June 2024 and comments on the financial position, business strategies, likely developments and prospects for future financial years. An outline of the material business risks that may affect the Group are contained on pages 63 to 65 of this Annual Report.

## 8. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than the matters disclosed in the Operating and Financial Review on pages 16 to 26 of this Annual Report and elsewhere in this Directors' Report, there were no other significant changes in the state of affairs of the Company that occurred during the year.

## 9. REMUNERATION REPORT – AUDITED

The Directors present the Remuneration Report for the Company and its controlled entities for the year ended 30 June 2024 (FY2024). This Remuneration Report for the Group forms part of the Directors' Report and has been prepared in accordance with section 300A of the *Corporations Act 2001*.

### 9.1 Executive Summary

Since the initial discovery of the Gonneville PGE-Ni-Cu-Co deposit in March 2020, Chalice's strategy has been to define and de-risk the optimal development pathway for the Gonneville Project, determine the full scale of the mineral system across the Julimar Complex and explore the wider West Yilgarn province. Chalice has also aimed to secure strategic partners for the Gonneville Project development whilst maintaining control and optionality.

The Board, with the assistance of the Remuneration and Nomination Committee, will continue to assess and refine the Group's remuneration structure to ensure it aligns with shareholder interests and aids the achievement of the Company's strategic objectives whilst remaining cognisant of the challenging commodity price environment currently being experienced.

#### FY2024 Short-term Incentive (STI) outcomes

The Board determined that 16.67% of the maximum STI award be paid to eligible employees, including Executive Key Management Personnel, (Executive KMP) based on performance measures set by the Board in July 2023. This assessment resulted in a total cash payment of \$100,250 to Executive KMP in July 2024. Further information on the outcomes of the FY2024 STI are disclosed in section 9.4.7(b).

#### FY2024 Long-term Incentive (LTI) outcomes

In July 2024, performance rights issued in FY2021-22 with a measurement date of 30 June 2024, the Board determined that 20% of the performance rights be vested due to the achievement of performance conditions set by the Board and measured over the three-year performance period. This assessment resulted in a total of 63,484 performance rights vesting, based on realising the strategic objective of achieving inclusion in the S&P/ASX 200 ESG index. Further information on the outcomes of the FY2024 LTI are disclosed in section 9.4.8(c).

#### Executive KMP remuneration framework

For FY2024, the remuneration framework and remuneration mix for Executive KMP remained consistent with FY2023 other than the removal of long-term retention rights. The issue of long-term retention rights was a one-off initiative for FY2023, and was not a component of the remuneration mix for Executive KMP for FY2024.

#### Remuneration adjustments for Executive KMP

Following the completion of an internal benchmarking exercise derived from a comparator peer group, at the commencement of FY2024, the Total Fixed Remuneration (TFR) of Executive KMP was increased to reflect the increasing scale and complexity of the Company's activities and to better align the TFR of Executive KMP with industry peers.

Effective from 1 February 2024, due to a deterioration in market conditions impacting the resources sector, particularly nickel and platinum group metals, the Company took decisive action to reduce expenditure to maintain its strong financial position. As a result of this expenditure review, and in conjunction with a rationalisation of the Company's management structure, several Executive KMP agreed to a reduction in their TSR to preserve cash. Refer to section 9.4.6 for further information on Executive KMP TFR.

#### Changes to Non-executive Director fees

In July 2023, following the completion of an internal benchmarking exercise and recommendation from the Remuneration and Nomination Committee, the Board determined that from 1 July 2023, non-executive director fees would be increased to reflect both market rates of comparable organisations, market trends and the increasing time commitment required by the non-executive directors.

As part of the expenditure review referred to above, non-executive director fees were also reduced by 25%, effective 1 February 2024. Refer to section 9.5 for further information on Non-executive Director remuneration.

## 9.2 Key Management Personnel

This report discloses the FY2024 remuneration arrangements and outcomes for the people listed below, who are those individuals within the Company who have been determined to be Key Management Personnel (KMP) during the financial year to 30 June 2024. KMP are those people who have the authority and responsibility for planning, directing, and controlling the Group's activities, either directly or indirectly.

Name	Position	Term
<b>Executive KMP</b>		
Alex Dorsch	Managing Director and CEO (MD&CEO)	Full year
Mike Nelson	General Manager – Project Development	Full year
Chris MacKinnon	Chief Financial Officer	Full year
Kevin Frost <sup>(1)</sup>	General Manager – Exploration	Full year
Soolim Carney	General Manager – Environment & Community	Full year
<b>Former Executive KMP</b>		
Richard Hacker <sup>(2)</sup>	General Manager – Strategy & Commercial	Part year - ceased 29 February 2024
Bruce Kendall	General Manager – Exploration	Part year – resigned 30 April 2024
<b>Non-Executive Directors</b>		
Derek La Ferla	Non-executive Chair	Full year
Garret Dixon	Non-executive Director	Full year
Jo Gaines	Non-executive Director	Full year
Linda Kenyon	Non-executive Director	Full year
Stephen McIntosh	Non-executive Director	Full year
<b>Former Non-Executive Directors</b>		
Morgan Ball	Non-executive Director	Part year - resigned 31 March 2024

<sup>(1)</sup> Effective from 5 February 2024, Dr Frost assumed the role of General Manager – Exploration whilst Mr Kendall was on an extended period of leave. Dr Frost previously held the Executive KMP role, General Manager – Discovery and Growth.

<sup>(2)</sup> The Board carried out a review of Executive KMP in conjunction with an expenditure review announced 22 January 2024. As a result of this review, it was determined that as a consequence of a reallocation of responsibilities and authority, the role of Mr Hacker, as General Manager – Strategy and Commercial is no longer classified as Executive KMP, effective 29 February 2024.

### Changes to KMP subsequent to year end

On 31 August 2024, Ms Kenyon and Ms Gaines retired as Non-executive Directors.

Effective 1 July 2024, as part of the Company's continuing efforts to rationalise its organisational structure and operations, together with an associated reduction in delegated authority, the Board has determined that Dr Carney, General Manager – Environment & Community and Dr Frost, General Manager - Exploration will no longer be executives designated as KMP.

Other than disclosed above, there were no changes in KMP after the reporting date and before this financial report was authorised for issue.

## 9.3 Remuneration governance and decision making

### 9.3.1 Role of the Board

The Board is responsible for setting Chalice's remuneration framework and remuneration policy to ensure that it is aligned with the Groups strategic objectives, values, and risk appetite. This includes approving the remuneration arrangements of Non-executive Directors, the MD&CEO, Executive KMP, and the approval of all performance targets set on awards of Short-term and Long-term incentives made to Executive KMP.

Under a formal charter, the Board has established a Remuneration and Nomination Committee (RNC) to assist the Board with the oversight of the Company's Remuneration Policy and framework.

### 9.3.2 Remuneration and Nomination Committee

The RNC assists the Board with the Group's remuneration policies and framework and is primarily responsible for the consideration and recommendation of remuneration practices in relation to Executive KMP as well as recommending the level of Non-executive Director fees.

The RNC comprises of three independent Non-executive Directors. Details on the composition of the RNC during the year ended 30 June 2024 is provided on page 70.

The responsibilities of the RNC, including its role, objectives and responsibilities are outlined in its charter, which is available at [www.challicemining.com/about-us/corporate-governance/](http://www.challicemining.com/about-us/corporate-governance/). These responsibilities include:

- « Regularly reviewing and making recommendations to the Board with respect to the Remuneration Policy, the remuneration of Executive KMP and Non-executive Directors;
- « The implementation and oversight of the operation of equity incentive plans and other incentive plans; and
- « The engagement of external remuneration consultants in accordance with the Corporations Act 2001 (Cth).

Details of the number of times the RNC met and attendance at those meetings during FY2024 is set out in the Directors' Report on page 71.

The MD&CEO attends RNC meetings by invitation to provide management input where required, however, the MD&CEO has no vote in relation to matters before the Committee. The MD&CEO provides recommendations to the RNC on the remuneration arrangements of his direct reports and all other employees. The RNC has implemented processes to ensure conflicts of interest are managed appropriately.

### 9.3.3 Use of remuneration consultants

To assist the RNC when making remuneration decisions and recommendations to the Board, the RNC may seek external advice on remuneration policies and practices. Remuneration consultants engaged by the RNC report directly to the RNC. In selecting remuneration consultants, the RNC considers potential conflicts of interest and independence from the Group's KMP.

No remuneration consultants were engaged during FY2024 and no remuneration recommendations as defined by the Corporations Act were received during the year.

### 9.3.4 Remuneration Report approval at 2023 Annual General Meeting (AGM)

The Remuneration Report for the financial year ended 30 June 2023 received positive shareholder support at the 2023 AGM with a vote of 98.05% in favour. The Company received no specific feedback on its Remuneration Report at the 2023 AGM.

### 9.3.5 Securities Trading Policy

All KMP and employees of Chalice are subject to the Company's Securities Trading Policy which sets out the governance approach for dealing in the Company's securities including when and how KMP and employees can deal in the Company securities. A copy is available at [www.challicemining.com/about-us/corporate-governance/](http://www.challicemining.com/about-us/corporate-governance/).

## 9.4 Executive KMP remuneration for FY2024

### 9.4.1 Policy & Approach

For FY2024, the Company adopted the following principles in its remuneration framework for Executive KMP:

- « Setting total aggregate remuneration at a level which provides the Company with the ability to attract, retain and motivate Executive KMP of a high calibre and drives a positive culture that achieves the Company's business objectives;
- « Align Executive KMP remuneration outcomes with the interests of key stakeholders by incorporating in the remuneration framework variable remuneration consisting of short and long-term incentives linked to the strategic goals and performance of the Company;

- « Ensure Executive KMP are appropriately remunerated for their role having regard to the remuneration of comparable positions in comparable organisations; and
- « Structure remuneration in a manner that is consistent with and promotes adherence to the Group's values, policies and procedures.

#### 9.4.2 Alignment of Remuneration Framework to the Strategic Objectives

Included on page 13 of this Annual Report are the Company's strategic objectives. These strategic objectives are summarised as:

- « Generate New Discoveries
- « Define New Resources
- « De-risk Development
- « Develop our Business and Market
- « Fund the Strategy and Protect our Data
- « Focus on People and Stakeholders

The Board has developed a remuneration framework that reflects a desire to maintain the Company's strong discovery culture through exploration, whilst also building capabilities to support the evaluation of the Gonneville Project with the ultimate aim of transitioning to mine developer. The remuneration framework aims to link the remuneration outcomes for Executive KMP to the achievement of these objectives in driving long term value creation for shareholders.

#### 9.4.3 Overview of FY2024 Remuneration Framework

The following table provides an overview of the elements of the FY2024 remuneration framework for Executive KMP:

Element	Purpose	Section
<b>Total Fixed Remuneration (TFR)</b>		
Comprises of a cash salary, superannuation and non-monetary benefits.	Provides a competitive cash salary, determined by the scope of the role and benchmarked to ensure it remains competitive to attract and retain required capability.	9.4.6
<b>Variable Remuneration</b>		
<b>Short Term Incentives (STI)</b>		
Annual incentive opportunity paid in cash for FY2024.	Rewards performance in executing the 12-month strategic priorities of the Company.	9.4.7
<b>Long Term Incentive (LTI)</b>		
Granted as Performance Rights vesting over a three-year period upon meeting performance objectives.	To reward longer term performance and achievement of strategic objectives aligned with shareholder interests.	9.4.8

#### Changes to the Remuneration Framework for the Financial Year ended 30 June 2025 (FY2025)

The Board has completed a review of the Executive KMP remuneration framework for FY2025 and as part of the Company's commitment to driving sustainable growth, conserving cash and maximising long-term shareholder value, the Board has made the following key changes to the elements of the FY2025 remuneration framework for Executive KMP:

- « no significant changes in Executive KMP TFR, other than an increase to reflect the statutory increase in superannuation from 11% to 11.5%. Refer to section 9.4.6 for further details.
- « no cash based STI will be awarded in favour of increasing the emphasis on the LTI. This ensures Chalice's financial strength is maintained, employees are closely aligned with shareholders and employees focus on long-term strategic priorities.
- « the remuneration mix for Executive KMP has been adjusted by increasing the LTI component, in-lieu of the STI. Refer to section 9.4.4 for further details.

#### 9.4.4 Remuneration mix

The tables below demonstrate the remuneration mix for Executive KMP when maximum incentive opportunities are achieved and the “at risk” elements as a proportion of TSR.

For FY2024, the remuneration mix for Executive KMP remained weighted toward “at risk” elements aligning with Chalice’s short-term goals and longer-term strategic objectives that were developed with the aim of driving value creation for shareholders. In determining the remuneration mix for Executive KMP, greater emphasis was placed on long-term incentives reflecting the expected timeframes required to achieve the strategic objectives of the Company.

The retention plan implemented in FY2023 was not repeated in FY2024 (refer to section 9.4.9 for further details).

#### Changes to Remuneration Mix for FY2025

As noted previously, for FY2025, the cash based STI previously awarded to Executive KMP will not be utilised in favour of increasing the emphasis on the Company’s longer term strategic objectives encompassed in the LTI. Consequently, the remuneration mix for Executive KMP has been adjusted by increasing the LTI component. The increase in LTI has also been implemented to compensate Executive KMP for TFR reductions accepted in January 2024.

**(a) Maximum Incentive Opportunities as a Percentage of Total Fixed Remuneration (TFR) are set out in the table below:**

	FY2025		FY2024	
	STI % of TFR	LTI % of TFR	STI % of TFR	LTI % of TFR
MD&CEO	Nil	200	25	175
Other Executive KMP <sup>(1)</sup>	Nil	150	25	95

<sup>(1)</sup> Mr Nelson was appointed on 1 February 2023. Under the Remuneration Policy, Executive KMP that commence after 1 October, may have their incentive opportunities for the following year increased by a pro-rata amount based on the date of their commencement. For FY2024 the maximum STI opportunity for Mr Nelson was 35.2%.

**(b) Remuneration mix based on maximum incentive opportunity**

	FY2025			FY2024		
	TFR %	STI %	LTI %	TFR %	STI %	LTI %
MD&CEO	33	Nil	67	33	8	58
Other Executive KMP <sup>(1)</sup>	40	Nil	60	45	11	43

<sup>(1)</sup> For FY2024, the remuneration mix for Mr Nelson differed from Other Executive KMP due to a pro-rata increase in the maximum STI opportunity. For FY2024 the remuneration mix based on the maximum incentive opportunity for Mr Nelson was TFR 43%, STI 15% and LTI 41%.

#### 9.4.5 Link between performance and Executive KMP remuneration

The short-term and long-term incentive plans offered to Executive KMP in FY2024 were designed to provide a direct link between remuneration outcomes and Company performance over the short-term (12 months) and long-term (3 years).

The following table provides a summary of key financial metrics for the Company for 30 June 2024 and the previous five financial years. As the Company does not yet generate revenues, achievement of strategic objectives, long-term Company share price performance and TSR are considered to be the most appropriate metric with which to link performance to remuneration.

	2020	2021	2022	2023	2024
Share price at 30 June	\$0.995	\$7.42	\$3.78	\$6.26	\$1.42
Change in share price during period	729%	646%	(49%)	66%	(77%)
Market capitalisation	\$302m	\$2,574m	\$1,405m	\$2,422m	\$552m
Long term - 3 Year TSR to 30 June	756%	6,283%	3,050%	539%	(80%)
Loss after Income Tax (\$'000)	\$2,659	\$43,193	\$18,305	\$65,602	\$39,498

#### 9.4.6 Total Fixed Remuneration (TFR)

TFR comprises cash salary including statutory superannuation. The level of TFR is set to provide a base level of remuneration which is both appropriate for the position and competitive in the market. The Company aims to set TFR in accordance with market rates. However, the Board may use its discretion to pay above this to attract and retain key employees to achieve the Company's strategic goals. TFR is reviewed on no less than an annual basis by the RNC and approved by the Board, having regard to the Company, individual performance, and the remuneration paid for similar positions by comparable companies in the mining industry. No guaranteed TFR increases are provided to Executive KMP.

For FY2024, the RNC and Board reviewed the remuneration of Executive KMP having regard to the increasing scale and complexity of the Company's activities and internally generated benchmark information derived from a comparator group consisting of producing and development companies within the mining industry. The comparator group selected reflected where executive talent may be "recruited from" or "lost to".

In January 2024, due to a deterioration in market conditions impacting the resources sector, particularly nickel and platinum group metals, the Company took decisive action to minimise expenditure in order to maintain its strong financial position. As a result of this expenditure review, and in conjunction with a rationalisation of the Company's management structure, several Executive KMP agreed to a reduction in their TSR to preserve the Company's cash. The reductions to Executive KMP TFR were effective from 1 February 2024.

#### Changes to TFR for FY2025

In June 2024, the RNC, reviewed the remuneration of Executive KMP having regard to internally generated benchmark information derived from a comparator group consisting of development companies within the mining industry. As a result of this review and consistent with the Company's focus on conserving cash, effective 1 July 2024, no increases in Executive KMP TFR were made, other than to reflect the statutory increase in superannuation from 11% to 11.5%.

The following table presents the outcomes to Executive KMP TFR, inclusive of superannuation, as a consequence of the reviews outlined above:

Name	From 1 July 2024 \$	From 1 February 2024 \$	From 1 July 2023 \$
<b>Executive KMP</b>			
Alex Dorsch	504,932	502,399	600,000
Mike Nelson	404,932	402,399	482,172
Chris MacKinnon	329,932	327,399	350,000
Kevin Frost	329,932	327,399	370,000
Soolim Carney	372,233	370,000	370,000
<b>Former Executive KMP</b>			
Richard Hacker <sup>(1)</sup>	N/A	346,283	370,000
Bruce Kendall <sup>(2)</sup>	N/A	370,000	370,000

<sup>(1)</sup> Mr Hacker ceased to act as Executive KMP from 29 February 2024.

<sup>(2)</sup> Mr Kendall resigned as General Manager – Exploration on 30 April 2024

#### 9.4.7 Short Term Incentive (STI) Plan

##### (a) Key questions and answers on how the STI Plan works

Question	Answer
<b>Why did the Board consider a STI Plan is appropriate?</b>	<p>The purpose of the STI Plan is to make a proportion of the total remuneration package subject to meeting various short-term, non-financial performance measures that are aligned with Chalice's strategic plan, thereby strengthening the link to remuneration and Company performance.</p> <p>For FY2025, no cash based STI will be awarded in favour of increasing the emphasis on the LTI. This ensures Chalice's financial strength is maintained, employees are closely aligned with shareholders and focused on long-term strategic priorities.</p>
<b>How is it paid?</b>	<p>For FY2024, STI awards for Executive KMP were paid in cash according to the extent of achievement of the applicable performance measures. There is no re-testing of performance measures after the measurement date.</p>
<b>What is the performance period?</b>	<p>STI awards are assessed over a 12-month period aligned with the Company's financial year.</p>
<b>How much can the Executive KMP earn?</b>	<p>For FY2024, the maximum STI opportunity as a percentage of TFR for the MD&amp;CEO and other Executive KMP was 25% (except Mr Nelson being 35.2%, as a result of a pro-rata adjustment due to his date of commencement). If performance against any measurement objective is assessed as not being met or below threshold, subject to the discretion of the Board, no outcome is awarded for that measure. The determination as to whether the performance measures have been met by the Company and the calculation of the amount payable under the STI Plan is at the absolute discretion of the Board.</p>
<b>How is performance assessed?</b>	<p>Performance measures include Group KPIs which are aligned to the Group's strategic plan and values. The Board, with the assistance of the RNC sets and assesses achievement of each performance measure as at the end of the financial year.</p>
<b>What were the performance measures for FY2024?</b>	<p>Performance measures for the MD &amp; CEO include those relating to exploration objectives (weighting 40%), project definition objectives (weighting 10%), project development and project approval objectives (weighting 20%), and commercial objectives (weighting 30%).</p> <p>The STI award calculated after assessing the performance measures is subject to a potential reduction (downward scaling factors) of up to 50% for breaches of certain sustainability criteria (health, safety, environment, and community). The Board retains discretion to adjust downwards by up to 100% any STI award in the event of a major or catastrophic consequence safety incident.</p> <p>The performance period for the FY2024 STI is the financial year ending 30 June 2024.</p> <p>Outcomes of the FY2024 STI are disclosed in section 9.4.7(b) below.</p>
<b>Who is eligible to participate in the STI Plan?</b>	<p>All Executive KMP are eligible to participate in the STI Plan. All permanent and fixed term employees of Chalice are also eligible to participate.</p>
<b>What happens to STI awards when an Executive ceases employment?</b>	<p>Subject to the discretion of the Board, Executive KMP must be an employee of Chalice at the end of the performance period on 30 June each year to remain eligible.</p>

## (b) STI Performance and Outcomes for FY2024

The Board determined that 16.67% of the maximum FY2024 STI award be paid to Executive KMP (including the MD&CEO). The following table sets out the actual STI outcomes (inclusive of superannuation) for each Executive KMP for the year ended 30 June 2024.

Name	Maximum STI Opportunity	Actual STI Outcome		Cash STI Outcome
	(% of TFR)	(% of maximum)	(% of TFR)	\$
Alex Dorsch	25	16.67	5	23,309
Mike Nelson <sup>(1)</sup>	35.2	16.67	6	23,966
Chris MacKinnon	25	16.67	4	14,194
Kevin Frost	25	16.67	4	14,671
Soolim Carney	25	16.67	4	15,420
<b>Former Executive KMP</b>				
Richard Hacker	25	16.67	6	8,690

<sup>(1)</sup> Mr Nelson was appointed on 1 February 2023. Under the Remuneration Policy, Executive KMP that commence after 1 October, may have their incentive opportunities for the following year increased by a pro-rata amount based on the date of their commencement. For FY2024 the maximum STI opportunity for Mr Nelson was 35.2%

Below is a summary of the basis for determining the FY2024 STI outcome for the performance period 1 July 2023 to 30 June 2024, including commentary on achievements versus performance measures and the award percentage.

FY2024 STI Objective and Target	Outcome and Commentary on Performance
<b>1. Exploration (Max. weighting: 15%)</b>  Make at least one new discovery (excluding and discontinuous to known Gonneville-Hooley-Dampier deposits) which is reportable according to the DMIRS 'Reporting Mineral Discoveries (Minerals of Economic Interest) – Guidance Note'.	<b>0% awarded</b>  It was determined that no new discovery discontinuous to the Gonneville-Hooley-Dampier deposits was made during the performance period.
<b>2. Exploration (Max. weighting: 25%)</b>  Make at least one material new discovery (excluding and discontinuous to the known Gonneville deposit but including a new discovery which satisfies goal 1 above or upgrading Hooley to be a material discovery) which shows the potential to be economic based on Board approved assumptions. In assessing materiality of a discovery, the Board shall consider this in context to the Company's market capitalisation and/or existing resource base.	<b>0% awarded</b>  It was determined that neither a new material discovery outside of Gonneville or Hooley was upgraded to a material discovery during the performance period.
<b>3. Development (Max. weighting: 10%)</b>  Increase Gonneville MRE3 (March 2023 >0.6% NiEq cut-off) resource average grade predicted metallurgical nickel recoveries by a factor of 10%, demonstrated through test work, without significantly impacting estimated operating expenditures.  <b>OR</b> Develop a hydrometallurgical process flowsheet which has the potential to be economic based on piloting and Board approved assumptions, for nickel concentrate enrichment.	<b>0% awarded</b>  It was determined that neither the nickel recovery objective or the economic hydrometallurgical process flowsheet objective were achieved at 30 June 2024.

FY2024 STI Objective and Target	Outcome and Commentary on Performance
<p><b>4. Development (Max. weighting: 10%)</b></p> <p>Secure Lead Agency Status from WA State Government for the Julimar Project.</p> <p><b>AND</b></p> <p>Refer the Gonneville starter mine for major environmental approvals.</p> <p><b>AND</b></p> <p>Secure approval of CMP3 for exploration drilling along entire Julimar Complex within the Julimar State Forest.</p>	<p><b>6.67% awarded</b></p> <p>The WA State Government did not grant Lead Agency Status for the Gonneville Project until September 2024.</p> <p>The referral of the Gonneville Project for environmental approvals was submitted on 31 March 2024.</p> <p>Approval of CMP3 for drilling of the remainder of the Julimar Complex within the Julimar State Forest was announced to the ASX on 6 December 2023.</p> <p>Whilst only two of the three objectives were achieved, in recognition of the achievement of two material objectives that were acknowledged to be within the control of the Company, the Board exercised its discretion and determined that a pro rata of 6.67% be awarded.</p>
<p><b>5. Development (Max. weighting: 10%)</b></p> <p>Develop a technically feasible solution for all the key infrastructure requirements for the Gonneville development, including:</p> <ul style="list-style-type: none"> <li>« Water</li> <li>« Power</li> <li>« Logistics</li> </ul>	<p><b>10% awarded</b></p> <p>Technically feasible solutions have been demonstrated for a number of key infrastructure requirements, including, water, power and logistics to a sufficient level for inclusion in the referral of the Gonneville Project for environmental approvals that was submitted on 31 March 2024 and the scoping study lodged with the ASX on 29 August 2023.</p>
<p><b>6. Development (Max. weighting: 30%)</b></p> <p>Secure formal involvement (through JV, equity or strategic alliance) of a strategic partner in the Gonneville Project.</p>	<p><b>0% awarded</b></p> <p>It was determined that this objective was not achieved by 30 June 2024.</p>
<p><b>7. Sustainability Measures Modifier</b></p> <p>The FY2024 STI incorporated a Sustainability Measures modifier that allows the Board to adjust the FY2024 STI award downwards by up to 100% if specified Sustainability objectives are not met.</p> <p><b>Health &amp; Safety Measure</b></p> <ul style="list-style-type: none"> <li>« A major or catastrophic consequence safety incident (i.e. permanent disability or death.) Potential downward scaling factor of 50-100%.</li> <li>« A high potential safety 'near miss' caused by a safety system failure. Potential downward scaling factor of 0-20%.</li> <li>« A lost time injury that resulted in greater than 2 weeks of impact. Potential downward scaling factor of 5%.</li> </ul> <p><b>Environmental Measure</b></p> <ul style="list-style-type: none"> <li>« A reportable environmental incident that results in a statutory reporting requirement (including spills, loss of containment, etc.) Potential downward scaling factor of 5%.</li> </ul> <p><b>Social</b></p> <ul style="list-style-type: none"> <li>« A material breach of any Programme of Work or tenement condition. Potential downward scaling factor of 30%.</li> <li>« An incident or dispute resulting in the permanent loss of land access on a material property or the immediate halting of all operations on any site. Potential downward scaling factor of 15%.</li> </ul>	<p><b>0% downward modifier</b></p> <p>The Board assessed the company-wide sustainability performance metrics and determined that there were no breaches requiring a downward scaling factor to be applied to the FY2024 STI award.</p>

## 9.4.8 Long Term Incentive (LTI) Plan

### (a) Key questions and answers on how the LTI Plan works

Question	Answer
<b>Why does the Board consider a LTI Plan is appropriate?</b>	The Board believes that a LTI Plan which is designed to be aligned to the strategic objectives of the Company can drive performance and optimise long term shareholder value. An effective LTI Plan can create an immediate ownership mindset among Executive KMP participants, linking a substantial portion of potential reward to Chalice's share price and returns to shareholders. The award of LTI's is an important component of remuneration to attract and retain the talented Executive KMP in a highly competitive market.
<b>How is the LTI award delivered?</b>	LTI awards are delivered in performance rights, granted for no consideration to Executive KMP in accordance with the Company's Employee Securities Incentive Plan ("Plan"). Each performance right is exercisable into a fully paid ordinary share for no consideration if performance measures as set by the Board are met i.e., the performance rights vest. If the performance measures are not met by the measurement date, which is 3 years from the date of the commencement of the performance period, the performance rights are forfeited with no ordinary shares being issued. There is no re-testing of performance measures after the measurement date.
<b>Who is eligible to participate in the LTI Plan?</b>	All Executive KMP, full-time employees and permanent part-time employees (including executive directors) of the Company are eligible participants. Shareholder approval is required before any director or their related party can participate. It is the policy of the Company that Non-executive Directors are not awarded performance rights under the LTI Plan.
<b>How many Performance Rights are issued to Executive KMP?</b>	The Board has the discretion to make annual awards of performance rights with the level of the award dependent on an Executive KMP's position within the Company and their TFR. The number of performance rights issued is determined by dividing the Executive KMP's LTI opportunity (calculated as a percentage of TFR) by the 20-day volume weighted average price prior to the first trading day of the performance period. For FY2024, the MD&CEO received performance rights valued at 175% of TFR and other Executive KMP received performance rights valued at 95% of TFR. For FY2025, the MD&CEO has been offered performance rights equal to 200% of TFR, subject to shareholder approval and other Executive KMP have received performance rights equal to 150% of TFR.
<b>What is the performance period?</b>	3 years – for example, the issue of FY2024 performance rights have a performance period commencing on 1 July 2023, with a measurement date of 30 June 2026, being the date at which the Board will determine if the performance measures are met.
<b>How is performance assessed?</b>	Performance measures include Group KPIs which are aligned to the Group's strategic plan and values. Performance measures typically include a mixture of measures linked to key strategic objectives, Absolute total shareholder return (ATSR) and Relative total shareholder return (RTSR) share price performance measures. The Board, with the assistance of the RNC sets and assesses achievement of each KPI at the measurement date.
<b>What are the performance measures for the performance rights?</b>	Refer to 9.4.8(c) for the FY2021-22 tranche Refer to 9.4.8(d) for the FY2022-23 tranche Refer to 9.4.8(e) for the FY2023-24 tranche Refer to 9.4.8(f) for the FY2024-25 tranche
<b>What is the expiry date of the performance rights?</b>	From 1 July 2024, performance rights expire 6 years from the commencement date of the performance period. Performance rights currently on issue and granted prior to 1 July 2024, expire 5 years from the commencement date of the performance period.

Question	Answer
<b>What is ATSR and how is it measured?</b>	<p>ATSR is a method of calculating the return shareholders would earn if they held a notional number of shares over the performance period based on a 20-day VWAP prior to the measurement date. TSR measures the growth in the company's share price together with the value of the dividends during the performance period, assuming all dividends are re-invested into new shares. For the FY2023-24 Performance Rights, with a 3-year performance period, a maximum 20% of the total tranche of performance rights issued to Executive KMP will be measured against the ATSR performance criteria. For the FY2024-25 Performance Rights the maximum amount that will be measured against the ATSR performance criteria has been increased to 30% of the total tranche of performance rights issued to Executive KMP. The increase in weighting to the ATSR objective reinforces the direct alignment between vesting outcomes and the shareholder experience. This higher weighting has been undertaken in conjunction with increasing the ATSR outcome required to attain the maximum weighting from 72.8% to 119.7% over the three-year performance period.</p>
<b>What is RTSR and how is it measured?</b>	<p>RTSR is a method for calculating the return shareholders would earn if they held a notional number of shares over the performance period measured against a comparator group based on a 20-day VWAP at the measurement date. TSR measures the growth in a company's share price together with the value of dividends during the period, assuming that all of those dividends are re-invested into new shares. For the FY2023-24 Performance Rights, with a 3-year performance period, a maximum of 40% of the total tranche of performance rights issued to Executive KMP will be measured against RTSR performance criteria using the ASX300 Metals and Mining Index as a comparator group. For the FY2024-25 Performance Rights the maximum amount that will be measured against the RTSR performance criteria has been decreased to 30% of the total tranche of performance rights issued to Executive KMP. This decrease in weighting creates an equal balance between RTSR and ATSR objectives, increasing shareholder alignment and encouraging management to focus on and be rewarded for absolute value growth. Despite the reduced weighting, RTSR still retains significant importance, ensuring a balanced approach that assesses management's performance relative to the Company's performance against the ASX300 Metals and Mining Index.</p>
<b>For FY2023 onwards, why is the ASX300 Metals and Mining Index an appropriate comparator comparing RTSR?</b>	<p>The ASX300 Metals and Mining Index includes a diverse group of resource companies against which Chalice's share price performance can be appropriately benchmarked. Benchmarking against numerous comparable companies within the index minimises the impact of fluctuations in commodity prices to illustrate how effective management have been in creating value from the Group's assets.</p>
<b>Is there a deferral mechanism?</b>	<p>There is currently no deferral mechanism applied to vested performance rights.</p>
<b>What happens to performance rights when an Executive KMP ceases employment?</b>	<p>Unvested performance rights will automatically be forfeited by the participant, unless the Board uses discretion to permit some or all of the performance rights to vest or to allow the participant to hold the LTI award to be tested against performance conditions at the end of the performance period. Examples of the circumstances when the Board may decide to exercise its discretion includes where a participant becomes a leaver due to death, redundancy, permanent disability, mental incapacity, or retirement.</p>
<b>What happens in the event of a change of control?</b>	<p>If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the participant's performance rights will be dealt with, including, without limitation, allowing the participant to participate in and/or benefit from any transaction arising from the change of control event.</p>
<b>Are there malus or clawback provisions?</b>	<p>Where the Board determines that a participant has acted fraudulently or dishonestly; or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested convertible securities held by that participant to have been forfeited. The Plan rules do not allow the forfeiture of vested convertible securities.</p>
<b>Can the Board use its discretion to vary the maximum weightings?</b>	<p>Where required, the Board may, acting reasonably and in good faith, use its discretion to vary the LTI maximum weightings and allocate the attributable weightings to other milestones.</p>

**(b) Summary of LTI Performance Rights Issued to Executive KMP**

Series	Issue date	Measurement date	Expiry date	Status	Section
<b>FY2021-22</b>	23 September 2021 24 November 2021 (MD&CEO)	30 June 2024	30 June 2026	Assessed at 30 June 2024. 20% vested in FY2025	9.4.8(c)
<b>FY2022-23</b>	5 September 2022 23 November 2022 (MD&CEO) 1 February 2023	30 June 2025	30 June 2027	Issued – not yet tested	9.4.8(d)
<b>FY2023-24</b>	30 August 2023 23 November 2023 (MD&CEO) 20 February 2024	30 June 2026	30 June 2028	Issued – not yet tested	9.4.8(e)
<b>FY2024-25</b>	26 September 2024	30 June 2027	30 June 2030	Issued – not yet tested	9.4.8(f)

**(c) LTI Performance Outcomes - FY2021-22 Performance Rights****Summary of Terms**

<b>Financial Year of Issue</b>	30 June 2022
<b>Performance Period</b>	3 years (1 July 2021 – 30 June 2024)
<b>Award Opportunity</b>	MD&CEO - 100% of TFR Other Executive KMP –75% of TFR
<b>Status</b>	Tested in July 2024 at the measurement date of 30 June 2024, with 20% vesting.

The table below outlines the FY2021-21 performance rights granted to Executive KMP. In July 2024, the Board, following a recommendation from the RNC determined that 20% of the FY2021-22 performance rights vested due to the achievement of the performance conditions measured over the three years ended 30 June 2024.

The vested performance rights can be exercised into an equivalent number of fully paid ordinary shares in accordance with their terms prior to their expiry date. All unvested FY2021-22 Performance Rights were forfeited.

The table below outlines the FY2021-22 performance rights granted to Executive KMP:

Series	KMP	Number of Rights	Number of Rights Vested	Measurement Date	Expiry date
FY2021-22	Alex Dorsch	65,531	13,106	30 June 2024	30 June 2026
	Chris MacKinnon <sup>(1)</sup>	15,415	3,083	30 June 2024	30 June 2026
	Kevin Frost	34,404	6,880	30 June 2024	30 June 2026
	Soolim Carney	50,895	10,179	30 June 2024	30 June 2026
	<b>Former Executive KMP</b>			30 June 2024	30 June 2026
	Richard Hacker	34,404	6,880	30 June 2024	30 June 2026
	Bruce Kendall <sup>(2)</sup>	34,404	6,880	30 June 2024	30 June 2026

<sup>(1)</sup> Performance rights issued to Mr MacKinnon prior to becoming Executive KMP upon his appointment as CFO on 16 March 2023.

<sup>(2)</sup> Mr Kendall resigned on 30 April 2024, the Board exercised its discretion to allow Mr Kendall to retain the FY2021-22 Performance Rights under the "good leaver" provisions of the Employee Securities Incentive Plan.

The following table outlines for the FY2021-22 Performance Rights, the key performance conditions, the weightings of each performance condition and the outcome assessed for the performance period from 1 July 2021 to 30 June 2024, including commentary on achievements versus performance measures and the award percentage:

No.	FY2021-22 Performance Conditions and Weightings	Outcome and Commentary on Performance
1.	<p><b>Sustainability (Max. weighting 20%)</b> Achieve inclusion into the S&amp;P/ASX 200 ESG Index by 30 June 2024.</p>	<p><b>Outcome: 20% awarded</b> On 9 December 2023, S&amp;P Global notified the Company that it became a constituent of the S&amp;P Dow Jones Sustainability Index Australia. The index represents the top 30% of companies in the S&amp;P/ASX 200 based on long-term economic, environmental, and social criteria.</p>
2.	<p><b>Generative Exploration, Project Definition and Strategic (Max. weighting 30%)</b> Generate significant value, on an existing or new asset (either operated or non-operated), through the achievement of several strategic objectives that exceed stretch targets, pre-determined by the Board by resolution on 16 August 2021, including:</p> <ul style="list-style-type: none"> <li>« Define a new, material JORC Mineral Resources (excluding Gonneville) which show the potential to be economic;</li> <li>« Increase materially an existing JORC Mineral Resource;</li> <li>« Define JORC Mineral Reserves or a material increase in JORC Mineral Reserves; and</li> <li>« Disposal of a material asset (as part of an asset sale, joint venture or corporate transaction).</li> </ul>	<p><b>Outcome: 0% awarded</b> None of the strategic objectives were achieved to a level that exceeded the stretch targets as set by the Board.</p>
3.	<p><b>Absolute TSR measure (Max. weighting 25%)</b> A proportional LTI payment shall be made which is directly proportional to the Total Shareholder Return (TSR) from 1 July 2021 to 30 June 2024. The proportion paid is calculated as:</p> <ul style="list-style-type: none"> <li>« If 3-yr TSR &lt;10% p.a (equivalent to &lt;33.1% increase in share price) – 0%</li> <li>« If 3-yr TSR between 10-20% p.a (equivalent to 33.1-72.8% increase in share price) - weighting pro-rata between 5-25%</li> <li>« If 3-yr TSR &gt;20% p.a (equivalent to &gt;72.8% increase in share price) – weighting 25%</li> </ul>	<p><b>Outcome: 0% awarded</b> Absolute TSR hurdle was not achieved. The Company achieved a 3-yr TSR of (80%).</p>
4.	<p><b>Relative TSR compared to peer group. (Max. weighting 25%)</b> A proportional LTI payment shall be made where the TSR exceeds the median TSR of the peer group, between 1 July 2021 and 30 June 2024. The proportion paid is calculated as:</p> <ul style="list-style-type: none"> <li>« If TSR &lt;50th percentile – 0%</li> <li>« If TSR between 50th and 75th percentile - weighting pro-rata between 5-25%</li> <li>« If TSR &gt;75th percentile – weighting 25%</li> </ul> <p>As an illustrative example: If the TSR is at the 65th percentile, 17% of the performance measure would be deemed to have been met – calculated as <math>((65\%-50\%)/(75\%-50\%)) \times (25\%-5\%) + 5\%</math></p> <p>The comparators companies include the following ASX-listed companies: Pilbara Minerals Limited, Zimplats Holding Limited, Alkerm, Brockman Mining Limited, De Grey Mining Limited, Perseus Mining Limited, Piedmont Lithium Limited, Oceanagold Corporation, Ramelius Resources Limited, Sandfire Resources NL, Gold Road Resources Limited, Mount Gibson Iron Limited.</p>	<p><b>Outcome: 0% awarded</b> Relative TSR hurdle was not achieved. The Company achieved a relative TSR at the 8<sup>th</sup> percentile.</p>

**(d) FY2023 LTI - Performance Rights FY2022-23****Summary of Terms**

<b>Financial Year of Issue</b>	30 June 2023
<b>Performance Period</b>	3 years (1 July 2022 – 30 June 2025)
<b>Award Opportunity</b>	MD&CEO - 175% of TFR Other Executive KMP – 44% to 95% of TFR
<b>Status</b>	Not yet tested or vested

The table below outlines the FY2022-23 performance rights held by Executive KMP.

Series	KMP	Number of Rights	Measurement Date	Expiry date
FY2022-23	Alex Dorsch	228,938	30 June 2025	30 June 2027
	Mike Nelson	121,775	30 June 2025	30 June 2027
	Chris MacKinnon <sup>(1)</sup>	43,168	30 June 2025	30 June 2027
	Kevin Frost	79,118	30 June 2025	30 June 2027
	Soolim Carney	73,652	30 June 2025	30 June 2027
	<b>Former Executive KMP</b>			
	Richard Hacker	86,997	30 June 2025	30 June 2027

<sup>(1)</sup> Performance rights issued to Mr MacKinnon prior to becoming Executive KMP upon his appointment as CFO on 16 March 2023.

The following table outlines key business objectives and the weightings of the performance conditions:

**No. FY2022-23 Performance Conditions and Weightings****1. Generative Exploration, Project Definition, Pre-development and Strategic (Max. weighting 40%)**

Generate significant value, on an existing or new asset (either operated or non-operated), through the achievement of several strategic objectives that exceed stretch targets as pre-determined by the Board, including:

- « Define new, material JORC Mineral Resources (excluding Gonneville);
- « Increase materially an existing JORC Mineral Resource;
- « Define JORC Mineral Reserves or a material increase in JORC Mineral Reserves;
- « Complete a Feasibility Study for the Gonneville starter mine;
- « Submit all technical studies required for major environmental approvals for Gonneville;
- « Secure a pathway to obtaining granted mining licences within the Julimar State Forest; and
- « Sell or divest a material asset (as part of an asset sale, joint venture or corporate transaction).

**2. Absolute TSR measure (Max. weighting 20%)**

A proportional LTI payment shall be made which is directly proportional to the Total Shareholder Return (TSR) from 1 July 2022 to 30 June 2025. The proportion paid is calculated as:

- « If 3-yr TSR <10% p.a (equivalent to <33.1% increase in share price) – 0%
- « If 3-yr TSR between 10-20% p.a (equivalent to 33.1-72.8% increase in share price) - weighting pro-rata between 5-20%
- « If 3-yr TSR >20% p.a (equivalent to >72.8% increase in share price) – weighting 20%.

**3. Relative TSR compared to peer group. (Max. weighting 40%)**

A proportional LTI payment shall be made where the TSR exceeds the median TSR of the ASX 300 Metals and Mining Index, between 1 July 2022 and 30 June 2025. The proportion paid is calculated as:

- « If TSR <50th percentile – 0%
- « If TSR between 50th and 75th percentile - weighting pro-rata between 5-40%
- « If TSR >75th percentile – weighting 40%

As an illustrative example: If the TSR is at the 65th percentile, 26% of the performance measure would be deemed to have been met – calculated as  $((65\%-50\%)/(75\%-50\%)) \times (40\%-5\%) + 5\%$ .

## (e) FY2024 LTI - Performance Rights FY2023-24

Summary of Terms	
<b>Financial Year of Issue</b>	30 June 2024
<b>Performance Period</b>	3 years (1 July 2023 – 30 June 2026)
<b>Award Opportunity</b>	MD&CEO - 175% of TFR Other Executive KMP - 95% of TFR
<b>Status</b>	Not yet tested or vested

The table below outlines the FY2023-24 performance rights granted to Executive KMP.

Series	KMP	Number of Rights	Measurement Date	Expiry date
FY2023-24	Alex Dorsch	154,574	30 June 2026	30 June 2028
	Mike Nelson	67,433	30 June 2026	30 June 2028
	Chris MacKinnon	48,948	30 June 2026	30 June 2028
	Kevin Frost	51,745	30 June 2026	30 June 2028
	Soolim Carney	51,745	30 June 2026	30 June 2028
	<b>Former Executive KMP</b>			
	Richard Hacker	51,745	30 June 2026	30 June 2028

The following table outlines key business objectives and the weightings of the performance conditions:

No.	FY2023-24 Performance Conditions and Weightings
<b>1.</b>	<p><b>Generative Exploration, Project Definition, Pre-development and Strategic (Max. weighting 40%)</b></p> <p>Generate significant value, on an existing or new asset (either operated or non-operated), through the achievement of several strategic objectives that exceed stretch targets as pre-determined by the Board, including:</p> <ul style="list-style-type: none"> <li>« Define a new, material JORC Mineral Resources Estimate (excluding Gonneville);</li> <li>« Increase materially an existing JORC Mineral Resource Estimate;</li> <li>« Complete a Feasibility Study for the initial stage of development for the Gonneville Project; and</li> <li>« Sell or divest a material asset (as part of an asset sale, joint venture or corporate transaction).</li> </ul>
<b>2.</b>	<p><b>Absolute TSR measure (Max. weighting 20%)</b></p> <p>A proportional LTI payment shall be made which is directly proportional to the Total Shareholder Return (TSR) from 1 July 2023 to 30 June 2026. The proportion paid is calculated as:</p> <ul style="list-style-type: none"> <li>« If 3-yr TSR &lt;10% p.a (equivalent to &lt;33.1% increase in share price) – 0%</li> <li>« If 3-yr TSR between 10-20% p.a (equivalent to 33.1-72.8% increase in share price) - weighting pro-rata between 5-20%</li> <li>« If 3-yr TSR &gt;20% p.a (equivalent to &gt;72.8% increase in share price) – weighting 20%</li> </ul>
<b>3.</b>	<p><b>Relative TSR compared to peer group. (Max. weighting 40%)</b></p> <p>A proportional LTI payment shall be made where the TSR exceeds the median TSR of the ASX 300 Metals and Mining Index, between 1 July 2023 and 30 June 2026. The proportion paid is calculated as:</p> <ul style="list-style-type: none"> <li>« If TSR &lt;50th percentile – 0%</li> <li>« If TSR between 50th and 75th percentile - weighting pro-rata between 5-40%</li> <li>« If TSR &gt;75th percentile – weighting 40%</li> </ul> <p>As an illustrative example: If the TSR is at the 65th percentile, 26% of the performance measure would be deemed to have been met – calculated as <math>((65\%-50\%)/(75\%-50\%)) \times (40\%-5\%) + 5\%</math>.</p>

**(f) FY2025 LTI – Performance Rights FY2024-25****Summary of Terms**

<b>Financial Year of Issue</b>	30 June 2025
<b>Performance Period</b>	3 years (1 July 2024 – 30 June 2027)
<b>Award Opportunity</b>	MD&CEO - 200% of TFR Other Executive KMP - 150% of TFR
<b>Status</b>	Not yet tested or vested

The table below outlines the FY2024-25 performance rights granted to Executive KMP as at the date of this report.

Series	KMP	Number of Rights	Measurement Date	Expiry date
FY2024-25	Alex Dorsch <sup>(1)</sup>	696,458	30 June 2027	30 June 2030
	Mike Nelson	418,895	30 June 2027	30 June 2030
	Chris MacKinnon	341,309	30 June 2027	30 June 2030

<sup>(1)</sup> The performance rights shown for Mr Dorsch are subject to the approval of shareholders at the Company's 2024 AGM.

The following table outlines key business objectives and the weightings of the performance conditions:

**No. FY2024-25 Performance Conditions and Weightings****1. Exploration, Project Definition, Pre-development and Strategic (Max. weighting 40%)**

Generate significant value, on an existing or new asset (either operated or non-operated), through the achievement of several strategic objectives that exceed stretch targets as pre-determined by the Board, including:

- « Make a material new discovery which shows the potential to be economic;
- « Complete a Feasibility Study for the Gonneville Project;
- « Obtain all major regulatory approvals required to make a Final Investment Decision on the Gonneville Project; and
- « Sell or divest a material asset (as part of an asset sale, joint venture or corporate transaction).

**2. Absolute TSR measure (Max. weighting 30%)**

A proportional LTI payment shall be made which is directly proportional to the Total Shareholder Return (TSR) from 1 July 2024 to 30 June 2027. The proportion paid is calculated as:

- « If 3-yr TSR <10% p.a (equivalent to <33.1% increase in share price) – 0%
- « If 3-yr TSR between 10-30% p.a (equivalent to 33.1-119.7% increase in share price) - weighting pro-rata between 5-30%
- « If 3-yr TSR >30% p.a (equivalent to >119.7% increase in share price) – weighting 30%

**3. Relative TSR compared to peer group. (Max. weighting 30%)**

A proportional LTI payment shall be made where the TSR exceeds the median TSR of the ASX 300 Metals and Mining Index, between 1 July 2024 and 30 June 2027. The proportion paid is calculated as:

- « If TSR <50th percentile – 0%
- « If TSR between 50th and 75th percentile - weighting pro-rata between 5-30%
- « If TSR >75th percentile – weighting 30%

As an illustrative example: If the TSR is at the 65th percentile, 20% of the performance measure would be deemed to have been met – calculated as  $((65\%-50\%)/(75\%-50\%)) \times (30\%-5\%) + 5\%$ .

#### 9.4.9 FY2022-23 Retention Rights

During the year ended 30 June 2023, the Board implemented a one-off retention rights plan with no performance hurdles other than meeting a service period of at least 3.5 years.

A summary of the terms of the retention rights is provided in the table below:

Summary of Terms	
<b>Milestone</b>	Continuous employment within the Group for 3.5 years (1 July 2022 – 31 December 2025)
<b>Award Opportunity</b>	MD&CEO – Nil Other Executive KMP – up front, once off award of 19% to 87.5% of TFR
<b>Quantum issued to Executive KMP</b>	During the year ended 30 June 2023, 303,952 FY2022-23 Retention Rights were granted to Executive KMP
<b>Expiry Date</b>	31 December 2027

The table below outlines the FY2022-23 retention rights held by Executive KMP.

Executive KMP	Number of Retention Rights	Measurement Date
Chris MacKinnon	32,376	31 December 2025
Mike Nelson	50,739	31 December 2025
Kevin Frost	72,872	31 December 2025
Soolim Carney	67,837	31 December 2025
<b>Former Executive KMP</b>		
Richard Hacker	80,128	31 December 2025

The FY2022-23 retention rights were a one-off reward for FY2023. No retention rights have been granted for FY2024.

#### 9.4.10 Executive KMP contracts

Remuneration and other terms of employment for Executive KMP are formalised in employment contracts with key terms as follows:

	A Dorsch	C MacKinnon	Other Executive KMP <sup>(1)</sup>
Resignation notice	3 months	3 months	3 months
Termination notice for cause	None	None	None
Termination notice without cause (severance pay)	3 months	3 months	3 months
Diminution of responsibility (severance pay)	6 Months	6 Months	N/A

<sup>(1)</sup> Other Executive KMP includes Dr Carney, Dr Frost, and Mr Nelson.

All employment agreements with Executive KMP are for an unlimited duration. All Executive KMP are entitled to receive pay in lieu of notice and any accrued but untaken annual and long-service leave on cessation of employment.

#### 9.4.11 Executive KMP statutory remuneration table for the year ended 30 June 2024

Executive Key Management Personnel		Short-term Benefits			Post-employment Benefits	Long-term Benefits	Share-based Payments	Total	Performance Related <sup>(9)</sup>
		Salary & Fees <sup>(1)</sup>	Non-monetary Benefits <sup>(2)</sup>	Cash Bonus <sup>(3)</sup>	Super-annuation	Leave <sup>(4)</sup>	Long-term Incentives <sup>(8)</sup>		
		\$	\$	\$	\$	\$	\$	\$	%
<b>MD&amp;CEO</b>									
Alex Dorsch	<b>2024</b>	<b>532,090</b>	<b>4,922</b>	<b>23,309</b>	<b>27,399</b>	<b>(14,289)</b>	<b>295,071</b>	<b>868,502</b>	<b>37</b>
	2023	529,900	10,593	55,250	25,292	36,112	509,239	1,166,386	48
<b>Executive KMP</b>									
Mike Nelson	<b>2024</b>	<b>381,643</b>	<b>6,095</b>	<b>23,966</b>	<b>27,399</b>	<b>(326)</b>	<b>309,152</b>	<b>747,929</b>	<b>30</b>
	2023	189,616	10,735	-	12,646	5,542	140,119	358,658	27
Chris MacKinnon <sup>(5)</sup>	<b>2024</b>	<b>313,184</b>	<b>7,897</b>	<b>14,194</b>	<b>27,399</b>	<b>6,916</b>	<b>116,392</b>	<b>485,982</b>	<b>18</b>
	2023	80,620	3,899	6,108	7,577	9,943	62,758	170,905	20
Kevin Frost	<b>2024</b>	<b>326,808</b>	<b>2,916</b>	<b>14,671</b>	<b>27,399</b>	<b>(2)</b>	<b>188,350</b>	<b>560,142</b>	<b>18</b>
	2023	329,807	2,237	43,966	25,292	49,271	216,259	666,832	27
Soolim Carney	<b>2024</b>	<b>343,290</b>	<b>8,189</b>	<b>15,420</b>	<b>27,399</b>	<b>8,676</b>	<b>183,156</b>	<b>586,130</b>	<b>18</b>
	2023	306,609	25,397	32,742	25,292	10,538	188,918	589,496	25
<b>Former Executives KMP</b>									
Richard Hacker <sup>(6)</sup>	<b>2024</b>	<b>225,317</b>	<b>28,425</b>	<b>8,690</b>	<b>19,641</b>	<b>424</b>	<b>115,610</b>	<b>398,107</b>	<b>13</b>
	2023	350,673	16,183	38,675	25,292	7,254	235,602	673,679	28
Bruce Kendall <sup>(7)</sup>	<b>2024</b>	<b>233,723</b>	<b>45,703</b>	<b>-</b>	<b>19,853</b>	<b>(20,825)</b>	<b>150,979</b>	<b>429,433</b>	<b>16</b>
	2023	328,237	22,679	43,966	25,292	20,825	219,672	660,671	28
<b>Total</b>	<b>2024</b>	<b>2,356,055</b>	<b>104,147</b>	<b>100,250</b>	<b>176,489</b>	<b>(19,426)</b>	<b>1,358,710</b>	<b>4,076,225</b>	
	2023	2,115,462	91,723	220,707	146,683	139,485	1,572,567	4,286,627	

(1) Salary and fees include base salary and additional allowances.

(2) Short-term non-monetary benefits include the cost to the company of providing car parking, income protection insurance and the movement in accrued annual leave entitlements.

(3) Cash bonuses represents the FY2024 STI payable to KMP (inclusive of superannuation).

(4) Long-term benefits relate to the movement in accrued long service leave entitlements during the year.

(5) Mr MacKinnon commenced as Chief Financial Officer (CFO) on 16 March 2023. Prior to this appointment as an Executive KMP, Mr MacKinnon was employed as Business Development and Legal Manager. The remuneration disclosed for the year ended 30 June 2023 for Mr MacKinnon is from the date of appointment as CFO.

(6) The Board carried out a review of Executive KMP in conjunction with the expenditure review announced on 22 January 2024. As a result of this review, effective 29 February 2024, it was determined that as a consequence of a reallocation of responsibilities and authority, the role of Mr Hacker, as General Manager – Strategy and Commercial is no longer classified as Executive KMP. The remuneration disclosed for Mr Hacker is up to 29 February 2024.

(7) Mr Kendall resigned as General Manager – Exploration on 30 April 2024.

(8) The amount disclosed in the table above relates to the non-cash value ascribed to performance rights and retention rights (where applicable) under Australian Accounting Standards using the Black Scholes and Monte Carlo valuation methodologies and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the performance rights and retention rights allocated to this reporting period. This includes negative amounts where a share-based payment expense is reversed due to a non-market-based performance condition not being met or if an adjustment made to the number of performance rights or retention rights that may vest based on a probability of meeting non-market based performance conditions.

(9) Performance related percentages are calculated using the non-cash value ascribed to performance rights (excluding retention rights) allocated to the reporting period (refer footnote 8 above) and the cash bonus payable (STI payable) as a proportion of total compensation.

## 9.5 Non-executive director remuneration

### 9.5.1 Policy & Approach

The Company's Constitution and the ASX Listing Rules specify that the maximum aggregate fees paid to non-executive directors for their role as a director is determined by shareholders. The latest determination was at the 2021 Annual General Meeting (AGM), whereby Shareholders approved a maximum aggregate amount of \$850,000 per annum (including superannuation). The Board is not seeking to increase the non-executive director fee pool at the upcoming 2024 AGM.

The fee structure for non-executive directors is reviewed at least annually by the RNC and approved by the Board. The fee structure is set to:

- « Attract and retain highly qualified directors with appropriate skills and experience;
- « Reflect the time commitment and responsibilities of the role; and
- « Be competitive with comparator companies.

Other than the payment of statutory superannuation benefits, non-executive directors are not entitled to receive retirement benefits.

The Company does not issue convertible securities or performance related remuneration to non-executive directors.

All non-executive directors enter into a letter of appointment with the Company. The letter summarises the Company's policies, terms of appointment, including remuneration, relevant to the office of Non-executive Director.

### 9.5.2 Non-executive director remuneration for FY2024

In July 2023, the Board reviewed the remuneration paid to non-executive directors having regard to internally generated benchmarking against similar companies in the mining industry and the increasing time commitments being placed on Board members. As a result of this review the Board approved an increase in non-executive director fees, effective 1 July 2023. There were no changes to board committee fees.

In January 2024, the Board implemented a 25% reduction in Non-executive Director and committee fees to minimise expenditure and conserve cash in response to a deterioration in market conditions impacting the resources sector, particularly nickel and platinum group metals. This reduction was effective from 1 February 2024.

### 9.5.3 Non-executive director remuneration for FY2025

In August 2024, the Board undertook a review of the Company to reduce expenditure in light of the current metals price environment. This review resulted in the size of the number of Non-executive Directors on the Board being decreased from five to three members.

In conjunction with this restructure, the Board reviewed Non-executive Director and committee fees for FY2025, and it was determined that effective from 1 September 2024, base fees paid to Non-executive Directors will be an inclusive fee with no additional amounts paid for the additional committee appointments accepted as a consequence of the restructure. The inclusive fee has been set at the level each remaining non-executive director was receiving following the January 2024 fee reduction.

### 9.5.4 Summary of non-executive director fees

Non-executive director fees are shown in the table below (inclusive of superannuation). Fees shown for the period 1 July 2023 to 31 January 2024 are for comparative purposes.

	From 1 September 2024 \$	From 1 February 2024 \$	From 1 July 2023 \$
<b>Base Fees (per annum, incl. superannuation)</b>			
Non-executive Chair	155,625	138,750	185,000
Non-executive Directors	91,875	75,000	100,000
<b>Committee Fees (per annum, incl. superannuation)</b>			
Chairperson of Committee	N/A	11,250	15,000
Member of Committee	N/A	5,625	7,500

### 9.5.5 Minimum shareholding requirement for non-executive directors

To align the interests of the Board and shareholders, in the absence of approval from the Board to the contrary, Directors are required to acquire and maintain directly or indirectly through their associates (as defined by the Corporation Act 2001 (Cth)), a minimum number of Shares in the Company, the value of which is equal to 100% of their annual remuneration. The minimum shareholding holding must be reached within five years of appointment to the Board. The value of the Directors shareholding will be determined as the higher of the cost of acquisition or the market value of the Shares. The minimum holding assessment is undertaken at the end of each financial year.

The minimum holding assessment at 30 June 2024 based on a closing share price of \$1.42 for the Directors of the Company as at the date of this report is shown in the table below:

Name	No. Shares Held at 30 June 2024	% of Remuneration	Minimum Holding Requirement	Requirement Date
Derek La Ferla	34,561	75%	Not Achieved	1 October 2025
Alex Dorsch	5,936,341	1,682%	Achieved	13 November 2023
Garret Dixon	152,739	380%	Achieved	21 August 2025
Stephen McIntosh	37,558	120%	Achieved	22 February 2026

### 9.5.6 Non-executive director remuneration FY2024

Non-executive Directors		Short-term Benefits		Post-employment Benefits	Share-based Payments	Total	Performance Related
		Fees \$	Non-monetary Benefits \$	Super-annuation \$	Options \$		\$
Derek La Ferla	2024	167,464	-	18,421	-	185,885	-
	2023	153,409	13,021	16,108	-	182,538	-
Garret Dixon	2024	98,865	-	10,875	-	109,740	-
	2023	86,410	13,021	9,073	-	108,504	-
Jo Gaines <sup>(1)</sup>	2024	94,078	-	10,349	-	104,427	-
	2023	65,330	11,344	6,860	-	83,534	-
Linda Kenyon	2024	94,078	-	10,349	-	104,427	-
	2023	76,923	13,021	8,077	-	98,021	-
Stephen McIntosh	2024	98,865	-	10,875	-	109,740	-
	2023	86,410	13,021	9,073	-	108,504	-
<b>Former Non-executive Directors</b>							
Morgan Ball <sup>(2)</sup>	2024	83,736	-	3,035	-	86,771	-
	2023	83,710	13,021	8,790	-	105,521	-
<b>Total</b>	2024	637,086	-	63,904	-	700,990	-
	2023	552,192	76,449	57,981	-	686,622	-

<sup>(1)</sup> Ms Gaines was appointed as a Non-executive Director on 17 August 2022.

<sup>(2)</sup> Mr Ball resigned as a Non-executive Director on 31 March 2024.

## 9.6 Equity instruments

### 9.6.1 Options issued as compensation

During the financial year, no options over ordinary shares were issued as compensation under the Employee Securities Incentive Plan (ESIP).

### 9.6.2 Options exercised during the year ended 30 June 2024

During the financial year, no options over ordinary shares were exercised under the Employee Share Incentive Plan (ESIP).

### 9.6.3 Performance rights granted as compensation

During the reporting period the following performance rights were issued as compensation to KMP and details of performance rights that vested during the reporting period are as follows:

	Number of performance rights granted	Issue date	Fair value of performance rights at issue date \$	Weighted average fair value per right \$	Expiry date	Number of performance rights vested
<b>Directors</b>						
Alex Dorsch	154,574	23 November 2023	49,680	0.32	30 June 2028	210,060
<b>Executives</b>						
Mike Nelson	67,433	30 August 2023	178,751	2.65	30 June 2028	-
Chris MacKinnon	48,948	30 August 2023	129,751	2.65	30 June 2028	31,542
Kevin Frost	51,745	30 August 2023	137,166	2.65	30 June 2028	120,316
Soolim Carney	51,745	30 August 2023	137,166	2.65	30 June 2028	-
<b>Former Executive KMP</b>						
Richard Hacker	51,745	30 August 2023	137,166	2.65	30 June 2028	120,669
Bruce Kendall <sup>(1)</sup>	51,745	30 August 2023	137,166	2.65	30 June 2028	118,344

<sup>(1)</sup> 51,745 performance rights granted to Mr Kendall during the reporting period were subsequently forfeited on his resignation.

The value of performance rights issued during the year is the fair value of performance rights calculated at the issue date using the Monte Carlo simulation model (market based conditions) and the Black Scholes option valuation methodology (non-market based conditions) that takes into account the term of performance rights, the share price at the issue date and expected volatility of the underlying performance right, the expected dividend yield, the risk free rate for the term of the performance right and the correlations and volatilities of the peer companies. The total value of the performance rights granted is included in the table above. This amount is allocated to remuneration over the vesting period. Refer to Note 17 of the financial statements for model inputs for the performance rights issued during the year.

Details of the vesting profile of performance rights issued as remuneration to each KMP of the Group are outlined below:

	Series	Number of Performance Rights	Issue date	% vested in year	% forfeited/lapsed in year	Measurement Date
<b>Directors</b>						
Alex Dorsch	FY2020-21	280,081	25 November 2020	75%	25%	30 June 2023
	FY2021-22	65,531	24 November 2021	-	-	30 June 2024
	FY2022-23	228,938	23 November 2022	-	-	30 June 2025
	FY2023-24	154,574	23 November 2023	-	-	30 June 2026
<b>Executives</b>						
Chris MacKinnon	FY2020-21	34,556	2 September 2020	75%	25%	30 June 2023
	FY2020-21	7,500	26 November 2020	75%	25%	30 June 2023
	FY2021-22	15,415	23 September 2021	-	-	30 June 2024
	FY2022-23	43,168	5 September 2022	-	-	30 June 2025
	FY2023-24	48,948	30 August 2023	-	-	30 June 2026
Kevin Frost	FY2020-21	160,422	2 September 2020	75%	25%	30 June 2023
	FY2021-22	34,404	23 September 2021	-	-	30 June 2024
	FY2022-23	79,118	5 September 2022	-	-	30 June 2025
	FY2023-24	51,745	30 August 2023	-	-	30 June 2026
Soolim Carney	FY2021-22	50,895	21 September 2021	-	-	30 June 2024
	FY2022-23	73,652	5 September 2022	-	-	30 June 2025
	FY2023-24	51,745	30 August 2023	-	-	30 June 2026
Mike Nelson	FY2022-23	121,775	1 February 2023	-	-	30 June 2025
	FY2023-24	67,433	30 August 2023	-	-	30 June 2026
<b>Former Executive KMP</b>						
Richard Hacker	FY2020-21	160,893	2 September 2020	75%	25%	30 June 2023
	FY2021-22	34,404	23 September 2021	-	-	30 June 2024
	FY2022-23	86,997	5 September 2022	-	-	30 June 2025
	FY2023-24	51,745	30 August 2023	-	-	30 June 2026
Bruce Kendall <sup>(1)</sup>	FY2020-21	157,792	2 September 2020	75%	25%	30 June 2023
	FY2021-22	34,404	23 September 2021	-	-	30 June 2024
	FY2022-23	79,118	5 September 2022	-	100%	30 June 2025
	FY2023-24	51,745	30 August 2023	-	100%	30 June 2026

<sup>(1)</sup> The Board exercised its discretion to allow Mr Kendall to retain 34,404 FY2021-22 Performance Rights under the "good leaver" provisions of the Employee Securities Incentive Plan. The remaining unvested performance rights held by Mr Kendall were forfeited on resignation.

#### 9.6.4 Performance Rights exercised during the year ended 30 June 2024

	Date of exercise	Grant Date	No. of performance rights exercised	Exercise price per share \$	No. of Shares Issued	Value of performance rights exercised <sup>(1)</sup> \$
<b>Directors</b>						
Alex Dorsch	2 September 2023	25 November 2020	210,060	Nil	210,060	768,614
<b>Executives</b>						
Chris MacKinnon	31 August 2023	2 September 2020	25,917	Nil	25,917	99,783
	31 August 2023	26 November 2020	5,625	Nil	5,625	21,657
Kevin Frost	21 June 2024	2 September 2020	120,316	Nil	120,316	160,319
<b>Former Executive KMP</b>						
Richard Hacker	1 September 2023	2 September 2020	120,669	Nil	120,669	441,531
Bruce Kendall	31 August 2023	2 September 2020	60,000	Nil	60,000	231,007
	2 September 2023	2 September 2020	58,344	Nil	58,344	219,541

<sup>(1)</sup> The value of each exercised performance right is based on Chalice's 5-day VWAP prior to the date of exercise.

#### 9.6.5 Retention Rights granted as compensation

During the reporting period no retention rights were issued as compensation to Executive KMP and no retention rights vested during the reporting period.

Details of the vesting profile of retention rights issued as remuneration to each KMP of the Group are outlined below:

	Series	Number of Retention Rights	Issue date	% vested in year	% forfeited/lapsed in year	Measurement Date
<b>Executives</b>						
Kevin Frost	FY2022-23	72,872	5 September 2023	-	-	31 December 2025
Chris MacKinnon	FY2022-23	32,376	5 September 2023	-	-	31 December 2025
Mike Nelson	FY2022-23	50,739	1 February 2023	-	-	31 December 2025
Soolim Carney	FY2022-23	67,837	5 September 2023	-	-	31 December 2025
<b>Former Executive KMP</b>						
Richard Hacker	FY2022-23	80,128	5 September 2023	-	-	31 December 2025
Bruce Kendall	FY2022-23	72,872	5 September 2023	-	100	31 December 2025

#### 9.6.6 Retention Rights exercised during the year ended 30 June 2024

No retention rights were exercised during the year ended 30 June 2024.

#### 9.6.7 Equity holdings of key management personnel

##### (a) Option holdings of key management personnel

No options were held by KMP at 30 June 2024. No options were granted to KMP and no options were forfeited or lapsed during the year ended 30 June 2024.

## (b) Performance rights held by key management personnel

The movement during the reporting period in the number of performance rights in the Group held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 1 July 2023	Granted as compensation	Exercised	Forfeited/Lapsed	Held at 30 June 2024	Vested during the year	Vested and exercisable at 30 June 2024
<b>Directors</b>							
Derek La Ferla	-	-	-	-	-	-	-
Alex Dorsch	574,550	154,574	(210,060)	(70,021)	449,043	210,060	-
Morgan Ball	-	-	-	-	-	-	-
Garret Dixon	-	-	-	-	-	-	-
Jo Gaines	-	-	-	-	-	-	-
Linda Kenyon	-	-	-	-	-	-	-
Stephen McIntosh	-	-	-	-	-	-	-
<b>Executives</b>							
Chris MacKinnon	100,639	48,948	(31,542)	(10,514)	107,531	31,542	-
Mike Nelson	121,775	67,433	-	-	189,208	-	-
Kevin Frost	273,944	51,745	(120,316)	(40,106)	165,267	120,316	-
Soolim Carney	124,547	51,745	-	-	176,292	-	-
<b>Former Executive KMP</b>							
Richard Hacker <sup>(1)</sup>	282,294	51,745	(120,669)	(40,224)	173,146	120,669	-
Bruce Kendall <sup>(1)</sup>	271,314	51,745	(118,344)	(170,311)	34,404	118,344	-

<sup>(1)</sup> Represents performance rights held by Messrs Hacker and Kendall on the date they ceased to be KMP on 29 February 2024 and 30 April 2024 respectively.

## (c) Retention rights held by key management personnel

	Held at 1 July 2023	Granted as compensation	Exercised	Forfeited/lapsed	Held at 30 June 2024	Vested during the year	Vested and exercisable at 30 June 2024
<b>Executives</b>							
Mike Nelson	50,739	-	-	-	50,739	-	-
Chris MacKinnon	32,376	-	-	-	32,376	-	-
Kevin Frost	72,872	-	-	-	72,872	-	-
Soolim Carney	67,837	-	-	-	67,837	-	-
<b>Former Executive KMP</b>							
Richard Hacker <sup>(1)</sup>	80,128	-	-	-	80,128	-	-
Bruce Kendall <sup>(1)</sup>	72,872	-	-	(72,872)	-	-	-

No retention rights are held by non-executive directors and the MD&CEO.

<sup>(1)</sup> Represents retention rights held by Messrs Hacker and Kendall on the date they ceased to be KMP on 29 February 2024 and 30 April 2024 respectively.

#### (d) Shareholdings of key management personnel

The movement during the reporting period in the number of ordinary shares in the Company held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Held at 1 July 2023	Received on exercise of options	Received on exercise of performance rights	Other changes <sup>(1)</sup>	Held at 30 June 2024
<b>Directors</b>					
Derek La Ferla	24,961	-	-	9,600	34,561
Alex Dorsch	5,726,281	-	210,060	-	5,936,341
Garret Dixon	152,739	-	-	-	152,739
Jo Gaines	9,753	-	-	-	9,753
Linda Kenyon	8,369	-	-	-	8,369
Stephen McIntosh	37,558	-	-	-	37,558
<b>Former Directors</b>					
Morgan Ball <sup>(2)</sup>	354,816	-	-	3,500	358,316
<b>Executives</b>					
Chris MacKinnon	-	-	31,542	(31,542)	-
Mike Nelson	-	-	-	-	-
Soolim Carney	-	-	-	-	-
Kevin Frost	1,389,240	-	120,316	-	1,509,556
<b>Former Executives KMP</b>					
Richard Hacker <sup>(2)</sup>	1,100,606	-	120,669	-	1,221,275
Bruce Kendall <sup>(2)</sup>	108,221	-	118,344	(60,000)	166,565

<sup>(1)</sup> Other changes represent shares that were purchased or sold on-market.

<sup>(2)</sup> Represents shares held by Messrs Ball, Hacker and Kendall on the date they ceased to be KMP.

#### 9.7 Loans to key management personnel

There were no loans to key management personnel of the Group, including their personally related parties as at 30 June 2024 (2023: nil).

#### 9.8 Other transactions with key management personnel and their related parties

There were no other key management personnel transactions within the Group during the year ended 30 June 2024.

### End of Remuneration Report

#### 10. DIVIDENDS

No dividends were declared or paid during the year and the directors recommend that no dividend be paid.

#### 11. FUTURE DEVELOPMENTS

In the opinion of Directors, information regarding the likely developments of the Group is set out in the Operating and Financial Review on pages 16 to 26 of the Annual Report, which forms part of this Directors' Report. Disclosure of any further information relating to likely developments and expected results could result in unreasonable prejudice to the interests of the Group.

#### 12. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 30 July 2024, 20% of the FY2021-22 Performance Rights that were issued to KMP and employees in 2021 vested on the achievement of certain performance conditions measured over the three years ended 30 June 2024. On 31 July 2024, the Company issued 63,484 fully paid ordinary shares to CPU Share Plans Pty Limited as trustee of the Chalice Mining Employee Share Trust for allocation to the participants upon exercising their Performance Rights. Subsequent to vesting, 26,710 Performance Rights were exercised into an equivalent number of fully paid ordinary shares.

On 26 September 2024, the Company issued 3,523,565 FY2024-25 Performance Rights to Executive KMP and employees of the Company under the terms of the Employee Securities Incentive Plan. In addition, it was also resolved that Alex Dorsch, MD&CEO be awarded 696,458 Performance Rights on the same terms and conditions. The issue of the Performance Rights to Mr Dorsch is conditional on the receipt of shareholder approval to be sought at the Company's 2024 Annual General Meeting.

Other than disclosed above, there has not been any other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

### 13. SHARE PLACEMENTS AND ISSUES

During the financial year, the Company issued the following fully paid ordinary shares, excluding options and performance rights exercised:

Description	Date	No. of shares	Price per share (\$)	Amount Raised Before Costs (\$)
Purchase of a private property	1 September 2023	611,371	5.89	Nil
Consideration under an earn-in agreement	1 September 2023	629,755	3.89	Nil

### 14. SHARE OPTIONS

At the date of this report there are no unissued ordinary shares of the Company under option.

### 15. PERFORMANCE RIGHTS

At the date of this report 5,313,208 performance rights (2,176,102 at reporting date) are on issue with the following terms and conditions:

Series	Exercise price (\$)	Number of rights	Measurement date	Expiry date
FY2021-22	Nil	36,774	30 June 2024	30 June 2026
FY2022-23	Nil	841,164	30 June 2025	30 June 2027
FY2023-24	Nil	911,705	30 June 2026	30 June 2028
FY2024-25	Nil	3,523,565	30 June 2027	30 June 2030

In addition to the above, the Board has resolved, subject to shareholder approval at the Company's 2024 AGM to grant Mr Dorsch 696,458 FY2024-25 performance rights with a test date of 30 June 2027, and expiry of 30 June 2030.

Until vesting and unless exercised, these performance rights do not entitle the holder to participate in any share issue of the Company or any other entity.

### 16. RETENTION RIGHTS

At the date of this report 545,021 retention rights (545,021 at reporting date) are on issue with the following terms and conditions:

Series	Exercise price (\$)	Measurement date	Expiry date
FY2022-23	Nil	31 December 2025	31 December 2027

Until vesting and unless exercised, these retention rights do not entitle the holder to participate in any share issue of the Company or any other entity.

### 17. ADDITIONAL SHARE OPTION DISCLOSURES

Included in the performance rights above are performance rights granted as remuneration to the directors and the five most highly remunerated officers during or since the end of the financial year ended 30 June 2024. Details of performance rights granted to KMP are disclosed on page 87 and 92.

The following performance rights were granted to Jamie Armes, Company Secretary, an officer who is among the five highest remunerated officers of the Company and the Group during or since the end of the financial year ended 30 June 2024, but is not KMP and hence not disclosed in the Remuneration Report:

Incentive	Series	Exercise price (\$)	Number of rights	Measurement date	Expiry date
Performance rights	FY2023-24	Nil	20,355	30 June 2026	30 June 2028
Performance rights	FY2024-25	Nil	181,245	30 June 2027	30 June 2030

## 18. SHARES ISSUED ON EXERCISE OF OPTIONS

During the financial year no shares were issued on exercise of options and there have been no option exercises since the end of the financial year to the date of this report.

## 19. SHARES ISSUED ON VESTING AND EXERCISE OF PERFORMANCE RIGHTS

On 12 July 2023, the Company issued 788,387 fully paid ordinary shares at \$5.99 per share to CPU Share Plans Pty Ltd, as trustee of the Chalice Mining Employee Share Trust following the vesting of 75% of the FY2020-21 performance rights for allocation to participants upon exercising their performance rights.

Subsequent to the end of the financial year, on 31 July 2024, the Company issued 63,484 fully paid ordinary shares to CPU Share Plans Pty Limited as trustee of the Chalice Mining Employee Share Trust following the vesting of 20% of the FY2021-22 performance rights.

## 20. ENVIRONMENTAL LEGISLATION

The Group is subject to environmental legislation and obligations within the jurisdictions in which it operates throughout Australia.

The Group has policies and procedures in place that are designed to ensure that, where our activities are subject to any particular and significant environmental regulation under the law of the Commonwealth of Australia or of an Australian State or Territory, those obligations are identified, appropriately addressed and any breaches promptly notified.

So far as the Directors are aware, there have been no material breaches of the Group's licence conditions and environmental regulations to which the Group is subject to during the year ended 30 June 2024 and to the date of this report.

## 21. PROCEEDINGS ON BEHALF OF THE COMPANY

No application has been made under section 237 of the *Corporations Act 2001 (Cth)* in respect of the Company, and there are no proceedings that a person has brought or intervened in on behalf of the Company under that section.

## 22. INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has agreed, to the maximum extent permitted by law, to indemnify each of its Directors and Officers who have held office during the year, against all liabilities to a third party (other than the Company or a related body corporate of the Company) that may arise from their position as a Director or Officer of the Company or a related body corporate of the Company. The indemnity stipulates that the Company will meet the full amount of any such liabilities, including legal costs incurred.

During the year the Group has paid insurance premiums in respect of a contract insuring Directors and Officers of the Group against a liability incurred as a Director or Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the coverage and the amount of the premium.

## 23. INDEMNIFICATION OF AUDITORS

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company against a liability incurred as an auditor.

## 24. NON-AUDIT SERVICES

During the year, the Group's external auditor, did not provide any non-audit services (2023: nil). Refer to Note 26 for further information on auditor's remuneration.

In the event that non-audit services are provided by the Group's external auditor, the Company has established procedures to ensure that the provision of non-audit services do not impact the auditor's independence. These

include the Audit Committee reviewing and approving non-audit services performed by the auditor having regard to auditor independence requirements of applicable laws, rules and regulations, to ensure that the provision of that service or type of service would not impair the auditor's impartiality and objectivity.

## **25. AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration, as required under section 302C of the *Corporations Act 2001*, is set out on page 100 and forms part of this Directors' Report.

## **26. ROUNDING OF AMOUNTS**

The amounts contained in this financial report have been rounded to the nearest thousand unless otherwise specified under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which this legislative instrument applies.

Signed in accordance with a resolution of the Directors made pursuant to section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors.



Alex Dorsch  
Managing Director and Chief Executive Officer

Dated at Perth the 26th day of September 2024

# Auditor's Independence Declaration

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## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Chalice Mining Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'B G McVeigh'.

Perth, Western Australia  
26 September 2024

**B G McVeigh**  
Partner

**hlb.com.au**

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# Financial Statements

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# Consolidated Statement of Comprehensive Income

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Other Income	5(a)	118	1,299
Interest income		5,037	2,877
Finance expense		(186)	(161)
Foreign exchange gain/(loss)		(6)	21
Net gain on sale of subsidiary	9	860	-
Exploration and evaluation expenditure	7	(42,492)	(61,833)
Corporate and administration expenses	6(a)	(5,995)	(6,251)
Share-based payments	17(a)	(1,957)	(2,708)
<b>Loss before tax</b>		<b>(44,621)</b>	<b>(66,756)</b>
Income tax benefit	8	5,123	1,154
<b>Loss for the year attributed to owners of the parent</b>		<b>(39,498)</b>	<b>(65,602)</b>
<b>Other comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Net loss on fair value of financial assets, net of tax	22(b)	7,411	(610)
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchanges differences on translation of foreign operations		(4)	3
<b>Other comprehensive profit/(loss) for the year</b>		<b>7,407</b>	<b>(607)</b>
<b>Total comprehensive loss for the year</b>		<b>(32,091)</b>	<b>(66,209)</b>
<b>Total comprehensive loss for the year attributable to owners of the parent</b>		<b>(32,091)</b>	<b>(66,209)</b>
Basic and diluted loss per share from continuing operations	10	(0.10)	(0.17)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

# Consolidated Statement of Financial Position

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Current assets</b>			
Cash and cash equivalents	11	88,950	145,223
Receivables	12	1,992	2,469
Income tax receivable	8	2,215	872
Financial assets	13	22,080	2,956
<b>Total current assets</b>		<b>115,237</b>	<b>151,520</b>
<b>Non-current assets</b>			
Financial assets	13	548	596
Right-of-use assets	15	1,509	1,161
Property, plant and equipment	14	53,373	45,787
<b>Total non-current assets</b>		<b>55,430</b>	<b>47,544</b>
<b>Total assets</b>		<b>170,667</b>	<b>199,064</b>
<b>Current liabilities</b>			
Trade and other payables	18	3,195	7,951
Grant funding received in advance	19	1,720	1,266
Lease liabilities	20	243	363
Employee benefits	16	624	779
<b>Total current liabilities</b>		<b>5,782</b>	<b>10,359</b>
<b>Non-current liabilities</b>			
Lease liabilities	20	1,869	1,364
Employee benefits	16	225	237
Other liabilities		-	54
<b>Total non-current liabilities</b>		<b>2,094</b>	<b>1,655</b>
<b>Total liabilities</b>		<b>7,876</b>	<b>12,014</b>
<b>Net assets</b>		<b>162,791</b>	<b>187,050</b>
<b>Equity</b>			
Issued capital	21	367,467	359,913
Accumulated losses		(215,935)	(176,310)
Reserves	22	11,259	3,447
<b>Total equity</b>		<b>162,791</b>	<b>187,050</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

# Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Issued capital \$'000	Accumulated losses \$'000	Share based payments reserve Note 22(a) \$'000	Investment revaluation reserve Note 22(b) \$'000	Foreign currency translation reserve Note 22(c) \$'000	Total \$'000
<b>Balance at 1 July 2023</b>	<b>359,913</b>	<b>(176,310)</b>	<b>3,977</b>	<b>(655)</b>	<b>125</b>	<b>187,050</b>
Loss for the year	-	(39,498)	-	-	-	(39,498)
<b>Other comprehensive income for the period</b>						
Net gain on fair value of financial assets, net of tax	-	-	-	7,411	-	7,411
Exchange differences on translation of foreign operations	-	-	-	-	(4)	(4)
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>(39,498)</b>	<b>-</b>	<b>7,411</b>	<b>(4)</b>	<b>(32,091)</b>
Issue of share capital (net of costs)	5,875	-	-	-	-	5,875
Share-based payments	-	-	1,957	-	-	1,957
Transfers between equity items	1,679	(127)	(1,679)	127	-	-
<b>Balance at 30 June 2024</b>	<b>367,467</b>	<b>(215,935)</b>	<b>4,255</b>	<b>6,883</b>	<b>121</b>	<b>162,791</b>

	Issued capital \$'000	Accumulated losses \$'000	Share based payments reserve Note 22(a) \$'000	Investment revaluation reserve Note 22(b) \$'000	Foreign currency translation reserve Note 22(c) \$'000	Total \$'000
<b>Balance at 1 July 2022</b>	<b>285,040</b>	<b>(112,564)</b>	<b>3,235</b>	<b>(45)</b>	<b>665</b>	<b>176,331</b>
Loss for the year	-	(65,602)	-	-	-	(65,602)
<b>Other comprehensive income for the period</b>						
Net gain/(loss) on fair value of financial assets, net of tax	-	-	-	(610)	-	(610)
Exchange differences on translation of foreign operations	-	-	-	-	3	3
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>(65,602)</b>	<b>-</b>	<b>(610)</b>	<b>3</b>	<b>(66,209)</b>
Issue of share capital (net of costs)	74,220	-	-	-	-	74,220
Share-based payments	-	-	2,708	-	-	2,708
Transfers between equity items	653	1,856	(1,966)	-	(543)	-
<b>Balance at 30 June 2023</b>	<b>359,913</b>	<b>(176,310)</b>	<b>3,977</b>	<b>(655)</b>	<b>125</b>	<b>187,050</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>			
Cash receipts from operations		107	174
Cash paid to suppliers and employees		(5,513)	(6,008)
Payments for mineral exploration and evaluation		(43,390)	(59,808)
Payroll taxes paid on granted securities		(454)	-
Research and development tax credit received		-	1,834
Government grants and incentives received		500	1,390
Interest received		4,819	2,679
Interest paid		(158)	(198)
<b>Net cash used in operating activities</b>	11(a)	<b>(44,089)</b>	<b>(59,937)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(172)	(438)
Acquisition of freehold land and buildings		(4,400)	-
Proceeds from sale of fixed assets		94	12
Proceeds from sale of financial assets		636	-
Payment for acquisition of financial assets		(7,668)	(400)
Costs associated with disposal of subsidiary	9	(67)	-
<b>Net cash used in investing activities</b>		<b>(11,577)</b>	<b>(826)</b>
<b>Cash flows from financing activities</b>			
Payment of principal portion of lease liabilities		(505)	(259)
Security deposits		37	111
Proceeds from issue of shares	21(a)	-	76,420
Proceeds from the exercise of options		-	329
Share issue costs		(128)	(2,325)
<b>Net cash (used)/from financing activities</b>		<b>(596)</b>	<b>74,276</b>
Net (decrease)/increase in cash and cash equivalents		(56,262)	13,513
Cash and cash equivalents at the beginning of the year		145,223	131,712
Effect of exchange rate fluctuations on cash held		(11)	(2)
<b>Cash and cash equivalents at 30 June</b>	11	<b>88,950</b>	<b>145,223</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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For the year ended 30 June 2024

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# Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

## Summary of Material Accounting Policies

This Section of the financial report sets out the Group's (being Chalice Mining Limited and its controlled entities) accounting policies that relate to the Consolidated Financial Statements as a whole. Where the accounting policy is specific to one note, the policy is described in the note to which it relates.

The notes include information which is required to understand the Financial Statements and is material and relevant to the operations and the financial position and performance of the Group.

Information is considered relevant and material if:

- « The amount is significant due to its size or nature
- « The amount is important in understanding the results of the Group
- « It helps to explain the impact of significant changes in the Group's business
- « It relates to an aspect of the Group's operations that is important to its future performance.

### 1. CORPORATE INFORMATION

The consolidated financial report of Chalice Mining Limited for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of Directors on 26th September 2024.

Chalice Mining Limited is listed on the Australian Securities Exchange ("ASX") (trading under the code CHN) and is domiciled in Australia at its principal place of business, Level 3, 46 Colin Street, West Perth, Western Australia. The nature of the operations and principal activities are disclosed in the Directors' Report.

### 2. REPORTING ENTITY

The consolidated financial report comprises the financial statements of Chalice Mining Limited ("Company" or "Parent") and its subsidiaries ("the Group") for the year ended 30 June 2024. A list of the Group's subsidiaries is provided at note 25.

### 3. BASIS OF PREPARATION

#### (a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

#### (b) Basis of measurement

The financial report has been prepared on a historical cost basis, except for financial assets which have been measured at fair value. Cost is based on the fair values of the consideration given in exchange for assets. Chalice is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

All amounts have been rounded to the nearest thousand, unless otherwise stated in accordance with ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191.

#### (c) Material accounting judgements, estimates and assumptions

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Group.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Group also discloses its exposure to risks and uncertainties in note 23. The key judgements, estimates and assumptions which are material to the financial report are found in note 17.

### PERFORMANCE FOR THE YEAR

This section provides additional information about those line items in the Statement of Comprehensive Income that the directors consider most relevant in the context of the operations of the entity.

#### 4. SEGMENT REPORTING

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources. The Group considers that it only operated in one reportable segment, being mineral exploration and evaluation. The segment information is as per the Group's consolidated financial statements.

#### 5. OTHER INCOME

##### (a) Other Income

Net gain on sale of exploration assets  
Government grants and incentives  
Other

	2024 \$'000	2023 \$'000
Net gain on sale of exploration assets	-	386
Government grants and incentives	-	732
Other	118	181
	118	1,299

Government grants and incentives for the year ended 30 June 2023 represents the Group's share of grant income received under a Cooperative Research Centre Program ("CRC-P") with the Commonwealth Government (refer note 19).

##### Material Accounting Policy

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Government Grants are recognised when there is reasonable certainty that the grant will be received, and all grant conditions are met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

#### 6. EXPENSES

##### (a) Corporate and administration expenses

Administration and general costs  
Depreciation  
Corporate personnel expenses (note 6(b))

	2024 \$'000	2023 \$'000
Administration and general costs	2,457	2,423
Depreciation	182	208
Corporate personnel expenses (note 6(b))	3,356	3,620
	5,995	6,251

##### (b) Corporate personnel expenses

Wages and salaries  
Non-executive directors' fees  
Other associated personnel expenses  
Leave entitlements

	2024 \$'000	2023 \$'000
Wages and salaries	2,197	1,922
Non-executive directors' fees	708	617
Other associated personnel expenses	482	934
Leave entitlements	(31)	147
	3,356	3,620

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

### 7. EXPLORATION AND EVALUATION EXPENDITURE

	2024 \$'000	2023 \$'000
<b>Western Australia</b>		
Gonneville - exploration	15,204	46,891
Gonneville - development/studies	12,060	6,501
West Yilgarn <sup>(1)</sup>	15,083	8,092
Other generative projects	145	349
	<b>42,492</b>	<b>61,833</b>

<sup>(1)</sup>During the reporting period the Company issued 629,755 fully paid ordinary shares, equivalent to \$2.45 million, to Northam Resources Limited on commencement of an earn-in agreement (refer note 21).

#### Material Accounting Policy

Costs incurred in the exploration and evaluation stages of specific areas of interest are expensed against profit or loss as incurred. All exploration expenditure, including acquisition costs, general permit activity, geological and geophysical costs, project generation and drilling costs, is expensed as incurred. Once the technical feasibility and commercial viability of extracting a mineral resource are demonstrable in respect of an area of interest, development expenditure is capitalised to the Statement of Financial Position.

### 8. INCOME TAX

The major components of income tax (benefit)/expense are as follows:

	2024 \$'000	2023 \$'000
<b>Current income tax:</b>		
Under provision for income tax in prior years	(43)	(306)
Research and Development tax credits	(1,312)	(872)
	<b>(1,355)</b>	<b>(1,178)</b>
<b>Deferred tax:</b>		
Temporary differences relating to financial assets	(3,768)	24
Total income tax (benefit)/expense reported in the statement of comprehensive income	<b>(5,123)</b>	<b>(1,154)</b>

The prima facie income tax (benefit)/expense on pre-tax accounting result on operations reconciles to the income tax (benefit)/expense in the financial statements as follows:

	2024 \$'000	2023 \$'000
Loss before tax from continuing operations	(44,621)	(66,756)
	<b>(44,621)</b>	<b>(66,756)</b>
Income tax calculated at the Australian corporate rate of 30% (2023: 25%)	(13,386)	(16,689)
Non-deductible expenses	1,068	518
Income tax on financial assets	(3,768)	24
Deferred tax assets and liabilities not recognised	26,126	16,171
Change in tax rate	(12,940)	-
Adjustments for under provision of tax credits	(911)	(306)
Research and development tax credits	(1,312)	(872)
Income tax (benefit) reported in the statement of comprehensive income	<b>(5,123)</b>	<b>(1,154)</b>

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

The tax rate used in the above reconciliation is the corporate rate of 30% (2023: 25%) payable by Australian corporate entities on taxable profits under Australian tax law.

### Current tax assets comprise:

Income tax receivable attributable to:

Parent Entity – refundable Research and Development tax offset

	2024 \$'000	2023 \$'000
	2,215	872
	2,215	872

The following deferred tax assets and liabilities have not been brought to account:

### Unrecognised deferred tax balances

Deferred tax assets comprise:

Revenue losses available for offset against future taxable income

Lease liabilities

Other deferred tax assets

	2024 \$'000	2023 \$'000
	86,780	59,867
	633	431
	3,935	5,400
	91,348	65,698

Deferred tax liabilities comprise:

Right-of-use assets

Other deferred tax liabilities

	453	290
	3,629	212
	4,082	502

### Income tax benefit not recognised directly in equity during the year:

Share issue costs

	2024 \$'000	2023 \$'000
	1,267	1,538

Deferred tax liabilities have not been recognised in respect of these taxable temporary differences as the entity is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

### Material Accounting Policy

The income tax expense or benefit for the period is the tax payable or receivable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period in the country where the company's subsidiaries operate and generate taxable income. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax liabilities for the current period and prior periods are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the balance date.

Deferred income tax is provided on all temporary differences at reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Unrecognised deferred income tax assets at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Income taxes relating to items recognised directly in equity are recognised in equity and not profit or loss. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### Tax Consolidation

Chalice and its 100% owned Australian resident subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

Chalice recognises its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated Group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated Group.

### 9. NET GAIN ON SALE OF SUBSIDIARY

On 14 August 2023, the Group sold its wholly owned-subsiidiary, Northwest Nickel Pty Ltd (Northwest) to Staveley Minerals Limited (ASX: STV) (Staveley). The consideration received was 10,840,608 fully paid ordinary shares in Staveley and \$50,000 in cash. At the date of disposal, the net assets of Northwest was nil.

	2024 \$'000	2023 \$'000
<b>Consideration:</b>		
Cash	50	-
Fully paid ordinary shares	877	-
	927	-
<b>Less associated costs:</b>		
Legal fees	(67)	-
<b>Net gain on sale of subsidiary</b>	860	-

### 10. LOSS PER SHARE

#### Basic and diluted loss per share

The calculation of basic loss per share for the year ended 30 June 2024 was based on the loss attributable to ordinary equity holders of the parent of \$39.5 million (2023: loss of \$65.6 million) and a weighted average number of ordinary shares outstanding during the year ended 30 June 2024 of 379,257,185 (2023: 377,462,253).

	2024 \$'000	2023 \$'000
<b>Loss attributable to ordinary shareholders</b>		
Loss attributable to ordinary equity holders of the parent from continuing operations	(39,498)	(65,602)
<b>Loss attributable to ordinary equity holders of the parent for basic earnings</b>	(39,498)	(65,602)
<b>Loss attributable to ordinary equity holders of the parent adjusted for the effect of dilution</b>	(39,498)	(65,602)

Diluted loss per share has not been disclosed as the impact from options and performance rights is anti-dilutive.

## ASSETS

This section provides additional information about those individual line items in the Statement of Financial Position that the Directors consider most relevant in the context of the operations of the entity.

### 11. CASH AND CASH EQUIVALENTS

	2024 \$'000	2023 \$'000
Bank balances and cash on hand	1,152	738
Term deposits and at call accounts	87,798	144,485
	88,950	145,223

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

	2024 \$'000	2023 \$'000
<b>(a) Reconciliation of cash flows from operating activities</b>		
Loss for the year attributed to owners of the parent	(39,498)	(65,602)
Adjustments for:		
Depreciation and amortisation	698	782
Gain on sale of fixed assets	(24)	(12)
Fixed assets written off	-	23
Grant funding	-	(732)
Net gain on sale of exploration assets	-	(386)
Net gain on sale of subsidiary	(860)	-
Shares issued to acquire an earn-in interest	2,450	-
Income tax benefit	(5,123)	(1,154)
Foreign exchange (gain)/loss	6	(21)
Equity-settled share-based payment expenses	1,957	2,708
<b>Operating loss before changes in working capital and provisions</b>	<b>(40,394)</b>	<b>(64,394)</b>
Decrease in trade and other receivables	118	2,018
Increase in financial assets	(25)	(3)
Increase in trade creditors and other liabilities	(3,567)	2,079
Increase/(decrease) in provisions	(221)	363
<b>Net cash used in operating activities</b>	<b>(44,089)</b>	<b>(59,937)</b>

### (b) Non-cash financing and investing activities

	2024 \$'000	2023 \$'000
Additions/(modifications) to right-of-use assets	(228)	44
Shares received on sale of subsidiary	877	-
Shares issued to acquire a private property	3,600	-
Shares received on sale of exploration assets	-	386

## 12. RECEIVABLES

	2024 \$'000	2023 \$'000
Trade receivables	437	269
GST receivable	528	1,585
Lease receivable	-	14
Prepayments	1,027	601
	<b>1,992</b>	<b>2,469</b>

## 13. FINANCIAL ASSETS

	2024 \$'000	2023 \$'000
<b>Current</b>		
Equity instruments designated at fair value through other comprehensive income:		
Listed equity investments	22,080	2,956
	<b>22,080</b>	<b>2,956</b>

Listed equity investments held at 30 June 2024 predominately includes 27,331,579 ordinary shares in Encounter Resources Limited (ASX: ENR) (Encounter). In April 2024, the Company acquired a strategic interest in Encounter for \$7.7 million with an average cost per share of \$0.28. The market value of the shares at 30 June 2024 was \$20.2 million or \$0.74 per share.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

<b>Non-current</b>	<b>2024 \$'000</b>	<b>2023 \$'000</b>
Bank guarantee and security deposits	512	558
Warrants	36	38
	<b>548</b>	<b>596</b>

### Material Accounting Policy

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the business model that such assets are held.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

#### (i) Financial assets at fair value through profit or loss:

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

- (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or
- (ii) designated as such upon initial recognition where permitted.

Fair value movements are recognised in profit or loss.

#### (ii) Financial assets at fair value through other comprehensive income:

Financial assets at fair value through other comprehensive income (FVOCI) include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition. Under FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Any gains or losses recognised in other comprehensive income are not recycled upon derecognition of the asset.

## 14. PROPERTY, PLANT AND EQUIPMENT

	<b>Plant, equipment &amp; vehicles \$'000</b>	<b>Office furniture &amp; computer equipment \$'000</b>	<b>Freehold land &amp; buildings \$'000</b>	<b>Total \$'000</b>
<b>Cost</b>				
At 1 July 2023	1,570	1,680	43,863	47,113
Additions	50	187	-	237
Acquisition of freehold land and buildings <sup>(1)</sup>	-	-	7,999	7,999
Disposals/write-offs	(125)	(2)	-	(127)
<b>At 30 June 2024</b>	<b>1,495</b>	<b>1,865</b>	<b>51,862</b>	<b>55,222</b>
<b>Accumulated depreciation and impairment losses</b>				
At 1 July 2023	476	590	260	1,326
Depreciation charge	205	245	130	580
Disposals/write-offs	(55)	(2)	-	(57)
<b>At 30 June 2024</b>	<b>626</b>	<b>833</b>	<b>390</b>	<b>1,849</b>
<b>Net book value at 30 June 2024</b>	<b>869</b>	<b>1,032</b>	<b>51,472</b>	<b>53,373</b>

(1) On 10 August 2023, the Group acquired one private property in close proximity to the Gonneville intrusion at the Gonneville Project. The property was acquired for consideration comprising \$4.4 million cash (net of settlement costs) and the issue of 611,371 fully paid ordinary shares in the Company.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

	Plant, equipment & vehicles \$'000	Office furniture & computer equipment \$'000	Freehold land & buildings \$'000	Total \$'000
<b>Cost</b>				
At 1 July 2022	1,098	1,698	44,021	46,817
Additions	372	65	8	445
Transfers	145	19	(164)	-
Disposals/write-offs	(45)	(102)	(2)	(149)
<b>At 30 June 2023</b>	<b>1,570</b>	<b>1,680</b>	<b>43,863</b>	<b>47,113</b>
<b>Accumulated depreciation and impairment losses</b>				
At 1 July 2022	297	390	81	768
Depreciation charge	221	284	179	684
Disposals/write-offs	(42)	(84)	-	(126)
<b>At 30 June 2023</b>	<b>476</b>	<b>590</b>	<b>260</b>	<b>1,326</b>
<b>Net book value at 30 June 2023</b>	<b>1,094</b>	<b>1,090</b>	<b>43,603</b>	<b>45,787</b>

### Material Accounting Policy

Property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, if any. Cost includes the direct cost of bringing the asset to the location and condition necessary for first use. The assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The depreciation rates used in the current and comparative periods are as follows:

« Buildings	2.5%
« Plant, equipment and vehicles	5%-40%
« Office furniture & computer equipment	6%-40%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The carrying values of plant and equipment are reviewed for impairment at each balance date in line with the Group's impairment policy.

The Group assesses the carrying value of freehold land at each balance date to ensure that the value represents the highest and best use of the asset – that is for mineral development. Should further exploration activities indicate that technical feasibility and commercial viability of extracting mineral resources not be demonstrated, or should future mining operations cease, there may be an indication of impairment of the carrying value of land and improvement assets.

### 15. RIGHT-OF-USE ASSETS

This Note provides information for right-of-use assets where the Group is lessee.

	2024 \$'000	2023 \$'000
<b>Amounts recognised in statement of financial position</b>		
<b>Right-of-use assets</b>		
At cost	1,624	1,824
Accumulated depreciation	(115)	(663)
<b>Net carrying amount</b>	<b>1,509</b>	<b>1,161</b>

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

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	2024 \$'000	2023 \$'000
<b>Reconciliation</b>		
At 1 July net of accumulated depreciation	1,161	1,483
Additions	88	44
Lease modifications	643	-
Depreciation charge for the year	(383)	(366)
At 30 June net of accumulated depreciation	1,509	1,161

Right-of-use assets relate to office spaces leased by the Group, with the most significant being the Group's corporate head office. The original lease has a three-year term, and during the reporting period the Company extended the lease for an additional three years, resulting in a modification to the recognised right of use asset.

### EMPLOYEE BENEFITS AND SHARE-BASED PAYMENTS

This section of the Notes includes information that must be disclosed to comply with accounting standards and other pronouncements relating to the remuneration of employees and consultants of the Group, but that is not necessarily immediately related to individual line items in the Financial Statements.

#### 16. EMPLOYEE BENEFITS

	2024 \$'000	2023 \$'000
<b>Current</b>		
Annual leave accrued	524	664
Provision for long service leave	100	115
	624	779
<b>Non-current</b>		
Provision for long service leave	225	237
	225	237

#### 17. SHARE-BASED PAYMENTS

##### (a) Share based payment transactions

The expense recognised during the year is shown in the following table:

	2024 \$'000	2023 \$'000
Performance rights granted – equity settled	1,492	2,071
Retention rights – equity settled	465	637
<b>Total expenses recognised as share-based payments</b>	1,957	2,708

##### (b) Share Options

Share options may be granted under the terms of the Company's Employee Share Incentive Plan (ESIP). Under the terms of the ESIP, the Board may offer options for no consideration to full-time or part-time employees (including persons engaged under a consultancy agreement), executive and non-executive directors. In the case of the directors, the issue of options requires shareholder approval. As outlined in the Remuneration Report, convertible securities shall not be issued to non-executive directors as a form of compensation.

Each share option entitles the holder, on exercise, to one ordinary fully paid share in the Company. There is no issue price for the share options. The exercise price for the share options is determined by the Board. A share option may only be exercised after that share option has vested and any other conditions imposed by the Board on exercise satisfied. The Board may determine the vesting period, if any. Where options are granted with vesting conditions, unless the Board determines otherwise, unvested options are forfeited when the holder ceases to be employed by the Group.

Typically, share options are granted under service conditions. Non-market performance conditions are not considered in the grant date fair value measurement of the services received.

During the year ended 30 June 2024 and 30 June 2023, no options were granted, however previously issued share options were exercised during 30 June 2023 as per below.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

	Weighted average exercise price \$		Weighted average exercise price \$	
	2024	2024	2023	2023
Outstanding at the beginning of the year	-	-	4.45	300,000
Exercised during the year	-	-	4.45	(300,000)
Outstanding at the end of the year	-	-	-	-
Vested/exercisable at the end of the year	-	-	-	-

### (c) Performance Rights

Performance rights issued during the year ended 30 June 2024, were issued under the Company's ESIP. Under the ESIP, the Board may issue performance rights to eligible employees and directors. Each performance right represents a right to be issued an ordinary share at a future point in time, subject to the satisfaction of any vesting conditions. Unless determined otherwise by the Board, performance rights are subject to lapsing if the vesting conditions are not met by the relevant measurement date or expiry date (if no other measurement date is specified) or if employment is terminated.

No exercise price is payable and eligibility to receive performance rights under the ESIP is at the Board's discretion. The performance rights cannot be transferred and are not quoted on the Australian Securities Exchange (ASX). There are no voting rights attached to the performance rights. For details regarding the vesting conditions of the performance rights refer to section 9.4.8 of the Remuneration Report.

A summary of performance rights on issue is as follows:

#### 30 June 2024:

Issue date	Opening balance Number	Issued Number	Vested Number	Lapsed/Forfeited Number	Closing balance Number	Share price at date of issue (\$)
2 September 2020	726,805	-	(545,100)	(181,705)	-	1.475
25 November 2020	280,081	-	(210,060)	(70,021)	-	3.78
26 November 2020	7,500	-	(5,625)	(1,875)	-	3.86
25 February 2021	36,803	-	(27,602)	(9,201)	-	4.57
2 September 2021	262,321	-	-	(10,398)	251,923	7.32
24 November 2021	65,531	-	-	-	65,531	9.59
5 September 2022	654,292	-	-	(163,841)	490,451	4.45
23 November 2022	228,938	-	-	-	228,938	4.95
1 February 2023	121,775	-	-	-	121,775	6.33
30 August 2023	-	738,701	-	(72,352)	666,349	3.77
23 November 2023	-	176,135	-	-	176,135	1.465
20 February 2024	-	175,000	-	-	175,000	1.025
	2,384,046	1,089,836	(788,387)	(509,393)	2,176,102	

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

### 30 June 2023:

Issue date	Opening balance Number	Issued Number	Vested Number	Lapsed/Forfeited Number	Closing balance Number	Share price at date of issue (\$)
28 November 2019	4,557,053	-	(4,557,053)	-	-	0.165
2 September 2020	800,958	-	-	(74,153)	726,805	1.475
25 November 2020	280,081	-	-	-	280,081	3.78
26 November 2020	7,500	-	-	-	7,500	3.86
25 February 2021	62,014	-	-	(25,211)	36,803	4.57
2 September 2021	281,927	-	-	(19,606)	262,321	7.32
24 November 2021	65,531	-	-	-	65,531	9.59
5 September 2022	-	708,478	-	(54,186)	654,292	4.45
23 November 2022	-	228,938	-	-	228,938	4.95
1 February 2023	-	121,775	-	-	121,775	6.33
	6,055,064	1,059,191	(4,557,053)	(173,156)	2,384,046	

The following table provides the assumptions made in determining the weighted average fair value of the performance rights issued during the financial year.

	2024	2023
Weighted average share price at grant date	\$2.899	\$4.791
Exercise price	Nil	Nil
Weighted average expected volatility	65%	98%
Weighted average performance period (years)	2.72	2.72
Weighted average Vesting period (years)	2.72	2.72
Expected dividends	-	-
Weighted average risk-free interest rate	3.85%	3.27%
Weighted average fair value per right	\$1.997	\$4.171

The weighted average fair value of the performance rights outstanding at 30 June 2024 was \$3.56 per performance right (2023: \$3.64).

#### (d) Retention Rights

During the year ended 30 June 2023, the Board approved a one-off issue of Retention Rights to key technical staff and KMP (excluding the MD&CEO). As these incentives were issued as a one-off, no Retention Rights were issued during the year ended 30 June 2024.

The retention rights were issued under the Company's existing ESIP, and each retention right represents a right to be issued an ordinary share at a future point in time, subject to lapsing if the vesting conditions are not met by the measurement date or expiry date (if no other measurement date is specified or if employment is terminated).

No exercise price is payable and eligibility to receive retention rights under the ESIP is at the Board's discretion. The retention rights cannot be transferred and are not quoted on the Australian Securities Exchange (ASX). There are no voting rights attached to the retention rights. For details regarding the vesting conditions of the retention rights refer to section 9.4.9 of the Remuneration Report.

A summary of retention rights on issue is as follows:

Issue date	Opening balance Number	Issued Number	Vested Number	Lapsed/Forfeited Number	Closing balance Number	Share price at date of issue (\$)
5 September 2022	632,929	-	-	(171,736)	461,193	4.45
1 February 2023	50,739	-	-	-	50,739	6.33
17 February 2023	52,490	-	-	(19,401)	33,089	6.21
	736,158	-	-	(191,137)	545,021	

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

The following table provides the assumptions made in determining the fair value of the retention rights issued.

	2024	2023
Weighted average share price at grant date	-	\$4.71
Exercise price	-	Nil
Weighted average expected volatility	-	98%
Weighted average performance period (years)	-	3.26
Weighted average Vesting period (years)	-	3.26
Expected dividends	-	-
Weighted average Risk-free interest rate	-	3.27%
Weighted average fair value per right	-	\$4.71

### Material Accounting Policy

The fair value of performance rights, retention rights and share options issued by the Company is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the performance rights, retention rights and share options granted including any market conditions (e.g. the company's share price) and excluding the impact of any service and non-market performance vesting conditions (e.g. strategic objectives and service conditions).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of performance rights, retention rights or share options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The value of share options and retention rights at issue date is calculated using a Black Scholes option valuation model. The value of performance rights at issue date is the fair value of performance rights calculated using a Monte Carlo simulation model (market-based conditions) and the Black Scholes option valuation model (non-market based conditions).

Share-based payment expenses are recognised over the period during which the employees provide the relevant services. This period may commence prior to the grant date, in circumstances where performance rights, retention rights or share options are subject to shareholder approval which is yet to be obtained at reporting date. In this situation, the Group estimates the grant date fair value of the equity instruments for the purposes of recognising the services received during the period between service commencement date and grant date. Once the grant date has been established (i.e. shareholder approval has been obtained), the Group revises the earlier estimate so that the amounts recognised for services received is ultimately based on the grant date fair value.

### Material accounting judgements, estimates and assumptions

The Group measures the cost of equity-settled share-based payments of options and retention rights at fair value at the issue date using a Black-Scholes Option model and performance rights are measured using a Monte Carlo simulation model for market-based conditions and the Black Scholes option valuation methodology for non-market-based conditions, taking into account the terms and conditions upon which the instruments were issued.

The expected life of the share-based payments is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

At each reporting period non-market vesting conditions in relation to performance rights and retention rights are assessed in order to determine the probability of the likelihood that the non-market vesting conditions are met.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

### LIABILITIES AND EQUITY

This section provides additional information about those individual line items in the Statement of Financial Position that the Directors consider most relevant in the context of the operations of the entity.

#### 18. TRADE AND OTHER PAYABLES

	2024 \$'000	2023 \$'000
Trade payables	794	1,704
Other payables	-	50
Accrued expenses	2,401	6,197
	3,195	7,951

#### 19. GRANT FUNDING RECEIVED IN ADVANCE

	2024 \$'000	2023 \$'000
Grant funding received in advance	1,720	1,266
	1,720	1,266

During the financial year ended 30 June 2024, the Group received \$0.5 million (30 June 2023: \$1.1 million) from the Commonwealth Government under a Cooperative Research Centre Program ("CRC-P"), with total funds received under the CRC-P from inception to date totalling \$2.64 million. No revenue has been recognised in relation to this funding for the year ended 30 June 2024 (30 June 2023: \$0.7 million) as the milestones under the CRC-P partners agreement were not completed or achieved.

#### 20. LEASE LIABILITIES

	2024 \$'000	2023 \$'000
<b>Current</b>		
Lease liabilities	243	363
	243	363
<b>Non-current</b>		
Lease liabilities	1,869	1,364
	1,869	1,364

#### 21. ISSUED CAPITAL

(a) Movements in ordinary shares on issue	2024		2023	
	No.	\$'000	No.	\$'000
Balance at beginning of financial year	386,933,791	359,913	371,740,141	285,040
Shares issued on vesting of performance rights	788,387	1,679	4,557,053	653
Options exercised – directors <sup>(1)</sup>	-	-	168,449	329
Share placement	-	-	9,589,042	70,000
Share purchase plan	-	-	879,106	6,420
Shares issued to acquire a private property (refer note 14)	611,371	3,600	-	-
Shares issued under an earn-in agreement (refer note 7)	629,755	2,450	-	-
Share issue costs	-	(175)	-	(2,529)
Balance at end of financial year	388,963,304	367,467	386,933,791	359,913

(1) In FY2023, 150,000 options were exercised by a director on a cashless basis for 18,449 ordinary shares.

#### Issuance of Ordinary Shares

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, the ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds on liquidation.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

### (b) Share options

On issue at 1 July  
Options exercised during the year  
Options issued during the year  
On issue at 30 June

2024	2023
No.	No.
-	300,000
-	(300,000)
-	-
-	-

### (c) Performance rights

On issue at 1 July  
Performance rights issued  
Performance rights vested  
Performance rights lapsed  
On issue at 30 June

2024	2023
No.	No.
2,384,046	6,055,064
1,089,836	1,059,191
(788,387)	(4,557,053)
(509,393)	(173,156)
2,176,102	2,384,046

At 30 June 2024 the Company had 2,176,102 performance rights on issue under the following terms and conditions:

Series	Number	Terms	Expiry Date	Exercise Price \$
FY2021-22	317,454	The number of performance rights that will vest will be solely dependent on the Company meeting the outlined strategy objectives, absolute Total Shareholder Return ("TSR") objectives and by comparing the Company's TSR with that of a comparator group, as at the measurement date of 30 June 2024, as outlined in the Remuneration Report.	30 June 2026	Nil
FY2022-23	841,164	The number of performance rights that will vest will be solely dependent on the Company meeting the outlined strategy objectives, absolute Total Shareholder Return ("TSR") objectives and by comparing the Company's TSR with that of a comparator group, as at the measurement date of 30 June 2025, as outlined in the Remuneration Report.	30 June 2027	Nil
FY2023-24	1,017,484	The number of performance rights that will vest will be solely dependent on the Company meeting the outlined strategy objectives, absolute Total Shareholder Return ("TSR") objectives and by comparing the Company's TSR with that of a comparator group, as at the measurement date of 30 June 2026, as outlined in the Remuneration Report.	30 June 2028	Nil

### (d) Retention rights

On issue at 1 July  
Retention rights issued  
Retention rights vested  
Retention rights lapsed  
On issue at 30 June

2023	2022
No.	No.
736,158	-
-	800,499
-	-
(191,137)	(64,341)
545,021	736,158

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

At 30 June 2024 the Company had 545,021 retention rights on issue under the following terms and conditions:

Series	Number	Terms	Expiry Date	Exercise Price \$
FY2022-23	545,021	The number of retention rights that will vest will be solely based on continuous employment with the Group for 3.5 years (1 July 2022 – 31 December 2025).	31 December 2027	Nil

### 22. RESERVES

#### (a) Share based payment reserve

	2024 \$'000	2023 \$'000
Balance at beginning of financial year	3,977	3,235
Equity settled share-based payments expense (refer note 17(a))	1,957	2,708
Performance rights vested (refer note 21)	(1,679)	(653)
Transfers to accumulated losses	-	(1,313)
Balance at end of financial year	4,255	3,977

The share-based payments reserve is used to recognise the value of equity settled share-based payment transactions provided to employees, including key management personnel, as part of their remuneration. Refer to note 17 for further details.

#### (b) Investment revaluation reserve

	2024 \$'000	2023 \$'000
Balance at beginning of financial year	(655)	(45)
Realised loss on sale of financial assets <sup>(1)</sup>	(68)	-
Fair value movement on revaluation of financial assets <sup>(2)</sup>	11,246	(634)
Tax effect on investment revaluations and disposals	(3,767)	24
	7,411	(610)
Transfers to accumulated losses	127	-
Balance at end of financial year	6,883	(655)

<sup>(1)</sup> Realised loss on sale of financial assets for the year ended 30 June 2024, represents the net loss on sale (before tax) of the Company's shareholdings in various listed entities.

<sup>(2)</sup> Fair value movements on revaluation of financial assets represents the movements in fair value of the Company's equity investments.

#### (c) Foreign currency translation reserve

The foreign currency reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of exchange variances resulting from net investments in foreign operations. Total foreign currency translation reserve balance at 30 June 2024 was \$0.1 million (30 June 2023: \$0.1 million).

All movements in the above reserves are as stated in the consolidated statement of changes in equity.

## FINANCIAL INSTRUMENTS

This section of the Notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

### 23. FINANCIAL INSTRUMENTS

#### (a) Capital risk management

The capital structure of the Group consists of equity attributable to equity holders, comprising issued capital, reserves and accumulated losses as disclosed in notes 21-22.

The Board reviews the capital structure on a regular basis and considers the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through new share issues as well as the issue of debt, if the need arises.

#### (b) Market risk exposures

Market risk is the risk that changes in market prices such as foreign exchange rates, equity prices and interest rates will have on the Group's income or value of its holdings of financial instruments.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

### (i) Foreign exchange rate risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The Group does not hedge this exposure. The cash at bank held by the Company currently comprises predominately of Australian dollar ("AUD"), with minimal funds held in Canadian dollar ("CAD") funds.

The Group manages its foreign exchange risk by constantly reviewing its exposure and ensuring that there are appropriate cash balances in order to meet its likely future commitments in each currency where applicable. As the Company held approximately CAD \$0.1 million at (30 June 2023: CAD \$0.1 million), and with focus on projects within Australia, the Company's exposure to movements in foreign currency is minimal.

### (ii) Equity prices

The Group has exposure to equity prices through its holdings in various listed entities. The following table outlines the impact of increases/decreases in the value of the Company's investment holding on the components of equity. The sensitivity analysis uses a variance of 10% movement upwards and down on the year end closing share prices.

		2024 \$'000	2023 \$'000
Impact on equity	Share price +10%	2,208	294
	Share price -10%	(2,208)	(268)

### (iii) Interest rate risk

At reporting date, the Group's exposure to market risk for changes in interest rates relates primarily to the Group's short-term cash deposits. The Group is not exposed to cash flow volatility from interest rate changes on borrowings, as it does not have any short or long term borrowings.

Chalice constantly analyses its exposures to interest rates, with consideration given to potential renewal of existing positions and the period to which deposits may be fixed. The Group considers preservation of capital as the primary objective as opposed to maximising interest rate yields by investing in higher risk investments.

At reporting date, the following financial assets were exposed to fluctuations in interest rates:

	2024 \$'000	2023 \$'000
Cash and cash equivalents	88,950	145,223

Based on the financial instruments held at 30 June 2024, if interest rates had increased by 50 basis points or decreased by 20 basis points from the year end rates, with all other variables held constant, loss and equity for the year would have been \$439,000 lower/\$178,000 higher (2023: \$697,000 lower/\$281,000 higher based on a 50 basis point increase and a decrease of 20 basis point to the year-end rates).

### (c) Credit risk exposure

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any allowance for doubtful debts, as disclosed in the notes to the financial statements.

It is not the Company's policy to securitise its trade and other receivables, however, receivable balances are monitored on an ongoing basis. In addition, the Company currently diversifies its cash holdings across three of the main Australian financial institutions.

### (d) Liquidity risk exposure

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board of Directors actively monitors the Group's ability to pay its debts as and when they fall due by regularly reviewing the current and forecast cash position based on the expected future activities.

The Group has non-derivative financial liabilities and lease liabilities which include trade and other payables of \$3.4 million (2023: \$7.9 million) all of which are due within 60 days.

In light of the Group's current financial assets and minimal committed expenditure, the Group could continue to operate as a going concern for a considerable period of time, subject to any changes to the Group structure or undertaking a material transaction.

## (e) Fair value of financial instruments

The Directors consider the carrying value of the financial assets and financial liabilities are recognised in the consolidated financial statements approximate their fair values. In particular, equity investments designated at fair value through other comprehensive income are measured at fair value using quoted market prices at the reporting date (Level 1 fair value measurement).

Where applicable, non-listed equity investments are measured at fair value using unobservable inputs (Level 3 fair value measurement).

The directors have assessed that the fair value of cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### Material Accounting Policy

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- « In the principal market for the asset or liability; or
- « In the absence of a principal market, the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximise the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- « Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- « Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- « Level 3 - Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

### GROUP COMPOSITION

This section of the Notes includes information that must be disclosed to comply with accounting standards and other pronouncements relating to the structure of the Group, but that is not immediately related to individual line items in the Financial Statements.

#### 24. PARENT ENTITY

##### Financial position

##### Assets

Current assets  
Non-current assets

##### Total assets

##### Liabilities

Current liabilities  
Non-current liabilities

##### Total liabilities

##### Net assets

##### Equity

Issued capital  
Accumulated losses  
Reserves

##### Total equity

	2024 \$'000	2023 \$'000
Current assets	114,326	150,434
Non-current assets	54,145	43,193
<b>Total assets</b>	<b>168,471</b>	<b>193,627</b>
Current liabilities	3,817	5,822
Non-current liabilities	2,090	1,636
<b>Total liabilities</b>	<b>5,907</b>	<b>7,458</b>
<b>Net assets</b>	<b>162,564</b>	<b>186,169</b>
Issued capital	367,467	359,913
Accumulated losses	(240,518)	(201,463)
Reserves	35,615	27,719
<b>Total equity</b>	<b>162,564</b>	<b>186,169</b>

##### Financial performance

Loss for the year  
Total comprehensive loss

	2024 \$'000	2023 \$'000
Loss for the year	(38,928)	(67,288)
<b>Total comprehensive loss</b>	<b>(38,928)</b>	<b>(67,288)</b>

##### Commitments and contingencies

###### (i) Contingencies

Other than as disclosed in note 28 the parent entity has no contingent assets or liabilities.

###### (ii) Capital commitments

Other than as disclosed in note 28, the parent entity has no capital commitments.

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

### 25. LIST OF SUBSIDIARIES

#### Significant investments in subsidiaries

The consolidated financial statements include the financial statements of Chalice Mining Limited and its subsidiaries listed in the following table:

Name of entity	Country of Incorporation	% Equity Interest	
		2024	2023
CGM (Lithium) Pty Ltd	Australia	100	100
CGM (Julimar) Pty Ltd	Australia	100	100
CGM (South Yilgarn) Pty Ltd	Australia	100	100
CGM (WA) Pty Ltd	Australia	100	100
CGM (West Yilgarn) Pty Ltd	Australia	100	100
Chalice Gold Mines (Ontario) Inc.	Canada	100	100
Chalice Operations Pty Ltd	Australia	100	100
Nebula Resources Pty Ltd	Australia	100	100
North West Nickel Pty Ltd <sup>(1)</sup>	Australia	-	100
Western Rift Pty Ltd	Australia	100	100

(1) In August 2023, the Company sold Northwest Nickel Pty Ltd (Norwest) to Staveley Minerals Limited. Refer to note 9 for further details.

#### Material Accounting Policy

The consolidated financial statements comprise the financial statements of Chalice Mining Limited ("Company" or "Parent") and its subsidiaries as at 30 June each year (the "Group"). Interests in associates are equity accounted and are not part of the consolidated Group.

Subsidiaries are all those entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Special purpose entities are those entities over which the Group has no ownership interest but in effect the substance of the relationship is such that the Group controls the entity so as to obtain the majority of benefits from its operation.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries and special purpose entities are fully consolidated from the date on which control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries held by Chalice Mining Limited are accounted for at cost in the financial statements of the parent entity less any impairment charges.

### OTHER INFORMATION

This section of the Notes includes other information that must be disclosed to comply with accounting standards and other pronouncements, but that is not immediately related to individual line items in the Financial Statements.

### 26. AUDITOR'S REMUNERATION

#### Audit services

HLB Mann Judd:  
Audit and review of financial reports  
Other services

	2024 \$	2023 \$
	82,756	85,255
	-	-
	82,756	85,255

## Notes to the Consolidated Financial Statements

For the year ended 30 of June 2024

### 27. RELATED PARTIES

#### Key management personnel

##### Executive Directors

Alex Dorsch (MD&CEO)

##### Non-executive Directors

Derek La Ferla (Chair)

Morgan Ball to 31 March 2024

Garret Dixon

Stephen McIntosh

Linda Kenyon

Jo Gaines

##### Executives

Chris MacKinnon (Chief Financial Officer)

Mike Nelson (General Manager – Development)

Richard Hacker (General Manager – Strategy & Corporate) (KMP from 1 July 2023 to 29 February 2024).

Kevin Frost (General Manager – Exploration)

Bruce Kendall (General Manager – Exploration) to 30 April 2024

Soolim Carney (General Manager – Environment and Community)

The KMP compensation is as follows:

	2024 \$	2023 \$
Short-term benefits	3,197,538	3,056,533
Post-employment benefits	240,393	204,664
Long-term benefits	(19,426)	139,485
Share-based payments	1,358,710	1,572,567
	<u>4,777,215</u>	<u>4,973,249</u>

#### Individual director's and executive's compensation disclosures

The Group has transferred the detailed remuneration disclosures to the Directors' Report in accordance with Corporations Amendment Regulations 2006 (No. 4). These remuneration disclosures are provided in the Remuneration Report on pages 72 to 96 of the Directors' Report and are designated as audited.

#### Loans to key management personnel and their related parties

No loans were made to KMP or their related parties.

#### Other key management personnel transactions with the Group

There were no other key management personnel transactions within the Group during the year ended 30 June 2024.

### 28. COMMITMENTS AND CONTINGENCIES

#### Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements as specified by various governments in order to maintain exploration tenements in good standing. Therefore, amounts stated are based on the minimum commitments known within the next year. The Group may in certain situations apply for exemptions under relevant mining legislation or enter into joint venture arrangements which significantly reduce working capital commitments. These obligations are not provided for in the financial report and are payable:

	2024 \$'000	2023 \$'000
Within 1 year	5,485	3,001
Within 2-5 years	2,265	2,410
Later than 5 years	-	-
	<u>7,750</u>	<u>5,411</u>

### Contingent asset and Contingent Liabilities

There are no contingent assets or contingent liabilities at 30 June 2024 (30 June 2023: nil).

### 29. EVENTS SUBSEQUENT TO REPORTING DATE

On 30 July 2024, 20% of the FY2021-22 Performance Rights that were issued to KMP and employees in 2021 vested on the achievement of certain performance conditions measured over the three years ended 30 June 2024. On 31 July 2024, the Company issued 63,484 fully paid ordinary shares to CPU Share Plans Pty Limited as trustee of the Chalice Mining Employee Share Trust for allocation to the participants upon exercising their Performance Rights. Subsequent to vesting, 26,710 Performance Rights were exercised into an equivalent number of fully paid ordinary shares.

On 26 September 2024, the Company issued 3,523,565 FY2024-25 Performance Rights to Executive KMP and employees of the Company under the terms of the Employee Securities Incentive Plan. In addition, it was also resolved that Alex Dorsch, MD&CEO be awarded 696,458 Performance Rights on the same terms and conditions. The issue of the Performance Rights to Mr Dorsch is conditional on the receipt of shareholder approval to be sought at the Company's 2024 Annual General Meeting.

Other than disclosed above, there has not been any other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

### 30. CHANGES IN ACCOUNTING POLICIES

In the year ended 30 June 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the Group and effective for the current annual reporting period.

The impact on the financial performance and position of the Company from the adoption of the new or amended Accounting Standards and Interpretations is not material. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### 31. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been early adopted by the Group for the year ended 30 June 2024

AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* makes amendments to various Australian Accounting Standards and AASB Practice Statement 2 *Making Materiality Judgements* change the way in which accounting policies are disclosed in financial reports. The amendments require disclosure of material accounting policy information rather than significant accounting policies and are effective for annual reporting periods beginning on or after 1 January 2023. Accounting policy disclosure has been updated in line with this standard. All other new standards had no material effect.

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the period ended 30 June 2024. As a result of this review the Directors have determined that there is no material impact of the standards and Interpretations on issue and not yet adopted by the Company.

# Consolidated Entity Disclosure Statement

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Name of entity	Type of entity	Ownership interest	Country of incorporation	Australian or foreign tax residency	Foreign jurisdiction tax residency
Chalice Mining Limited (the Company)	Body Corporate		Australia	Australian	N/A
CGM (Lithium) Pty Ltd	Body Corporate	100%	Australia	Australian	N/A
CGM (Julimar) Pty Ltd	Body Corporate	100%	Australia	Australian	N/A
CGM (South Yilgarn) Pty Ltd	Body Corporate	100%	Australia	Australian	N/A
CGM (WA) Pty Ltd	Body Corporate	100%	Australia	Australian	N/A
CGM (West Yilgarn) Pty Ltd	Body Corporate	100%	Australia	Australian	N/A
Chalice Operations Pty Ltd	Body Corporate	100%	Australia	Australian	N/A
Nebula Resources Pty Ltd	Body Corporate	100%	Australia	Australian	N/A
Western Rift Pty Ltd	Body Corporate	100%	Australia	Australian	N/A
Chalice Gold Mines (Ontario) Inc.	Body Corporate	100%	Canada	Canadian	Canada

Chalice Mining Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

# Directors' Declaration

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1. In the opinion of the directors of Chalice Mining Limited (the 'Company'):
  - a. the financial statements, notes and the additional disclosures in the directors' report designated as audited, of the Group are in accordance with the *Corporations Act 2001* including:
    - (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
    - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
  - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
  - c. The statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
  - d. The consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

This declaration is signed in accordance with a resolution of the Directors of Chalice Mining Limited.

Dated at Perth the 26th day of September 2024.

On behalf of the Board:



Alex Dorsch  
Managing Director and Chief Executive Officer

# Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

To the Members of Chalice Mining Limited

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of Chalice Mining Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

**h**l**b.com.au**

**HLB Mann Judd ABN 22 193 232 714**

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Key Audit Matter	How our audit addressed the key audit matter
<p><b>Accounting for share-based payments</b> Refer to Note 17</p>	<p>Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- Reviewing the valuation of share-based payments entered into during the financial year;</li> <li>- Assessing the experience, qualifications and expertise of external valuers used;</li> <li>- Considering whether the determination of the current period vesting expense had been correctly determined;</li> <li>- Assessing whether management's determination of the likelihood of the various vesting conditions being met was reasonable; and</li> </ul> <p>Ensuring disclosures within the financial statements and remuneration report were appropriate.</p>

*Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of:

- (a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- (b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- (a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### REPORT ON THE REMUNERATION REPORT

##### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Chalice Mining Limited for the year ended 30 June 2024 complies with Section 300A of the *Corporations Act 2001*.

##### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**26 September 2024**



**B G McVeigh**  
**Partner**

# Further Information

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# ASX Additional Information

Additional information required by the Australian Securities Exchange Limited ("ASX") Listing Rules and not disclosed elsewhere in this report is set out below. The information below was applicable as at 16 September 2024.

## Substantial shareholders

The names of the substantial shareholders as disclosed in substantial shareholding notices given to the Company and the number of shares in which they have a relevant interest are:

Shareholder	Number of ordinary shares held	Percentage of capital held %
Timothy Rupert Barr Goyder	40,574,195	10.43
Paradise Investment Management Pty Ltd	19,922,425	5.12

## Issued Capital

The Company has 389,026,788 fully paid ordinary shares on issue and 16,427 holders of fully paid ordinary shares.

## Other Unlisted Equity Securities on Issue

Class of Security	No. Securities	No. Holders
Performance Rights, nil exercise price, (vested 30 June 2024)	36,774	11
Performance Rights, nil exercise price, (measurement date 30 June 2025)	841,164	19
Retention Rights, nil exercise price, (measurement date 31 December 2025)	545,021	15
Performance Rights, nil exercise price, (measurement date 30 June 2026)	911,705	27

The unlisted securities above were issued under an employee incentive scheme.

There were no holders of unquoted equity securities, excluding securities held under an employee incentive scheme, where the holder held 20% or more of a class of unlisted security as at 16 September 2024.

## Fully Paid Ordinary Shares - Distribution of equity security holders:

Range	No. Holders	% Held
1 – 1,000	6,049	0.71
1,001 – 5,000	5,232	3.66
5,001 – 10,000	2,124	4.22
10,001 – 100,000	2,737	20.37
100,001 and over	285	71.04
<b>Total</b>	<b>16,427</b>	<b>100.00</b>

## Other Unlisted Equity Securities - Distribution of equity security holders

Range	Performance Rights						Retention Rights	
	Measurement Date 30 June 2024		Measurement Date 30 June 2025		Measurement Date 30 June 2026		Measurement Date 31 December 2025	
	No. Holders	% Held	No. Holders	% Held	No. Holders	% Held	No. Holders	% Held
1 – 1,000	2	5.14	-	-	-	-	-	-
1,001 – 5,000	6	29.77	-	-	2	1.00	-	-
5,001 – 10,000	2	37.42	5	4.66	7	5.62	-	-
10,001 – 100,000	1	27.67	12	53.65	16	57.23	15	100.00
100,001 and over	-	-	2	41.69	2	36.15	-	-
<b>Total</b>	<b>11</b>	<b>100.00</b>	<b>19</b>	<b>100.00</b>	<b>27</b>	<b>100.00</b>	<b>15</b>	<b>100.00</b>

## ASX Additional Information

### Marketable Parcel

The number of shareholders holding less than a marketable parcel is 3,064 (based on a share price of \$1.23).

### Securities Exchange Listing

The Company is a listed public company incorporated in Australia. The fully paid ordinary shares of the Company are listed on the Australian Securities Exchange Limited (ASX) under the code "CHN".

### Voting Rights

All fully paid ordinary shares carry one vote per share. In accordance with the Company's constitution, on a show of hands every member present in person or by proxy or attorney or duly appointed representative has one vote. On a poll every member present or by proxy or attorney or duly authorised representative has one vote for every fully paid share held. There are no voting rights attached to options, performance rights or retention rights until exercised.

### Restricted securities

There are no restricted ordinary shares on issue at 16 September 2024.

### On-market Buyback

No on-market buy-back is currently being undertaken by the Company.

### Twenty Largest Ordinary Fully Paid Shareholders

Name	Number of shares	Percentage of issued capital
HSBC Custody Nominees (Australia) Limited	58,740,850	15.10
Mr Timothy R B Goyder	42,040,195	10.81
Citicorp Nominees Pty Limited	27,230,176	7.00
J P Morgan Nominees Australia Pty Limited	17,495,948	4.50
BNP Paribas Noms Pty Ltd	7,456,367	1.92
BNP Paribas Nominees Pty Ltd <Clearstream>	6,009,565	1.54
Lunar Co Pty Ltd <H&A Dorsch Family A/C>	5,949,447	1.53
Curious Commodities Pty Ltd	5,250,000	1.35
Warbont Nominees Pty Ltd <Unpaid Entrepot A/C>	4,631,673	1.19
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient>	4,554,011	1.17
HSBC Custody Nominees (Australia) Limited <NT-Comnwlth Super Corp A/C>	3,494,546	0.90
HSBC Custody Nominees (Australia) Limited <Euroclear Bank SA NV A/C>	2,668,299	0.69
BNP Paribas Noms Pty Ltd <Global Markets>	2,616,501	0.67
AEGP Super Pty Ltd <AEGP Superannuation Fund A/C>	2,500,000	0.64
Bremerton Pty Ltd <The Bartlett Family Fund A/C>	2,383,010	0.61
HSBC Custody Nominees (Australia) Limited <GSCO Customers A/C>	2,077,424	0.53
Brechin Pty Ltd	1,630,678	0.42
Merril Lynch (Australia) Nominees Pty Limited	1,622,093	0.42
Mr Qiu Tu	1,525,300	0.39
Mr Richard James Anderson	1,500,000	0.39
<b>Top Twenty Shareholders</b>	<b>201,376,083</b>	<b>51.77</b>
<b>Total Remaining Shareholders</b>	<b>187,650,705</b>	<b>48.23</b>
<b>Total</b>	<b>389,026,788</b>	

### Share Registry Information

For information on your shareholding or related administrative matters please contact the Company's share registry Computershare Investor Services Pty Ltd at:

Computershare Investor Services Pty Limited  
GPO Box 2975  
Melbourne VIC 3001  
AUSTRALIA

Telephone Australia: 1300 850 505  
Telephone International: (+61 3) 9415 4000

Website: <https://www.computershare.com/au>

# Company Directory

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## Directors

### Derek La Ferla

Non-executive Chair

### Alex Dorsch

Managing Director and Chief Executive Officer

### Garret Dixon

Non-executive Director

### Stephen McIntosh

Non-executive Director

## Company Secretary

Jamie Armes

## Principal Place of Business & Registered Office

Level 3,  
46 Colin Street,  
West Perth, Western Australia 6005

Tel: (+61) (8) 9322 3960

Email: [info@chalicemining.com](mailto:info@chalicemining.com)

Web: [www.chalicemining.com](http://www.chalicemining.com)

ABN: 47 116 648 956

## Auditors

HLB Mann Judd  
Level 4,  
130 Stirling Street,  
Perth, Western Australia 6000

## Home Exchange

Australian Securities Exchange Ltd  
Level 40,  
Central Park,  
152-158 St Georges Terrace  
Perth, Western Australia 6000

## Share Registry

Computershare Investor Services Pty Ltd  
Level 17,  
221 St Georges Terrace  
Perth, Western Australia 6000  
Tel: 1300 850 505

## ASX Listing

ASX Code: CHN





[www.chalicemining.com](http://www.chalicemining.com)

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