



Half Year Report

Chalice Mining Limited

31 December 2024

Table of Contents

Directors' Report	3
Competent Person's Statements and Disclaimer	14
Auditor's Independence Declaration	16
Condensed Consolidated Statement of Comprehensive Income	17
Condensed Consolidated Statement of Financial Position	18
Condensed Consolidated Statement of Changes in Equity	19
Condensed Consolidated Statement of Cash Flows	20
Notes to the Condensed Consolidated Financial Statements	21
Directors' Declaration	27
Independent Auditor's Review Report	28

Directors' Report

For the Half-Year Ended 31 December 2024

Your directors present their report, together with the condensed consolidated financial statements of the Chalice Mining Limited Group, comprising of Chalice Mining Limited ('Chalice' or 'the Company') and its controlled entities (together 'the Group') for the half-year ended 31 December 2024. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

1. Directors

The names of directors who held office during the half-year ended 31 December 2024 and up until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Derek N La Ferla	Non-executive Chairman
Alexander (Alex) C Dorsch	Managing Director and Chief Executive Officer
Garret J Dixon	Non-executive Director
Stephen M McIntosh	Non-executive Director (retired 21 November 2024)
Linda J Kenyon	Non-executive Director (retired 31 August 2024)
Joanne (Jo) M Gaines	Non-executive Director (retired 31 August 2024)
Richard K H Hacker	Non-executive Director (appointed 21 November 2024)

2. Review of Operations

2.1 Overview

Chalice made a major greenfield discovery in early 2020 at the Gonneville Project in Western Australia ("Gonneville" or the "Project"). 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.

Chalice also has an unrivalled >8,000km² 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.

Chalice's strategy for its flagship Gonneville Project is to progress development studies and regulatory approvals to deliver an optimised, staged development plan. In parallel, Chalice also continues to engage with potential strategic offtake/financing partners for the Project.

During the half-year, Chalice continued to progress the Pre-Feasibility Study (PFS) for Gonneville, with expected completion in mid CY25.

With commodity prices remaining at cyclical lows, the Company made targeted reductions in corporate overheads and project expenditure during the period. The expenditure reductions included a reduction in size of the Board of Directors, from six members to four members, as well as reductions in exploration and study expenditures. The reductions ensure the Company remains in a strong financial position to progress both Gonneville and its West Yilgarn gold-copper exploration activities.

In July 2024, a strategic Memorandum of Understanding (MOU) was signed with Mitsubishi Corporation (Mitsubishi). The MOU established a general framework to work together during the Pre-Feasibility Study (PFS) on the technical, financing, marketing and offtake aspects of the Project.

In September 2024, Gonneville was approved as a Strategic Project by the State Government of Western Australia and, in October 2024, Gonneville was awarded Major Project Status by the Commonwealth Government of Australia. This recognises the national significance of the Project to the development of Australia's minerals sector. Both the Commonwealth and State governments will provide dedicated teams to facilitate the Project through their respective approvals processes.

In December 2024 Chalice completed an initial aircore drilling program across three multi-kilometre scale greenfield gold targets at the 100%-owned Barrabarra Project. The program intersected encouraging greenstone geology which warrants further drilling. In parallel, 25 aircore holes were completed at the new greenfield Kann magmatic target at the Northam JV Project. Follow-up programs at these exciting targets, as well as initial testing of two targets within the Northam JV Project, commenced in February 2025.

Subsequent to the end of the reporting period, Chalice announced a major metallurgical breakthrough at the Gonneville Project. The Company confirmed that it can produce saleable copper and nickel concentrates from the entire sulphide Resource, removing the need for a complex and high-cost hydrometallurgical process and materially reducing the capital and operating costs of the Project. As a result of the new flowsheet and optimisations, project margins are expected to significantly improve relative to the 2023 Scoping Study (using conservative, consistent macro-economic assumptions).

2.2 Exploration and Evaluation

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

2.2.1.1 Pre-Feasibility Study (PFS)

During the reporting period, Chalice progressed the PFS for the Project, targeted for completion in mid-2025. The focus of the PFS was on the selection of a preferred open-pit, staged development case with reduced initial scale and a simplified process flowsheet. The objective is to develop the project in two stages:

- « **Stage 1** – a ~3-5 year, higher-grade open-pit mining phase, utilising a simple concentrator-leach process flowsheet to produce saleable Cu-PGE-Au and Ni-Co-PGE concentrates as well as PGE-Au doré.
 - « This stage aims to de-risk the project, targeting a materially lower upfront capital cost and increased margin relative to the 2023 Scoping Study cases.
- « **Stage 2** – a long-life, bulk open-pit mining phase at a larger processing throughput rate. A transition to bulk underground mining in the longer-term will also continue to remain a possibility, however it is not currently in scope for the PFS.

The preferred development case will be selected from a broad range of scale/flowsheet/mining options assessed and based on the metallurgical testwork on mine composites completed during the initial phase of the PFS in CY24.

Flowsheet development testwork to date for the PFS has involved:

- « Comminution (crush, grind) testwork utilising High Pressure Grinding Rolls (HPGRs) and Vertical Roller Mills (VRMs);
- « Froth flotation (concentration) testwork utilising sequential copper-nickel configurations, with a focus on producing saleable concentrates;
- « Leach testwork utilising Carbon-in-Leach (CIL) standard gold industry techniques to recover additional palladium and gold from the flotation tails and oxide material; and
- « Magnetic separation testwork on oxide and flotation tails, aiming to reduce leach reagent consumption in the CIL circuit.

Recent flotation testwork has resulted in a major metallurgical breakthrough, producing saleable nickel concentrate (>6% Ni) from low-grade samples – something previously thought unachievable during the Scoping Study testwork phase.

The breakthrough has simplified and optimised the process flowsheet for the Project considerably, removing the need for a hydrometallurgical process for the nickel concentrate – which will materially reduce execution risk, piloting requirements as well as capital and operating costs.

The process flowsheet now contemplates a simple, industry-standard configuration, utilising concentrator-leach-magnetic separation processes, to produce saleable Cu-PGE-Au and Ni-Co-PGE flotation concentrates and saleable PGE-Au doré (Figure 1).

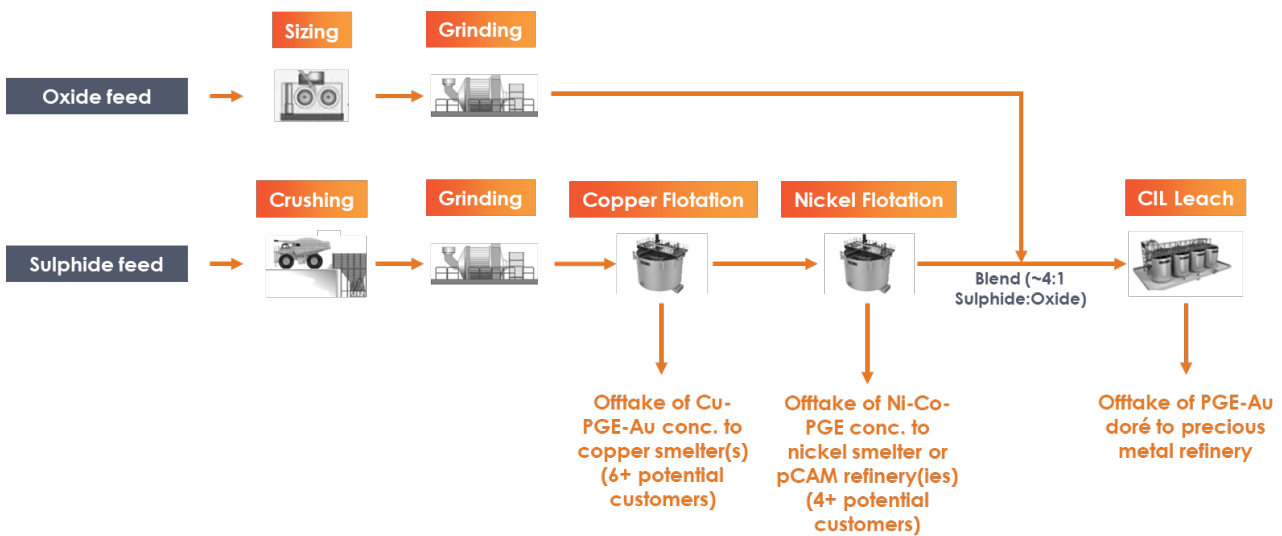


Figure 1. Gonneville Project Process Flowsheet (simplified).

2.2.1.2 Strategic partnering process

On 3 July 2024, the Company announced that 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 further joint engagement with Chalice.

Following the announcement, Chalice continued to collaborate with Mitsubishi Corporation under the MOU to determine optimal marketing and offtake solutions for future Gonneville products and to optimise the Project to maximise value and optionality.

2.2.2 West Yilgarn Province, Western Australia (100% owned)

Chalice holds several highly prospective exploration projects covering a >8,000km² tenure holding in the West Yilgarn Province (Figure 2). The Western Yilgarn Province is considered one of the most exciting critical minerals provinces globally, given it is largely unexplored but is considered highly prospective for:

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

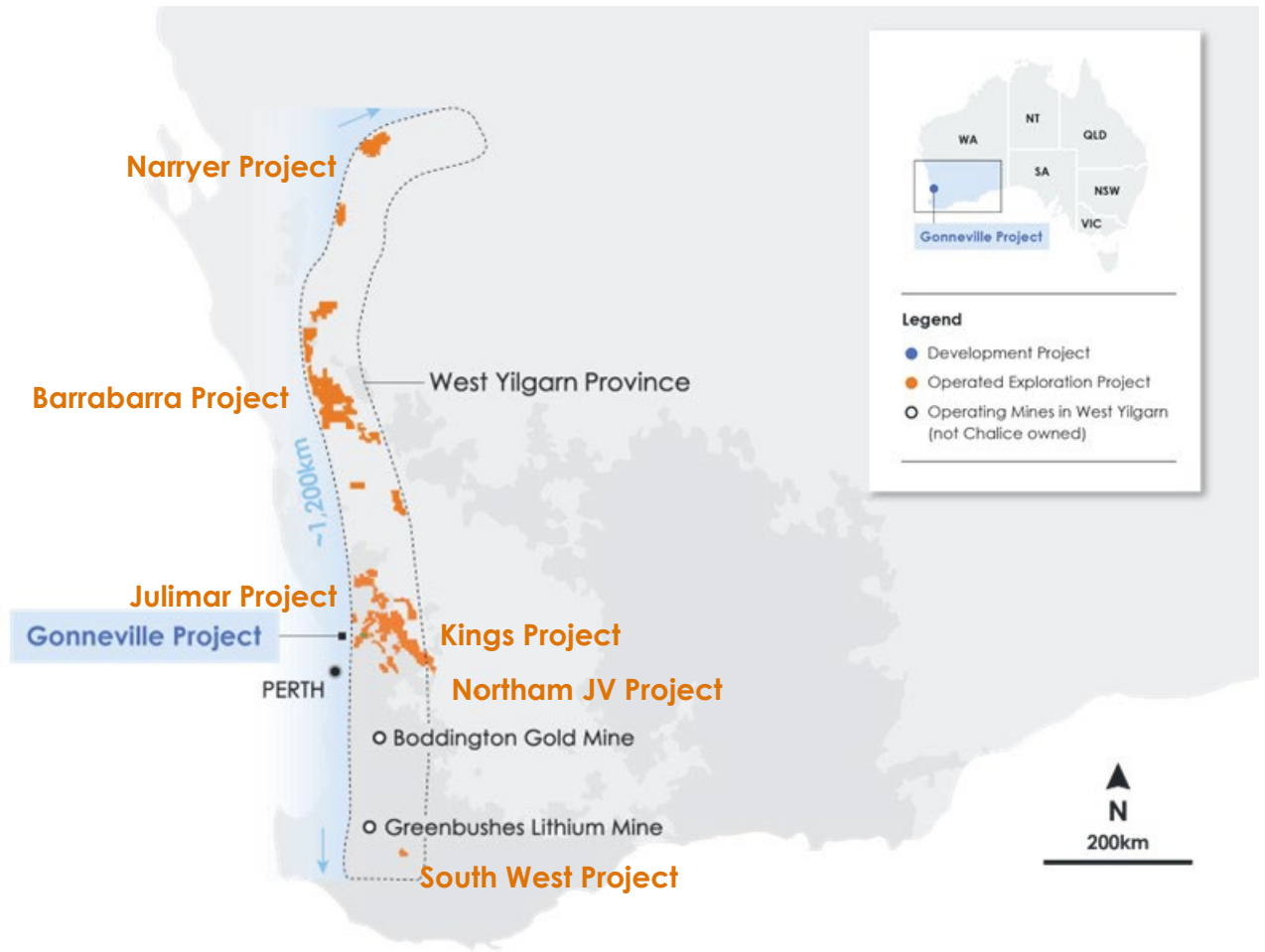


Figure 2. Chalice's project locations

As part of its broader strategic focus on unlocking the mineral potential of the Province beyond the tier-1 scale Gonneville Resource, the Company has been conducting a significant multi-year, multi-commodity reconnaissance exploration program in the area since 2021. The recent focus on gold-copper exploration has identified significant new targets that are in the process of being drill tested.

During the reporting period, Chalice completed a rationalisation of tenure across the province, relinquishing ~2,000km² of screened and downgraded licence areas.

2.2.2.1 Barrabarra Exploration Project, WA (100% owned + Koojan earn-in to 80%)

Chalice undertook regional ~1km spaced soil sampling over discrete magnetic anomalies and gravity highs interpreted to be ultramafic-mafic intrusions and subsequently expanded the search space to screen regional and second order structures and structurally complex greenstone belts with ~1km x 100m spaced soil geochemical lines infilled to ~400m x 100-50m for target definition.

Following the soil sampling, Chalice completed first-pass aircore drilling at the Recherche West, Warspite and Amasi targets during Q4, with a total of 4,535m completed across the three target areas (Figure 3).

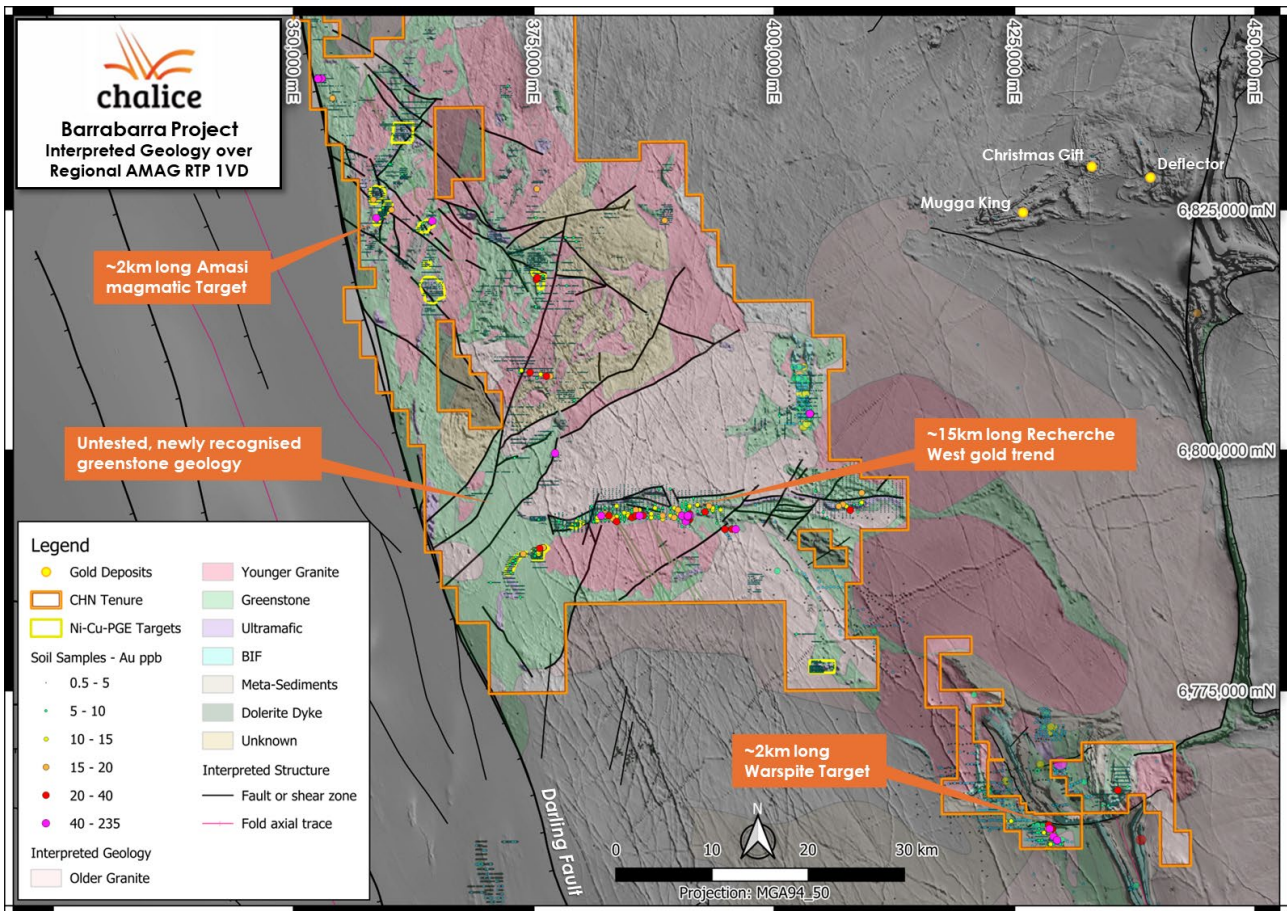


Figure 3. Barrabarra Project interpreted solid geology, sampling and targets over 1VD magnetics.

Lithologies intersected at Recherche West included a combination of meta-basalts, ultramafics, dolerites, meta-sedimentary rocks and lesser-deformed felsic porphyry rocks, confirming that a greenstone succession has been successfully intersected with a high degree of complexity and geological contrast.

Visible sulphides including pyrrhotite, pyrite and rare sphalerite were intersected in selected holes, with visible arsenopyrite identified in one hole.

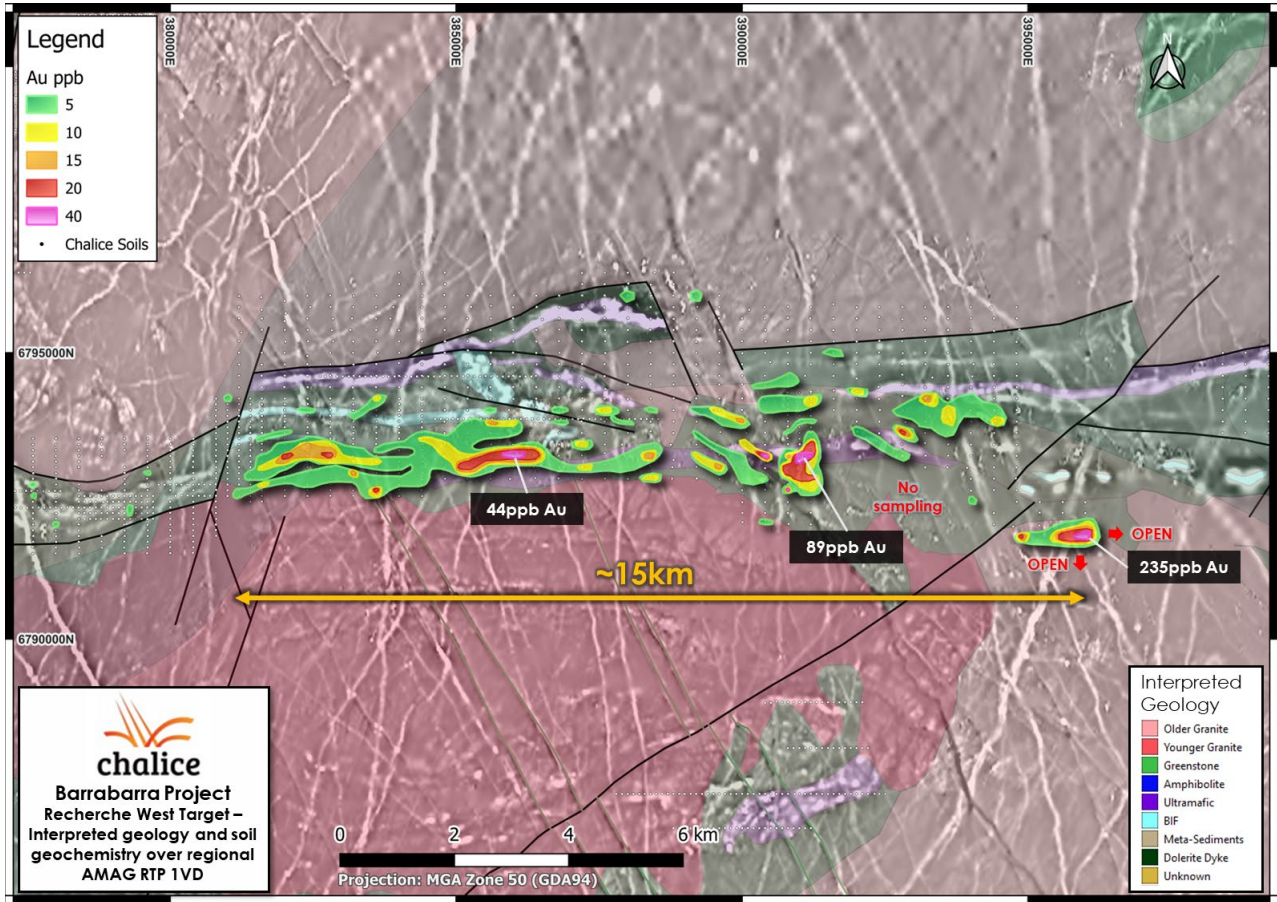


Figure 4. Recherche West interpreted geology, aeromagnetics and Au-in-soil contour anomalies.

Lithologies intersected at Warspite included meta-mafic rocks (gabbro, basalt and dolerites) with sparse pyrite disseminations as well as infill on fracture surfaces. Minor quartz-veining was also observed in selected intervals. Alteration assemblages included minor carbonate and epidote (propylitic) alteration.

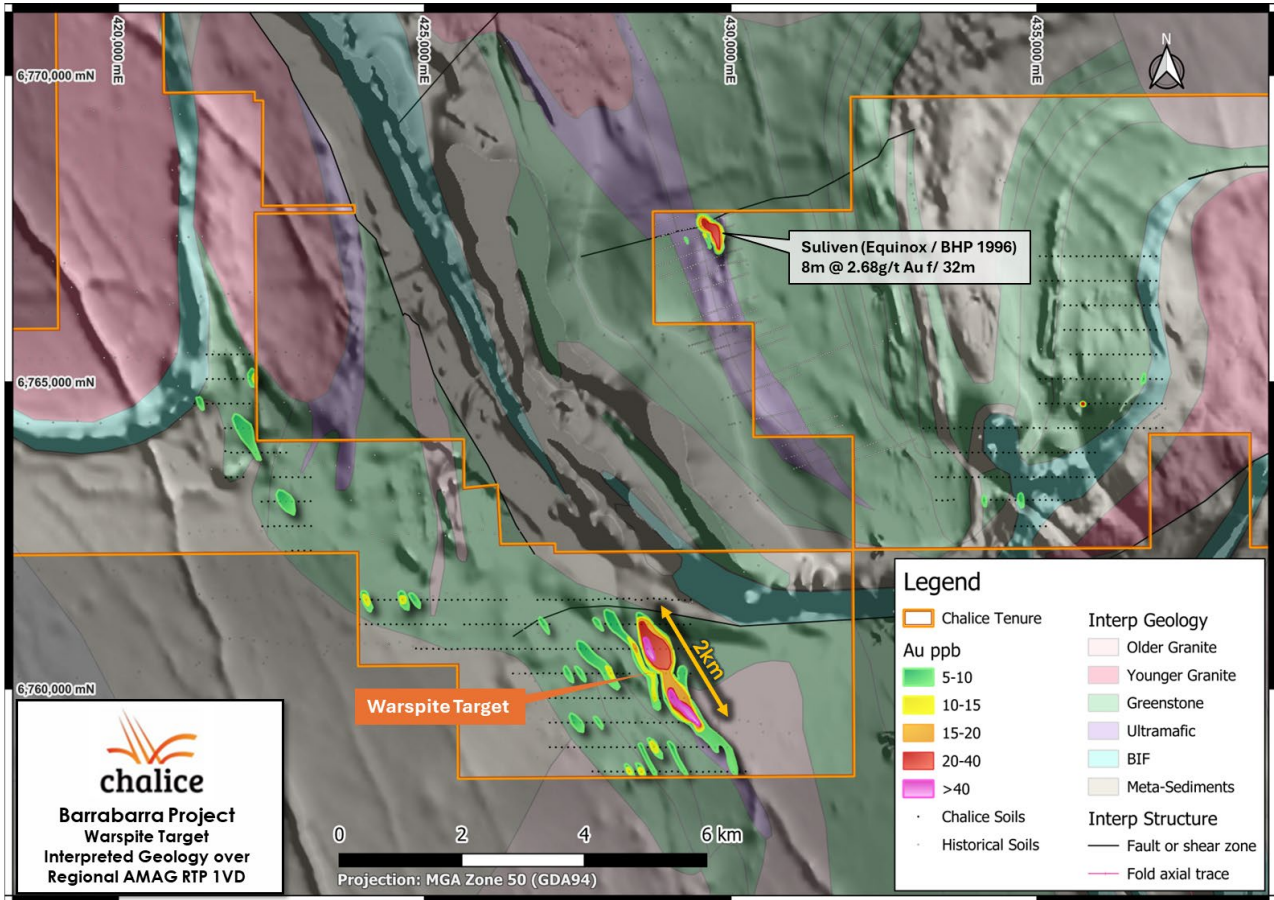


Figure 5. Waspit and Suliven Targets, interpreted geology over aeromagnetics.

The new Amasi Ni-Cu-PGE-Au Target is defined by soil anomalism over ~2km of strike length, coincident with a magnetic anomaly interpreted to be ultramafic intrusions. An initial wide-spaced AC drill program was completed in Q4 CY24.

Based on initial aircore drilling, a follow up program of aircore drilling is planned at the Waspit and Recherche West targets in Q1 CY25.

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

Exploration activities during the period focused on progressing gold and copper targets across the project, as well as any high-ranking magmatic Ni-Cu-PGE targets.

Aircore drilling was completed at the new Kann target, located near the town of Goomalling. The Kann target is characterised by coincident aeromagnetic highs, anomalous soil chemistry (Ni-Cr-Cu-Au) extending over ~2.4 km, and Gonnevillite-type dunite ultramafic float with base, precious and semi-metal enrichment.

A total of 25 holes for 324m was completed with encouraging intrusive geology and visible disseminated pyrrhotite intersected.

Moving Loop EM originally planned on two target areas in Q4 CY24 will now proceed in Q1 CY25 with the addition of a further target area to screen airborne electromagnetic (AEM) anomalies and mapped intrusive geology with elevated base metal contents.

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

Activities focused on progressing gold and copper targets on the project, as well as any high-ranking or advanced magmatic Ni-Cu-PGE targets.

Preparations for soil and auger sampling across six new targets continued throughout the period. Moving Loop EM is planned for two targets to screen anomalous soil chemistry and mapped intrusive geology.

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

No further drilling activities were completed on the project during the reporting period, with on-ground activities limited to ongoing compliance and rehabilitation assessments of previously disturbed areas.

During the period, two exploration licences at the northern end of the Julimar Complex were granted. Initial exploration activities including 120 soil samples and a moving loop EM survey are planned for Q1 CY25.

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

An MLEM survey over six Ni-Cu-PGE targets and ground reconnaissance over two additional targets was completed, along with additional surface sampling over one gold-silver target and one VMS target during the period. Anomalous results were returned from the Paloma target (Au-Ag) with a follow-up, localised DDIP survey planned for early CY25 to further interrogate the target area.

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

Access for exploration over a high-priority AEM conductor on 100% held tenure is being progressed. It is anticipated that on-ground exploration will be able to commence in late CY25.

Chalice withdrew from the Venture Minerals JV during the period.

2.2.2.7 Warrego North Copper-Gold Exploration Project, NT (51%-100% owned)

Access negotiations with the Central Land Council progressed during the quarter with the aim to commence exploration in mid-CY25.

2.2.3 Non-Operated Exploration Projects

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

No activity was undertaken during the period.

2.3 Environment, Social and Governance

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.

Chalice, once again, qualified as a member of the Dow Jones Sustainability Index Australia during the half-year - an index that is composed of sustainability leaders identified by S&P Global through the Corporate Sustainability Assessment.

2.3.1 Health and Safety

There were no significant safety incidents during the period. The Company also had zero Lost Time Injuries across all operations.

3. Corporate

3.1 Environment and Approvals

There were no significant environmental incidents during the reporting period.

On 17 September 2024, the Premier of Western Australia and Minister for State and Industry Development, Hon Roger Cook MLA, awarded 'Strategic Project' status to Gonneville under Western Australia's Lead Agency Framework.

The Green Energy Major Projects group within the Department of Jobs, Tourism, Science and Innovation (JTSI) will assume Lead Agency responsibility for the Project and provide a high level of project facilitation, including for regulatory approvals and infrastructure requirements. Environmental approvals for the Project will be assessed through a dedicated team, within Department of Water and Environmental Regulation, and receive a streamlined assessment process with the Environmental Protection Authority.

On 14 October 2024, Commonwealth Minister for Industry and Science, the Hon Ed Husic MP, granted 'Major Project Status' to Gonneville.

Commonwealth 'Major Project Status' enables strategically significant projects to obtain extra support and coordinated approvals. It will see the Major Project Facilitation Agency (MPFA) within the Commonwealth Department of Industry Science and Resources provide case-management support to assist Chalice in navigating Commonwealth approval processes.

The MPFA will also liaise with the Western Australian Department of Jobs Tourism, Science and Innovation (JTSI) to ensure that its case management support complements that provided by the Western Australian Government.

The Department of Climate Change, Energy, the Environment and Water (DCCEEW) issued guidelines for the Commonwealth EPBC Act assessment on 7 August 2024. Subsequently, on 12 November 2024, the WA Environmental Protection Authority (EPA) published the scope of studies and investigations required to support the State's assessment of the Project. Both State and Commonwealth requirements are consistent with the Company's planned environmental studies with no variation to scope required.

Formal engagement with the Whadjuk Aboriginal Corporation regarding the preparation of a Cultural Heritage Management Plan commenced during the reporting period.

The Whadjuk Traditional Owners and archaeologists completed detailed surveys of cultural heritage and completed a final report during the period. There have been no issues identified during the surveys to prevent the development of the Gonneville Project. This concludes the heritage surveys and studies over the mine development area.

3.2 Investments

Chalice has a number of investments in listed entities with a total value of approximately \$9.8 million at 31 December 2024. This includes an ~5.5% interest in ASX listed Encounter Resources Limited ("Encounter", ASX: ENR) with a value of ~\$8.9 million at 31 December 2024. In addition, the Company holds ~6% in ASX-listed Caspin Resources ("Caspin", ASX: CPN), valued at ~\$0.5 million at 31 December 2024. Caspin holds a 400km² licence area immediately north of Chalice's Julimar Project.

3.3 Financial Review

At 31 December 2024, the Group had net assets of \$141.3 million (30 June 2024: \$162.8 million) and an excess of current assets over current liabilities of \$88 million (30 June 2024: \$109.5 million). At 31 December 2024, the Group's cash at bank totaled \$79.9 million (30 June 2024: \$89.0 million). Other assets (apart from cash at bank) remained broadly consistent with 30 June 2024. Cash at bank decreased by \$9 million in line with the continuation of exploration and evaluation activities during the period, albeit at a significantly reduced burn rate compared to previous periods.

The Group reported a net loss after tax from continuing operations for the period of \$13.8 million (31 December 2023: net loss of \$27.8 million) mainly due to exploration and evaluation expenditure of \$10.9 million and other corporate costs.

The Group's focus during the half-year period was on exploration and evaluation activities at the Company's Gonneville Project with a particular focus on PFS workstreams. Operating cash outflows decreased by \$20.4 million representing a reduction of ~70%. This reflects a commitment to reduce overall expenditure and preserve the strong balance sheet.

Chalice continues to monitor ongoing expenditure rates to ensure it continues to be well funded to progress the Project. Board composition and overall skillset remains under evaluation to ensure the Company has the right mix to deliver the Company's strategy and more specifically the Project as it progresses through the study and development phases.

4. Events subsequent to reporting date

On 11 March 2025, the Company issued 567,642 performance rights to a newly appointed KMP, under the same terms and conditions as the FY2024-25 series of performance rights issued in September 2024.

Other than disclosed above, there has not been any other matter or circumstances that has arisen after balance date that has significantly affected or may significantly affect, the operations of the Group, the results of those operations, or state of the affairs of the Group in future financial periods.

5. 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.

6. Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 16 and forms part of this directors' report for the half-year ended 31 December 2024.

This report is signed in accordance with a resolution of the directors made pursuant to s.306 (3) of the Corporations Act 2001.

A handwritten signature in blue ink, appearing to read "Alex Dorsch".

Alex Dorsch
Managing Director and Chief Executive Officer

Dated at Perth this 13th day of March 2025

Competent Person's Statements and Disclaimer

Competent Person's Statements

The Exploration Results in this Report were first reported in accordance with ASX Listing Rule 5.7 in the ASX announcement titled "Gold-copper exploration strategy for the West Yilgarn" dated 3 September 2024.

The Mineral Resource estimates in this Report were first reported in accordance with ASX Listing Rule 5.8 in the ASX announcement titled "Gonneville Resource remodelled to support selective mining" dated 23 April 2024.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements and, in the case of the Mineral Resource estimates, that all material assumptions and technical parameters underpinning the estimates in the previous announcement continue to apply and have not materially changed.

Forward-Looking Statements

This Report includes forward looking statements that have been based on an assessment of present economic and operating conditions, and assumptions regarding future events and actions that, as at the date of this Report, are considered reasonable by the Company. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and its Directors and management. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Company has no intention to update or revise forward-looking statements, except where required by law



Mineral Resource Statement

Table 1. Gonneville Mineral Resource Estimate (JORC Code 2012), 23 April 2024.

Domain	Cut-off NSR (A\$/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	-	-	-
		Subtotal	13	1.3	-	0.04	-	-	-	0.54	-	0.02	-	-	-
Sulphide (Transitional) – in-pit	25	Measured	0.4	0.82	0.18	0.03	0.19	0.160	0.020	0.01	0.00	0.00	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	0.00	0.00	0.00	0.19	0.15	0.02
		Subtotal	14	0.69	0.16	0.03	0.16	0.104	0.020	0.32	0.08	0.01	23	15	2.8
Sulphide (Fresh) – in-pit	25	Measured	2.5	1.0	0.22	0.03	0.21	0.168	0.018	0.08	0.02	0.00	5.4	4.3	0.45
		Indicated	380	0.60	0.14	0.02	0.15	0.088	0.015	7.4	1.7	0.30	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
		Subtotal	620	0.60	0.14	0.02	0.15	0.083	0.015	12	2.8	0.45	930	520	92
Sulphide (Fresh) – MSO	110	Measured	-	-	-	-	-	-	-	-	-	-	-	-	-
		Indicated	-	-	-	-	-	-	-	-	-	-	-	-	-
		Inferred	7.3	1.7	0.38	0.09	0.16	0.192	0.015	0.40	0.09	0.02	12	14	1.1
		Subtotal	7.3	1.7	0.38	0.09	0.16	0.192	0.015	0.40	0.09	0.02	12	14	1.1
All		Measured	2.9	0.99	0.21	0.03	0.21	0.167	0.018	0.09	0.02	0.00	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
		Total	660	0.63	0.14	0.02	0.15	0.083	0.015	13	2.9	0.50	960	540	96

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

Auditor's Independence Declaration



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Chalice Mining Limited for the half-year ended 31 December 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 review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
13 March 2025



B G McVeigh
Partner

hlb.com.au

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hbw.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

Condensed Consolidated Statement of Comprehensive Income

For the Half-Year Ended 31 December 2024

	Note	31 December 2024 \$'000	31 December 2023 \$'000
Continuing operations			
Revenue	2(a)	496	50
Interest income		1,911	2,701
Finance expense		(73)	(67)
Net gain from sale of subsidiary	4	-	860
Foreign exchange loss		(29)	(27)
Corporate administrative expenses	2(b)	(1,685)	(3,244)
Exploration and evaluation expenditure	2(c)	(10,906)	(27,555)
Share-based payments	11	(904)	(1,308)
Loss before tax from continuing operations		(11,190)	(28,590)
Income tax (expense)/benefit	3	(2,592)	770
Loss for the period attributable to owners of the parent		(13,782)	(27,820)
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Net loss on fair value of financial assets, net of tax		(8,748)	(840)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		1	(3)
Other comprehensive loss for the period		(8,747)	(843)
Total comprehensive loss for the period		(22,529)	(28,663)
Total comprehensive loss for the period attributable to owners of the parent		(22,529)	(28,663)
Basic loss per share from continuing operations (cents per share)		(3.62)	(7.34)
Diluted loss per share from continuing operations (cents per share)		(3.62)	(7.34)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at 31 December 2024

	Note	31 December 2024 \$'000	30 June 2024 \$'000
Current assets			
Cash and cash equivalents		79,893	88,950
Receivables	7	956	1,992
Other assets	5	2,124	2,215
Financial assets	6	9,814	22,080
Total current assets		92,787	115,237
Non-current assets			
Financial assets		551	548
Right-of-use assets		1,357	1,509
Property, plant and equipment		53,219	53,373
Total non-current assets		55,127	55,430
Total assets		147,914	170,667
Current liabilities			
Trade and other payables	8	2,845	3,195
Grant funding received in advance	9	1,333	1,720
Lease liabilities		208	243
Employee benefits		375	624
Total current liabilities		4,761	5,782
Non-current liabilities			
Lease liabilities		1,750	1,869
Employee benefits		116	225
Total non-current liabilities		1,866	2,094
Total liabilities		6,627	7,876
Net assets		141,287	162,791
Equity			
Issued capital	10	368,051	367,467
Accumulated losses		(228,996)	(215,935)
Reserves		2,232	11,259
Total equity		141,287	162,791

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2024

	Issued capital \$'000	Accumulated losses \$'000	Share based payments reserve \$'000	Investment revaluation reserve \$'000	Foreign currency translation reserve \$'000	Total \$'000
Balance at 30 June 2024	367,467	(215,935)	4,255	6,883	121	162,791
Loss for the period	-	(13,782)	-	-	-	(13,782)
Other comprehensive income for the period						
Net loss on fair value of financial assets, net of tax	-	-	-	(8,748)	-	(8,748)
Exchange differences on translation of foreign operations	-	-	-	-	1	1
Total comprehensive income/(loss) for the year	-	(13,782)	-	(8,748)	1	(22,529)
Issue of share capital (net of costs)	89	-	-	-	-	89
Share-based payments	-	-	936	-	-	936
Transfers between equity items	495	721	(1,421)	205	-	-
Balance at 31 December 2024	368,051	(228,996)	3,770	(1,660)	122	141,287

	Issued capital \$'000	Accumulated losses \$'000	Share based payments reserve \$'000	Investment revaluation reserve \$'000	Foreign currency translation reserve \$'000	Total \$'000
Balance at 30 June 2023	359,913	(176,310)	3,977	(655)	125	187,050
Loss for the period	-	(27,820)	-	-	-	(27,820)
Other comprehensive income for the period						
Net loss on fair value of financial assets, net of tax	-	-	-	(840)	-	(840)
Exchange differences on translation of foreign operations	-	-	-	-	(3)	(3)
Total comprehensive income/(loss) for the year	-	(27,820)	-	(840)	(3)	(28,663)
Issue of share capital (net of costs)	5,875	-	-	-	-	5,875
Share-based payments	-	-	1,308	-	-	1,308
Transfers between equity items	1,254	-	(1,254)	-	-	-
Balance at 31 December 2023	367,042	(204,130)	4,031	(1,495)	122	165,570

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

For the Half-Year Ended 31 December 2024

	31 December 2024 \$'000	31 December 2023 \$'000
Cash flows from operating activities		
Cash receipts from operations	79	61
Cash paid to suppliers and employees	(2,114)	(2,389)
Payments for mineral exploration and evaluation	(9,744)	(29,039)
Payroll tax on vested performance rights	(80)	(454)
Government grants and incentives received	944	125
Interest received	2,203	2,693
Interest paid	(73)	(71)
Transaction costs relating to sale of a subsidiary	-	(67)
Net cash used in operating activities	(8,785)	(29,141)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(214)	(41)
Proceeds from sale of plant and equipment	13	-
Proceeds from sale of financial assets	86	-
Acquisition of freehold land and buildings	-	(4,400)
Net cash used in investing activities	(115)	(4,441)
Cash flows from financing activities		
Payment of principal portion of lease liabilities	(154)	(232)
Refund/(payment) of security deposits	-	71
Share issue costs	(1)	(128)
Net cash used in financing activities	(155)	(289)
Net decrease in cash and cash equivalents	(9,055)	(33,871)
Cash and cash equivalents at the beginning of the period	88,950	145,223
Effect of exchange rate fluctuations on cash held	(2)	(4)
Cash and cash equivalents at the end of the financial period	79,893	111,348

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Consolidated Financial Statements

For the Half-Year Ended 31 December 2024

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the annual financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by Chalice Mining Limited ('Chalice' or 'the Group') and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the rules of the Australian Securities Exchange.

(b) Basis of preparation

The interim report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and is a for-profit entity. All amounts are presented in Australian dollars, unless otherwise noted. For the purposes of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

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) Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(d) Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

(e) New or amended Accounting Standards

The Group has adopted all new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period and the impact on the financial performance and position of the Company from the adoption of the new or amended Accounting Standards and Interpretations was not material. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and not expected to have a material effect.

2. REVENUE AND EXPENSES

(a) Revenue

Government grants and incentives⁽¹⁾
Other

	31 December 2024 \$'000	31 December 2023 \$'000
Government grants and incentives ⁽¹⁾	417	-
Other	79	50
	496	50

⁽¹⁾ Government grants and incentives for the half year ended 31 December 2024 represents the Group's share of grant income received under a Cooperative Research Centre Program ("CRC-P") with the Commonwealth Government (refer note 9).

(b) Corporate and administrative expenses

Depreciation
Investor relations and marketing
Business development costs
Regulatory and compliance
Personnel expenses
Other corporate and administration costs

	31 December 2024 \$'000	31 December 2023 \$'000
Depreciation	75	216
Investor relations and marketing	277	456
Business development costs	98	99
Regulatory and compliance	245	523
Personnel expenses	929	1,864
Other corporate and administration costs	61	86
	1,685	3,244

Corporate and administrative expenses during the period reduced in comparison to the prior period ended 31 December 2023, namely due to a reduction in corporate overheads, reduction in corporate staff numbers, and a reduction in executive KMP salaries.

(c) Exploration and evaluation expenditure

Gonneville - exploration
Gonneville - development/Studies
West Yilgarn - Exploration
Other generative projects - exploration

	31 December 2024 \$'000	31 December 2023 \$'000
Gonneville - exploration	-	13,180
Gonneville - development/Studies	7,552	5,521
West Yilgarn - Exploration	3,160	8,836
Other generative projects - exploration	194	18
	10,906	27,555

3. INCOME TAX

Income tax (expense)/benefit

Refundable research and development tax incentives
Deferred income tax expense relating to investments held at fair value

	31 December 2024 \$'000	31 December 2023 \$'000
Refundable research and development tax incentives	811	770
Deferred income tax expense relating to investments held at fair value	(3,403)	-
	(2,592)	770

4. GAIN ON SALE OF SUBSIDIARY

During the prior period ended 31 December 2023, the Group sold its wholly owned subsidiary, 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.

	31 December 2024 \$'000	31 December 2023 \$'000
Consideration:		
Cash	-	50
Fully paid ordinary shares	-	877
	-	927
Less associated costs:		
Legal fees	-	(67)
	-	(67)
Gain on sale of subsidiary	-	860

5. OTHER ASSETS

	31 December 2024 \$'000	30 June 2024 \$'000
Research and development tax incentives refundable – FY2023	-	902
Research and development tax incentives refundable – FY2024	1,313	1,313
Research and development tax incentives refundable – FY2025	811	-
	2,124	2,215

6. FINANCIAL ASSETS

	31 December 2024 \$'000	30 June 2024 \$'000
Current		
Equity instruments designated at fair value through other comprehensive income:		
Listed equity investments ⁽¹⁾	9,814	22,080
	9,814	22,080

⁽¹⁾ Listed equity investments held at 31 December 2024 predominately includes 27,331,579 ordinary shares in Encounter Resources Limited (ASX: ENR, (Encounter)). The market value of the shares at 30 June 2024 was \$20.2 million or \$0.74 per share, however at 31 December 2024 the market value reduced to \$8.9 million or \$0.325 per share.

7. TRADE AND OTHER RECEIVABLES

	31 December 2024 \$'000	30 June 2024 \$'000
Current		
Trade and other receivables	146	437
GST receivable	251	528
Prepayments	559	1,027
	956	1,992

8. TRADE AND OTHER PAYABLES

	31 December 2024 \$'000	30 June 2024 \$'000
Trade payables	660	794
Accrued expenses	2,185	2,401
	2,845	3,195

9. GRANT FUNDING RECEIVED IN ADVANCE

	31 December 2024 \$'000	30 June 2024 \$'000
Grant funding received in advance	1,333	1,720
	1,333	1,720

The Group receives funding from the Commonwealth Government under a CRC-P, with total funds received under the CRC-P from inception to date totalling \$2.7 million. Total revenue of \$0.5 million has been recognised in relation to this funding for the half year ended 31 December 2024 (31 December 2023: nil) representing the achievement of certain milestones under the terms and conditions of the CRC-P partners agreement.

10. ISSUED CAPITAL

	31 December 2024		30 June 2024	
	No.	\$'000	No.	\$'000
Issued and fully paid ordinary shares				
Movements in ordinary shares on issue				
At 1 July	388,963,304	367,467	386,933,791	359,913
Shares issued on vesting of performance rights (refer note 11(b)(2))	63,484	495	788,387	1,679
Shares issued to acquire a private property	-	-	611,371	3,600
Shares issued under an earn-in agreement	-	-	629,755	2,450
Share issue costs	-	89	-	(175)
Balance at end of period	389,026,788	368,051	388,963,304	367,467

11. SHARE-BASED PAYMENTS

(a) Recognised share-based payment expense

	31 December 2024 \$'000	31 December 2023 \$'000
The share-based payment expense recognised during the period:		
Expense arising from equity settled share-based payment transactions to employees and KMP	904	1,308
Expense arising from equity settled share-based payment transactions to investor relations consultants (refer note 11(d))	32	-
	936	1,308

(b) Performance Rights

The following table illustrates the number and movements in performance rights during the period.

Performance Rights	31 December 2024	30 June 2024
	No.	No.
At 1 July	2,176,102	2,384,046
Performance rights issued ⁽¹⁾	4,220,023	1,089,836
Performance rights exercised ⁽²⁾	(26,710)	(788,387)
Performance rights lapsed	(359,749)	(509,393)
On issue at the end of the period	6,009,666	2,176,102

(1) During the half year ended 31 December 2024, 4,220,023 performance rights were granted to eligible Key Management Personnel and employees under the Group's Long-Term Incentive Plan. The fair value of the performance rights granted during the half year period was determined using the Monte-Carlo simulation model (market-based conditions) and Black-Scholes option valuation methodology (non-market conditions). The fair value of these performance rights is \$4.7 million which will be expensed over the vesting period of the performance rights (~3 years). Refer to section 9.4.8 (f) of the Directors' report within the Company's 2024 Annual Report for details of the performance conditions related to those performance rights granted during the half-year period.

(2) On 31 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 shares to the Company's 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 with 36,774 performance rights vested, not exercised.

(c) Retention Rights

The following table illustrates the number and movements in retention rights during the period.

Retention Rights	31 December 2024	30 June 2024
	No.	No.
At 1 July	545,021	736,158
Retention rights issued ⁽¹⁾	-	-
Retention rights lapsed	-	(191,137)
On issue at the end of the period	545,021	545,021

(1) No Retention rights were issued during the half year period ended 31 December 2024 or prior half year period ended 31 December 2023.

(d) Share Options

The following table illustrates the number and movements unlisted options during the period.

Share options	31 December 2024	30 June 2024
	No.	No.
At 1 July	-	-
Options issued during the year	600,000	-
Options exercised during the year	-	-
On issue at the end of the period	600,000	-

(1) In October 2024, the directors resolved to issue 600,000 unlisted options to a consultant for investor engagement services in lieu of cash. The unlisted options have an exercise price of \$2.05 per option, vesting

date of 30 June 2025, and expire on 28 October 2027. The fair value of the unlisted options at grant date is \$0.56 million (or \$0.93 per share) using a Black-Scholes option valuation methodology.

12. COMMITMENTS AND CONTINGENCIES

Exploration and other commitments

The commitments listed below related to exploration commitments and also other contractual 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 the working capital commitments. These obligations are not provided for in the financial report and are payable:

	31 December 2024	30 June 2024
	\$'000	\$'000
Within 1 year	5,629	5,485
Within 2-5 years	90	2,265
Later than 5 years	-	-
	5,719	7,750

Other than as disclosed above, there has been no other material changes to commitments since 30 June 2024.

13. EVENTS SUBSEQUENT TO REPORTING DATE

On 11 March 2025, the Company issued 567,642 performance rights to a newly appointed KMP, under the same terms and conditions as the FY2024-25 series of performance rights issued in September 2024.

Other than disclosed above, there has not been any other matter or circumstances that has arisen after balance date that has significantly affected or may significantly affect, the operations of the Group, the results of those operations, or state of the affairs of the Group in future financial periods.

14. OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group considers that it only operated in one reportable segment, being mineral exploration and evaluation. The segment financial information is as per the Group's consolidated financial statements.

15. FINANCIAL INSTRUMENTS

The directors consider the carrying value of financial assets and financial liabilities recognised in the consolidated financial statements to approximate their fair values. In particular, listed equity investments designated at fair value through other comprehensive income which comprise of ASX listed entities are measured at fair value using quoted market prices at the reporting date (Level 1 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.

Directors' Declaration

For the Half-Year Ended 31 December 2024

In the opinion of the directors of Chalice Mining Limited ('the Company'):

1. The financial statements and notes thereto, as set-out on pages 17 to 26 are in accordance with the *Corporations Act 2001* including:
 - complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date.
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. This declaration has been given after receiving the declaration made to the directors for the half-year ended 31 December 2024 in accordance with the fourth edition of the ASX Corporate Governance Councils Corporate Governance Principles and Recommendations.

This declaration is signed in accordance with a resolution of the directors of the Company, made pursuant to s.303(5) of the *Corporations Act 2001*.

Dated this 13th day of March 2025

On behalf of the board



Alex Dorsch
Managing Director and Chief Executive Officer

Independent Auditor's Review Report



INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Chalice Mining Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Chalice Mining Limited (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Chalice Mining Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibility is further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the company 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

hlb.com.au

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 E: mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.



Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
13 March 2025



B G McVeigh
Partner

