chalice

ASX Announcement

11 November 2026

Gonneville Project advances with pilot plant underway

Pilot of the full Gonneville process flowsheet represents a key de-risking step for the Project, plus new elution design improves the PGM leach circuit

Highlights

- **Laboratory-scale continuous pilot** of the full Gonneville process flowsheet commences, to confirm processing parameters and provide samples for future offtake partners:
  - Approximately **five tonnes** of fresh sulphide ore is being processed, which is representative of early plant feed, grading:
    - 1.7g/t 3E (Pd+Pt+Au), 0.33% Ni, 0.28% Cu, 0.025% Co.
  - Samples were ground to the planned 38µm (P80) primary grind size and will be processed through the flotation concentrator and leach circuit, utilising treated wastewater from Alkimos, **simulating real-world conditions**.
  - Three products to be produced:
    - Copper-PGM-gold smelter concentrate (c. **20% Cu, ~45-60g/t 3E** avg).
    - Nickel-cobalt-PGM-gold smelter concentrate (c. **8% Ni, 0.8% Co, ~18-20g/t 3E** avg).
    - PGM doré (c. **80%+ PGM**).
  - Pilot expected to be the **final processing de-risking step** for project financiers.
- Concentrates produced will provide samples for future copper and nickel offtake partners:
  - While all products are currently uncommitted, several international copper and nickel smelters and metals traders have already expressed **strong interest in offtake**.
  - Sulphur market tightness has also driven new interest in nickel offtake from **hydrometallurgical nickel processing facilities in Indonesia.**
  - Gonneville modelled to produce ~45kt of copper concentrate and ~95kt of nickel concentrate per annum over >23 years – with **significant expansion potential**.
- The Gonneville PGM leach elution process has been simplified and proven in testwork, which is expected to **reduce costs and significantly de-risk the leach process:**
  - Elution reduced from **five steps to two, simplifying the process**.
  - **Nickel-based stripping solution** utilised, generated from soluble nickel in the leach liquor (from the ore), in place of a high cost zinc-based solution assumed in the PFS.
  - **PGM doré expected to be refined locally in Australia.**
- Initial results from the pilot are expected in early CY27, with pilot completion by Q1 CY27.
- Definitive Feasibility Study (FS) ongoing with key workstreams across geotechnical, mining, processing, marketing and infrastructure – **on track for completion in H2 CY27.**

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Overview

Chalice Mining Limited ("Chalice" or "the Company", ASX: CHN) is pleased to provide an update on the ongoing Definitive Feasibility Study ("FS") and execution readiness work at its 100%-owned Gonneville PGM-Nickel-Copper-Cobalt Project ("Gonneville", the "Project") in Western Australia.

The Definitive Feasibility Study (FS) commenced in January 2026 and involves detailed engineering and construction readiness activities to prepare the Project for a targeted Final Investment Decision (FID) in H1 CY28.

The final de-risking steps required for the process flowsheet (Figure 1) to achieve bankability are the completion of a continuous laboratory-scale pilot on representative ore, to confirm recovery, product specification and operating parameters, and to generate samples for future offtake partners.

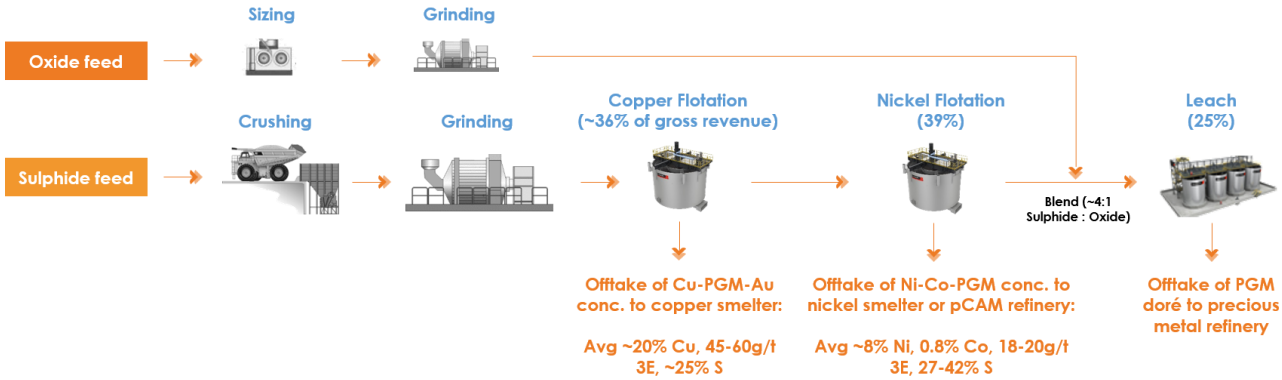


Figure 1. Gonneville Project Process Flowsheet (simplified).

The flowsheet comprises an industry-standard comminution circuit followed by two-stage sequential flotation and a precious metal leach circuit. As part of the Pre-Feasibility Study (PFS), over 1,000 flotation tests and over 400 leach tests were completed to develop the process flowsheet and confirm recovery-grade relationships across the 11 geo-metallurgical domains within the Resource. Chalice has invested over $15 million in flowsheet development and testwork to date on the Project and as such, has a high level of confidence in processing performance.

Independent technical review of the PFS recommended that Chalice run a full process flowsheet pilot, under continuous conditions, in order to confirm and de-risk the processing outcomes and project metrics. An independent technical engineer (ITE) appointed by the Company's debt advisor Cutfield Freeman & Co, will supervise the pilot plant and assess all technical aspects of the FS.

Pilot plant

Ten holes for 1,230m of PQ diamond core were drilled to provide the five tonnes of fresh sulphide ore feed, which is representative of the early plant feed across all 11 identified geo-metallurgical domains (Table 1 and Table 2). Oxide material, for a subsequent pilot of a sulphide-oxide leach blend, is currently being prepared.

Table 1. Gonneville pilot plant fresh sulphide feed assay.

Sample	Assay								
	Pd	Pt	Au	Ni	Cu	Co	S	SG	Moisture
	(g/t)	(g/t)	(g/t)	(%)	(%)	(%)	(%)		(%)
FS Pilot Fresh Sulphide	1.46	0.19	0.08	0.33	0.28	0.025	3.05	2.93	1.96

The pilot plant will run in continuous configuration across three distinct phases:

- The flotation pilot, treating all ~5 tonnes of fresh sulphide ore over a one-week period (commenced).
- The sulphide flotation tails leach pilot, treating ~2 tonnes of flotation tails over a three-week period commencing in late November.
- The oxide ore / sulphide tails blend leach pilot, treating ~2 tonnes of ore/tails over a five-week period commencing in January.



Figure 2. Comminution ball mill and ore slurry.



Figure 3. Copper flotation cells (left) and nickel flotation cleaner cells (right).

Treated wastewater from the Water Corporation Alkimos Water Resource Recovery Facility is the intended process water supply for the Project. As such, water from this facility is being used during the pilot to ensure it replicates real-world conditions as closely as possible.

The pilot plant is expected to confirm the performance outcomes of the PFS, including recovery, product specification and operating parameters. This information will be incorporated into plant engineering for the FS and is expected to satisfy the requirements of project financiers.

Initial results from the flotation pilot are expected in early CY27. Full results for the leach pilot are expected in Q2 CY27.

Concentrates produced during the pilot will provide samples for future copper and nickel smelter offtakers. Several international copper and nickel smelters and metals traders have already expressed strong interest in offtake of these products. In addition, there has been strong recent interest from hydrometallurgical nickel processing facilities in Indonesia.

Gonneville is modelled to produce ~45kt of copper concentrate and ~95kt of nickel concentrate per annum over >23 years of open-pit operation. The Resource extends well beyond the limit of the modelled open-pit and as such, there is considerable potential to expand or extend beyond these figures.

Leach elution circuit redesign

The leach circuit processes oxide ore and sulphide flotation tails to recover palladium, platinum, gold and nickel from leach solution using resin-in-pulp (RIP) techniques. The circuit has been primarily designed to recover non-sulphide, soluble palladium that does not float into copper and nickel concentrates. However, there is also modest recovery of soluble platinum, gold, nickel and copper in this circuit.

Significant simplification in the leach elution process flowsheet has been achieved in flowsheet development testwork, which is expected to result in modest reductions to capital and operating costs associated with the leach circuit, and more importantly, de-risk the overall process flowsheet.

Compared with the Pre-Feasibility (PFS) completed in December 2025, flowsheet improvements in the leach circuit have been achieved by:

- Reducing the elution process from five steps to two; and
- Changing to a nickel-based stripping solution which is generated from soluble nickel in the leach liquor (from the ore), in place of a high-cost zinc-based solution as assumed in the PFS.

Engineering work is currently quantifying the expected reductions in capital and operating costs relative to the conservative PFS assumptions.

The PGM doré produced in the pilot will enable refining options to be evaluated. The doré produced will be the first of its kind in Australia.

Offtake discussions with domestic refiners (including the Perth Mint) have commenced. Local refining represents a significant strategic advantage for the Project, enhancing Australia's sovereign capabilities.

Authorised for release by the Board of Directors.

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Competent Person Statement

The production targets and forecast financial information derived from production targets in this Report were first reported in accordance with ASX Listing Rules 5.16 and 5.17 in the ASX announcement titled "Gonneville Palladium-Nickel-Copper Project PFS" dated 8 December 2025.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements.

The Company also confirms that all the material assumptions underpinning the production targets and the forecast financial information derived from the production targets in the previous announcement continue to apply and have not materially changed.

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 re-modelled to support selective mining" dated 23 April 2024.

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.

Table 2. Gonneville pilot drill hole details (MGA94 Zone50).

Hole ID	Easting (m)	Northing (m)	RL (m)	Azimuth (°)	Dip (°)	End of Hole Depth (m)	Fresh Sulphide Sample Intervals
JDMET035	425138.84	6512516.50	240.92	90.32	-60.77	128.8	from 95m to 128.8m
JDMET037	425018.97	6512513.50	238.56	88.34	-75.9	111.8	from 36m to 111.8m
JDMET038	425085.31	6512405.00	238.51	90.62	-59.22	99.7	from 55m to 70.77m from 92.1m to 99.7m
JDMET039	425099.31	6512391.00	239.04	91.71	-59.37	100	from 75m to 100m
JDMET040	425027.78	6512339.00	236.02	91	-59.79	96.53	from 41.08m to 60m
JDMET041	424968.22	6512359.00	235.15	89.53	-70.46	139.1	from 39m to 68.3m from 85m to 114m
JDMET042	425208.06	6512300.00	235.51	160.34	-49.31	182.2	from 98.35m to 130m from 154m to 182.2m
JDMET043	425186.63	6512064.50	229.53	21.77	-50.65	205	from 121m to 136m from 155m to 180m from 197m to 205m
JDMET044	424980.75	6512201.50	232.20	90.34	-60.94	102.7	from 77m to 102.7m
JDMET045	425072.28	6512308.00	239.00	91.13	-60.34	102.5	from 40.57m to 102.5m