ASX ANNOUNCEMENT

Alliance Delivers Robust NiWest DFS and Significant Ore Reserve Update

High margin, long life project, established strategic partnerships

21 November 2024

- **Average annual production of ~20,000 t nickel and ~1,600 t cobalt over the first 12 years and LOM post-tax free cashflow of A$6.1 billion**
- **NiWest JORC compliant Ore Reserve increased by 31% to 84.7 Mt @ 0.94% nickel and 0.06% cobalt**
- **First quartile All-in Sustaining Cost (AISC) of US$4.84/lb nickel (first 12 years)**
- **Pre-production capex of A$1.65 billion (including contingency and pre-stripping) utilising low capital heap leaching process**
- **LOM post-tax NPV$_8$ of A$1.5 billion, IRR of 17.6% and payback period of 5 years**
- **Positive DFS outcome and strategic partnerships position Alliance to capitalise on the transition in electric vehicle and battery storage markets**
- **Early feedback from debt providers and Export Credit Agencies (ECAs) indicates strong support for the Project**

Alliance Nickel Limited (Alliance or the Company) (ASX Code: AXN) is pleased to announce the completion of its Definitive Feasibility Study (DFS) for its 100% owned NiWest Nickel-Cobalt Project (NiWest or the Project). The DFS confirms that NiWest represents a commercially attractive development opportunity with strong ESG credentials and significant upside.

Once operational, the Project will become a sustainable and ethical producer of premium end (Class 1), high purity, US Inflation Reduction Act (IRA) compliant nickel sulphate and cobalt sulphate, both direct-ship precursor products for battery cathode manufacturers and critical minerals supply chain. The Company's strategy is aligned with the Federal Government's critical minerals strategic objectives of building sovereign capability in critical minerals processing and extracting more value from our resources onshore via downstream processing into high-end products.

The DFS is a culmination of two years' work by Alliance in collaboration with global engineering company Ausenco Services Pty Limited (Ausenco) and other leading consultants. The Alliance Board has endorsed the DFS outcomes, and the Company will now progress to the commencement of low-cost Project implementation activities. A Final Investment Decision (FID) is targeted H2 2025 alongside preliminary project financing approvals with first production, subject to financing and approvals, expected late 2027.

The DFS describes an open pit mining operation with a low strip ratio and a 35-year mine life, using a conventional load and haul mining fleet and limited blasting. The processing route consists of on/off heap leaching followed by direct solvent extraction and crystallisation to produce low-cost, high purity, battery grade nickel (Class 1) and cobalt sulphate products with low carbon footprint.

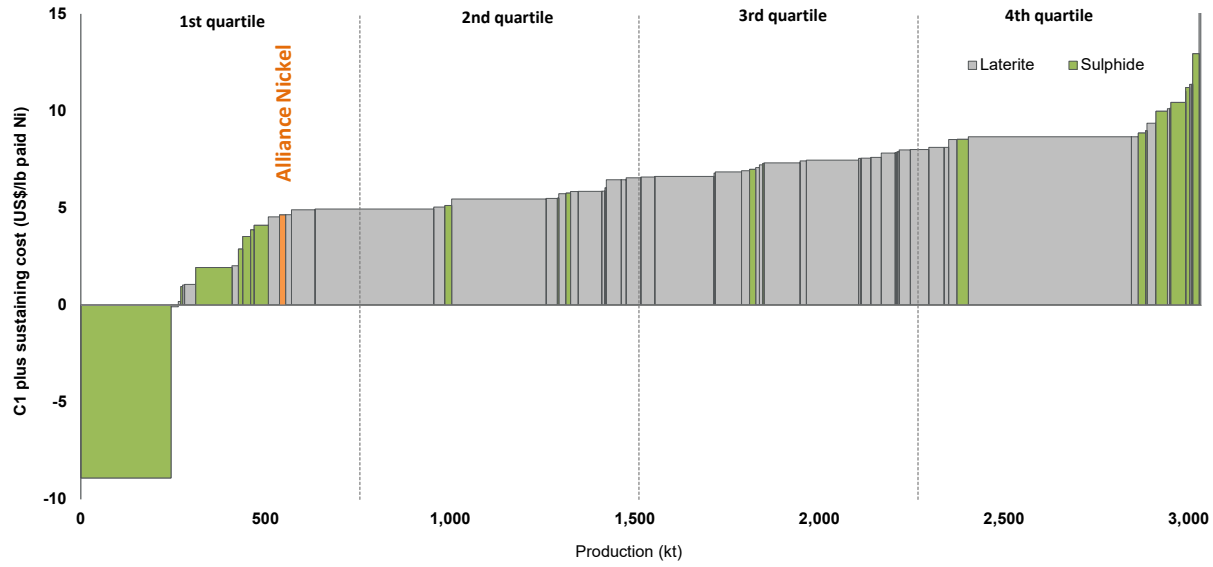
Production Target and Expanded Ore Reserve

- NiWest contains one of the **highest-grade** undeveloped nickel laterite resources in Australia.
- Mineral Resource Estimate (MRE) at 0.8% Ni cut-off of 93.4 Mt at 1.04% Ni and 0.07% Co for **971,000 t contained nickel** with **~83% in the Measured and Indicated** JORC category (ASX announcement 14 November 2023).
- Ore Reserve estimate at 0.5% Ni cut-off of 84.7 Mt @ 0.94% nickel and 0.06% cobalt, underpins entire mining life[1]
- Average production ~90,000 tpa nickel sulphate (~20,000 tpa contained nickel) and ~7,700 tpa cobalt sulphate (~1,600 tpa contained cobalt) for the first 12 years of operation.
- Life-of-Mine (LOM) of 35 years with an operating strategy to process higher grade ore for the first 27 years of operation followed by an 8-year period of processing remaining previously mined and stockpiled low-grade ore.
- Head grades delivered to the heap leach average **1.06% nickel and 0.07% cobalt for the first 27 years**, with projected steady state nickel and cobalt recoveries of 78% and 85% respectively.

Operating and Capital Costs

- First quartile AISC (inc. cobalt credits), US$4.84/lb for the first 12 years of operations and US4.95/lb for 27 years of high-grade operations.
- The operations with costs below that of those projected for Alliance are predominately polymetallic producers with significant by-product credits arising from copper and platinum group metals production. Norilsk in particular produces over 300 kt of copper and 120 t of platinum group metals together with 220 kt of nickel (**source: Wood Mackenzie commentary**).

Figure 1: Nickel Cost Curve



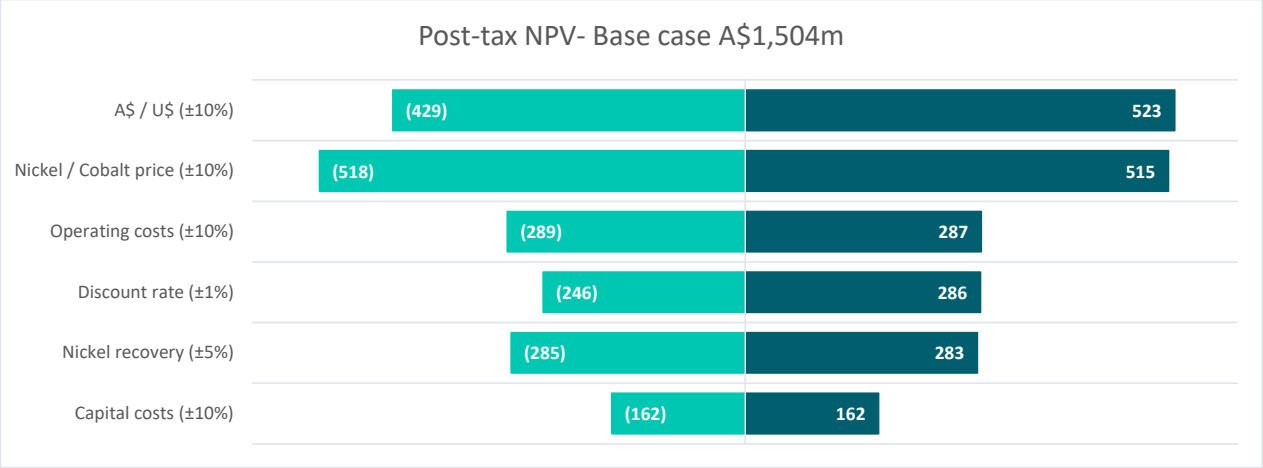
Source: Wood Mackenzie. 2024 C1 plus sustaining costs (US$/lb) paid nickel net of by product credit 2024 real terms

[1] The production target referred to in this announcement is underpinned by Ore Reserves (99%) and Inferred Mineral Resources (1%). 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 target reported will be realised. The inferred Mineral Resources are not the determining factor in Project viability.

- NiWest's products do not incur additional costs to produce battery precursor cathode active material (pCAM) product.
- Capital cost estimate of A$1.65 billion including contingency, design growth allowance and pre-strip.
- Capital cost increase of 31% compared to the Updated PFS (ASX announcement 21 July 2022), primarily from an increase in water supply infrastructure costs, process flowsheet design modifications and the post COVID high inflationary environment.
- Low LOM sustaining capital cost of A$332 million.

Compelling Financial Returns and Metrics

- Ungeared free cashflow of pre-tax A$8.3 billion and post-tax of A$6.1 billion.
- NPV_8 real of A$2.2 billion pre-tax and A$1.5 billion post-tax.
- IRR 21.1% pre-tax and 17.6% post-tax with payback period five years from first production.
- Long-term average LME nickel price forecast (real) of US$20,216/tonne plus a premium for nickel sulphate product and cobalt price forecast of US$32,556/tonne.
- LOM revenue of A$23.3 billion and EBITDA A$10.4 billion.
- Sensitivity analysis has been carried out to demonstrate the impact and sensitivity of the financial results to changes in key assumptions and variables.
- The analysis demonstrates significant leverage to an improvement in nickel pricing and the A$/US$ exchange rate.



Funding and Next Steps

- Following endorsement of the DFS by the Alliance Board, the Company will commence low-cost Project implementation activities including early works, value engineering activities, completion of confirmatory testwork programs and progressing environmental and tenure approvals.
- Alliance has secured a five-year binding take-or-pay offtake with global automaker Stellantis N.V. (NYSE: STLA / Euronext Milan: STLAM / Euronext Paris: STLAP) (Stellantis) for approx. 40% annual production.
- The Company will continue detailed discussions with existing and potential strategic partners focussed on securing offtake linked to project level joint venture investment. An equity sell down at the Project level (of up to 50%), is targeted to underpin Alliance's equity contribution to Project funding.

- Potential debt providers that include commercial banks and ECAs, will be provided with the DFS, and an independent technical expert is expected to be appointed in H1 2025 to progress project financing.
- The Company is targeting FID alongside preliminary project financing approvals, in H2 2025.
- Based on an estimated two-year construction period, first production, subject to financing and necessary approvals, is targeted in late 2027.

Upside to DFS Outcomes

- Significant exploration upside opportunity exists, and resource extension drilling will commence once the Project is operational.
- Design optimisation opportunities were identified during DFS engineering across earthworks, the heap leach operation, construction material selection, reviews of the ripios (heap leach residue) and neutralising residue disposal facility options and reviews of thickener and belt filter sizing. These optimisation works will be undertaken as part of the 'early works' package.

Environmental, Land and Community

- Extensive environmental baseline desk and field surveys have been conducted across the Project's mining and processing areas with no significant areas of concern identified.
- The Environmental Protection Agency (EPA) has determined that the first 12 years operations at Mt Kilkenny will be assessed based on Referral Information. This is the lowest level of assessment and supports the Company's view that no significant environmental issues exist for the Project at the Mt Kilkenny mine site.
- The environmental impact assessment is expected to be submitted in 2025 for final approval by EPA. Scope 1 Greenhouse Gas (GHG) emissions are 17.9 kg CO2-e per kg Ni/Co (equivalent to 4.0 kg CO2-e per kg of product) decreasing to 3.7 kg CO2-e per kg Ni/Co following installation of carbon sequestration circuit. No Scope 2 emissions have been identified.
- All Mining Tenure is in good standing, and seven tenure applications associated with the Project's pipeline corridor are working their way through the Mining Act and Native Title Act processes, with tenure grants expected within the next 12 months.
- Good relationships with Native Title Groups in the NiWest Project area, which includes the Darlot Mob (Watarra Aboriginal Corporation (WAC)) and Nyalpa Pirniku (Wangkatja Tjungula Aboriginal Corporation (WTAC), with discussions progressing with both parties for Heritage Agreements and access.

Alliance Nickel Managing Director and CEO Mr Paul Kopejtka said:

"Delivery of the DFS is another major milestone for Alliance and highlights the huge potential of our NiWest Project, which is poised to become the next producing battery-grade nickel and cobalt operation in Australia. The DFS sets a solid foundation from which the Company can proceed with confidence to the next stage of development.

"The DFS results confirm that NiWest is low-cost, financially robust, with strong growth fundamentals and a clear market opportunity. The Board has endorsed the DFS outcomes, and the Company can now move to the next stages of implementation activities to meet the overall Project development timeline.

"Our Project was awarded Major Project Status earlier this year by the Federal Government, which is testament to its economic potential, recognised at both state and national level. The Project has also been recognised internationally as a Minerals Security Partnership strategic project.

"NiWest is a truly significant Project for WA and will create approximately 600 jobs during construction and 300 jobs for the life of steady state operations.

"Our strategic partnership with Tier 1 global automaker Stellantis further validates the importance of NiWest to companies spearheading the energy transition. We are also looking forward to finalising binding offtake agreements for the balance of our production and securing additional strategic equity investments.

"Whilst the nickel market has experienced some volatility over the past year primarily due to oversupply from Indonesia, we firmly believe the long-term outlook for nickel remains positive.

Nickel demand is expected to grow substantially over the next decade supported by the global adoption of electrical vehicles and broader electrification, and Alliance is well placed to benefit from this ongoing transformation.

"The Alliance team has worked incredibly hard to get to this stage and I thank them for their ongoing commitment as we progress towards development, and ultimately production."

Western Australian Minister for Mines and Petroleum Hon. David Michael MLA said:

"The Cook Government congratulates Alliance on the successful DFS outcomes at the NiWest project in the State's North Eastern Goldfields and looks forward to the project progressing."

"Nickel is recognised as a critical mineral in Australia and is a key commodity in products essential for global decarbonisation efforts."

Key Definitive Feasibility Study Outcomes and Assumptions

The DFS confirms the Project's economic and technical feasibility and that it presents a commercially viable opportunity for development.

A summary of the technical design parameters and key cost information are shown in Tables 1 and 2 below. Pricing assumptions and financial evaluation outcomes are shown in Table 3. Additional details are included in the DFS Executive Summary that is attached as an appendix to this announcement.

The production outcomes reflect the first 12 years of mining at the Mt Kilkenny Site (mining high grade and low grade for stockpiling and future processing) and the overall operating strategy of preferentially processing higher grade (HG) ore for the first 27 years of operation followed by an 8-year period of processing previously mined and stockpiled low-grade ore (LG).

Table 1: Technical Design Parameters and Production Outcomes

	Units	First 12 Years (Mt Kilkenny)	First 27 Years	LOM (HG + LG Stockpiles)
Site construction period	Months	22	22	22
Evaluation period	Years	12	27	35
Mining				
Mining activities	Years	12	27	27
Ore mined (99% from Ore Reserve) *	Mt	41.0	85.5	85.5
Waste mined	Mt	108.2	167.4	167.4
Strip ratio	Waste/ore	2.6	2.0	2.0
Processing				
Ore processed	Mt	29.2	65.8	85.5
Processing life	years	12	27	35
Nickel head grade	% Ni	1.05	1.06	0.94
Cobalt head grade	% Co	0.08	0.07	0.06
Steady-state nickel recovery	%	78	78	78
Steady state cobalt recovery	%	85	85	85
Contained nickel produced	kt	239.8	529.2	627.3
Nickel sulphate produced (>99.9% purity) (EV battery grade)	kt	1,073.9	2,369.7	2,809.4
Contained cobalt produced	kt	19.6	40.2	47.0
Cobalt sulphate produced (>99.9% purity) (EV battery grade)	kt	94.9	194.4	227.5

*In the LOM mining schedule there is 0.7Mt of Inferred Resources included, mostly from Eucalyptus which is mined from year 16 onwards.

Table 2: Key Cost Information

Key Cost information		
Capital Costs		
Pre-production capital cost (including contingency)	A$ million	1,651
LOM sustaining capital cost	A$ million	332
AISC (inc. Cobalt Credits)		
Average years 1 to 5	US$/lb	4.70
Average years 1 to 12	US$/lb	4.84
Average years 1 to 27	US$/lb	4.95
Average LOM – 35 years	US$/lb	5.28

Table 3: Financial Outcomes and Pricing Assumptions

Financial Outcomes and Pricing Assumptions		
Average realised LOM nickel price (real) (including sulphate premium)	US$/t	22,325
Average realised LOM cobalt price (real)	US$/t	32,685
LOM exchange rate	A$/US$	0.667
Discount rate - real	%	8
Corporate tax rate	%	30
Valuation, Returns and Key Ratios		
NPV_8 (pre-tax ungeared, real basis)	A$ million	2,230
NPV_8 (post-tax ungeared, real basis)	A$ million	1,504
IRR (pre-tax ungeared, real basis)	%	21.12
IRR (post-tax ungeared, real basis)	%	17.64
Payback period (post tax)	Years	5
Key financial results (LOM)		
Revenue	A$ million	23,298
EBITDA	A$ million	10,366
Project free cashflow – post tax	A$ million	6,089
Total royalties & corporate taxes	A$ million	2,800

Introduction

Alliance's 100% owned NiWest Nickel-Cobalt Project is located at Murrin-Murrin in the North Eastern Goldfields of Western Australia. The Murrin Murrin area is globally recognised as an established nickel and cobalt producing region.

In August 2018, the Company completed a Pre-Feasibility Study (PFS) (ASX announcement 2 August 2018) that confirmed the technical and financial robustness of a long-life operation and in July 2022, completed an update of the PFS financial model (Updated PFS) to reflect changes to the market and include an assessment of the order of magnitude increase to NiWest Project capital and operating cost estimates (ASX announcement 21 July 2022).

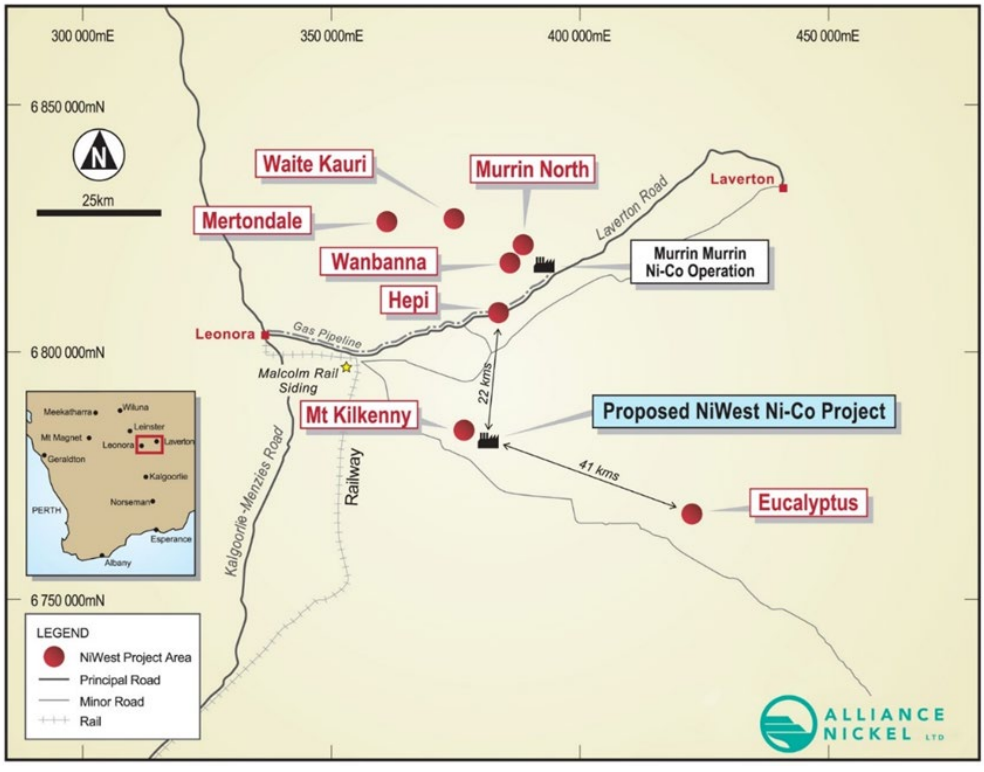
The Updated PFS demonstrated that the Project continued to be economically and commercially robust and based on the outcomes of the Updated PFS the Board resolved to progress to a DFS. The DFS commenced in November 2022 with the appointment of Australian engineering company Ausenco to deliver the DFS process and non-process infrastructure engineering.

The DFS flowsheet is the most cost-effective processing and refining approach given NiWest's specific and unique laterite ore characteristics, lower technical and operating risks, and relative capital intensity when compared to the significantly more capital-intensive High-Pressure Acid Leach (HPAL) operations used by most global nickel laterite projects.

Project Location

The Project is located in central southern Western Australia, approximately 650 km northeast of Perth, in an established mining area. It lies between the towns of Laverton and Leonora, approximately 80 km southwest of Laverton and 50 km southeast of Leonora as shown in Figure 3 below.

Figure 2: NiWest Project Location



NiWest is situated about 35 km south of the existing Murrin Murrin Nickel Operation which consists of a HPAL Plant and Nickel Refinery that has been in operation, producing nickel and cobalt products since 2000.

The NiWest Project incorporates seven separate mining areas within a 50 km radius of the proposed plant site at Mt Kilkenny and is in close proximity to critical open access infrastructure such as rail and gas lines and sealed arterial roads. Leonora has a domestic airport located 2 km from the town centre and flights will be chartered to enable efficient short cycle changeovers for construction and operations personnel.

Geology and Mineral Resources

NiWest contains one of the highest-grade undeveloped nickel laterite resources in Australia.

Nickel and cobalt exploration over the NiWest tenements commenced in the mid-1990s and progressed through to the mid-2000s with extensive drilling programs that developed into a series of initial mineral resource estimates commencing in 2008 and culminating with the Mineral Resource Estimate (MRE) reported in the PFS in 2018.

In 2023, SRK Consulting (Australasia) Pty Limited (SRK) updated the Mineral Resource models and estimates for the Mt Kilkenny, Hepi, Eucalyptus and Wanbanna nickel deposits that form the Mineral Resources inventory to support the DFS.

This update incorporated results from drilling of 180 infill holes for 8,318 m and 20 geotechnical and sterilisation holes for a total of 808 m. The MRE for Waite Kurri, Mertondale and Murrin North did not change from the models prepared in 2017.

The headline November 2023 MRE, refer Table 4 below, was reported at a 0.8% Ni cut-off grade, although tables showing grade-tonnages for all deposits for a range of cut-off grades, from 0.5 to 1.0% Ni were included (ASX announcement 14 November 2023). The initial mine planning work that had been completed as part of the DFS at that time provided support for a resource defined at a 0.8% Ni cut-off to meet the JORC Code criterion of having reasonable prospects for eventual economic extraction (RPEEE).

Table 4: Mineral Resource Estimate (at 0.8% Ni cut-off)

Resource Category	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Ni Metal (kt)	Co Metal (kt)
Measured	17.77	1.07	0.069	190	12.2
Indicated	58.04	1.06	0.073	615	42.4
Inferred	17.59	0.94	0.060	166	10.6
Total	**93.40**	**1.04**	**0.070**	**971**	**65.2**

Columns may not total exactly due to rounding errors. ASX announcement 14 November 2023.

Subsequent DFS work has determined that material above 0.5% Ni within the pit designs or optimised pit shells is economic although low grade material will be preferentially stockpiled for processing towards the end of the Project life. Table 5 shows the grade-tonnages at a 0.5% Ni cut-off grade.

Table 5: Grade Tonnage Summary (at 0.5% Ni cut-off)

Resource Category	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Ni Metal (kt)	Co Metal (kt)
Measured	23.87	0.88	0.053	210	12.7
Indicated	108.69	0.85	0.054	923	58.7
Inferred	49.38	0.73	0.043	360	21.2
Total	**181.94**	**0.82**	**0.051**	**1492**	**92.8**

Columns may not total exactly due to rounding errors. ASX announcement 14 November 2023.

Ore Reserve Statement

Ore Reserves, based on Measured and Indicated Resources only, are declared for the Project.

The material assumptions and outcomes include several modifying factors (see Additional Information Required Under ASX Listing Rule 5.9 below), the JORC Table 1 attached to this announcement and the assumptions detailed above in Tables 1 to 3.

Table 6 provides a summary of the Ore Reserves determined for NiWest as of 1 November 2024.

Table 6: Ore Reserve Estimate (0.5% Ni cut-off)

Deposit	Classification	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)
Mt Kilkenny	Probable	37.4	0.95	0.07
Hepi	Probable	4.2	0.99	0.06
Wanbanna	Probable	12.4	0.94	0.06
Eucalyptus	Probable	30.7	0.93	0.06
Total	**Probable**	**84.7**	**0.94**	**0.06**

This JORC Ore Reserve represents a 31% increase to the maiden Ore Reserve of 64.9Mt reported in the PFS.

All stated Ore Reserves are completely included within the quoted Mineral Resources and are quoted in dry tonnes. JORC Table 1 is included as an appendix and Competent Persons Statements are attached to this announcement.

Mining Method and other Mining Assumptions

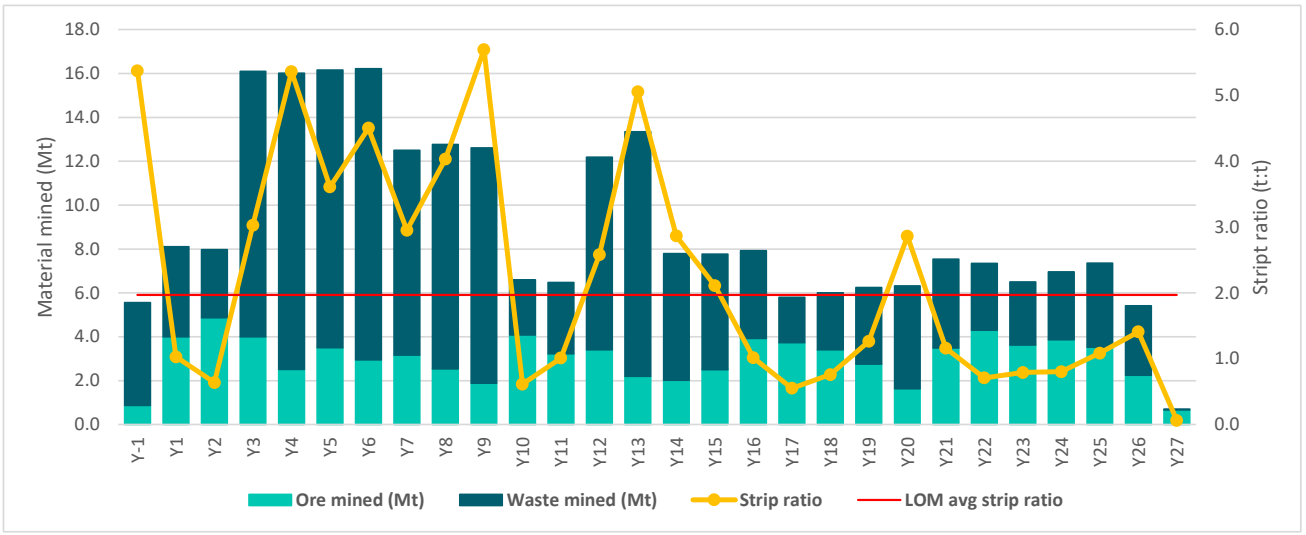
The mine plan will utilise conventional load and haul open pit mining techniques, with limited blasting. At Mt Kilkenny, a strip mine approach will be adopted advancing along strike in regular cutbacks, with the pit voids being partially back-filled by waste from successive cut-backs to 1m above the pre-mining water table. After waste has been backfilled into the pit, ripios and process residue will also be backfilled into the Mt Kilkenny pit. This method has the advantages of reducing waste haulage distances and therefore costs, minimising the size and footprint of the (temporary) waste dump, avoiding the need for a separate residue or tailings dump and reducing ongoing and final rehabilitation and environmental works.

The Project will mine a total of 252.8 Mt (dry) of material over 27 years, comprising 85.5 Mt (dry) of crusher feed and 167.4 Mt (dry) of waste materials.

Commencement of ore mining activities is scheduled approximately seven months prior to first heap stacking operations, however mining activities for clearing and pre-strip will commence earlier to support bulk earthworks requirements for construction activities. The LOM plan incorporates four deposits (Mt Kilkenny, Wanbanna, Hepi and Eucalyptus) with mining initially focused on the Mt Kilkenny Deposit, which is predominately mined out over the initial 12 years following mine startup. Mining of the Hepi, Wanbanna and Eucalyptus deposits commences from year 11, year 12 and year 16 respectively, with these ores being trucked to the Mt Kilkenny site for processing.

In order to achieve the DFS production target of 19,500 tpa contained nickel, higher grade ore is preferentially treated for the first 27 years of operation with lower grade ore stockpiled for processing during the next eight years. The mine plan also considers the minimisation of acid use, with high-acid consuming ore being blended or stockpiled for later treatment when suitable low-acid consuming ore is available for blending. All ore will be stockpiled on the Run of Mine (ROM) pad and allowed to partly dry before being fed as a blend to the crusher.

Figure 3: Consolidated Mining Schedule (First 27 Years of Operation)



Based on the mine planning and optimisation work, Alliance will also use a mining cut-off of 0.5% Ni. It is planned that HG material with a Ni grade generally exceeding 0.7-0.8% Ni will be HG and preferentially crushed and heaped and LG ore with a grade greater than 0.5% Ni and less than the selected, variable HG cut-off will be preferentially stockpiled for processing towards the end of the mine life.

Metallurgy

Metallurgical testwork programs have been conducted on a range of ore samples from the Mt Kilkenny, Hepi, Wanbanna and Eucalyptus deposits to determine leach responses and select the final flowsheet for the NiWest Project. The outputs from the extensive testwork programs (conducted over 10 years) have provided data for Ausenco to undertake process design as part of the DFS. More recent testwork has provided data to optimise key process parameters such as heap height, crush size and demonstrate the leach performance using saline water sources.

The project design basis has advanced from 2 m high heap leach lifts to 4 m high lifts, and the project water source has changed from fresh water to moderately saline water. To mitigate precipitation in the heap leach

due to higher total dissolved solids (TDS), the last 2 stages of the heap leach are designed to operate at an elevated temperature, using waste heat from the acid plant.

The metallurgy and process design was informed by the following testwork:

- Bulk column leach test work using 2 m high columns and fresh water to generate Pregnant Liquor Solution (PLS).
- Downstream PLS neutralisation, thickening, precipitation and Solvent Extraction (SX) testwork using PLS generated from the bulk testwork and fresh water supply.
- Heap leach variability tests using 4 m high columns and fresh water.
- 4 m high confirmatory column heap leach tests, using a synthetic saline leach solution based on closed circuit water balance simulations and operated at elevated temperature to demonstrate mitigation of precipitation in the heap, in progress.

The testwork programs have independently tested and verified elements of the flowsheet and metallurgical response. The Company continues with the confirmatory closed circuit testwork which is expected to be completed in January 2025. This work includes:

- 4 m high columns at large diameter with closed circuit piloted leach solutions based on project water sources at design heap leaching temperature.

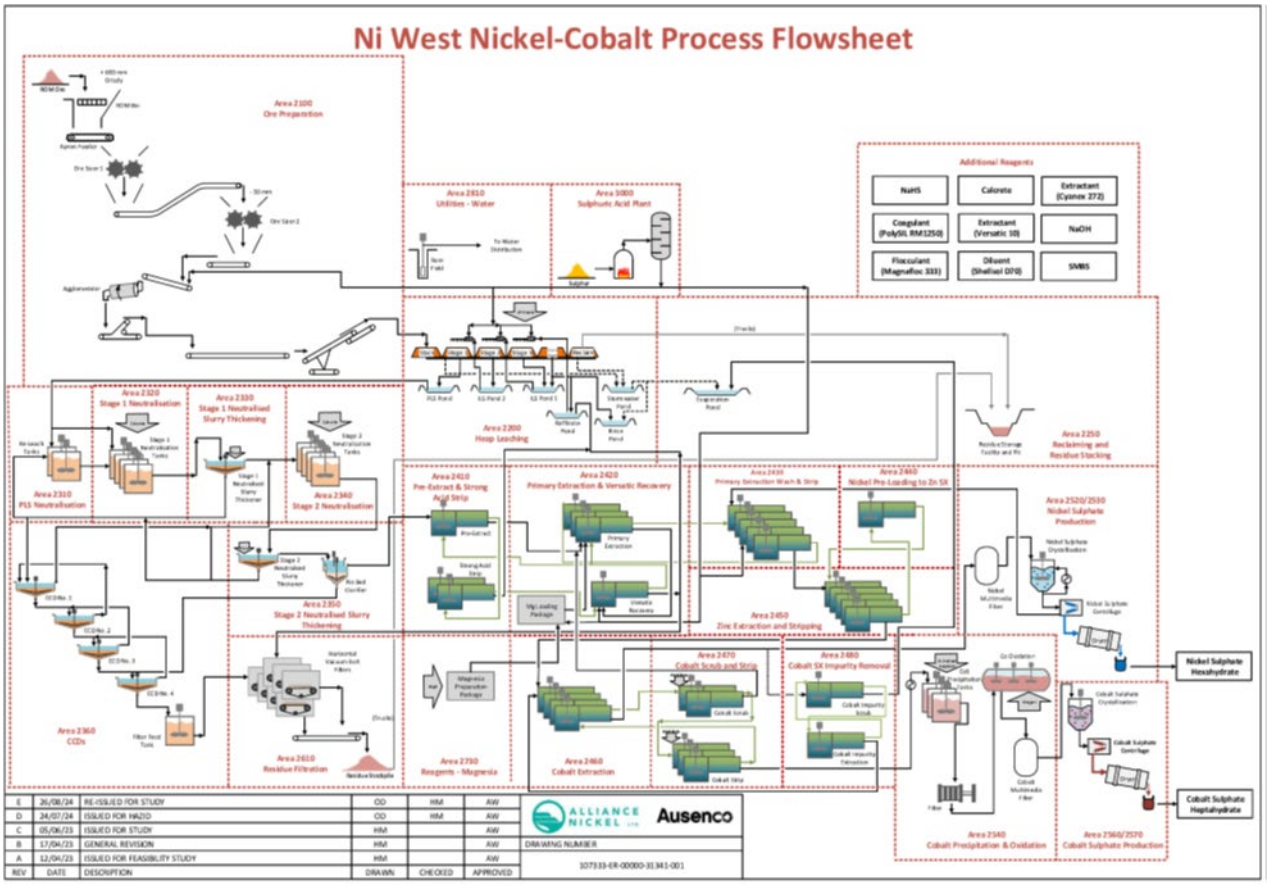
During Front End Engineering Design (FEED), the Company shall undertake further optimisation works to review:

- Processing saline PLS solutions through the downstream unit operations of neutralisation, residue thickening and filtration, solvent extraction (Ni, Co and Zn)
- Purification of Ni and Co to saleable product specifications as part of the Customer Qualification sample program
- Ausenco will assess the impact of these results against the DFS design and, if required, incorporate any changes upon commencement of the detailed FEED design.

Processing Method and other Processing Assumptions

The DFS leaching and refining flowsheet consists of the following six stages (Figure 5).

Figure 4: NiWest Process Flow Sheet



Stage 1: Ore Preparation and Agglomeration

Ore preparation includes two-stage crushing to minus 50 mm followed by agglomeration with 98% sulphuric acid. Agglomerated ore is then conveyed to the leach pad for stacking.

Stage 2: Heap Leaching

The dynamic on/off heap leach pad arrangement comprises 21 modules, each nominally 50 m wide and 227m long, with the overall heap leach pad dimensions being 227 m wide by 1,050 m long and stack height of 4 m. Each ore heap will be leached through three stages of counter-current liquor irrigation. The heap irrigation system will consist of surface drippers that will evenly distribute leach solution at the optimal rate. The sulphuric acid will be added in stages into the leach solution and its concentration will be controlled to maximise nickel and cobalt extraction, whilst minimising reagent costs. The estimated total heap leach cycle is 147 days, comprising 105 days of leaching and 42 days for stacking, dripper installation, rinsing, reclaiming and removal activities.

Stage 3: Neutralisation and Iron/Aluminium Removal

PLS from heap leaching will be neutralised using calcrete to remove residual acid and to precipitate Fe and Al prior to the Direct Solvent Extraction (DSX) circuit. In order to minimise nickel / cobalt losses, the PLS

neutralisation and Fe/Al removal circuit will be conducted in two stages followed by thickening and filtration circuits washing the majority of the aqueous Ni from the residue and dewatering the residue for dry disposal.

Stage 4: Direct Solvent Extraction

In the DSX plant, the objective is to purify nickel and cobalt into two separate electrolyte streams by contacting the PLS with an organic phase in several process steps.

There are four major circuits in the solvent extraction circuit that run sequentially, as follows:

- **Pre-extraction circuit**
  The pre-extract circuit will remove any residual Fe and Al, not removed during neutralisation, into the organic phase using organic with versatic acid as the extractant and Shellsol D70 as the diluent.
- **Primary extraction circuit**
  The primary extraction circuit will selectively extract nickel and cobalt into the organic phase using organic with versatic acid as the extractant and Shellsol D70 as the diluent at a higher pH than the pre-extract circuit.
- **Zinc circuit**
  Advanced electrolyte from the primary SX reports to the zinc circuit to extract zinc into the organic phase using organic with Cyanex 272 as the extractant and Shellsol D70 as the diluent.
- **Cobalt circuit**
  Advanced electrolyte from the zinc circuit reports to the cobalt circuit to extract cobalt using a separate Cyanex 272 in Shellsol D70 organic circuit operating at a different pH to the zinc extraction circuit. The cobalt circuit also has an additional impurity removal stage built in to remove extraneous impurities during process upset conditions if and when required.

Purified nickel and cobalt solutions are then transferred to the crystalliser circuits.

Stage 5: Nickel Sulphate and Cobalt Sulphate Crystallisation

The highly concentrated nickel sulphate electrolytic solution is cooled under controlled conditions to produce high-purity battery grade nickel sulphate hexahydrate crystals. The crystals are recovered by centrifugation, washed, dried and packaged into one-tonne bulk-bags.

The cobalt strip solution from the solvent extraction process is contacted with a reductant chemical which through filtration, results in cobalt precipitating as pure solid cobalt sulphide. The cobalt sulphide is separated from the solution and filtered, then processed through pressure leaching in a small autoclave and crystallised to produce high purity battery grade cobalt sulphate heptahydrate. The crystals are similarly packed in one-tonne bulk-bags.

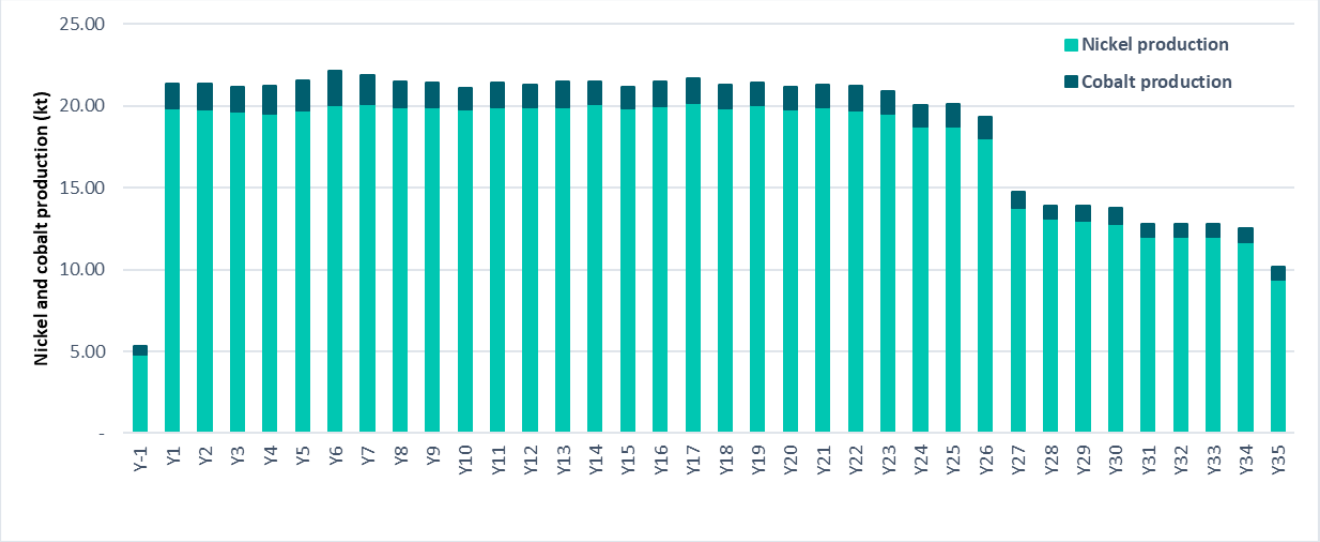
Stage 6: Heap Leach and Refinery Residue Disposal

Heap Leach residue and waste precipitate solids will be co-deposited (backfilled) into the exhausted Mt Kilkenny mine pits. The exhausted mine pits will be partially backfilled with waste rock to prevent any potential leachates interacting with the local groundwater environments. The Residue Storage Facility (RSF) will extend above and beyond the pit walls in the LOM design, with RSF walls to be constructed with waste rock and lined appropriately.

Production

The DFS production profile demonstrates an annual production of up to 20,100 t of contained nickel and 2,100 t of contained cobalt. The average production over the first 27 complete years of operation is approximately 19,500 t of contained nickel and 1,500 t of contained cobalt as shown in Figure 6.

Figure 5: LOM Annual Nickel and Cobalt Production



The production target referred to in this announcement is underpinned by Ore Reserves estimates (99%) and Inferred Mineral Resource estimates (1%) prepared by a competent person or persons in accordance with the requirements in the JORC Code (2012 edition). 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 target reported will be realised. The Inferred Mineral Resources are not the determining factor in Project viability.

The mine plan includes 0.7 Mt of Inferred Resources at 0.84% Ni and 0.07% Co. The Inferred Resources represents 1% of the total crusher feed, with the vast majority (96%) of the Inferred Resources being located in Eucalyptus that is mined from year 16 onwards. As such, the amount of Inferred in the mine plan is considered immaterial.

Power and Water

The Project's power demand will be generated by a sulphur burning sulphuric acid plant, used to produce the sulphuric acid required primarily for the heap leaching operation. The waste heat generated from the burning of sulphur (a highly exothermic reaction) is recovered and used to power the site steam turbine power station which has the capacity to generate up to 30 MW of electrical power. The power generated from this process is sufficient for the entire Project's power requirements. The NiWest site will therefore be self-sufficient for power and will not be connected to the Western Australian power grid.

Power distribution will be achieved via substations, transformers and switchgear installed at the site. Primary distribution voltage will be 11 kV and other voltage levels including 6.6 kV or 3.3 kV, 690 V, 415 V and 240 V as required.

Onsite diesel generators with capability to 8 MVA will provide back-up power if the sulphuric acid plant is offline. These can also be used for supplementary power supply.

The Project will use approximately 6.5 GL per annum of raw water within the heap leach circuit and refinery. The Project's raw water will be supplied from groundwater sources at Mt Kilkenny and a dedicated borefield hosted within extensive paleochannel systems at Depot Springs South, north-west of the Project area. Process modelling and simulation work has been carried out to determine that the heap leach system can operate with a raw water feed containing total dissolved solids of up to 20,000 ppm.

The Project has been granted Miscellaneous Licences for water extraction tenure at the borefield locations of Depot Springs South and Sandstone South (located ~200 km NW of Mt Kilkenny). These borefields have sufficient supply to meet the Project's LOM water demand.

Product and Reagent Logistics

The Project's main transport logistics requirements comprise the import of bulk sulphur and magnesia (approximately 600,000 tpa and 21,500 tpa respectively) and the export of high purity nickel (Class 1) and cobalt sulphates (approximately 90,000 tpa and 7,000 tpa respectively).

The Project has access to an existing extensive network of transport infrastructure including a rail loading and unloading facility at Malcolm Siding, 35 km from the mine / refinery site.

Figure 6: Aerial View Port of Esperance

Sulphur will be delivered to the Port of Esperance, where it will be loaded into specialised containers and transported via the existing state railway network from the Port of Esperance to Malcolm Siding.

Containers will then be unloaded at Malcolm Siding and transported to site on trucks. After the reagent unloading is complete, the containers will be removed from site and returned to the Port of Esperance for reuse.

Figure 7: Kwinana Bulk Jetty, Fremantle Port

Packaged nickel and cobalt product will be loaded into fully sealed bulk bags in conformance with ISO 21067, which in turn will be loaded into standard shipping containers and transported from the Project to Malcolm Siding using trucks. The product containers are then loaded onto rail and transported to the Port of Fremantle for export to overseas customers.

Operating Costs

The operating cost estimate was compiled by Ausenco and developed from first principle estimates based on key DFS design parameters, metallurgical testwork, detailed contractor Request for Quotes (RFQ), data provided by external consultants and estimates supplied by Alliance.

Operating costs cover all onsite costs directly associated with mining, processing, and administrative activities and include costs related to sustaining production over the life of the Project, including royalties and all logistics costs.

The estimates prepared by Ausenco are considered to have an accuracy of -10% to +15% and use prices obtained in, or escalated to, the third quarter of 2024 (Q3 2024).

Mining costs assume a contractor mining strategy based on submissions from mining contractors following site visits and detailed RFQ prepared by the Company's mining consultants.

Processing and infrastructure costs were developed by Ausenco, reagents and labour represent 81% and 9% of the processing cost respectively.

The waste heat generated from the production of sulphuric acid will be used in an onsite power station to generate 30 MW of power, sufficient to supply all electricity demand for the Project. The Project site is therefore not connected to the Western Australian power grid and will be totally self-sufficient for power supply, resulting in significant operating cost savings and zero Scope 2 carbon emissions.

General and Administrative costs were determined by Alliance and comprise all onsite management and administrative personnel, costs of fly-in fly-out flights, meals and on site accommodation.

All labour and personnel costs were developed by Alliance together with human resources consultant, People Start HR.

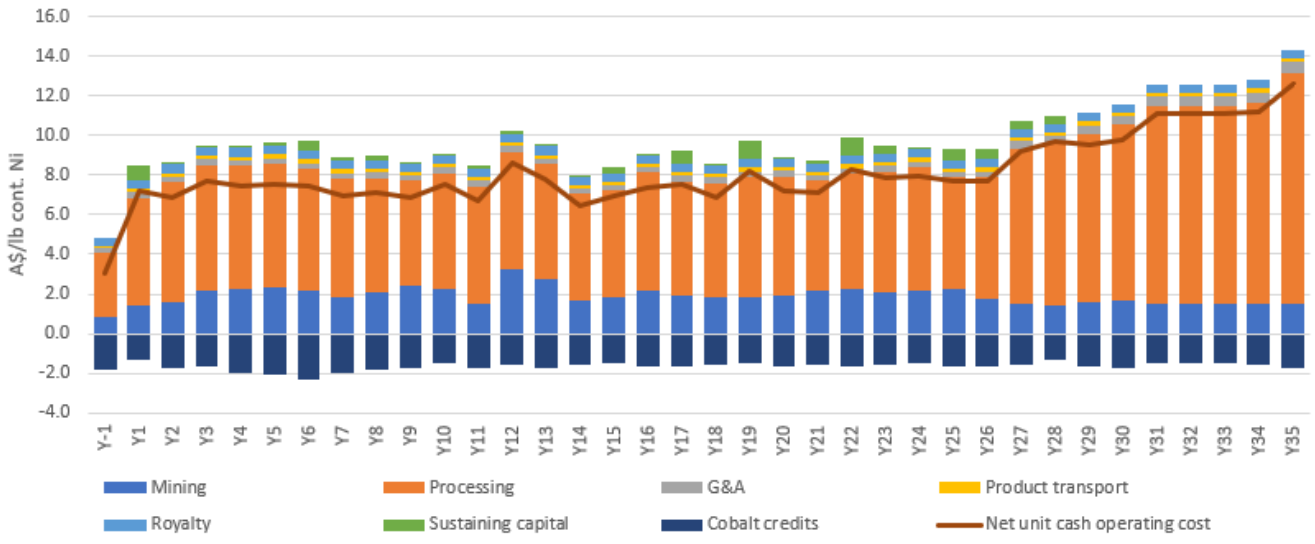
The operating costs reflect the operating strategy of mining and processing HG ore for the first 27 years of operation followed by an 8-year period of processing previously mined and stockpiled LG ore.

Table 7: Unit C1 Cash Cost and All-in Sustaining Cost (AISC)

Unit Operating Costs	Units	First 27 Years	LOM
Mining and haulage costs	A$/lb	2.04	1.96
Processing costs	A$/lb	5.90	6.46
General and administrative costs	A$/lb	0.29	0.32
C1 Cash cost	**A$/lb**	**8.23**	**8.74**
Product transport costs	A$/lb	0.18	0.18
Royalties	A$/lb	0.42	0.42
Sustaining capital	A$/lb	0.27	0.24
AISC (excluding cobalt credits)	**A$/lb**	**9.10**	**9.58**
Cobalt credits	A$/lb	(1.68)	(1.67)
AISC (including cobalt credits)	**A$/lb**	**7.42**	**7.91**
Net All-in Sustaining Cost (AISC)	**US$/lb**	**4.95**	**5.28**

The AISC for the first five years of the operation is US$4.70/lb nickel and US$4.84/lb nickel for the first 12 years of operations at the Mt Kilkenny mine.

Figure 8: LOM Forecast unit cash operating costs (A$/lb contained nickel)



The C1 Cash Cost has increased by 10% compared to the Updated PFS on a 27-year mine life basis. This cost increase reflects design modifications, and the escalations experienced in Australia from the post-

COVID inflationary environment and resultant significant cost increases in the costs of labour, materials and consumables.

Capital Costs

The capital cost estimate was principally compiled by Ausenco with owners' costs provided by Alliance. The estimate is based on an Engineering, Procurement, Construction and Management (EPCM) approach for the processing plant, processing plant infrastructure and other site infrastructure.

It includes all direct costs relating to permanent equipment, materials and labour associated with construction of the mineral process and refinery plant, heap leach, sulphuric acid plant, other associated infrastructure and all pre-production mining activities. Indirect costs include all costs associated with implementation including the EPCM project team, temporary facilities, first fills of reagents, spares and owner's costs.

The Project cash flow has been generated based on the start and finish date of each work or equipment package in accordance with the project execution schedule. Cost expenditure distributions over time were applied based on Ausenco's assessment of the most appropriate curve for each cost element.

All capital items are assumed to be purchased outright, without any deferred capital, outsourced infrastructure or equipment leasing. The Company will investigate opportunities for leasing and vendor financing major items of infrastructure at the appropriate time during project financing.

The pre-production capital cost is estimated at A$1,651 million and includes a 10% contingency of A$149 million commensurate to the Class accuracy of the DFS. The capital cost estimate has been prepared with an inherent accuracy range of -10% to +15% and considered by Ausenco to be a Class 3 AACE International estimate. The base date of the estimate is Q3 2024.

The pre-production capital costs is summarised in Table 8.

Table 8: Capital Cost Estimate

Facility	Total Cost (A$M)	Total Cost (US$M)
Mining	43	29
Process Plant	502	335
Sulphuric Acid Plant	290	193
Infrastructure (including water)	453	302
Construction Indirects	34	23
Engineering Costs	94	63
Owners Costs	86	57
Contingency	149	99
	1,651	**1,101**

The capital cost estimate has increased by 31% compared to the capital cost estimate in the Updated PFS completed in 2022. This is primarily from an increase in water infrastructure costs of approx. A$310 million

as groundwater cannot be sourced locally in either the volume or quality required. A main groundwater borefield will be constructed approximately 200km to the north west of Mt Kilkenny. In addition, as with many other resource projects in Australia, and as noted above, the increase in capital cost estimate reflects the post COVID inflationary environment with significant cost increases in the costs of labour, materials and consumables.

Economic Assumptions and Sensitivity Analysis

The NiWest DFS delivers strong financial metrics with post-tax NPV_8 (real) of A$1,504 million and a post-tax IRR of 17.6%, the after-tax payback from first production occurs in year five of operations.

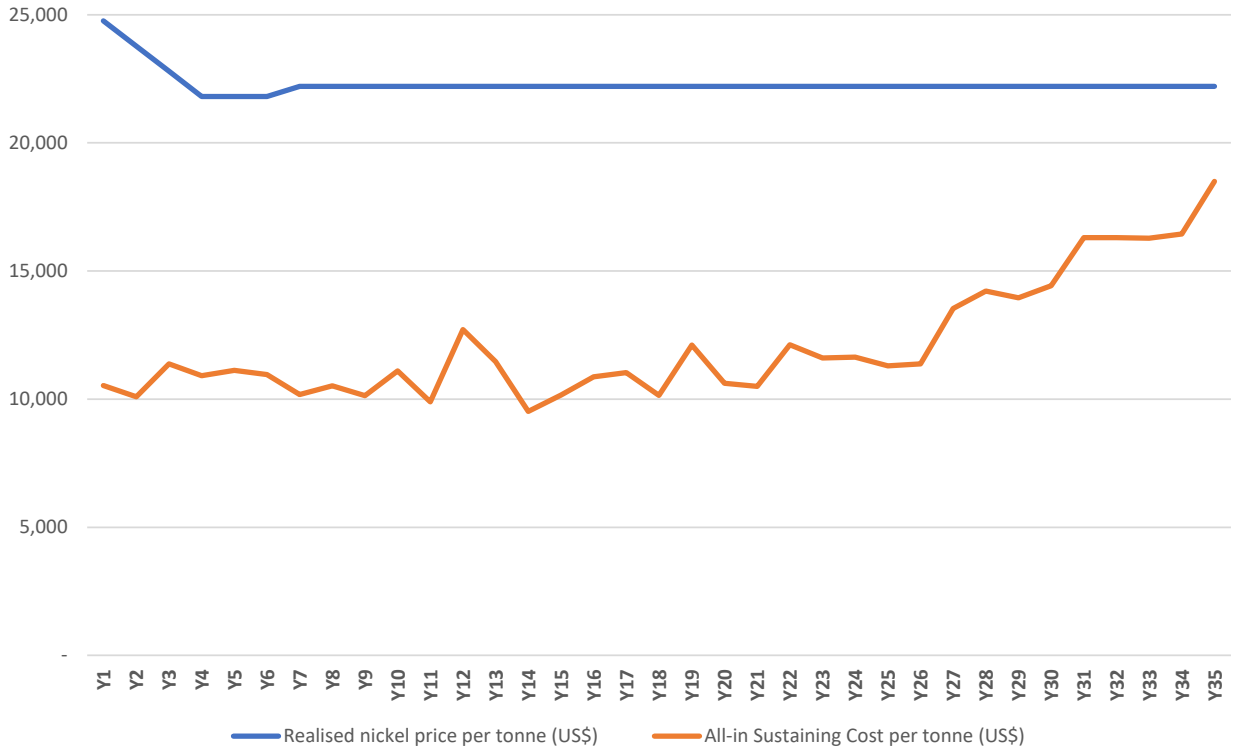
The Project is forecast to generate LOM revenue of A$23.3 billion, comprising revenue from sales of battery grade nickel sulphate of A$21.0 billion and cobalt sulphate of A$2.3 billion.

The Project's revenue is supported by established strong strategic partnership relationships underpinned by a binding take-or-pay offtake contract with Tier 1 global automaker Stellantis. The binding offtake contract is for the first five years of operation, with Alliance supplying approximately 170,000 t of nickel sulphate and 12,000 t of cobalt sulphate over this initial five-year period (with options to renew).

Total EBITDA is forecast at A$10.4 billion, with annual average EBITDA of A$343 million over the first 27 years of operations.

Figure 10 demonstrates the operating margin over the LOM, comparing average realised nickel price per tonne to the LOM average annual AISC per tonne (including cobalt credits).

Figure 9: Realised Nickel Price per Tonne (US$, real basis) and AISC per Tonne (US$)



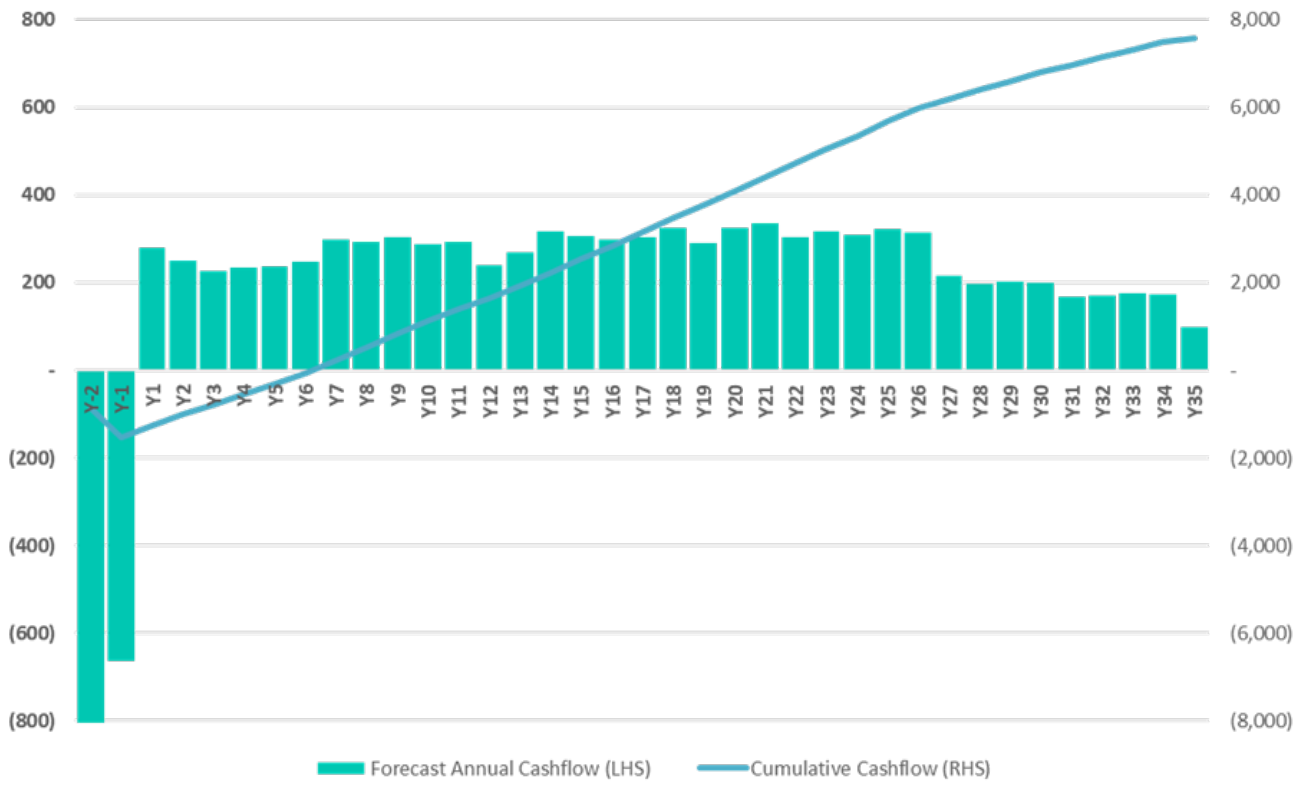
The key financial assumptions used in the financial model are outlined in Table 9 below.

Table 9: Key Assumptions Summary

Assumption		
LOM forecast average realised nickel price (real) (including sulphate premium)	US$/t	22,325
LOM forecast average realised cobalt price (real)	US$/t	32,685
A$/US$ exchange rate	A$/US$	0.667
Discount rate - Real	%	8

The Company has adopted long-term average annual real nickel and cobalt market pricing forecasts of US$20,216/tonne and US$32,556/tonne from leading financial institution Macquarie Bank (Commodities desk strategy report September 2024). These are supported by other consensus forecasts by global investment banks with adjustments made for pricing mechanisms within Alliance's binding offtake agreement, the Company's assessment of supply/demand imbalances expected from the commencement of expected NiWest production in late 2027 and future expected market premiums for Australian high purity battery grade nickel (Class 1) and cobalt sulphates. Annual and cumulative Project cash flows are shown in Figure 11.

Figure 10: Annual and Cumulative Net Project Cash Flow (A$M)



Pathway to Financing

In 2023, the Company appointed specialist natural resource financial advisor, Blackbird Commodity Partners Pty Ltd (Blackbird Partners) to support the Company's funding strategy and arrange a project debt facility for the Project. Projects of this scale and nature are typically funded by a mixture of equity and project debt finance that is sourced from various third parties. Initial modelling indicates that the Project cashflows would support a gearing level of up to 60% of the total funding requirement.

Debt funding

The target debt strategy is one of project finance comprising both Government backed ECA lenders and leading commercial bank lenders. As nickel and cobalt are listed as either critical or strategic minerals by many governments, including Australia, the Project has strong strategic alignment with the global ECAs including members of the Minerals Security Partnership Finance Network announced in September 2024, in which the NiWest Project has been formally recognised as a critical minerals strategic project. Specifically for the Project, there are strong opportunities for ECA participation via product sales, reagents (with particular reference to sulphur) and capital asset procurement. Numerous positive discussions continue with the target ECAs.

In addition, Blackbird Partners together with the Company has received a positive response to its debt funding process through the issuance of an Expression of Interest and subsequent meetings with thirteen domestic and international commercial banks. Similar to the ECAs, the main driver for the interest of commercial banks is the direct linkage of the Project's premium product to the EV battery sector, development of new and additional nickel supply chains outside of China and Indonesia, and their respective banking relationships with Automotive Original Equipment Manufacturers (Auto OEMs).

As announced on 19 September 2023, the Company has also received a letter of support from Export Finance Australia (subject to conditions) to participate alongside commercial lenders. This has provided the Company with support for its debt funding process and the Company believes that this, together with the other factors outlined, is a reasonable basis for believing that the required debt financing for the Project will be available.

Equity and strategic partner

The Company's primary equity strategy is to target strategic investors to invest at either the Company level or Project level through a combination of strategic offtake and/or joint venture partnerships to fund the portion of the Project funding which is not debt financed. Given the Project's production of nickel sulphate and cobalt sulphate are both precursor products for battery cathodes, Auto OEMs and battery manufacturers are the key target market for this strategy. The Company has been engaging in detailed discussions with target strategic investors over the last 12 months regarding equity funding structures.

A strategic investment at the project level through a joint venture partnership will typically comprise an upfront payment from a potential joint venture partner to acquire an ownership share of the NiWest Project. It is anticipated that the Company would divest up to 50% of the Project on this basis. This upfront payment would substantially contribute to the Company's pro-rata equity requirement. If required, any shortfall in the Company's pro-rata equity requirement will be financed through the issue of ordinary shares in the Company.

Given the significant progress completed to date by the Company and its advisors, the Company has formed the view that there is a reasonable basis to assume that future funding for the Project's development will be available, based on:

- The Company announced on 19 September 2023 that it had received a letter of support from Export Finance Australia (subject to conditions) to participate alongside commercial lenders.
- Ongoing detailed discussions with current and potential strategic partners contemplating a joint venture project level investment into NiWest (up to 50% project selldown).
- Binding offtake and cornerstone equity investment with Stellantis announced on 1 May 2023. Stellantis currently hold an 11.5% shareholding in Alliance and Stellantis' representative, Klervi Menaheze, was appointed to the Alliance Board with effect from 14 February 2024. The binding offtake agreement is for the first five years of operations (with rollover to extend this period) representing (at least) approximately 170,000t of nickel sulphate and 12,000t of cobalt sulphate over this period. The strategic partnership also incorporated a share subscription agreement, whereby Stellantis subscribed for A$15 million in new equity in Alliance at a subscription price of A$0.18 per share.
- A non-binding term sheet signed with Samsung SDI Co., Ltd (Samsung SDI) for future offtake of battery grade nickel sulphate and cobalt sulphate for an initial six-year period was announced on 8 February 2024. This non-binding term sheet also provides that Samsung SDI and Alliance will discuss a potential acquisition by Samsung SDI of an equity interest in a project company to be formed by Alliance that will hold the Project. Discussions with Samsung SDI have progressed positively in relation to a potential binding offtake agreement and associated equity investment.
- The strong production and economic outcomes delivered by the DFS are considered by the Company's Board to be sufficiently robust to continue both the equity and debt discussions to date; and
- The Project is located in Western Australia in an established nickel and cobalt producing region with significant legacy infrastructure. Western Australia is considered one of the world's leading and low risk mining investment destinations.

There is no certainty that the Company will be able to source the required funding when required and it is possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's shares.

Environmental Approvals

The primary environmental approval required is a Ministerial Statement under Part IV of the Western Australian Environmental Protection Act 1986 (EP Act). In October 2023, the primary approval pathway commenced with the lodgement of a formal referral and supporting information with the Western Australian Department of Water and Environmental Regulation (DWER). This was assessed by the Environmental Protection Authority (EPA) with the assistance of DWER.

The EPA determined that the Mt Kilkenny operations will be assessed based on Referral Information with additional information required under s. 40(2(a)), with four weeks public review (s.40 (5)). This is the lowest level of EPA assessment and supports the Company's opinion that no significant environmental issues exist at the Mt Kilkenny site, where the first 12 years of mining operations will occur.

The final approval under Part IV, a decision by the Minister for the Environment, is following submission by the Company of an environmental impact assessment (expected in 2025) and a final environmental report from the EPA.

Following ministerial approval, the Company will seek secondary EP approvals for Works Approval, Mining Proposal and Mine Closure Plans. Each of these secondary approvals have target approval timeframes of between 30 and 60 business days.

The Company is currently compiling information that consists of detailed studies on a number of identified Environmental Factors. These studies cover six environmental factors as follows:

- Flora and vegetation.
- Terrestrial fauna.
- Subterranean fauna
- Inland waters.
- Social surroundings (Aboriginal cultural heritage).
- Greenhouse gas emissions.

Greenhouse Gas Emissions

A number of desktop studies were carried out through the course of the DFS to identify and evaluate potential pathways for the sequestration of carbon dioxide, the majority of which is produced by the neutralisation of the leach liquor prior to extraction of nickel and cobalt. It is proposed to carry out more study work during the FEED and early production stages to design the flow sheet options and carry out sufficient engineering to evaluate a final option for implementation.

Based on a 40% reduction of CO_2 emissions from the neutralisation circuit, Scope 1 GHG emissions would reduce from 17.9 kg to 9.3 kg CO_2-e per kg Ni/Co, and a subsequent further 40% decrease would reduce this further to 3.7 kg CO_2-e per kg Ni/Co.

Aboriginal Heritage and Native Title

The Company has had a long association with the Nyalpa Pirniku (now Wangkatja Tjungula Aboriginal Corporation (WTAC)), with the signing of a Wongatha Access Agreement in 2004. This agreement facilitated the grant of the Mining Tenure over the Project's mining areas for the 35-year Project life. This agreement provided employment, training and business development opportunities and a road map to define the operation of heritage surveys and other cultural matters.

A significant number of Heritage Surveys have been conducted across the NiWest tenure by WTAC, with good relationships established between the parties over many years of discussions on survey works required.

The scope and design of the Project has changed considerably since 2004, with the DFS now finalising the design and the tenure required for a successful project execution. Throughout the project's exploration and development phase, changes to the design development have resulted in significantly more tenure being applied for, specifically with additional Miscellaneous Licences, to facilitate groundwater borefield and pipeline infrastructure requirements.

NiWest is located across land containing two Native Title parties, the WTAC and the Watarra Aboriginal Corporation (WAC). The majority of the NiWest mining tenements are still contained within land for which WTAC are the Native Title holders, whilst the pipeline corridor for the Project's water supply passes through land for which WTAC and WAC are both the Native Title holders.

The Company is engaging with WTAC to renegotiate and update the Wongatha access agreement. In parallel, Alliance is also in negotiations with WAC to ensure appropriate agreements are in place to meet the Project's access requirements across the pipeline corridor tenure. The Company expects that the negotiations will be successful and lead to mutually beneficial collaboration between the parties over the many years of the Project's operation.

Market outlook

Supply constraints

It is the view of the Company that the nickel market is on the brink of a resurgence, underpinned by potential future diminishing supplies from key Indonesian nickel producers.

Nickel demand exceeded 3 Mt in 2023, and it is expected to rise sharply over the coming years to 4.5Mt in 2030 – driven by clean energy applications and expansion in the EV market.

Whilst Indonesia has dominated the global nickel market for some time, analysts believe future nickel supply from the country will be significantly reduced due to depleting ore reserves in the Philippines, which Indonesia heavily relies on.

According to global investment bank UBS, the Philippines' H1 2024 ore production fell 20% year on year with reserves at the lowest level since 2019, mimicking Indonesia's production statistics, leading to an anticipated 3-9% global annual supply loss between 2025 and 2029.

In addition, significant Chinese-backed investment in HPAL refining infrastructure in Indonesia over the past six years helped rapid development of production rates to the point the nation now accounts for half global nickel production. However**,** much of this infrastructure is starting to age, requiring significant future capital investment to maintain and repair.

HPAL also produces significant tailings waste and industry observers such as Wood Mackenzie have noted the outlawing of deep-sea tailings disposal across Indonesia, coupled with reducing on-land waste management options is fast becoming an issue.

Together, these factors will drive-up production costs and limit future development of HPAL infrastructure. An example was German chemical producer BASF exiting a US$2.6 billion HPAL and Base Metal Refinery plant project in Weda Bay, Indonesia, this June.

This is welcoming news for nickel miners in other regions, as nickel supplies will need to be sourced from elsewhere to meet the rising demand.

Geopolitical considerations

While the outcome of the US Election is still relatively fresh, the Trump administration victory could bring into question certain elements of the IRA with potential to impact critical mineral producers and suppliers in non-US jurisdictions.

Since being introduced, the IRA has attracted US$110 billion in the EV and battery sectors, with close to 60% of that in battery manufacturing alone.

Although President elect Trump has mooted repealing parts of the IRA that favour the EV manufacturing market, Tesla CEO Elon Musk has emerged as one of his closest allies. His recent appointment as head of Department of Government Efficiency (DOGE), alongside former presidential candidate Vivek Ramaswamy, will likely influence Trump's policy decisions that impact the US' largest EV company.

EV sales have also grown steadily since the IRA was activated, and interestingly the majority of investment has landed in Republican states, meaning their respective Governors would likely push back against proposed repeals.

The President elect will also need to find a balance between any wind back of EV-based incentivisation and how it impacts the US race to catch up with China's booming EV sector.

From a European perspective, EU battery regulations coming into force mean battery-grade material suppliers will need to demonstrate how their material meets stringent low-carbon production criteria.

This forms part of new battery passport policy being introduced in February 2027, tracing lifecycle carbon emissions of all EV and industrial batteries on the EU market and a trend towards 'green nickel' supply options.

In the case of Indonesia-sourced nickel, work done by the Institute for Energy Economics and Financial Analysis forecasts its carbon emission profile is forecast to reach 38.5 Mt by 2028, which would account for close to 5% of the nation's total CO_2 emissions and drastically impair the ability for batteries containing Indonesian sourced or processed nickel to enter circulation in the EU.

Nickel Price

Despite downward pressure on the nickel price in early 2024, analysts expect it to recover longer term due to Indonesia's depleting ore reserves, reducing grade and increasing production costs. Forecast pricing from leading financial institution Macquarie Bank (Desk Strategy – Commodities report September 2024) shows London Metals Exchange (LME) nickel prices improving to US$18,250/t in 2025 and increasing to US$23,000/t by 2028 before settling at a long-term forecast price of US$20,000/t.

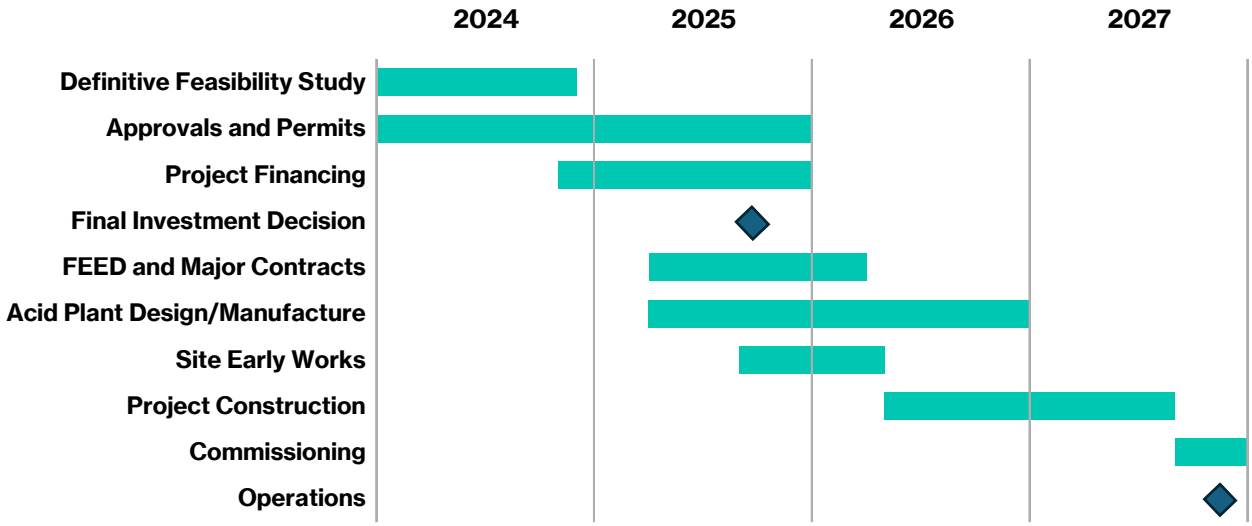
The LME nickel price is a reference or "base price" index against which the majority of nickel products from intermediates to nickel metal to nickel chemicals are priced. Alliance expects, based on offtake discussions to date, that a market premium to LME will be paid for Australian battery grade (Class 1), precursor nickel sulphate (>99.9% purity).

Project Timeline

The targeted Project timeline in Figure 12 assumes that the Company will consider a Final Investment Decision (FID) alongside preliminary project financing approvals, targeted in H2 2025. Based on an estimated two-year construction period, first production, subject to financing and necessary approvals, is targeted for late 2027.

The Project timeline also assumes that regulatory approvals and miscellaneous licence approvals are granted within expected timelines, however, approval is subject to several factors and is therefore uncertain. The timeline has also assumed that nickel and cobalt pricing aligns with expectations, discussions continue positively with strategic partners and financing is achieved in line with timeline assumptions. Further, it is assumed that the result of the 2024 US Election does not adversely impact demand for IRA compliant Australian critical minerals or domestic US demand for electric vehicles.

Figure 11: Project Timeline



Key Risks

A rigorous risk assessment process was undertaken as part of the DFS by Ausenco and the Company to identify risks that may prevent the Project from achieving its strategic, business and operational objectives, and to identify opportunities to improve overall Project performance. The risk assessment process was used to identify the key design, operational, safety, financial and environmental risks of the Project and establish potential control measures to mitigate the identified risks to acceptable levels.

A non-exhaustive summary of the key risks is outlined below.

Funding and offtake

There is no certainty that sufficient funding will be available for the construction of the Project, or if such funding will be in a structure or at a cost that is acceptable for Alliance. The Company has appointed a debt advisor, Blackbird Commodity Partners, and commenced early engagement with commercial banks and Export Credit Agencies. Further, the Company is working with other strategic partners to secure binding offtake agreements for the remaining nickel and cobalt sulphate production and further investment at the Company and Project level.

Nickel price risks

The nickel market is historically volatile and the anticipated strong demand for battery metals has generated a lot of interest in developing new nickel mines to meet this demand. However, lower nickel prices are possible if the demand for electric vehicles and the general battery electrification of energy is delayed. Additionally, price pressures on nickel could arise as global supplies increase from the establishment of new projects. The company continues to monitor market developments.

Supply chain and schedule delays

The Western Australian construction industry is experiencing high levels of activity with limited workforce resources. There is a risk that equipment suppliers, construction companies and other contractors may decline to tender or take longer than assumed within the Project timeline to submit proposals and deliver the work. The Company will engage as early as possible with contractors for the construction of the Project.

The Company has identified the key supply risks for both the construction and operations of the Project. The key contracts for equipment have been identified and lead times established. Long lead item tenders, especially for the acid plant, will be prepared and issued following the DFS.

Capital and operating cost volatility

The global construction industry has seen higher than normal levels of inflation, increasing the costs of both labour and materials. Although there are recent signs of this returning to normal levels, it is likely that these factors will continue to some degree through the current planned execution schedule. There is little that the project team can do to mitigate this risk, however sensitivities were analysed as part of the DFS economic analysis. The Company will implement a competitive tendering process with multiple contractors.

Mining

There are inherent risks associated with mining. At NiWest, these include material characteristics associated with wet laterite ore that may make handling the ore difficult, poor blending and poor bench level control due to vertical ore zone variability. These risks have been addressed (mitigated) by engineering design and selection of equipment which addresses issues associated with handling and transport of 'sticky' ores.

Metallurgical

The metallurgical test work and process design relies on an elevated operating temperature in the last two stages of the heap leach and relies on the injection of steam (from the acid plant) into process liquors feeding the heap to reach and maintain temperature. It is important that the temperature be maintained within the irrigation piping, the heap, and the solution conveyance circuit back to the ponds and to the neutralisation tanks in the refinery. A drop in operating temperature could result in precipitation of metals, including Ni and Co, leading to loss of recovery and revenue. The Company is mitigating this risk by developing a dynamic heap leach model including detailed heat balance ensuring and constructing and operating the heap leach plant so that temperature can be maintained at levels which minimise / eliminate precipitation of metals.

Water

The Project's water demand, approximately 6.5GL per annum, will be supplied from a dedicated borefield hosted within extensive paleochannel systems and from the fractured rock at the Mt Kilkenny deposit. As a result of climate change, there is no guarantee that the current water availability will remain sufficient in quality and quantity over LOM. To mitigate this risk, the company has identified additional water sources excess to the Project's current requirements.

Workforce

The Company has identified that the recruitment of a highly skilled workforce in remote areas is a risk to the Project. The company has undertaken early engagement with potential contractors for the construction and mining of the Project and had strong engagement from potential equipment suppliers and contractors.

Approvals

There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive than anticipated. Approval is required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in delays to anticipated construction programs or mining activities. Following the submission of the referral with the Department of Water and Environmental Regulation, the Environmental Protection Agency (EPA) assessed the Company's submission and determined the Project will be assessed based on Referral Information. The Company will work with the EPA closely throughout the assessment process to ensure an acceptable outcome for both approvals and project schedule.

Mining tenure

The Company has several Miscellaneous License applications underway related to the Project's groundwater pipeline, which are being processed through the Wardens Court to resolve objections under the Mining Act for the granting of the tenure. The Company remains confident that it holds a strong position against these objections, however, there is a risk that there could be a delay with the granting of tenure. The Company is mitigating this risk with early engagement with affected Native Title parties, pastoralists, and mining tenement holders.

Calcrete

The DFS assumes that calcrete is sourced from the tenure adjacent to the Mt Kilkenny mine site. There is a risk that this drill target does not deliver the required quantity or quality of calcrete. Calcrete is common in the region, however, the risk is that the time required to find it, obtain tenure and receive the necessary approvals to extract it could impose delays on the Project. Cost sensitivities confirm that while alternate sources are located further away, it can still be mined and transported to site economically. The Company has plans in place for further calcrete exploration programs on the nearby tenure.

Processing

The nickel and cobalt product market is evolving and emerging product specifications may not be met by the current process plant design. Shifting market or customer requirements may require adjustments to the process plant to meet new product specifications. The current refinery design allows for a degree of flexibility, however, product specifications are inherently stringent, and small impurities may lead to large penalties or unsaleable product. This risk is mitigated by engagement with current and potential offtake partners and research into the current market, including forecasts on where the market is heading and where possible, including product specifications within agreements.

Fire

Solvent Extraction (SX) reagents are extremely flammable, with extensive evidence available in the industries who utilize SX of potential fires in these circuits, which can be created by factors such as static electricity within the materials of construction. This could create a significant project risk for NiWest if unmitigated. The EPCM contractor has significant experience in dealing with these issues through design and selection of alternate materials of construction. Mitigation will largely be through engineering design and selection of equipment.

Next Steps

The Alliance board of directors has endorsed the DFS outcomes, and the Company will now commence low-cost Project implementation activities that will include, subject to funding, some early works and value engineering activities, completion of confirmatory testwork programs and progressing environmental and tenure approvals.

The early works program consists of critical path activities essential to achieving first production in Q4 2027. The early works program addresses key critical path activities that include:

- Development of the full project execution plan and schedule.
- Formal tender and award of EPCM contractor to mobilise the execution project team, set-up and establish project systems and procedures, finalise the basis of design.
- Establishment of EPCM contract to deliver full project execution plan and schedule, with associated FEED budget.
- Completion of the confirmatory metallurgical testwork program and results analysis.

- Completion of geotechnical field investigations and subsequent analysis to support access road, mine, residue storage facility, acid plant and process plant detailed designs.
- Obtain environmental and regulatory permits and approvals.
- Early works engineering necessary to progress camp, acid plant engineering, procurement and supply and bulk earthworks packages.
- Mining camp contractor engagement, specification development, package tender and award.

With completion of the DFS, the Company will now continue its discussions with strategic partners in relation to a potential project investment and re-engage with commercial banks / ECAs in relation to debt funding.

Contributors

The DFS was prepared in conjunction with the following specialist industry service providers:

Table 10: Contributors

Area	Activity	Consultant
Lead engineer	Project engineering, infrastructure and cost estimation (except mining capital and operating costs), process plant, sulphuric acid and power generation, non-process infrastructure, ore preparation and heap leach	Ausenco Services Pty Limited
Geology	Geology report Mineral resource estimate	SRK Consulting (Australasia) Pty Limited
GIS services	GIS Mapping and data management	iSpatial
Geotechnical	Geotechnical assessment	Peter O'Bryan and Associates Knight Piesold Pty Ltd
Mining	Ore reserve statement Mining capital and operating costs Mining dilution and recovery Mine planning	Mining Focus Consultants Pty Limited Kirk Mining Consultants Pty Limited
Process	Metallurgy	SGS Australia Pty Limited
	Residue / Ripios management & storage	Knight Piesold Pty Limited Kirk Mining Consultants Pty Limited Mining Focus Consultants Pty Limited
	Metallurgy testwork programs	Metallurgy Pty Limited Strategic Metallurgy Pty Limited SGS Canada Inc SGS Australia Pty Limited Brisbane Metallurgical Laboratories
Hydrogeology and water supply	De-watering assessment Borefield design Groundwater models Water search	Pentium Water Pty Limited
Non process infrastructure	General site infrastructure	Knight Piesold Pty Limited Ausenco Services Pty Limited
	Logistics and transport cots	Graymatter Group Pty Limited
Environmental, Social and Governance	Environmental, Social and Governance	Talis Consultants Pty Limited
	Subterranean Fauna	Bennelongia Pty Limited
	Flora and vegetation	Umwelt (Australia) Pty Limited
	Terrestrial fauna	Phoenix Environmental Sciences Pty Limited
	Aboriginal heritage management	Horizon Heritage Management
	Land tenure and legal	Green Legal Pty Limited

This announcement was authorised for release by the Board of Alliance Nickel Limited.

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Competent Person's Statement

NiWest Ore Reserves

The reported Ore Reserves have been compiled by Mr Harry Warries, Mr Linus Sylwestrzak and Mr Graham Binks, all of whom are relying on Mr Rodney Brown who is the Competent Person for the Mineral Resources. Mr Sylwestrzak is responsible for the metallurgy aspects of the Ore Reserves. Mr Binks is responsible for processing and capital cost estimates and Mr Warries is responsible for mining and other aspects of the Ore Reserves apart from Mineral Resources, metallurgy and processing.

Mr Warries is a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of Mining Focus Consultants Pty Ltd. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' of December 2012 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. Mr Warries gives Alliance Nickel Limited consent to use this reserve estimate in reports and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Mr Sylwestrzak is a Member of the Australasian Institute of Mining and Metallurgy (CP Metallurgy) and an employee of SGS. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' of December 2012 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. Mr Sylwestrzak gives Alliance Nickel Limited consent to use this reserve estimate in reports and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Mr Binks is a Member of the Australasian Institute of Mining and Metallurgy (CP Engineering, Capital and Operating Cost Estimates) and an employee of Ausenco. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' of December 2012 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. Mr Binks gives Alliance Nickel Limited consent to use this reserve estimate in reports and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

NiWest Mineral Resources

Information on the current Mineral Resource Estimates for the NiWest Nickel-Cobalt Project presented in this announcement is extracted from the Company's ASX release dated 14 November 2023 entitled "NiWest Nickel-Cobalt Project Mineral Resource Estimate Upgrade". The Competent Persons for the Mineral Resource Estimates was Mr Rodney Brown. The Company confirms it is not aware of any new information or data as at the date of this release which materially affects the NiWest Nickel-Cobalt Project Mineral Resource Estimates reported in that announcement. The Company also confirms all material assumptions and technical parameters underpinning the Mineral Resource Estimates in the 14 November 2023 announcement continue to apply and have not materially changed and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Information on the current Mineral Resource Estimates for the Waite Kurri, Mertondale and Murrin North Projects presented in this announcement is extracted from the Company's ASX release dated 21 February 2017 entitled "NiWest Nickel - Cobalt Project Mineral Resource Update (JORC 2012)". The Company confirms it is not aware of any new information or data as at the date of this release which materially affects the Waite Kurri, Mertondale and Murrin North Projects Mineral Resource Estimates reported in that announcement. The Company also confirms all material assumptions and technical parameters underpinning the Mineral Resource Estimates in the 21 February 2017 announcement continue to apply and have not materially changed and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Cautionary statements

The following notices and disclaimers apply to this announcement, and you are therefore advised to read this carefully.

The information in this announcement is in summary form and does not purport to be complete nor does it contain all the information in relation to the Company. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with the ASX at www.asx.com.au.

While the information contained herein has been prepared in good faith, neither the Company nor any of its shareholders, directors, officers, agents, employees, consultants or advisers give, have given or have authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability, completeness or suitability of the information in this announcement, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as "Information") and liability therefore is expressly disclaimed.

Accordingly, to the maximum extent permitted by law, neither the Company nor any of its shareholders, directors, officers, agents, employees, consultants or advisers, take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising or out of or in connection with the use of this announcement. Each party to whom this announcement is made available must make its own independent assessment of the Company and the announcement after making such investigations and taking such advice as may be deemed necessary. Any reliance placed on the announcement is strictly at the risk of such person relying on such announcement.

This announcement contains statements related to our future business and financial performance and future events or developments involving the Company that may constitute forward-looking statements. These statements may be identified by words such as "potential", "exploitable", "proposed open pit", "evaluation", "expect," "future," "further," "operation, "development, "plan," "permitting", "approvals ", "processing agreement" or words of similar meaning. Such statements are based on the current expectations and certain assumptions of the Company's management & consultants, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond the Company's control, affect our operations, performance, business strategy and results and could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Forward-looking statements include, but are not limited to, statements concerning the Company's planned exploration and development program(s), financial forecast information in this announcement, other results and assumptions of the DFS in this announcement, the Production Targets, Mineral Resources and Ore Reserves estimates in this announcement and other statements that are not historical facts. These statements are based on various assumptions made by the Company. Such assumptions are subject to factors which are beyond our control, and which involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements

to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Refer also to the body of this announcement for details of the material assumptions underpinning, and the key risks relating to, the Production Targets and financial forecasts included in this announcement in relation to the NiWest Nickel-Cobalt Project. There are risks that those assumptions may be incorrect, which would also cause the Production Targets and/or financial forecasts to consequently be inaccurate. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the Mineral Resources and Ore Reserves estimates are accurate or that the Production Targets or financial forecasts (or other forward-looking statements) as indicated in this announcement will be achieved.

Some of the assumed factors to which those Production Targets and financial forecasts are particularly sensitive include (without limitation) the future commodities prices, whether the Company will be able to raise the required funds needed in order to pay the costs of developing, constructing, commissioning and operating the Project and other costs comprising the initial development capital, the outcomes of negotiations with the government agencies and permitting matters, mined grades and recoveries at the Project, metallurgical recoveries, operating costs, economic factors, discount rates, environmental approvals, mining tenure and other key factors such as disclosed throughout this announcement. The Company has formed the view that there is a reasonable basis to believe that requisite future funding for development of the NiWest Nickel-Cobalt Project will be available when required. The grounds on which this reasonable basis is established include the outcomes of the DFS, the Ore Reserve, the extended mine life and low initial development cost, as well as the track record of senior management and the Board of Directors in raising capital. The Company is confident that several sources of capital will be available to continue to move the NiWest Nickel-Cobalt Project towards development. There is, however, no certainty that the Company will be able to source funding as and when required. It is possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's existing shares.

The Production Targets at the NiWest Nickel-Cobalt Project included in this announcement are underpinned by the Probable category Ore Reserves (as to 99% of the Production Target) and Inferred Mineral Resources (as to 1% of the Production Target) estimated at the NiWest Nickel-Cobalt Project pursuant to the JORC Code. The estimated Ore Reserves and Mineral Resources underpinning the Production Targets have been prepared by competent persons in accordance with the JORC Code. 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 reported will be realised. The Inferred Mineral Resources are not the determining factor in Project viability.

Although we believe that the expectations and assumptions reflected in the statements in this announcement are reasonable, any person relying on such Information and this announcement are cautioned that we cannot guarantee future results, levels of activity, performance or achievement. In preparing this announcement and except as required by law, we do not undertake or agree to any obligation or responsibility to provide the recipient with access to any additional information or to update this announcement or Information or to correct any inaccuracies in, or omission from this announcement or to update publicly any forward-looking statements for any reason after the date of this announcement to conform these statements to actual results or to changes in our expectations.

The past performance and position of the Company included in this announcement is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future performance or condition. Past performance of the Company cannot be relied upon as an indicator of (and provides no guidance as to) the future performance of the Company, including future share price performance. Nothing contained in this announcement, nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

Non-IFRS and Other Financial Measures

This announcement contains certain financial measures and ratios relating to the DFS outcomes (such as operating costs, NPV, IRR and other measures) that are not recognised under International Financial Reporting Standards ("IFRS"). Although the Company believes these measures provide useful information about the financial forecasts derived from the DFS, they should not be considered in isolation or as a substitute for measures of performance or cash flow prepared in accordance with IFRS. As these measures are not based on IFRS, they do not have standardised definitions and the way the Company calculates these measures may not be comparable to similarly titled measures used by other companies. You should therefore not place undue reliance on these measures.

Furthermore, these measures should not be compared with similarly titled measures provided or used by other issuers. The non-IFRS financial measures and non-IFRS financial ratios used in this document are relatively common to the mining industry.

Additional Information Required Under ASX Listing Rule 5.9

In accordance with ASX Listing Rule 5.9 the following summary of information is material to understand the reported Ore Reserve Estimate (for additional details please refer to JORC Table 1 attached to this announcement). Refer to the announcement and executive summary (attached as an appendix) for additional information on mineral resources (see also ASX announcement 14 November 2023), mining method and mining assumptions, processing method, environmental approvals, mining tenure and economic assumptions.

Criteria Used for Ore Reserve Classification

Although there are Measured Resources included in the Mt Kilkenny and Hepi deposits all Ore Reserves have been classified as Probable Ore Reserves, with no Proved Ore Reserves declared, due to the lower level of confidence **in some project inputs and outputs including:**

- Metallurgical performance and ultimate recovery of nickel and cobalt.
- The source, quality and cost of calcrete.
- The status of project approvals.
- The status of project funding.

Basis of Cut-off Grades Applied

The cutoff grade calculation used was:

$$\textbf{\textit{Cut off grade}} = \frac{(\textbf{\textit{process}} + \textbf{\textit{overhad cost}}) \times \left(1 + \textbf{\textit{Mining Dilution}}\ (\%)\right)}{\textbf{\textit{Payable Metal Price}} \times \textbf{\textit{Process Recovery}}\ (\%)}$$

Based on the above economic and other input parameters and noting the not insignificant cobalt credits around the calculated break-even nickel cut-offs, the cutoff applied for Ore Reserves for all four deposits was set at 0.5% Ni.

Estimation Methodology

The Mineral Resources models have been re-blocked to larger 2m high benches to simulate slightly lower diluted grades and then the resultant mining models optimised using Whittle software and the input parameters as summarised under Modifying Factors or detailed in the attached JORC Table 1. A pit shell just below the maximum average discounted cashflow was selected for the pit design for Mt Kilkenny, with the selected optimisation shells being used to estimate Ore Reserves for the other three deposits at Hepi, Wanbanna and Eucalyptus.

Modifying Factors

The term 'Modifying Factors' is defined to include mining, processing, metallurgical, economic, infrastructure, marketing, legal, environmental, social and governmental factors, as summarised in Table 10 and elsewhere in this announcement.

Table 10: Summary Modifying Factors used for Ore Reserve Determination

Item	Unit	Value
Mill throughput	Mtpa	2.3 – 2.5
Revenue		
LOM forecast average realised nickel price (real) (including sulphate premium) *	US$/t	22,325
LOM forecast average realised cobalt price (real)*	US$/t	32,556
Government royalty	%	2.5
Third party royalty	%	0.8
Discount rate (real)	%	8
Processing recovery		
Ni processing recovery	%	78
Co processing recovery	%	85
Mining		
Mining cost (depth incremented with average shown)	A$/dt mined	4.02
Dayworks (1% of L&H rates)	A$/dt mined	0.04
Clear and grub	A$/bcm	0.11
Grade control	A$/dt ore	0.22
Owner's mining team fixed costs (based on M$4.2 pa)	A$/dt ore	1.75
ROM pad rehandle	A$/dt ore	2.34
Ore Haulage		
Hepi (based on a 25km haul distance)	A$/dt HG ore	5.74
Wanbanna (based on a 36km haul distance)	A$/dt HG ore	7.63
Eucalyptus (based on a 58km haul distance)	A$/dt HG ore	11.87
Calcrete		
Mining and haulage	A$/dt calcrete	4.68
Crushing	A$/dt calcrete	5.74
Grade control	A$/dt calcrete	7.63
Royalty	A$/dt calcrete	11.87
LG Rehandle		
Mt Kilkenny	A$/t LG	4.68

Hepi	A$/t LG	5,74
Wanbanna	A$/t LG	7.63
Eucalyptus	A$/t LG	11.87
Post mining monthly management fee (Yr 27 to 35)	A$/month	$100,000
Ore ripios and residue disposal	A$/$m^3$	3.86
Processing	A$/dt ore	105.55
General and Administration (A$12M pa)	A$/dt ore	5.15
Product transport to port, incl. Port charges	A$/dt product	83.93
Overall pit wall slope angle	Degree	24.3 – 40.3
Mining dilution (additional to re-blocked mining models)	%	Nil
Mining recovery	%	95
Capital expenditure (Infrastructure)	A$ billion	1.65
Sustaining capital	A$M	332
Closure cost	A$M	75

* The Company adopted long-term average annual real nickel and cobalt market pricing forecasts from leading financial institution Macquarie Bank (Commodities desk strategy report September 2024) adjusted for pricing mechanisms within the Company binding offtake agreement, the Company's assessment of supply/demand imbalances expected from the commencement of expected NiWest production in late 2027 and future expected market premiums for Australian high purity battery grade nickel (Class 1) and cobalt sulphates.

Appendix 1: Compliance Statements for the NiWest Project

The following Table 1 is provided for compliance with JORC Code (2012 Edition) requirements for the reporting of exploration results, Mineral Resources and Ore Reserves.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections).

Criteria	JORC Code explanation	Commentary
Sampling techniques	▪ Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. ▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. ▪ Aspects of the determination of mineralisation that are Material to the Public Report. ▪ In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	▪ The data used for Mineral Resource estimation were derived from drill holes completed over numerous programs conducted between 1994 and 2023. Approximately 95% of the holes made available for Mineral Resource estimation were drilled using reverse circulation or aircore drilling techniques, with the remainder drilled using diamond core or sonic core techniques. ▪ The majority of the samples were collected over 1 m intervals. Most samples were split on site using a rig-mounted or freestanding cone or riffle splitter, with a split weighing approximately 2–3 kg collected for laboratory submission. ▪ Most of the samples from the early programs were prepared and tested by Ultra Trace (Perth). Detailed descriptions of the sample preparation procedures are not available, but they are likely to have followed conventional procedures of the time, comprising oven drying at 105˚C, crushing, and pulverising (possibly a 500 g aliquot) to a nominal grind size of 75 µm. Most of the samples collected prior to 2004 were assayed using a using multi-acid digest with an AAS or ICP-OES finish. Samples collected from 2004 onwards were assayed using fused-bead XRF. ▪ The samples collected in 2023 were prepared and assayed by SGS Perth. Sample preparation entailed oven drying at 105˚C, crushing to a nominal size of 6 mm, and pulverising to p85 -75 µm. The samples were assayed using fused-bead XRF. LOI was determined at 1000˚C using TGA.
Drilling techniques	▪ Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	▪ The drilling programs were carried out by a number of drilling contractors using reverse circulation (RC), aircore (AC), diamond core (DD), sonic core (SON), rotary air blast (RAB) and vacuum (VC). Only samples collected using RC, AC, DD and SON were used for grade estimation. ▪ Detailed descriptions of the equipment used for the various programs are not available. The majority of the RC holes were drilled using 101–133 mm face sampling bits. Most of the AC drilling was conducted using 75 mm bladed bits. Most of the SON holes were drilled using 80 mm toothed bits. Most of the DD holes were drilled using HQ or NQ sized equipment, with half-cores collected from 1 m intervals submitted for assaying.
Drill sample recovery	▪ Method of recording and assessing core and chip sample recoveries and results assessed.	▪ The majority of the samples were collected over 1 m intervals. Most samples were split on site using a rig-mounted or freestanding cone or riffle splitter, with a split weighing approximately 2–3 kg collected for laboratory submission.

Criteria	JORC Code explanation	Commentary
	▪ Measures taken to maximise sample recovery and ensure representative nature of the samples. ▪ Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	▪ The procedures used to assess recovery and the representative nature of the samples are not described. Recovery estimates are included on the geological logs for most of the core (DD and SON) samples. Sample weights and indicative recovery estimates are available for some of the RC and AC programs. ▪ Twinned hole comparison studies do not show any evidence of significant grades biases between the various drilling methods. ▪ No relationships between grade and recovery have been identified.
Logging	▪ Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. ▪ Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. ▪ The total length and percentage of the relevant intersections logged.	▪ Geological logs are available for the majority of the drill holes. The logs show differences in the information collected and the logging schemes used for the various programs. However, the level of detail is considered to be adequate to support Mineral Resource estimation and other downstream studies. ▪ The logging is qualitative in nature and data have been collected over the total lengths of the holes.
Sub-sampling techniques and sample preparation	▪ If core, whether cut or sawn and whether quarter, half or all core taken. ▪ If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. ▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique. ▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. ▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. ▪ Whether sample sizes are appropriate to the grain size of the material being sampled.	▪ Detailed descriptions of the sample preparation procedures are not available for all programs. Most of the RC and AC samples, which represent approximately 95% of the data used for resource modelling, were collected over 1 m intervals. The samples were split in the field using rig-mounted or standalone cone or riffle splitter. Most of the samples are understood to be collected dry or damp. Some of the early reports indicate spear sampling may have been used if wet samples were encountered. ▪ Most of the samples are understood to have been processed using conventional sample preparation procedures, which included oven drying, crushing, splitting and pulverising. The split and grind sizes are not available for some of the early programs. ▪ Field splits and pulp duplicates were routinely collected at a nominal frequency of approximately 1 in 30. Data from these samples do not show any evidence of significant issues with the sample collection or preparation procedures. Twinned hole comparisons do not show any evidence of significant issues with sample extraction procedures for the various programs and drilling methods.
Quality of assay data and laboratory tests	▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. ▪ For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. ▪ Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory	▪ Several different laboratories have been used since the mid-1990s; however, most of the testwork was conducted by Ultra Trace (Perth). The testwork for the 2023 infill program was conducted by SGS (Perth). ▪ Most of the pre-2004 samples appear to have been assayed using multi-acid digest with an ICP-OES or AAS finish. The samples tested by Ultra Trace from 2004 onwards were assayed using fused bead XRF. The samples tested by SGS in 2023 were assayed using fused-bead XRF and TGA (1000°C) for LOI. ▪ Laboratory performance was monitored using the results from the QA samples, which included coarse-crush duplicates, pulp repeats, standards and blanks. ▪ The QA data indicate that accuracy and precision are within industry accepted limits.

Criteria	JORC Code explanation	Commentary
	checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	
Verification of sampling and assaying	▪ The verification of significant intersections by either independent or alternative company personnel. ▪ The use of twinned holes. ▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. ▪ Discuss any adjustment to assay data.	▪ The nature of the mineralisation and the Mineral Resource estimation approach means that the Mineral Resource estimates are not significantly influenced by individual drill hole intercepts. ▪ The database contains over 100 pairs of twinned holes, which has enabled results from different drilling programs and drilling methods to be compared. In general, good domain thickness and grade correlation is evident in the drill hole pairs.
Location of data points	▪ Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. ▪ Specification of the grid system used. ▪ Quality and adequacy of topographic control.	▪ The spatial data are reported using the MGA94 Zone 51 coordinate system. ▪ The topographic surface models were prepared from a LiDAR survey conducted in January 2023. ▪ Drill hole collar positions were surveyed by registered surveyors using Total Station or DGPS equipment. ▪ The drill hole collar elevations were all adjusted to the topographic surface models prior to resource modelling. ▪ Because the majority of the holes are shallow and all are assumed to be vertical, downhole surveys were not conducted.
Data spacing and distribution	▪ Data spacing for reporting of Exploration Results. ▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. ▪ Whether sample compositing has been applied.	▪ There is significant variation in the drill spacings over the various deposits. However, in general, a spacing of 100 × 100 m has been targeted, followed by infill spacing of 100 × 50 m and 50 × 50 m. ▪ MK. The southern third is covered by a nominal spacing of 200 × 100 m and 400 × 100 m. The central third is covered by a nominal spacing of 100 × 50 m and 50 × 50 m. The northern third is covered by a regular spacing of 100 × 50 m. ▪ HP. A nominal spacing of 100 × 100 m has been used for the southern half of the deposit. This has been infilled to 100 × 50 m along the western limb, with smaller areas infilled to 50 m and 25 m. Grade control drilling at 5 m and 10 m spacings has been drilled in an area of approximately 140 × 100 m. Most of the northern half of the deposit is covered by 200 × 100 m or 200 × 50 m spaced drilling. ▪ WN. The deposit is covered by a regular spacing of 100 × 100 m. ▪ EU. A nominal spacing of 100 × 100 m or 100 × 50 m appears to have been used. However, there is significant variation due to the size of the deposit and the geological complexity.
Orientation of data in relation to geological structure	▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. ▪ If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	▪ All of the drill holes are vertical and located on a semi-regular grid, which means that the sampling is orthogonal to the sub-horizontal mineralised units. ▪ No orientation-based sampling biases have been identified or are expected for this style of mineralisation.

Criteria	JORC Code explanation	Commentary
Sample security	▪ The measures taken to ensure sample security.	▪ The 2023 infill drill program was managed by Terrasearch (a geological consultancy). Terrasearch was responsible for the collection, recording, and packaging of the samples into bulka bags. Terrasearch also coordinated the periodic collection of the bulka bags by a local freight company that delivered the bags to SGS Perth by road transport. Alliance and SRK received copies of the submission reports and assay files and certificates. These were onforwarded to iSpatial for entry into the database. ▪ Detailed descriptions of the chain-of-custody procedures for the other programs are not available. It is noted in the 2018 Mineral Resource Estimate Report (Golder, 2018) that the collection and submission of samples was supervised by company representatives up to the point of transfer to the assay laboratory.
Audits or reviews	▪ The results of any audits or reviews of sampling techniques and data.	▪ Periodic reviews of the data collection procedures were conducted by Ravensgate and Golder between 2008 and 2018. ▪ The database was reviewed by Maxwell Geoservices in 2008. ▪ SRK provided the sample collection and testing procedures used for the 2023 Mt Kilkenny infill drilling program.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	▪ Alliance hold (or has applied for) 5 exploration licences, 21 mining leases, 29 miscellaneous licences, 2 general purpose leases (1 pending) and 2 prospecting licences within the project area. A summary of the tenement details is presented the accompanying Mineral Resource statement.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	▪ SRK understands that, prior to GME's involvement in 2004, most of the exploration activities in the project area were conducted by Aberfoyle.
Geology	Deposit type, geological setting and style of mineralisation.	▪ The deposits in the project area are described as dry climate nickel laterites. ▪ Elevated nickel and cobalt concentrations occur within the lateritic cappings that formed from the prolonged weathering (serpentinization) of the Archaean ultramafic and komatiitic basalts of the Murrin Murrin Formation. ▪ The lateritic profile is typically 25 m thick and generally comprises a ferruginous zone, a smectitic clay zone and a saprolitic zone. The saprolitic zone transitions into saprock, and then into unweathered peridotites and dunites. ▪ Supergene and residual enrichment processes generally result in elevated nickel concentrations developing in the smectite zone and, to a lesser extent, in the saprolite and ferruginous zone. In general, the concentrations in the saprock are only slightly higher than those in the unweathered ultramafics. In many places, the lateritic profile is often covered by a thin layer of recent sediments. The cover is usually only a few metres thick, but can exceed over 50 m in places.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	▪ A summary of the material drill quantities made available for Mineral Resource estimation is included in the Mineral Resource statement. Some of the holes were omitted from the grade estimation datasets because they twinned other holes. This is described in the accompanying report.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	▪ All relevant drill data have been used in the Mineral Resource estimates that are presented and described in this report and in Table 1 Section 3. No Exploration Results are separately reported.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	▪ The mineralisation occurs in sub-horizontal layers and all drill holes are vertical. The drill holes are approximately orthogonal to the mineralised zones, and the reported drill hole intercepts can be considered to represent the true thicknesses.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	▪ Appropriate plans and sections are included in the Mineral Resource statement.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	▪ No Exploration Results have been reported.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	▪ A number of other data collection programs have been conducted in the project area, with some of the information used directly or indirectly to prepare the Mineral Resource estimates. These include: – Aeromagnetic surveys over MK, HP, and EU in 2005. – Detailed geological mapping and geological interpretation for MK and HP in 2008. – Sonic drilling programs in MK, HP, WN and EU, with the samples used for metallurgical testing and density and moisture determination. – A bulk sample collected from MK in 2022 for metallurgical testing. – Geotechnical drilling at MK.

Criteria	JORC Code explanation	Commentary
		– Hydrogeological testwork (including the drilling of a number of water bores) conducted in 2000, 2008 and 2023.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	▪ SRK is not aware of any planned exploration programs for the deposits described in this report.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1 and where relevant in Section 2, also apply to this section).

Criteria	JORC Code explanation	Commentary
Database integrity	▪ Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. ▪ Data validation procedures used.	▪ The SQL database has been maintained by external and company database administrators since the early 2000s. The database is currently maintained by iSpatial using a DataShed interface. ▪ A number of external audits have been conducted, including those by Maxwell Geoservices, Ravensgate and Golder, as well as some validation by iSpatial. ▪ Most of the recent laboratory data were provided in CSV format and loaded into the database using templates. The most recent survey data were also provided in electronic form. ▪ The latest resource model updates were prepared using database extracts provided by iSpatial. A number of statistical, visual, and consistency checks were performed when importing the data into the resource modelling software.
Site visits	▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits. ▪ If no site visits have been undertaken indicate why this is the case.	▪ The Competent Person (Rodney Brown, SRK) visited the project site in November 2022 to inspect the local geology. The 2022 sonic drilling program, which was in progress at the time, was also inspected.
Geological interpretation	▪ Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. ▪ Nature of the data used and of any assumptions made. ▪ The effect, if any, of alternative interpretations on Mineral Resource estimation. ▪ The use of geology in guiding and controlling Mineral Resource estimation. ▪ The factors affecting continuity both of grade and geology.	▪ The geological mapping and the drill hole data were used to assign lithological domain codes that reflected the lithological substrate on which the laterites had developed. ▪ The lateritic profile comprises several stratigraphic layers that exhibit different physical and geochemical characteristics. Geochemical data (primarily Ni, Co, Fe_2O_3, SiO_2, MgO, CaO, Al_2O_3, Cr_2O_3 and Mn) were used to assign lithology codes to individual drill samples. The stratigraphic relationships and ordering were used to assign regolith domain codes. ▪ Surfaces representing the contacts between contiguous units were prepared using the actual drill hole intercept locations. Reasonable grade and lithological continuity is evident in the drill hole data.
Dimensions	▪ The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	▪ The approximate dimensions of the defined deposits and the average thicknesses of the deposits are summarised below:

Deposit	Model extent length × width (km)	Laterite thickness (m)	Overburden thickness (m)
Mt Kilkenny	8.5 × 0.7	25	12
Hepi	2.4 × 0.5	25	n.d.
Wanbanna	2.0 × 0.5	30	16
Eucalyptus	14.5 × 3.5	35	n.d.

The laterite thickness only includes ferruginous zone + smectite zone + saprolite zone.

Estimation and modelling techniques	▪ The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. ▪ The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. ▪ The assumptions made regarding recovery of by-products. ▪ Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). ▪ In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. ▪ Any assumptions behind modelling of selective mining units. ▪ Any assumptions about correlation between variables. ▪ Description of how the geological interpretation was used to control the resource estimates. ▪ Discussion of basis for using or not using grade cutting or capping. ▪ The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	▪ Individual resource models were prepared for the four deposits described in this report. ▪ The Mineral Resource estimates were prepared using conventional block modelling and geostatistical estimation techniques. ▪ The resource modelling and estimation study was performed by SRK using Datamine Studio RM. Eucalyptus was modelled by Golder in Vulcan and independently validated by SRK in Datamine. ▪ A parent cell size of 20 × 20 × 1 m (XYZ) was considered appropriate given the drill spacing, grade continuity characteristics, and the expected end-user requirements of the model. The parent cell size enabled adequate representation of the domain volumes and sub-celling was not used. A parent cell size of 20 × 20 × 2 m and sub-celling was used for Eucalyptus. ▪ Prior to estimation, the model cells and the drill samples were unfolded, with the upper and/or lower surface of each unit used as the datum plane(s). ▪ The interpreted lithological surfaces were used as hard boundary estimation constraints. ▪ The sample data were composited to 1 m intervals to adjust the very small number of samples (less than 5%) that had been collected over different intervals. The datasets were declustered to remove twinned or proximal holes. ▪ Probability plots were used to assess for outlier values, and top-cuts were applied to a small number of outlier grades. ▪ Local grade estimates were generated for the full set of analytes for which adequate data were available in the database. This included the analytes listed below for HP, WN and EU, with additional analytes estimated for MK: – Ni, Al_2O_3, CaO, Fe_2O_3, MgO, SiO_2, Cr_2O_3, Cu, As, Cl, Co, Mn, Zn. ▪ The parent cell grades were estimated using ordinary block kriging. Search orientations and weighting factors were derived from variographic studies. Limits were applied to the number of samples that could be used from each drill hole to control extrapolation, clustering, and downhole smearing. Estimation was performed using a three-pass search strategy. Extrapolation distances were limited to approximately half the nominal drill spacing. After estimation, the model cells were back-transformed to their original locations. ▪ Similar estimation parameters were used for all of the constituents to ensure that the grade relationships observed in the sample datasets were reproduced in the model. ▪ Default grades equivalent to the average grades of estimation datasets for each domain were assigned to any cells that did not receive estimated grades. ▪ Model validation included: – Visual comparisons between the input sample and estimated model grades for both the 3D models in section and accumulations over the laterite zone thickness in plan. – Global and local (swath plots) statistical comparisons between sample and model data (including comparisons with nearest neighbour estimates to reduce the impact of irregular drill coverage). – Checks to confirm that the grade relationships and oxide totals observed in the dataset were reproduced in the model. – An assessment of estimation performance measures, including the slope of regression and percentage of cells estimated in each search pass.

Criteria	JORC Code explanation	Commentary
Moisture	▪ Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	▪ The Mineral Resource estimates are expressed on a dry tonnage basis. A description of density data is presented below. ▪ Moisture tests were conducted on the sonic core samples collected in 2023. The tests were performed by weighing the core trays immediately after the core samples were removed from the drill tube, and then reweighing the trays after oven drying. Similar tests were also conducted on core fragments from each tray. The dataset, which comprised approximately 490 tray measurements and 750 sample measurements, was used to estimate an average moisture content for each regolith type. These values are included in the resource models but they are not formally reported parameters.
Cut-off parameters	▪ The basis of the adopted cut-off grade(s) or quality parameters applied.	▪ The Mineral Resource estimates for the updated resource models have been reported at a 0.5% Ni cut-off grade. The mine planning work that has been completed as part of the DFS provides support for the reasonable prospects for eventual economic extraction (RPEEE) at this cut-off grade. Based on the mining planning and optimisation work, Alliance anticipates a mining cut-off of 0.5% Ni. It is planned that material with a Ni grade exceeding 0.7% will be sent to the leach pad, and material with a Ni grade of 0.5–0.7% will be sent to low-grade stockpiles for processing towards the end of the mine life.
Mining factors or assumptions	▪ Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	▪ The terrain is relatively flat. The deposits are near-surface and tabular, with large lateral extents and shallow depths. It is anticipated that the mining method will be by conventional open pit excavators and dump trucks. ▪ Mining dilution assumptions have not been factored into the Mineral Resource estimates. The resource model contains a comprehensive range of analyte estimates for the full lateritic profile and it is intended that these estimates could be used to assist with dilution studies.
Metallurgical factors or assumptions	▪ The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	▪ Alliance is currently undertaking a DFS, with acid heap leaching chosen as the proposed processing route. Results from the metallurgical testwork completed as part of the PFS, and additional recent testwork completed as part of the DFS, demonstrate that the material is amenable to heap leaching. ▪ The models contain local estimates for a full range of analytes, including those that will have a significant impact on processing. The model also contains local estimates for acid consumption. These estimates are based on regression equations derived from the metallurgical test data.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	▪ Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	▪ The main waste materials are expected to be residues from the processing circuit and ripios from the depleted leach pads. It is expected that waste rock material will be used to fill the mining voids to above the pre-mining water table level. The remaining void will then be over-filled with residue and ripios, which will in turn be capped with waste rock and soils.
Bulk density	▪ Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. ▪ The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit. ▪ Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	▪ Dry in situ bulk density tests were performed on core samples sourced from the 2022 sonic drilling program. Tests were conducted on approximately 1,100 core pieces. The samples were collected from 47 sonic holes, comprising 19 from MK, 11 from EU, 10 from HP and 8 from WN. ▪ It can be difficult to conduct accurate density tests on lateritic nickel materials due to the significant local variability in material properties and their friable and often extreme swelling characteristics. For the Alliance samples, the most effective technique entailed using a caliper to accurately measure the diameter and length of each core piece immediately after it had been extruded from the drill tube, and then weighing each sample after oven drying. Swell factors were estimated during core logging and the density estimates were adjusted accordingly. ▪ The density data were grouped according to material type and deposit and default values approximately equivalent to the grouped averages were assigned to the cells with the equivalent material types in the model.

Criteria	JORC Code explanation	Commentary
Classification	■ The basis for the classification of the Mineral Resources into varying confidence categories. ■ Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). ■ Whether the result appropriately reflects the Competent Person's view of the deposit.	■ The Mineral Resource classifications that have been applied to the Mineral Resource estimates are based on a consideration of the confidence in the geological interpretation, the quality and quantity of the input data, the confidence in the estimation techniques, and the likely economic viability of the material. ■ No significant data quality issues were identified. Sample spacing is considered to be the primary controlling factor for the classification of the Mineral Resource estimates given its influence on grade and lithological continuity and estimation quality. For this, the Mineral Resource classifications have been largely defined using average drill spacing, with the following criteria applied: – Measured – model cells located in areas with a uniform coverage of at 50 × 50 m or less. – Indicated – model cells located in areas with a uniform coverage of 100 × 100 m or less. – Inferred – model cells located in remaining areas with uniform drill coverage. ■ The Competent Person considers that these classifications adequately reflect the reliability of the estimates.
Audits or reviews	■ The results of any audits or reviews of Mineral Resource estimates.	■ SRK is unaware of any external audits that may have been conducted on the Mineral Resource estimates.
Discussion of relative accuracy/confidence	■ Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. ■ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. ■ These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	■ The Mineral Resource estimates have been prepared and classified in accordance with the guidelines outlined in the 2012 edition of the JORC Code. The Mineral Resource quantities should be considered as global and regional estimates only. The models are considered suitable to support feasibility-level planning studies, but are not considered suitable for detailed studies that place significant reliance on the local estimates, such as production activities.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in Section 1 and where relevant in Sections 2 and 3, also apply to this section).

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	▪ Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. ▪ Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	▪ The four Mineral Resource estimates (MREs) described in Section 3 as prepared and reported by Rodney Brown (SRK) were used as the basis for Ore Reserves. ▪ The MREs are reported inclusive of Ore Reserves.
Site visits	▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits. ▪ If no site visits have been undertaken indicate why this is the case.	▪ The Competent Person Harry Warries, MFC, visited the project site from 24 to 25 May 2023 as part of the formal mining contract Request for Quotation (RFQ) site visit. ▪ The Competent Person Linus Sylwestrzak, SGS, has not visited the site as it was deemed not necessary. Linus relies on the visit conducted by Rodney Brown (SRK) during November 2022 (at which time the sonic drilling program was in progress) to confirm the origin of samples used as part of the DFS testwork program. ▪ The Competent Person Grahame Binks, Ausenco Services Ltd, has not visited the site and has relied on a site visit conducted by an Ausenco representative.
Study status	▪ The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. ▪ The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	▪ The NiWest project has been developed to a Definitive Feasibility Study (DFS) status, compiled by Alliance and Ausenco plus a number of specialist consultants, as at October 2024. ▪ All material modifying factors have been considered and included in the detailed mine plan and downstream activities that are deemed to be technically achievable and economically viable.
Cut-off parameters	▪ The basis of the cut-off grade(s) or quality parameters applied.	▪ The calculation for the cut-off grades was: $\text{Cut-off grade} = \frac{(\text{process + overhead cost}) \times (1+\text{Mining Dilution (\%)})}{\text{Payable Metal Price} \times \text{Process Recovery (\%)}}$ ▪ The Ni and Co price data and forecasts were provided by Alliance's marketing experts and the other parameters have been derived from the DFS. ▪ The cut-off applied for Ore Reserves for all four deposits was set at 0.5% Ni, which does not include Co credits and is therefore deemed to prudently be a little higher than a break-even cut-off.
Mining factors or assumptions	• The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). • The choice, nature and appropriateness of the	▪ Only Measured and Indicated Mineral Resources within each deposit has been converted to Ore Reserve in the DFS. The MRE models have been re-blocked to larger 2m high benches as planned for mining and to simulate slightly lower diluted grades. The resultant mining models were optimised using Whittle software and the input parameters based on the relevant Modifying Factors. Pit shells with just below the maximum average discounted cashflow were selected for detailed pit design for

Criteria	JORC Code explanation	Commentary
	selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. • The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling. • The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). • The mining dilution factors used. • The mining recovery factors used. • Any minimum mining widths used. • The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. ▪ The infrastructure requirements of the selected mining methods.	Mt Kilkenny. The selected pit shells only were used to estimate Ore Reserves for the other three deposits. ▪ The mining method uses standard excavator and off-highway dump trucks, mining 2m high benches in the ore zone for all deposits, as has been used successfully at the nearby Murrin Murrin Operations for over 20 years. ▪ Some drill and blast will be required for ferricrete and the ferruginous mineralised zones, as well as saprock material that is situated at the bottom of the mineralisation profile. ▪ Mining will commence at Mt Kilkenny and proceed via the development of staged pits, starting at the southern end of the main deposit and advancing north in stages. Mined out pits will be backfilled to 1m above the pre-mining groundwater level using waste rock. The void above the backfill will be used to deposit and store processing wastes (ripios and residue) that, in time, will also be stacked above the current surface level of the pit crest. ▪ Peter O'Bryan & Associates (PBA) were commissioned by Alliance to conduct a geotechnical assessment of ground conditions at Mt Kilkenny. The geotechnical assessment was based on multiple factors including the consideration of digital mining and geological models, logging and inspection of selected geotechnical and metallurgical boreholes, as well as experience in open pit mining in similar geological and geotechnical settings elsewhere. Seven representative dedicated geotechnical investigation boreholes were drilled proximal to the planned future Mt Kilkenny pit walls, with the drilling supervision and geotechnical logging completed by PBA. The combination of dewatering ahead of mining and backfilling of pit voids relatively quickly after mining significantly minimises geotechnical risk. The pit slope parameters provided by PBA for Mt Kilkenny were also used for the other three deposits as they have a similar geological setting and deposit geometry. ▪ Grade control, for both Ni and Co ore and the calcrete quarry, will be based on air core drilling and sampling every 1m down the vertical holes. It is proposed that grade control drilling will infill the 50m x 50m Resource drilling to a 12.5m x 12.5m grade control pattern. Assays for Ni, Co, Fe, Mg, Si, Al and Mn, as well as moisture content and loss on ignition (LOI), will be undertaken on grade control samples from the pits and for calcrete Ni, Co, Fe, Mn, Al, Ca, Mg, Si, CO_3 and moisture, in the site laboratory. ▪ To account for heap leach feed mis-classification and/or operational limitations a 5% ore loss was assumed. ▪ The minimum mining dimensions are the same as the mining model selective mining unit of 20m x 20m x 2m high. ▪ The mine plan includes 0.9% of Inferred Mineral Resources, the bulk of which is mined from Year 16 and, as such, the inclusion of these Inferred Mineral Resources are not considered material to the outcome of the economic assessment that was undertaken as part of the DFS. ▪ Mining infrastructure includes access roads, the stockpiling and reclaiming areas and support infrastructure that includes workshops and services that will be constructed approximately 2 km from the Mt Kilkenny pit. Similar appropriate

Criteria	JORC Code explanation	Commentary
		support infrastructure will be provided at each of the other three deposits by the time mining commences at those deposits.
Metallurgical factors or assumptions	• The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. • Whether the metallurgical process is well-tested technology or novel in nature. • The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. • Any assumptions or allowances made for deleterious elements. • The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole. • For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	▪ The process plant is designed with a nameplate, steady state throughput capacity of 2.3 Mt/a with a maximum throughput capacity of 2.5Mtpa. The process plant comprises the following major processing circuits: – Ore preparation - crushing and agglomeration – Heap leaching, using the on-and-off reusable leach pad method – Neutralisation, thickening and filtration – Solvent extraction – Nickel and cobalt product purification, crystallisation and handling – Residue handling ▪ The process plant is designed to produce a nominal 20,000 t/a of nickel metal as nickel sulphate hexahydrate (90,000 t/a), and 1,500 t/a of cobalt metal as cobalt sulphate heptahydrate (7,000 t/a). ▪ Heap leaching of Ni laterite ore is uncommon but it utilises tested technology, including for the downstream refining operations. ▪ Alliance and its previous consultants have carried out a significant amount of metallurgical piloting and test work to support the 2018 PFS. The DFS test work program was designed by Alliance and reviewed by Ausenco and included: – Bulk test work to produce a sample of product for Alliance to provide to potential buyers, which is on-going. – Variability test work to test conditions outside the nominal design parameters – Confirmatory test work to address uncertainties identified from review of previous test work results and analysis. ▪ The target heap leach recovery is 80% for Ni and 87% for Co. Overall Ni recovery as $NiSO_4.6H2O$ is 78%. Overall Co recovery as $CoSO_4.7H2O$ is 85%. ▪ The Mt Kilkenny orebody forms the basis for the first 11 years of mining and refining operations and, as such, testwork for the DFS has concentrated on the assessment of the metallurgical and geometallurgical characteristics for this orebody. ▪ The mine production and mine site blending and processing schedule incorporate blending constraints, including maintaining certain deleterious elements below a specified level in order to manage the maximum acid production rate and to meet the final product specification.
Environmental	• The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	▪ There are no significant landforms or conservation reserves in or near the project area. ▪ Desktop and field flora and fauna surveys have been conducted for the Mt Kilkenny tenements, and desktop studies only for the calcrete quarry, Hepi, Wanbanna and Eucalyptus deposits. ▪ No Threatened Ecological Communities (TECs) or Priority Ecological Communities (PECs) that are in or near any of the four mine areas were noted during the desktop assessment. Similarly, no taxa listed as Threatened under State and Commonwealth legislation was recorded. However, a total of 27 Priority taxa were recorded within the desktop survey area. ▪ The field survey results confirmed the desktop survey results in that no TECs, PECs or Threatened taxa were recorded. Only one Priority taxa was recorded.

Criteria	JORC Code explanation	Commentary
		▪ The majority of the vegetation at Mt Kilkenny was rated and mapped as being in 'Excellent' condition, with little to no human or animal disturbance and an absence or low levels of introduced flora. ▪ Management of impacts to flora and vegetation and terrestrial fauna will be consistent with industry practice and will comprise the following: – Minimise clearing to the maximum extent practicable. – Prior and post-disturbance inspections by environmental personnel. – Use of spatial data of significant flora and vegetation location in planning and ground-truthing. – Surveying and demarcation of clearing areas. – Plan for and manage fire risk at all times. – Traffic management procedures that include fauna awareness training. – Implement vehicle hygiene procedures. – Topsoil stockpiles to be managed to minimise weed infestations and maintain viability of seed stock. – Control known locations of weeds to minimise potential spread. – To avoid entrapment of animals, secure all excavations against animal entry (or egress) to be provided. – Sightings of feral species to be reported internally and, if necessary, control measures implemented. – Avoid attraction of feral species by implementing domestic waste management procedures. – Progressive and final rehabilitation of disturbed areas. ▪ No evidence of Threatened or Priority fauna was identified during the Mt Kilkenny field survey. ▪ A small assemblage of potential Short Range Endemic (SRE) invertebrates occurs within the Mt Kilkenny study area, but it is considered unlikely that the Project poses a significant threat to the SRE or vertebrate values in the study area. ▪ Field flora and fauna surveys of Hepi, Wanbanna and Eucalyptus have yet to be completed. These proposed mines will not form part of the initial project approval process. ▪ No environmental impacts on surface water are anticipated. Drainage management in relation to Kilkenny Creek will be required to ensure the safe operation of the mining and processing areas. However, there is no proposed water discharge from site. ▪ Field surveys for flora, fauna and subterranean fauna for the water supply borefield and calcrete quarry are yet to be completed. ▪ Soils at Mt Kilkenny have been characterised and generally range from sandy clay loams to sandy loams. Soil permeabilities are very low although slightly higher in soils from the Bevan soil landscape system, potentially due to their stony content. Chemically, soils are neutral or near neutral to alkaline and can be classed as 'slightly saline' and 'marginally sodic to sodic'. Assessment of potential acid production and metal content did not identify any elements of concern. No asbestos fibres were recorded in any samples. ▪ Waste rock from five regolith zones was characterized. The results of testing indicate a very low potential for acid mine drainage from the great majority of the waste rock materials. It is likely any small occurrence of potential acid forming

Criteria	JORC Code explanation	Commentary
		material would be diluted with other material with a negative NAPP (net acid producing potential). Metalliferous drainage is considered unlikely to occur to any appreciable extent. Sodicity values for the majority of materials were generally classified as non-sodic although material from the ferruginous zone only marginally met this classification. From the data obtained, there is no indication that any of the waste rock material could be considered as NORMs (Naturally Occurring Radioactive Materials). Testing undertaken have not identified any asbestiform materials but some further testing for other fibrous materials may be warranted. ▪ Ripios (spent heap leach material) and residue from the process plant will be combined and initially deposited in an enclosed above ground storage. When sufficient capacity in pit voids is available, subsequent deposition will occur there and above ground within the residue storage facility (RSF) embankments to be constructed outside the Mt Kilkenny final pit limits. Mined-out pits will be backfilled with waste rock to 1m above the pre-mining ground water level. The void above the backfill will be used to deposit and store ripios and residue which will eventually be stacked above the original surface level of the exhausted pit voids. This material will be saline and will have residual contents of elements from leaching and processing but the RSF will also be progressively capped with waste rock as sections of the RSF are filled to their design limit. ▪ As waste rock will be used to partially backfill mined out pit voids and to construct the RSF embankments the waste dumps at Mt Kilkenny will be modest in size and will eventually be reclaimed as part of final rehabilitation works. The other deposits will also only require small initial waste dumps to be constructed before subsequent waste rock will be dumped into mined out pit voids. ▪ Air quality modelling results to date indicate: – Particulates: no impacts to residential receptors. – Metals in particulates, and aerosols: additional information required relating to the crystallisation circuit. – Production and combustion gases: no impact to receptors from NO_2, H_2SO_4 and H_2S; some potential for exceedance of air quality criterion for SO_2 at Kilkenny creek (only when the acid plant is under start up conditions). ▪ Greenhouse gas (GHG) emissions will primarily come from calcrete use in pregnant leach solution (PLS) neutralization, plus from diesel emissions (mining and haulage equipment, construction and back-up power use). Alliance will need to report their emissions under the National Greenhouse and Energy Reporting Act 2007 (NGERS). The project will be subject to a new facility baseline, set by the Commonwealth and based on international best practice benchmarks. It will apply from the financial year in which greater than 100kt CO_2e Scope 1 GHG emissions arise. During the environmental assessment process, Alliance will be required to provide a Greenhouse Gas Management Plan that outlines a pathway for reducing Scope 1 emissions over the life of the project. ▪ The primary environmental approval required is a Ministerial Statement under Part IV of the Western Australian *Environmental Protection Act 1986* (EP Act). Following submission of a referral, the Environmental Protection Authority (EPA) elected to assess the project at a level of “Referral Information with additional information and four weeks public review”. Two of the five stages for approval have been completed. Completion of Stage 3 is dependent on the completion of a number of surveys and

Criteria	JORC Code explanation	Commentary
		studies, and the finalisation of an impact assessment for review by the EPA. The final two stages are the EPA report and the decision by the Minister. ▪ It is not intended to seek environmental approval for mining of Hepi, Wanbanna and Eucalyptus in the short term. Further studies will be conducted and approvals will be sought early in the life of operations at Mt Kilkenny.
Infrastructure	• The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	▪ The Project is located in central southern Western Australia, approximately 50 km southeast of Leonora, on an existing public road for most of this distance. The site is approximately 40km from the rail siding, on the way from Leonora, that will be used to bring in raw materials, such as sulphur, and to transport Ni and Co products to port. ▪ There is currently no infrastructure at Mt Kilkenny site. There is adequate land available to construct all infrastructure to support the Mt Kilkenny open pit mine and adjacent processing facilities. Infrastructure to be constructed includes: – Site establishment: plant and infrastructure pads, access roads. site fencing. – Water management: site drainage. water collection ponds, raw water supply (bore field, pumps, tanks and pipelines) and distribution. – Power reticulation: high voltage (HV) power distribution, emergency power generation. – Mining camp: permanent capacity of 300 people. – Non-process buildings: administration, crib room, plant maintenance workshop, process plant stores, ablutions/toilet block, security hut, laboratory, weighbridge and mining infrastructure (covered above under mining assumptions). – IT and communications. – Sewage management. – Temporary construction facilities. ▪ Power for the whole site will be generated on site from steam produced from the sulphuric acid plant. ▪ The majority of labour required for both construction and operations will be on a fly-in, fly-out (FIFO) roster from Perth.
Costs	• The derivation of, or assumptions made, regarding projected capital costs in the study. • The methodology used to estimate operating costs. • Allowances made for the content of deleterious elements. • The source of exchange rates used in the study. • Derivation of transportation charges. • The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. • The allowances made for royalties payable, both Government and private.	▪ The capital cost estimate was compiled by Ausenco Services Pty Ltd (Ausenco) on behalf of Alliance and includes cost elements provided by Alliance. ▪ The capital cost estimate is presented in Australian Dollars (AUD) and 86% of the estimate was sourced in AUD. The base date of the estimate is Q3 2024. No allowance is included in the estimate for escalation beyond this date. ▪ The capital cost estimate was developed in accordance with the preliminary design drawings and material take-offs based on drawings, aligned with the work breakdown structure (WBS) by plant areas and disciplines and applied to budget quotes and in-house pricing. About 62% of the capital cost is from budget quotes. ▪ An estimating/design allowance was allocated to each element of the costs to reflect the level of definition in pricing strategy and design maturity relating to that element. The estimate has an inherent accuracy range of -10% to +15%. A contingency of 10% of the combined direct and indirect costs was included.

Criteria	JORC Code explanation	Commentary
		▪ The project delivery cost was estimated based on an Engineering, Procurement and Construction Management (EPCM) delivery strategy plus owner's costs developed from first principles by Alliance. ▪ The operating cost estimate was compiled by Ausenco on behalf of Alliance and includes cost elements provided by Alliance for mining and owners General and Administration (G&A) costs. ▪ The operating cost estimate is presented in Australian dollars (AUD) and uses prices obtained in, or escalated to Q3 2024. The estimate is considered to have an accuracy of -10% to +15%. ▪ Mining costs were derived from a detailed Request for Quotation (RFQ) process for contract mining plus submissions from fuel suppliers for the fuel unit cost with fuel usage derived from contractor's responses. ▪ Process plant operating cost include reagents with sulphur cost comprising the majority of the processing operating cost at 81% followed by labour at 9%. The cost of reagents and consumables were derived from first principles using the consumption rates indicated by laboratory test work with prices quoted for reagents delivered to site. ▪ Allowances for deleterious materials is covered by acid use calculations. ▪ The exchange rates are the July 2024 average, taken from the Reserve Bank of Australia (RBA). ▪ The Western Australian government royalty for nickel and cobalt sold as a nickel by-product is 2.5% of revenue. ▪ In addition, royalty payments are due to mineral rights owners for tenements representing approximately 78% of the Eucalyptus project area where mining is expected to commence in Year 16 of production. These royalties vary but the overall cost is equivalent to $0.23/t high grade (above 0.7%Ni) ore mined from Eucalyptus. ▪ Royalties are also expected to apply to calcrete mined for neutralization purposes. A Western Australian government royalty of $0.73/t calcrete has been allowed plus a smaller amount for the current mineral rights owner.
Revenue factors	• The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. ▪ The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	▪ Nickel prices provided by the London Metals Exchange (LME) are considered the reference or "base price" that the majority of nickel products from intermediates to nickel metal to nickel chemicals are priced against. In terms of nickel intermediates, they are priced as a percentage of the LME base price and nickel metal and chemicals are priced on formulas using the LME base price plus a premium or discount. ▪ The DFS uses historic and market forecast data from various sources including price forecasts by Macquarie Group and Fastmarkets. The DFS adopted life of mine commodity prices were US$22,325/t and US$32,685/t for Ni and Co respectively, and using an USD to AUD foreign exchange rate of 0.667.
Market assessment	• The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. • A customer and competitor analysis along with the	▪ The target market for the nickel sulphate and cobalt sulphate products is the Li-ion rechargeable battery market with a focus on the batteries used in all types of Electric Vehicles (EVs). ▪ The DFS has been based on extensive research for both nickel and cobalt on:

Criteria	JORC Code explanation	Commentary
	identification of likely market windows for the product. • Price and volume forecasts and the basis for these forecasts. • For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	– demand – supply – future market outlook including a supply and demand balance – price forecasts ▪ There are many different forecasts for nickel demand for the period 2026 to 2040 but all forecasts agree that the major driving force for increasing demand will be nickel used in the cathode material of Li-ion batteries, particularly in the later years of the forecast period. ▪ Other applications for nickel such as stainless steel and other melting applications are expected to continue to grow at traditional rates linked more to economic growth. ▪ By 2026, it is estimated the total world nickel demand will be close to 4Mt/y from 3Mt/y in 2022. The battery sector will be a major contributor to growth in nickel demand. ▪ The cobalt market is a relatively small market compared to other base metals such as aluminium, copper and nickel. It is predominately produced as a byproduct of copper and nickel and has a diverse range of applications with Li-ion battery use being the biggest. The area of most interest for Alliance is cobalt used in EV batteries as it is used in the form of cobalt sulphate. ▪ The forecast growth of cobalt demand from 2023 onwards will be supported by the surging demand from e-mobility applications. By 2026 forecast cobalt demand will be between 240 – 280 kt/a and by 2030 between 300 – 350 kt/a. ▪ Similar to the nickel market, cobalt is forecast to move into a deficit in the latter half of the 2020's. ▪ The other big factor is the ESG issues with supply of cobalt from the Democratic Republic of Congo (DRC) and human rights issues. This could result in a decrease in demand as cobalt will be further substituted out of cathode material or there will be an increase in demand for cobalt sourced from non-DRC countries like Australia. ▪ The future pricing of cobalt sulphate post 2026 in the Western markets where Alliance plan to sell their cobalt sulphate will continue to be calculated on a price formula with a base price and premium. The base price will be FMB Standard Grade Cobalt metal price and the premium/discount will be either a percentage of the base price or a fixed amount in US$/mt of contained cobalt. ▪ The biggest source of competition post 2026 will be nickel sulphate produced in Indonesia and China from laterite ore bodies in Indonesia using the High Pressure Acid Leach (HPAL) process and pyrometallurgical NPI/matte process. To a degree, this competition will depend on the focus of the nickel sulphate customers on localising and/or diversifying their supply chains away from Indonesia and China and their desire for a clean, green, low carbon emissions nickel sulphate product with strong ESG credentials by the producer. ▪ The NiWest process plant will be capable of producing nickel and cobalt sulphate crystal products meeting the required specification of precursor manufacturers.
Economic	• The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. • NPV ranges and sensitivity to variations in the	▪ Physical and economic inputs to the study and the confidence in these have been discussed above and the project financial model has been reviewed by the Competent Persons.

Criteria	JORC Code explanation	Commentary
	significant assumptions and inputs.	▪ In calculating the NPV no inflation has been included and a discount factor of 8% has been used. ▪ Sensitivity analysis has been undertaken on all key revenue and cost inputs within ranges deemed reasonable for the project and in all cases the project financial result remains positive.
Social	• The status of agreements with key stakeholders and matters leading to social licence to operate.	▪ The main population centres of the area are the towns of Leonora and Laverton, with populations of 1,588 and 907 respectively. While mining is the largest driver of the local economy, sheep and cattle grazing on pastoral stations are also widespread. ▪ There are no known areas of significant natural heritage or European heritage that are expected to be affected by the project. ▪ Alliance does not believe that “native title” presents any risk to the project. The Mt Kilkenny Tenements lie over three “native title” areas: – Area of native title held by the Nyalpa Pirniku people. – Area of native title held by the Darlot people. – Area where native title remains unclaimed Alliance is in discussions with the Nyalpa Pirniku people as to whether they believe a previous agreement made by Alliance applies to them or not. ▪ A significant section of the project occurs on Glenorn Station, with whom Alliance Nickel have an access agreement in place. The borefields and pipeline corridor occur on a further five pastoral stations. ▪ Discussions continue with all relevant stakeholders and no material issues have been identified that may impact the social licence to operate.
Other	• To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: • Any identified material naturally occurring risks. • The status of material legal agreements and marketing arrangements. • The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	▪ To mitigate loss of access to the Project due to heavy rain the existing access road will be upgraded and appropriate levels of stockpiled ore, reagents and consumables will be held on site. ▪ Alliance has entered into a Binding Offtake Agreement and Share Subscription Agreement with Stellantis N.V., a major vehicle manufacturer, relating to future offtake from the project (refer ASX release of 1 May 2023). This agreement is for approximately 40% of the project’s nickel and cobalt sulphate production for five years. ▪ Alliance has also signed a non-binding term sheet with Samsung SDI Co, Ltd. for the future offtake of battery grade nickel and cobalt sulphate products (refer ASX release of 8 February 2024). ▪ The only outstanding mining tenements that are required to be able to implement the first 11 years of the project at Mt Kilkenny are eight miscellaneous licences, which are needed to allow the construction of a water pipeline from the Depot Springs borefield to the Mt Kilkenny site. All existing granted tenure for the LOM deposits of Hepi, Wanbanna and Eucalyptus are in good standing, with no encumbrances. ▪ In October 2023, the primary environmental approval pathway commenced with the lodgement of a formal referral and supporting information with the Western Australian Department of Water and Environmental Regulation (DWER). The EPA determined that the Mt Kilkenny project will be assessed based on Referral Information with additional information required under s. 40(2(a)), with four weeks

Criteria	JORC Code explanation	Commentary
		public review (s.40 (5)). This is the lowest level of EPA assessment and supports Alliance's opinion that no significant environmental issues exist for the Project at Mt Kilkenny. ▪ The final approval under Part IV, a decision by the Minister for the Environment, can be applied for following submission by the Company of an environmental impact assessment (expected in 2025) and a final environmental report from the EPA. ▪ In parallel to the application for ministerial approval, the Company will seek secondary approvals for construction works (EP Act), an operating licence (EP Act) and a mining proposal and mine closure plan (Mining Act 1978). ▪ Alliance has completed ethnographic and archaeological surveys at Mt Kilkenny to address the presence, and potential impact, to aesthetic, cultural, economic and social surroundings on Aboriginal heritage and culture, as well as determine the presence of any artefacts of significance. To date, no ethnographic surveys have highlighted the presence of such surroundings. Archaeological surveys have found one scatter site next to the proposed ROM pad location, which has been incorporated into site layouts such that this site is not disturbed. ▪ Alliance does not believe that native title presents any risk to the project. Alliance has not fully resolved the question of native title compensation payable to any affected native title holders, but it is confident that any claims will be resolved amicably. ▪ Alliance will need to report Greenhouse Gas Emissions (GHG) under the National Greenhouse and Energy Reporting Act 2007 (NGERS). The NGERS will require the Project to register and annually report GHG emissions, energy production and energy consumption of the Project. During the environmental assessment process, Alliance will be required to provide a Greenhouse Gas Management Plan that outlines a pathway for reducing Scope 1 emissions over the life of the project. ▪ There are reasonable grounds to expect that all necessary approvals will be received within the project funding, construction and commissioning timelines included in the DFS.
Classification	• The basis for the classification of the Ore Reserves into varying confidence categories. • Whether the result appropriately reflects the Competent Person's view of the deposit. • The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	▪ The basis for the Ore Reserve classifications is the Mineral Resource estimation classifications except that all Measured Resources (21% of total declared Probable Ore Reserve) have been classified as Probable Ore Reserves due to the lower level of confidence in some project inputs and outputs including: – The source, quality and cost of calcrete. – The status of project approvals. – The status of project funding. ▪ The result appropriately reflects the Competent Persons' view of the deposits.
Audits or reviews	• The results of any audits or reviews of Ore Reserve estimates.	▪ There have been no external audits or reviews of the Ore Reserve estimates.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example,	▪ The accuracy of, and confidence in, the Ore Reserve are considered appropriate. ▪ The estimate is based on global estimation and additional detailed investigation, such as future planned grade control, is required to support local estimation.

Criteria	JORC Code explanation	Commentary
	the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. • It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	▪ The modifying factors applied to the Ore Reserve estimate are appropriate. For example, the dilution approach and ore loss applied is considered appropriate for this style of mineralisation and proposed mining method. ▪ Metallurgical testwork has been extensive but some additional testwork is still ongoing, resulting in the confidence in primarily leach time duration, the ultimate recovery of nickel and cobalt and acid consumption being of a lower confidence level. The lower confidence level in the aforementioned parameters has been allowed for in classification of Ore Reserves, base case parameters and sensitivity assessments. ▪ The source and specifications of calcrete to be used for the Project is of low confidence but calcrete is a common mineral in the region and work continues to quantify and finalise access to suitable a calcrete source. ▪ The Project's approval process is at a relatively early stage, however, as discussed above there are reasonable grounds to expect that all necessary approvals will be received in a timely manner. ▪ Project funding is at an early stage and it is uncertain if the support from the current two major off-take partners, or equivalent others, will continue.

ALLIANCE NICKEL LTD

NiWest Nickel-Cobalt Project

DEFINITIVE FEASIBILITY STUDY

EXECUTIVE SUMMARY

2024

CONTENTS

1.0 INTRODUCTION

1.1 NiWest Nickel-Cobalt Project

Alliance Nickel Limited (Alliance or the Company), formerly known as GME Resources Limited, is a publicly listed company on the Australian Securities Exchange (ASX: AXN).

The Company is an emerging integrated battery chemicals producer, focused on developing its high grade, low carbon NiWest Nickel-Cobalt Project ('**NiWest**' or the '**Project**'), located near Leonora, WA, and adjacent to Glencore's Murrin Murrin mining operation. The Murrin Murrin area is globally recognised as an established and well-endowed nickel and cobalt producing region. The Company owns 100% of the Project through its wholly owned subsidiary NiWest Limited.

The Company is targeting sustainable and ethical production of premium end, high purity, Inflation Reduction Act (IRA) compliant nickel sulphate and cobalt sulphate, both direct ship precursor products for battery cathode manufacturers. The Company's strategy is aligned with the Australian Federal Government's critical minerals strategic objectives of building sovereign capability in critical minerals processing and extracting more value from onshore resources.

The Project's construction, commissioning and start of production is ideally timed to meet the forecast demand-supply imbalance expected towards 2030 as governments globally legislate against the continuing production of the internal combustion engine.

The Project will be a major new project for the state of Western Australia and will be at the forefront of Australia's contribution to the continued development and global adoption of electric vehicles. The heap leach operation will take advantage of key recent developments in the treatment of nickel laterite ores without the need for the usual high capital cost High Pressure Acid Leach (HPAL) circuits which impose severe operating conditions on the equipment with attendant safety risks to the operations and maintenance personnel.

The focus of the NiWest Project Definitive Feasibility Study (DFS) was for the construction and operation of a project with a production capacity of up to 20,000 tonnes per annum (tpa) of nickel as high-purity nickel sulphate hexahydrate crystal and up to 1,500 tpa of high-purity cobalt as cobalt sulphate heptahydrate crystals.

The purpose of this executive summary is to provide a summary of the key technical, environmental, governance and economic conclusions delivered in the DFS.

1.2 Project Background

Alliance commenced exploring for nickel and cobalt over its tenements comprising the NiWest Project in the mid-1990s. Exploration activity progressed through to the mid-2000s with extensive drilling programs that developed into a series of initial resource estimates. This activity was coupled with an extensive metallurgical testing program that culminated in a focus on 'low capital' cost heap leach technology.

In August 2018, the Company completed a Pre-Feasibility Study (PFS) on the Project that confirmed the technical and financial robustness of a long-life operation directly producing high-purity nickel and cobalt sulphate products to be delivered into the forecast rapid growth lithium-ion battery raw material markets (for full details of the PFS see ASX release dated 2 August 2018).

In July 2022, Alliance completed an update of the PFS financial model to reflect changes to the market and include an assessment of the order of magnitude increase to Project capital and operating cost estimates (Updated PFS) (for full details see ASX release dated 21 July 2022). This process saw revised estimated costs requested from select suppliers of high-value operational and capital equipment and consumable materials.

The Updated PFS demonstrated that the Project continued to be economically and commercially robust and based on the outcomes of the Updated PFS the Board resolved to commence a DFS.

On 1 November 2022, the DFS commenced with the appointment of Australian engineering company Ausenco Services Pty Ltd. (Ausenco) to deliver the DFS process and non-process infrastructure engineering. This was followed by further appointments for engineering design of the acid plant, specialised design of the heap leach area, site wide water management, mining consultancy, hydrology and resource modelling across all deposits.

In 2023, the Company entered into a binding offtake agreement and share subscription agreement with Stellantis N.V. (NYSE: STLA / Euronext Milan: STLAM / Euronext Paris: STLAP) (Stellantis) relating to future offtake from the NiWest Project.

The binding offtake agreement is for the first five years of operation at the NiWest Project, with Alliance supplying approximately 170,000t of nickel sulphate and 12,000t of cobalt sulphate over this initial five-year period. Conditions Precedent include successful start-up of commercial production, product qualification and other clauses customary for an agreement of this nature. Pricing will be linked to LME index pricing on a take-or-pay basis.

Under the share subscription agreement, Stellantis subscribed for A$15 million in new equity in Alliance at a subscription price of A$0.18 per share.

Significantly, the NiWest Project has been granted Major Project Status (MPS) by the Australian Federal Government. MPS is awarded to Australian companies and projects identified by the Australian Government to be strategically significant and have the potential to contribute considerably to the nation's economic growth and employment opportunities.

Through the Major Projects Facilitation Agency, Alliance will receive additional support in navigating and coordinating complex Federal and State regulatory approvals for a period of three years. NiWest was the first Australian nickel project to be granted MPS since nickel was added to the Critical Minerals List in February 2024.

In 2024, following selection by the Australian Federal Government, the NiWest Project was also endorsed as a Mineral Security Partnership (MSP) strategic project. The MSP was officially launched in 2022 as a collaboration of 14 countries (including the Republic of Korea, the US and the European Union), the purpose of which is to catalyse public and private investment in the global supply chains of critical minerals. This endorsement has strengthened the Company's relationship with MSP countries and importantly raised the Company's profile with Export Credit Agencies that are expected to lead the Project's debt financing strategy. The Company has already received conditional project finance support from Export Finance Australia (EFA), Australia's export credit agency.

1.3 Project Description

The NiWest Project is designed as an open pit surface mining operation using conventional mining methods, processing approximately 2.3 million tonnes per annum (Mtpa) to produce high quality nickel and cobalt sulphate crystal products.

The ore will be crushed and then heap leached using an on/off heap leach pad configuration, with sulphuric acid used to leach the nickel and cobalt from the ore. Pregnant liquor solution (PLS) will be recovered from leaching and neutralised prior to recovery of nickel and cobalt through solvent extraction, precipitation and crystallisation.

The Project development and commissioning schedule includes a 22-month on-site construction ramp up period to full operational capacity of 20,000 tpa of nickel metal as high-purity nickel sulphate hexahydrate crystal and 1,500 tpa of high-purity cobalt metal as cobalt sulphate heptahydrate crystals.

The production outcomes reflect the first 12 years of mining at the Mt Kilkenny Site (mining high grade and low grade for stockpiling and future processing) and the overall operating strategy of preferentially processing higher grade (HG) ore for the first 27 years of operation followed by an 8-year period of processing previously mined and stockpiled low-grade ore (LG).

Item	Units	First 12 Years (Mt Kilkenny)	First 27 Years	LOM (HG + LG Stockpiles)
Site construction period	Months	22	22	22
Evaluation period	Years	12	27	35
Mining				
Mining activities	Years	12	27	27
Ore mined (99% from Ore Reserve)*	Mt	41.0	85.5	85.5
Waste mined	Mt	108.2	167.4	167.4
Strip ratio	Waste/ore	2.6	2.0	2.0
Processing				
Ore processed	Mt	29.2	65.8	85.5
Processing life	Years	12	27	35
Nickel head grade	% Ni	1.05	1.06	0.94
Cobalt head grade	% Co	0.08	0.07	0.06
Steady-state nickel recovery	%	78	78	78
Steady-state cobalt recovery	%	85	85	85
Contained nickel produced	kt	239.8	529.2	627.3
Nickel sulphate produced (>99.9% purity) (EV battery grade)	kt	1,073.9	2,369.7	2,809.4
Contained cobalt produced	kt	19.6	40.2	47.0
Cobalt sulphate produced (>99.9% purity) (EV battery grade)	kt	94.9	194.4	227.5

Table 1: Technical Design Parameters and Production Outcomes
*In the LOM mining schedule there is 0.7Mt of Inferred Resources included, mostly from Eucalyptus which is mined from year 16 onwards.

2.0 PROJECT LOCATION AND INFRASTRUCTURE

The Project is located in central southern Western Australia, approximately 650 km northeast of Perth, in an established mining area. It lies between the towns of Laverton and Leonora, approximately 80 km southwest of Laverton and 50 km southeast of Leonora as shown in Figure 1.

NiWest is also about 35 km south of the existing Murrin Murrin Nickel Operation consisting of a HPAL Plant and Nickel Refinery that has been in operation, producing nickel and cobalt product since 2000.

The NiWest Project incorporates seven separate mining areas within a 50-kilometre radius of the proposed plant site at Mt Kilkenny and is in close proximity to critical open access infrastructure such as rail and gas lines and sealed arterial roads. Leonora has a domestic airport located 2km from the town centre and flights will be chartered to enable efficient short cycle changeovers for construction and operations personnel.

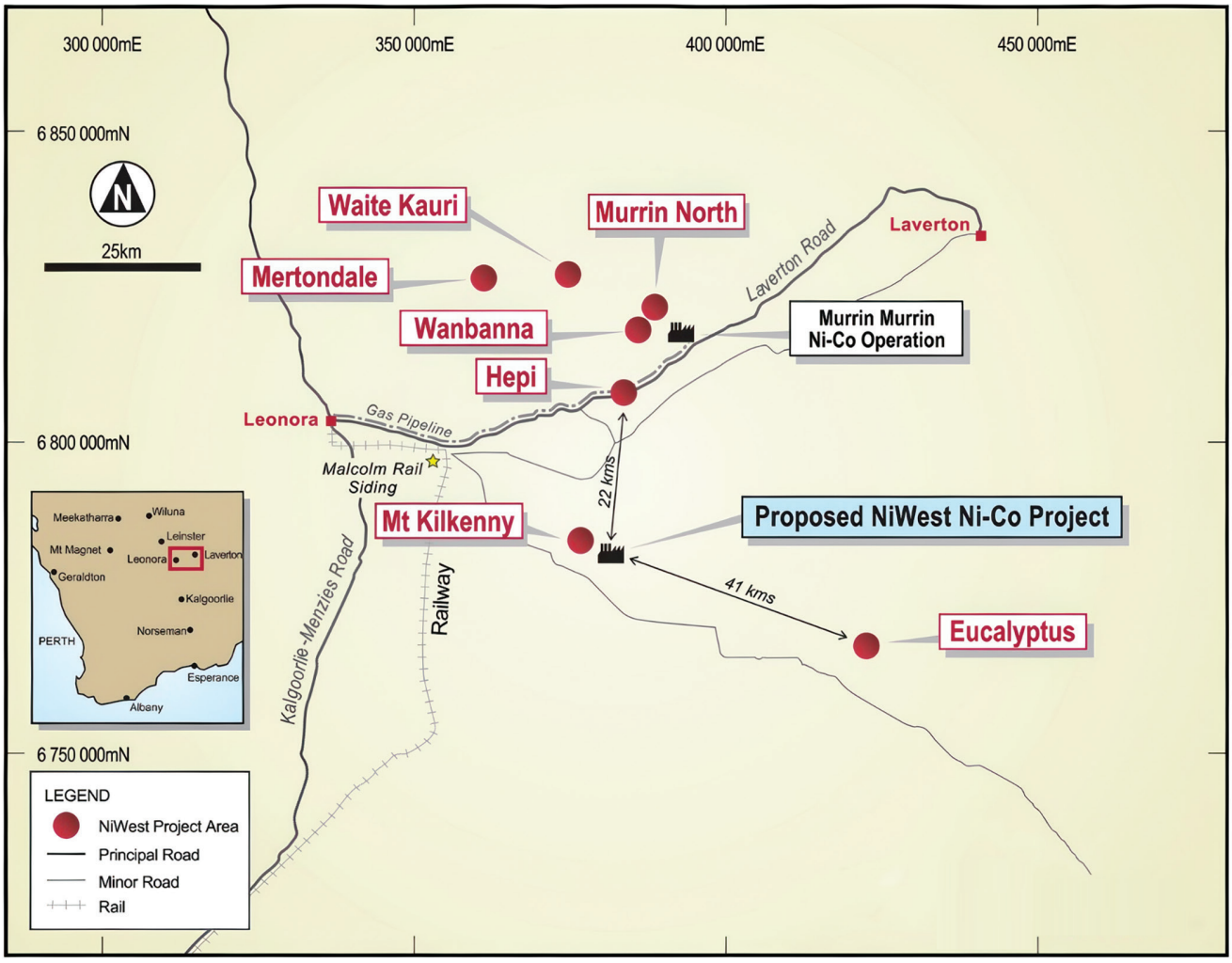

Figure 1: NiWest Project Location

3.0 LAND AND LEGAL

NiWest has substantially completed the approval process for the mining tenure required for the mining and processing of nickel and cobalt for the first phase of production from Mt Kilkenny.

The tenure required for the first 12 years of mining operation at Mt Kilkenny, which is also the subject of the Environmental Protection Authority (EPA) Approvals Application submitted for the Project, is summarised in Table 2.

Mining Tenement	Type	Current Status	Primary Purpose	Site
E39/1784	Exploration Licence	GRANTED	Exploration/buffer	Mt Kilkenny
G39/17	General Purpose Lease	GRANTED	Construction and operation of processing infrastructure	Mt Kilkenny
L39/341	Miscellaneous Licence	GRANTED	Road access to G39/37 and ancillary	Mt Kilkenny
M39/878	Mining Lease	GRANTED	Mining of ore body	Mt Kilkenny
M39/879	Mining Lease	GRANTED	Mining of ore body	Mt Kilkenny
P39/6225	Prospecting Licence	GRANTED	Exploration/buffer	Mt Kilkenny
L36/286	Misc Licence	GRANTED	Borefield	DS Borefield
L36/289	Misc Licence	PENDING	Pipeline	DS Pipeline
L36/290	Misc Licence	PENDING	Pipeline	DS Pipeline
L37/277	Misc Licence	PENDING	Pipeline	DS Pipeline
L37/278	Misc Licence	PENDING	Pipeline	DS Pipeline
L37/279	Misc Licence	PENDING	Pipeline	DS Pipeline
L37/280	Misc Licence	PENDING	Pipeline	DS Pipeline
L39/377	Misc Licence	PENDING	Pipeline	DS Pipeline
L57/72	Misc Licence	GRANTED	Pipeline	DS Pipeline

Table 2: Summary of Mt Kilkenny Mining tenure

The remaining tenure to be granted for the Project to be 'construction ready' relates to the 7 tenement applications that make up the pipeline corridor between the Depot Springs Borefield and the Mt Kilkenny site. The pipeline corridor comprises 8 miscellaneous licences, one of which has been granted. These are currently progressing through the Mining and Native Title Act requirements. The Company does not anticipate any material delays in the process for the tenure to be granted and the usual expected timelines for grant are reflected in the Project's corporate schedule.

All existing granted tenure for the LOM deposits in Hepi, Wanbanna and Eucalyptus are in good standing, with no encumbrances.

4.0 ENVIRONMENT, SOCIAL AND GOVERNANCE

4.1 Natural Environment

The Project site has an arid climate with hot summers and cool winters. The monthly mean temperature ranges from a high in January of 37.0 °C to a low in July of 6.1°C. The highest recorded maximum temperature is 49.0 °C and the lowest recorded minimum temperature is -2.8 °C. Rainfall is generally sparse in the region making the location ideal for heap leach technology.

The project is in the Eastern Murchison subregion in the Murchison Interim Biogeographic Regionalisation for Australia (IBRA) region. The vegetation of the Eastern Murchison subregion is dominated by Mulga Woodlands often rich in ephemerals, hummock grasslands, saltbush shrublands, and samphire shrublands.

Importantly, there are no significant landforms, conservation reserves or surface water bodies that are considered environmentally sensitive, in or near the project area.

4.2 Flora and Vegetation

Field surveys have been conducted for the Mt Kilkenny tenements and desktop surveys, with a buffer of 50km around the four mine sites, have been undertaken for Mt Kilkenny, Hepi, Wanbanna and Eucalyptus tenements. No Threatened Ecological Communities (TECs) or Priority Ecological Communities (PECs) that are in or near any of the four mine areas were noted during the desktop assessment. Similarly, no taxa (a collection of one or more populations of organisms) listed as Threatened under State and Commonwealth legislation was recorded. The desktop survey recorded the possible existence of 27 Priority taxa however, none of these were listed as threatened. The field survey result for Mt Kilkenny confirmed that there were no TECs, PECs or threatened taxa and only one Priority taxa being recorded out of the 27 possible taxa identified during the desktop study.

The survey work to date has identified no vegetation forming an ecological community of conservation significance and no Threatened taxa.

The Company's management of impacts to flora and vegetation will be consistent with industry best practice and include minimising clearing to the maximum extent practicable, and ensuring all clearing is within authorised boundaries and limits and ongoing prior and post-disturbance inspections by environmental personnel.

4.3 Terrestrial Fauna

Desktop and field surveys have been conducted for the Mt Kilkenny tenements, and desktop only for the calcrete quarry, Hepi, Wanbanna and Eucalyptus.

The desktop surveys identified certain species of conservation significance that may occur in the surveyed areas, however, there was no evidence during the field survey at Mt Kilkenny of Threatened or Priority fauna that were of conservation significance.

Management of any potential impacts to terrestrial fauna will be consistent with industry best practice.

4.4 Subterranean Fauna

Subterranean fauna occur underground in voids above the water table (troglofauna) or in the groundwater itself (stygofauna). If they are restricted in distribution, they may be of interest to the EPA in terms of their conservation.

A review of data, regional surveys and available literature indicates that the main mine pit areas at Mt Kilkenny are unlikely to contain core troglofauna habitat. There is some evidence from diamond core photographs of an environment which may provide a moderately prospective habitat for stygofauna and further assessment of the relevance of subterranean fauna at Mt Kilkenny will be required once geological logs and hydrogeological information is obtained from any future drilling programmes.

With regard to the likely subterranean fauna populations at the calcrete quarry and in the borefield operations, detailed surveys will be undertaken in 2025 in accordance with guidelines issued by the Environmental Protection Authority (EPA 2021). Alliance has engaged a leading Western Australian consultancy to conduct the surveys.

4.5 Inland Waters

No environmental impacts on surface water are anticipated. Drainage management in relation to Kilkenny Creek will be required to ensure the safe operation of the mining and processing areas. However, there is no proposed discharge of water from site.

4.6 Terrestrial Environmental Quality

Soil at Mt Kilkenny is generally suitable for use in rehabilitation and there are no material issues with the management of waste rock. However, ongoing testing of waste rock will be undertaken during operations.

4.7 Air Quality

Emissions from mining activity and the process plant have been modelled. The expected emissions include, particulate matter, select trace metals and combustion and operational gases. Management of impacts to air quality will be consistent with industry best practice and will comprise watering the roads to minimise wheel-generated dust and the process plant will be operated in accordance with an Operating Licence issued under Part V of the Environmental Protection Act 1986 which will require regular monitoring of emissions and reporting of performance against selected criteria.

4.8 Greenhouse Gas Emissions

The Project's Greenhouse Gas Emissions (GHG) for the first ten years of operations have been modelled. Scope 1 GHG emissions are 17.9 kg CO_2-e per kg Ni/Co (equivalent to 4.0 kg CO_2-e per kg of product) with Scope 3 emissions averaging 79,700 t CO_2-e per year and primarily comprising the transport of reagents to site. No Scope 2 emissions have been identified.

Alliance will need to report emissions under the National Greenhouse and Energy Reporting Act 2007 (NGERS). The NGERS will require the Project to register and annually report GHG emissions, energy production and energy consumption of the NiWest Project.

Under the Commonwealth's Safeguard Mechanism (SGM), the SGM is 'triggered' once the facility has emitted more than 100,000 t CO_2-e in a single year. The project will be subject to a new facility baseline, set by the Commonwealth and based on international best practice benchmarks that will apply from the financial year in which greater than 100 kt CO_2e scope 1 GHG emissions arise. This scope 1 trigger, for NiWest, will be exceeded in the first year of operation (consistent with most mining operations). The major source of GHG emissions is via the partial neutralisation of the Pregnant Leach Solution using calcrete.

A number of desktop studies were carried out through the course of the DFS to identify and evaluate potential pathways for the sequestration of carbon dioxide, the majority of which is produced by the neutralisation of the leach liquor prior to extraction of nickel and cobalt. It is proposed to carry out more study work during the Front End Engineering Design (FEED) and early production stages to design the flow sheet options and carry out sufficient engineering to evaluate a final option for implementation.

Based on a 40% reduction of CO_2 emissions from the neutralisation circuit, Scope 1 GHG emissions would reduce from 17.9 to 9.3 kg CO_2-e per kg Ni/Co, and a subsequent further 40% decrease would reduce this further to 3.7 kg CO_2-e per kg Ni/Co.

During the environmental assessment process, Alliance will be required to provide a Greenhouse Gas Management Plan that outlines a pathway for reducing Scope 1 emissions over the life of the project and being net zero by 2050.

This can be achieved either through:

- ✓ The acquisition of Australian Carbon Credit Units ("ACCUs") or their equivalent
- ✓ Reducing emissions through carbon sequestration
- ✓ A combination of these two options

The Project may be able to benefit from Emissions-intensive, trade-exposed (EITE) treatments, including accessing grant funding and potentially a lower baseline decline rate.

Figure 2: AXN CEO and Managing Director Paul Kopejtka, SRM Project Manager Luc Saulnier and Non-Executive Director Klervi Ménahèze pictured at the NiWest Project site

4.9 Environmental Approvals

The primary environmental approval required is a Ministerial Statement under Part IV of the Western Australian Environmental Protection Act 1986 (EP Act). In October 2023, the primary approval pathway commenced with the lodgement of a formal referral and supporting information with the Western Australian Department of Water and Environmental Regulation (DWER). This was assessed by the Environmental Protection Authority (EPA) with the assistance of DWER.

The EPA determined that the Mt Kilkenny project will be assessed based on Referral Information with additional information required under s. 40(2(a)), with four weeks public review (s.40 (5)). This is the lowest level of EPA assessment and supports the Company's opinion that no significant environmental issues exist for the Project at the Mt Kilkenny site, where the first 12 years of mining operations will occur.

The final approval under Part IV, a decision by the Minister for the Environment, is following submission by the Company of an environmental impact assessment (expected in 2025) and a final environmental report from the EPA.

Following ministerial approval, the Company will seek secondary approvals for its works approval, mining proposal and mine closure plan. Each of these secondary approvals have target timeframes of between 30 and 60 business days.

4.10 Aboriginal Heritage

Aboriginal heritage in Western Australia is primarily protected by the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) (Commonwealth Heritage Act) and the Aboriginal Heritage Act 1972 (WA) (AH Act). Broadly, it is an offence to impact an Aboriginal site unless a person did not know, and could not reasonably be expected to have known, that the impacted place was an Aboriginal site (AH Defence) or if the person was acting with Ministerial consent (Ministerial Consent).

Prior to undertaking ground disturbing works, the Company's policy is to ensure ethnographic and archaeological survey works are completed.

Where surveys confirm the existence of an Aboriginal site in an area, or an Aboriginal site has previously been registered for an area, NiWest will endeavour to avoid any impact to that Aboriginal site, but if impact is unavoidable, Ministerial Consent will be sought.

Following enquiry with the Department of Planning, Land and Heritage (DPLH), NiWest has determined it will need to seek Ministerial Consent for the Borefield Pipeline Corridor licences which cross some creeks and salt lakes, which have been registered as Aboriginal sites.

Aboriginal heritage and culture may also be protected under the EP Act. Accordingly, when commissioning ethnographic surveys, NiWest requests that the anthropologist additionally address the presence, and potential impact, to aesthetic, cultural, economic and social surroundings.

4.11 Natural and European Heritage

There are no known areas of significant natural or European heritage that are expected to be affected by the Project.

4.12 Native Title

Native title is legislated by the Native Title Act 1993 (Cth) (NT Act). The Project tenements lie over three native title areas held by the Nyalpa Pirniku people, the Darlot people and an area where native title remains unclaimed and undetermined (Unclaimed Area). Depot Springs North, a location for expansion case tenure for borefield water supply, is subject to native title held by the Tjiwarl people.

The NT Act gives rise to two primary implications for the Project.

Firstly, applications for mining tenements must comply with the requirements of the NT Act before they may be validly granted by the State (Validation Requirement). With one exception, all Mt Kilkenny Tenements have satisfied the Validation Requirement. The exception relates to one of the eight Depot Springs South pipeline corridor licences which has been objected to by the Nyalpa Pirniku people. NiWest Limited is consulting with the Nyalpa Pirniku People with a view to the objection being withdrawn, failing which the objection will be heard by an independent person in accordance with the NT Act.

The Company is confident that the objection will be resolved well in advance of any hearing by the independent person and does not believe that native title presents any risk to the project:

Secondly, mining tenements granted or renewed after 11 January 1999 may require the tenement holder to pay compensation to the native title holders (NT Compensation).

The Company has not fully resolved the question of NT Compensation payable to any affected native title holders, but it is confident that any claims will be resolved amicably.

5.0 GEOLOGY

5.1 Regional Geology

The NiWest deposits, which are located within the Yilgarn Craton in Western Australia, are classified as dry climate nickel laterites. They are hosted within lithologies of the Kurnalpi Terrane which, along with the Kalgoorlie Terrane and Burtville Terrane, form the Eastern Goldfields Superterrane..

5.2 Local Geology

The NiWest deposits are all hosted within the Murrin Domain which, from the bottom up, consists of the following formations:

- Welcome Well Formation – andesitic conglomerate, sandstones, and siltstones intercalated with andesitic-basaltic lava flows
- Minerie Formation – tholeiitic basalts intercalated with lesser amounts of turbiditic sediments and komatiitic basalts
- Murrin Murrin Formation – ultramafic and komatiitic basalts intercalated with lesser amounts of clastic sedimentary beds (predominantly sandstone).
- Pig Well Formation – conglomerate and feldspathic sandstones

Elevated nickel and cobalt concentrations occur in the regolith profile that has developed over the serpentinised peridotite cumulates of the Murrin Murrin Formation. The regolith layer, which is typically around 30 m thick, shows distinct grade and textural changes with depth. These changes have resulted from the intense weathering of the serpentinised peridotites. The serpentinised olivines are initially converted to magnesium-rich clays (saponites and chlorites), which in turn are converted to iron-rich, smectitic clays (nontronite), and then to goethite, hematite and kaolinite.

In order to describe and model these characteristics, the profile has been divided into the following sub-horizontal layers (from the top down). These definitions and terminology are similar to those used for other deposits in the region (including Murrin Murrin):

- Ferruginous zone (FER)
- Smectite zone (SME)
- Saprolite zone (SAP)
- Saprock zone (SPR)

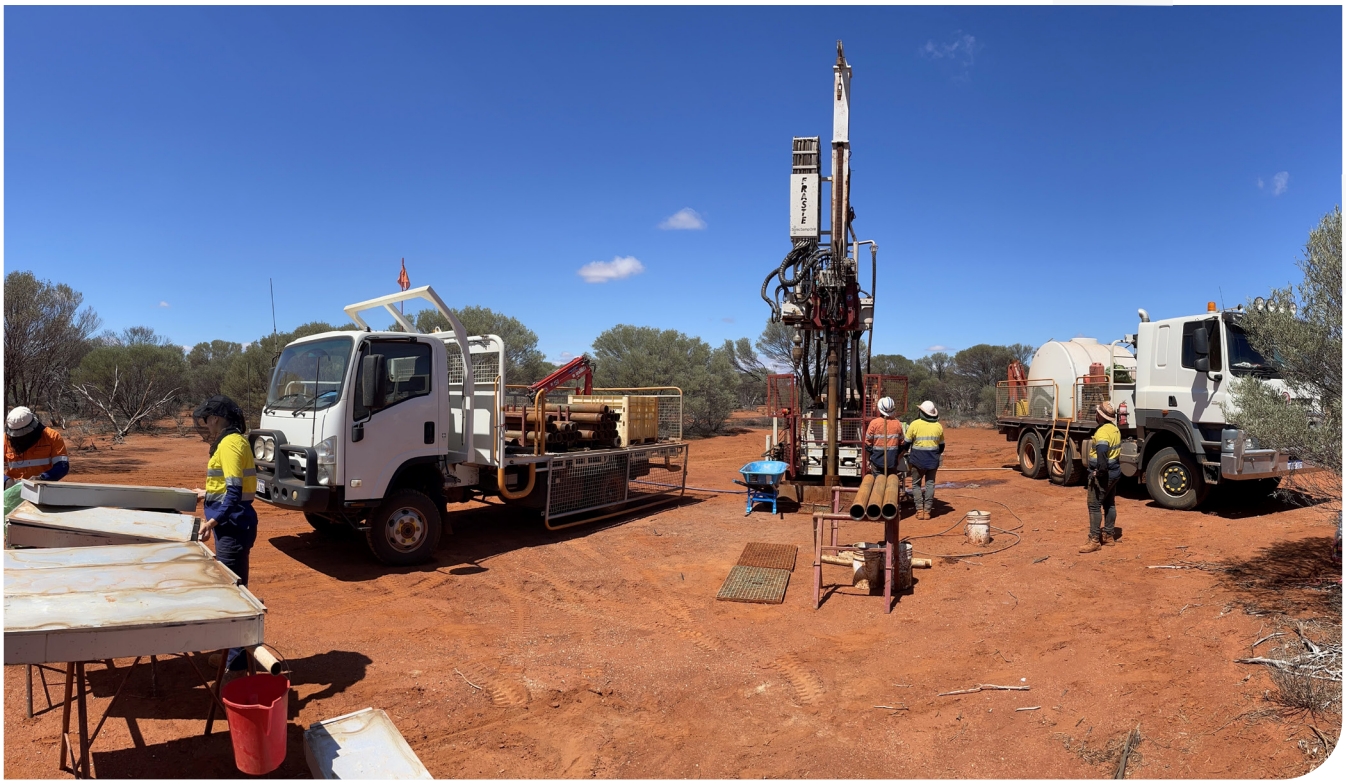

Figure 3: Exploration activity at NiWest Project site

5.3 Mineral Resource Estimate

Mineral Resources were declared for seven lateritic nickel deposits in the Project area between 2017 and 2020. As part of the DFS, Alliance engaged independent international consultant SRK Consulting (Australasia) Pty Ltd (SRK) to prepare an update of the mineral resource models and estimates for the Mt Kilkenny, Hepi, Eucalyptus and Wanbanna nickel deposits that form the mineral resources inventory to support the DFS.

SRK prepared new resource models for the Mt Kilkenny, Hepi and Wanbanna deposits that incorporated results from the recent drilling of 180 infill holes for 8,318 metres and 20 geotechnical and sterilisation holes for a total of 808 meters. A new resource model was not prepared for Eucalyptus. Instead, SRK used the results obtained from a 2022 metallurgical sampling program to update the bulk densities, convert the 2018 model to a format consistent with the models for the other three DFS deposits, and conduct sufficient review of the 2018 resource model to enable SRK to report the estimates with the revised densities and different reporting cut-off grades.

The Mineral Resource Estimate (MRE) for the remaining three deposits (Waite Kurri, Mertondale and Murrin North) did not change since the most recent models were prepared in 2017.

The MRE update resulted in an increase in the global NiWest Resource Estimate to 93.4Mt at 1.04% Ni and 0.07% Co (for 971kt of contained nickel metal and 65kt of contained cobalt metal). Approximately 83% (805kt of contained nickel) of the global MRE is now in the Measured & Indicated JORC category.

The inclusion of results from the infill drilling, conducted primarily to increase confidence in the Mt Kilkenny deposit, has resulted in a 16% increase in the global Measured and Indicated Resource Estimates. This delivered an increased geological confidence in the Mt Kilkenny deposit, the critical first stage of the NiWest mine plan. Table 3 below summarises the Mineral Resource for the Project.

Resource Category	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Ni Metal (kt)	Co Metal (kt)
Measured	17.77	1.07	0.069	190	12.2
Indicated	58.04	1.06	0.073	615	42.4
Inferred	17.59	0.94	0.060	166	10.6
Total	**93.40**	**1.04**	**0.070**	**971**	**65.2**

Table 3: Mineral Resource Estimate Upgrade Summary

See ASX announcement 14 November 2023 (Note: Nickel cut-off grade 0.80%). The competent person for the Eucalyptus, Mt Kilkenny, Wanbanna and Hepi MREs was Mr Rodney Brown (SRK). There have been no changes to the MREs for Waite Kauri, Mertondale and Murrin North (See ASX Announcement 21 February 2017).

93.4 Mt
Resource estimate
1.04% Ni and 0.07% Co

971 kt
Contained nickel metal

65 kt
Contained cobalt

35 year
Anticipated mine life

6.0 MINING AND ORE RESERVE

6.1 Mining

The mine plan will utilise conventional load and haul open pit mining techniques, with limited blasting. At Mt Kilkenny, a strip mine approach was adopted advancing along strike in regular cutbacks, with the pit voids being partially back-filled by waste from successive cut-backs to 1m above the pre-mining water table. After waste has been backfilled into the pit, ripios and process residue will also be backfilled into the Mt Kilkenny pit. This method has the advantages of reducing waste haulage distances and therefore costs, minimising the size and footprint of the (temporary) waste dump, avoiding the need for a separate residue or tailings dump and reducing ongoing and final rehabilitation and environmental works.

The Project will mine a total of 252.8 Mt (dry) of material over 27 years, comprising 85.5 Mt (dry) of crusher feed and 167.4 Mt (dry) of waste materials.

Commencement of ore mining activities is scheduled approximately seven months prior to first heap stacking operations, however mining activities for clearing and pre-strip will commence earlier to support bulk earthworks requirements for construction activities. The LOM plan incorporates four deposits (Mt Kilkenny, Wanbanna, Hepi and Eucalyptus) with mining initially focused on the Mt Kilkenny Deposit, which is mined out over the initial 12 years following mine startup. Mining of the Hepi, Wanbanna and Eucalyptus deposits commences from year 11, year 12 and year 16 respectively, with these ores being trucked to the Mt Kilkenny site for processing.

In order to achieve the DFS production target of 19,500 tpa contained nickel, higher grade ore is preferentially treated for the first 27 years of operation with lower grade ore stockpiled for processing during the next eight years. The mine plan also considers the minimisation of acid use, with high-acid consuming ore being blended or stockpiled for later treatment when suitable low-acid consuming ore is available for blending. All ore will be stockpiled on the Run of Mine (ROM) pad and allowed to partly dry before being fed as a blend to the crusher.

Execution of the mine production plan will be undertaken by a mining contractor with Alliance responsible for grade control, mine planning, mining supervision, and the supply of fuel. The mining contractor activities will also include feeding the crusher with blended ore by front end loader, haulage of ripios and processing residue from the heap and plant area, ore haulage by road train from Hepi, Wanbanna and Eucalyptus and management of all in-pit dewatering.

The mining contractor will also mine, crush and haul calcrete from the calcrete quarry to the Mt Kilkenny processing plant.

The mining contractor will supply all contract mining infrastructure and mining and support equipment, operating and maintenance labour and supervision. The operation will include drilling, blasting, and 130 to 200 t excavators will load 90 – 140 t haulage trucks. The Company will provide technical and management control over mining operations.

Pit optimisations, mine planning and scheduling works was conducted by Linton Kirk from Kirk Mining Consultants and Harry Warries from Mining Focus Consultants Pty Ltd.

Mining costs were developed from a Request for Quotation sent to a number of accredited mining service providers with evaluation and operating costs estimates compiled by Kirk Mining Consultants.

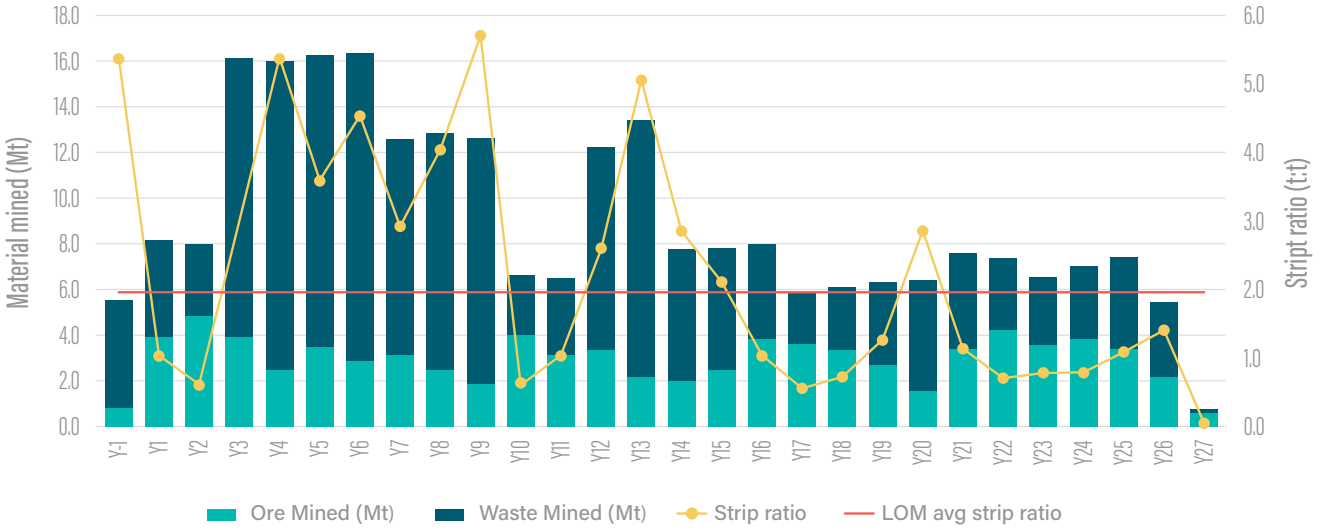

Figure 4: Consolidated Mining Schedule (First 27 Years of Operation)

6.2 Ore Reserve

A statement of Ore Reserves under the JORC 2012 Guidelines has been prepared with the results summarised in Table 4 below.

The reported Ore Reserves have been compiled by Mr Harry Warries and Mr Linus Sylwestrzak, both of whom are relying on Mr Rodney Brown who is the Competent Person for the Mineral Resources and Mr Graham Binks who is the Competent Person for the engineering, capital and operating cost estimates. Mr Sylwestrzak is responsible for metallurgy aspects of the Ore Reserves and Mr Warries is responsible for mining and other aspects of the Ore Reserves apart from Mineral Resources, metallurgy and processing.

The material assumptions and outcomes include several modifying factors (see Additional Information Required Under ASX Listing Rules 5.9 attached to the announcement), the JORC Table 1 attached to this announcement and the assumptions detailed in Tables 1, 6 and 7 (in this Executive Summary). All stated Ore Reserves are completely included within the quoted Mineral Resources and are quoted in dry tonnes. JORC Table 1 is included as an appendix and Competent Persons Statements are attached to this announcement

Deposit	Classification	Tonnes (Mt dry)	Ni (%)	Co (%)
Mt Kilkenny	PROBABLE	37.4	0.95	0.07
Hepi	PROBABLE	4.2	0.99	0.06
Wanbanna	PROBABLE	12.4	0.94	0.06
Eucalyptus	PROBABLE	30.7	0.93	0.06
Total	**PROBABLE**	**84.7**	**0.94**	**0.06**

Table 4: Ore Reserve Summary @ 0.5% Ni Cut Off

Figure 5: NiWest Project site activity

7.0 METALLURGY

Metallurgical testwork programs have been conducted on a range of ore samples from the Mt Kilkenny, Hepi, Wanbanna and Eucalyptus deposits to determine leach responses and select the final flowsheet for the NiWest Project.

The outputs from the extensive testwork programs (conducted over 10 years) have provided data for Ausenco to undertake process design as part of the DFS. More recent testwork has provided data to optimise key process parameters such as heap height, crush size and demonstrate the leach performance using saline water sources.

The project basis has advanced from 2 m high heap leach lifts to 4 m high lifts, and the project water source has changed from fresh water to moderately saline water. To mitigate precipitation in the heap leach due to higher total dissolved solids (TDS), the last 2 stages of the heap leach are designed to operate at an elevated temperature.

The metallurgy and process design was informed by the following testwork:

- ✓ Bulk column leach test work using 2 m high columns and fresh water to generate PLS
- ✓ Downstream PLS neutralisation, thickening, precipitation and SX testwork using PLS generated from the bulk testwork and fresh water supply
- ✓ Heap leach variability tests using 4 m high columns and fresh water
- ✓ 4 m high confirmatory column heap leach tests, using a synthetic saline leach solution based on closed circuit water balance simulations and operated at elevated temperature to demonstrate mitigation of precipitation in the heap, in progress

The testwork programs have independently tested and verified elements of the flowsheet and metallurgical response. The Company continues with the confirmatory closed circuit testwork which is expected to be completed in January 2025. This work includes:

4 m high columns at large diameter with closed circuit piloted leach solutions based on project water sources at design heap leaching temperature

During FEED, the Company shall undertake further optimisation works to review:

- ✓ Processing saline PLS solutions through the downstream unit operations of neutralisation, residue thickening and filtration, solvent extraction (Ni, Co and Zn)
- ✓ Purification of Ni and Co to saleable product specifications as part of the Customer Qualification sample program

Ausenco will assess the impact of these results against the DFS design and, if required, incorporate any changes upon commencement of the detailed FEED design.

Figure 6: Completed columns being disassembled from column leaching workframe

8.0 ORE PREPARATION AND HEAP LEACH

8.1 Heap Leach

The NiWest Project utilises Heap Leach (HL) technology to leach nickel and cobalt metals from ore. HL is technically straight forward, quick to implement and cost effective when compared to the significantly more capital-intensive alternative of High-Pressure Acid Leach (HPAL) used for most laterites.

The heap leach pad is designed as a load-on/load-off type pad, with a maximum heap height of 4 m. The individual cells are designed based on topographic and stacking constraints, 227 m long and 50 m wide, equating to an overall leach pad size of 227 m wide and 1,050 m long.

The leach pad location and orientation was selected primarily to utilise the natural topography to minimise cut and fill volumes, reduce construction costs and minimise the hauling distance from the open pit to the heap leach pad and from the heap leach pad to the residue storage facility (assuming in-pit backfilling operations).

A summary of the heap leach parameters selected for the DFS is shown in Table 5.

Parameter	Units	Value
Heap height	m	4.0
Agglomerate crush size (P95)	mm	50
Stacked ore bulk density dry	t/m^3	1.0
Leaching rate	m^3 solution / t ore	9.4
Irrigation rate	$L/h/m^2$	14.0
Leach irrigation time	days	105
Nickel heap leach recovery	% Ni	80
Cobalt heap leach recovery	% Co	87
Acid consumption	kg/t	720

Table 5: DFS Parameters for Heap Leach Pad Design

Figure 7: Heap leach conveyor stacker example

8.2 Ore Preparation

The ore preparation area is located between the Run of mine (ROM) pad and the HL pad and includes the following sub areas:

- Ore sizing
- Agglomeration
- Heap feed conveying

The objective of the ore preparation area is to produce moist, crushed ore at a P100 of 50 mm, pre-conditioned with acid, available for stacking in a 4 m high lift

ROM ore from the open cut mine is either delivered to the ROM pad or the low-grade stockpiles by rear-dump trucks. ROM ore, with a top size of 600 mm, is fed into the ROM bin by a CAT 990 front-end loader (FEL) or equivalent. A static grizzly is installed on top of the ROM bin to screen out any oversized ore. Oversized ore (more than 600 mm) or sticky clay particles that accumulate on the static grizzly are to be scraped off and removed with the FEL bucket.

ROM ore is reclaimed at a controlled rate from the ROM bin by a variable speed low-profile belt feeder. The belt feeder discharges the ROM ore into Ore sizer 1. Ore Sizer 1 discharge reports to Ore Sizer 2 Feed Conveyor which feeds Ore Sizer 2. The ROM and crushing circuit is shown in Figure 8.

In the agglomerator circuit, shown in Figure 9, crushed ore discharges onto the Crushed Ore Transfer Conveyor. The Crushed Ore Transfer Conveyor discharges onto the agglomerator Feed Conveyor. The ore is weighed by the weightometer and sampled by the cross-belt sampler before it is fed to the agglomerator. Sulphuric acid is added to the crushed ore in the drum via a spray manifold. Raffinate is also added to provide additional moisture as required.

Agglomerated ore is conveyed to an overland heap feed conveyor. The heap feed conveyor has a tripper which can move along the full length of the heap leach pad and can deposit the agglomerated ore at any point along the conveyor. The ore deposited from the tripper is conveyed via a retractable conveyor and radial stacker for placement onto the heap leach pad. The heap leach stacking is carried out in retreat.

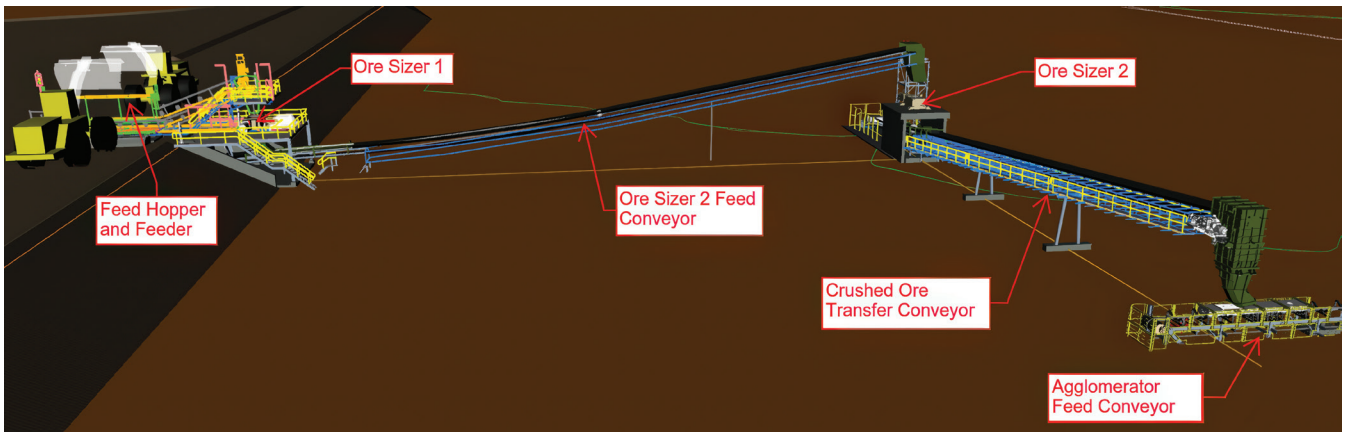

Figure 8: Run of Mine (ROM) and crushing circuit diagram

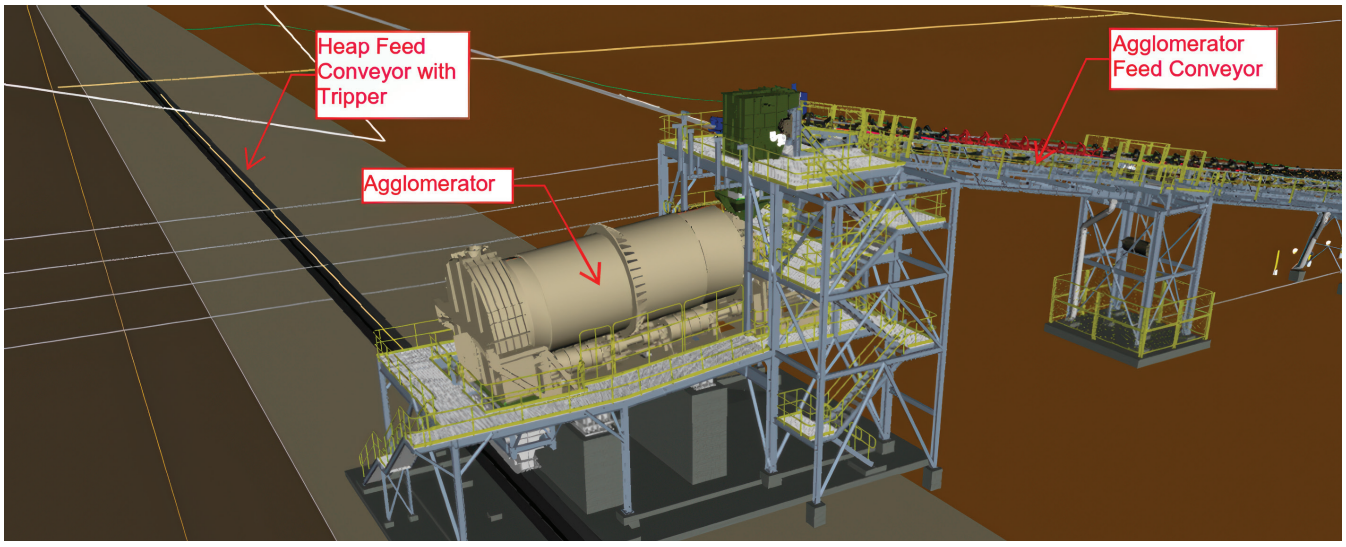

Figure 9: Agglomerator circuit diagram

9.0 REFINERY

9.1 Key Specifications

The processing refinery that will produce the Project's nickel and cobalt sulphates has been designed for the LOM and the treatment of 2.3 – 2.5 Mtpa of ore at a LOM average feed grade of 1.05% Ni (excluding the low grade ore treated after year 26). The process plant operating availability is 95% (8,322 hours per annum) for downstream heap solution and 80% (or 7,008 hours per annum) for ripios and neutralisation reclaiming and transport.

The total acid consumption is 767 kg/t ore (including neutralisation and solvent extraction), with an overall nickel recovery as nickel sulphate of 78.0% (approximately 19,500 tonnes of contained nickel metal per annum over 27 years) and an overall cobalt recovery as cobalt sulphate of 84.8% (approximately 1,500 tonnes of contained cobalt metal per annum over 27 years).

9.2 Refinery Circuits

The processing refinery comprises 4 circuits described below.

9.2.1 Neutralisation, counter current decantation area

The purpose of the neutralisation circuit is to precipitate most of the ferric (Fe^{3+}) ions, aluminium, zinc and copper and neutralise all of the free excess acid with a target product pH of 3.5. This area includes re-leach, PLS neutralisation, neutralised slurry thickening and counter-current decantation (CCD) washing.

The 2018 PFS included two stages of PLS neutralisation. This has been retained in the DFS design as no opportunity has been found to remove the second stage of neutralisation with the higher PLS concentrations.

9.2.2 Residue handling area

The residue handling area includes neutralised residue filtration, residue conveying and reclaim. The thickening and filtration circuit washes the majority of aqueous Ni from the residue and dewaters the residue for dry disposal.

9.2.3 Solvent extraction area

The solvent extraction area is split into the following major circuits:

- Pre-extract circuit
- Primary circuit
- Zinc circuit
- Cobalt circuit

The process objectives of the solvent extraction circuit are:

- Remove impurities to achieve Ni and Co product specifications
- Increase the Ni and Co concentrations prior to crystallisation
- Minimise Ni and Co losses in the raffinate streams by optimising extraction efficiency
- Minimise organic loss through entrainment

9.2.4 Product purification, crystallisation and handling area

The objective of the nickel purification is to remove any residual impurities to achieve the Ni product specification,

Nickel sulphate crystals are produced via a mechanical vapor recompression (MVR) forced circulation crystallisation system. Once crystallisation is complete, the slurry (40 to 50 %w/w solids) flows by gravity to centrifuges where crystals are separated from solution and demineralised water is used to wash the crystals. The wet cake is directed to the drying system, after which the product is bagged and packaged.

Figure 10: Alliance Nickel is positioned to deliver critical minerals for battery manufacturing

10.0 TAILINGS AND RESIDUE

Based on an ore processing rate of 2.3- 2.6 Mtpa plus the additional inputs to the process plant (sulphuric acid and neutralising agents) the total tonnage of residue generated by the project will be 4.1 Mtpa.

These residues comprise leached ore and neutralisation precipitates generated during the processing of liquors from the heap leach pad.

The heap leach depleted ore (ripios), neutralisation precipitates residue (residue) and evaporation pond solid residue will be deposited into a combined Residue Storage Facility (RSF).

Disposal of the ripios and residues will be performed through dry stacking with truck haulage as the preferred residue disposal option. This is due to its lower initial capital cost requirements and the higher technical and environmental benefits.

The RSF is designed to utilise mined-out Mt Kilkenny partially back-filled pit voids and the space above them by constructing embankments surrounding the pits. Following removal of ore and mine waste from each pit, the pits will be backfilled with mine waste materials (waste rock generated in mining operations) up to the pre-mining groundwater level to reduce the risk of groundwater contamination caused by the residue materials. The residues will then be placed on top of mine waste materials within the pit void, continuing on top of the pit footprint and surrounding area. A low permeability layer will be placed on top of the mine waste materials within the pits and on top of the stripped natural ground outside the pits to minimise the seepage potential from residue materials.

A starter facility will be built in the southwest corner of the RSF, outside the pit area to provide storage for the initial stages of the operation prior to pit voids being available for residue storage.

The surrounding RSF embankment will be constructed from mine waste material and will act as a waste dump, erosion protection and contamination barrier for stacked residue.

The RSF has a capacity of 111 million m^3 to store residues generated by the process plant over a period of 27 years at a rate of approximately 4.1 Mtpa after the initial ramp up period. The RSF will be expanded via additional raises to accommodate the additional low-grade ore that will be processed once open pit mining is completed.

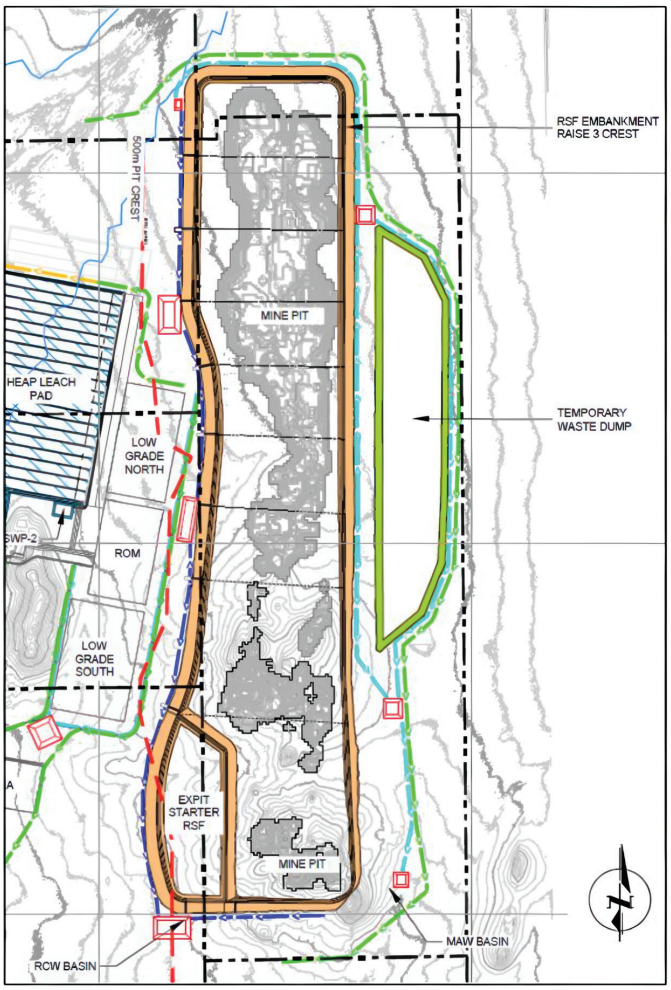

Figure 11: Residue Storage Facility Life of Mine General Arrangement

11.0 SULPHURIC ACID AND POWER GENERATION

The NiWest operations will be supported by a sulphur burning sulphuric acid plant with a design capacity of 5,100 t/d of sulphuric acid (100 wt.% H_2SO_4 basis).

Commercial grade 98.5 wt.% sulphuric acid will be produced for the heap leaching process. Steam recovered from the waste heat in the sulphuric acid plant will be used in the process plant and for power generation to supply electricity to the site and process plant. Up to approximately 30 MW of total power can be produced by a Turbine Generator (TG) set which will allow the entire site to operate independently of the Western Australian power grid.

Key design parameters for the sulphuric acid plant are:

- Production of 5,100 t/d sulphuric acid (100 wt.% H_2SO_4 basis) for the heap leaching process
- The generation approximately 22 MW of power to support the operation of the processing facility using high pressure steam (40 barg, 430°C) raised in the sulphuric acid plant
- Providing up to 45.5 t/h of low-pressure steam (6 barg, 175°C) for the process plant while also providing the internal steam requirements for both the sulphur melting area and general sulphuric acid plant, e.g. deaerator

Various technology options for production of sulphuric acid from sulphur were considered ranging from variations of the single absorption process including tail gas scrubbing through to double absorption double contact (DCDA) technology and isothermal based processing such as the Chemetics CORE- H2SO4 technology. Ultimately, a DCDA sulphuric acid plant was selected as the preferred technology.

The NiWest site will not be connected to the Western Australian power grid and will be self-sufficient for power supply, operating in so-called island mode giving the Project an advantage when compared to other nickel projects which require power from external sources (with an associated carbon footprint penalty).

The Turbine Generator Set (TG set) will use superheated steam raised in the sulphuric acid to generate power for the site. Assuming an isentropic efficiency of 76% for the turbine and 97% for the generator, power generation of up to 29.3 MW is possible if all available HP steam in excess of the requirements of the main air compressor turbine drive and process plant is used at the TG set. This provides in excess of 30% headroom to the maximum power demand of the project (21.8 MW).

Figure 12: Sulphuric stockpile example

12.0 WATER DEMAND, SUPPLY AND DISTRIBUTION

The Project will use approximately 6.5 Gl per annum of raw water within the heap leach circuit with the highest demand components being natural evaporation and water bleed streams which are required to control the amount of magnesium within the circulating flows.

The majority of the Project's total raw water demand, approximately 5.2 Gl per annum, will be supplied from a dedicated borefield hosted within extensive paleochannel systems to the north-west of the Project area (Depot Springs South). The remaining 1.3 Gl per year will be supplied from a smaller borefield centred on the fractured rock Mt Kilkenny deposit which hosts potable quality water. NiWest currently has an extraction licence over this water volume.

The Project has applied for and has been granted Miscellaneous Licences at both Depot Springs South and Sandstone South (around 200 km NW of Mt Kilkenny) for the extraction of water, which has sufficient supply to meet the life of mine water demand for the Project (and for the conceptual expansion described in section 22).

Process modelling and simulation work has been carried out to determine that the heap leach system can operate with raw water Total Dissolved Solids (TDS) of up to 20,000 ppm. Potable water requirements for specific areas such as the sulphur off gas boilers, reagent make up water and product washing will be supplied from the Mt Kilkenny borefield.

13.0 NON-PROCESS INFRASTRUCTURE

The following non-process infrastructure works that are required to execute the construction works onsite and operate and maintain the Project site during operations:

- Site preparation (including construction of pads, roads and site fencing)
- Water management (including drainage, ponds, site water balance and raw water storage)
- Power reticulation
- Mining camp infrastructure
- Communication infrastructure
- Fuel storage and distribution, sewage, and temporary construction facilities
- Fire systems, vehicles and mobile equipment
- Non-process infrastructure including:
  - Mining Infrastructure Area
  - Administration
  - Crib room
  - Plant maintenance workshop
  - Process plant stores
  - Ablutions/toilet block
  - Security hut
  - Laboratory
  - Weighbridge

14.0 BULK HANDLING LOGISTICS

The Project's main transport logistics requirements comprise the import of bulk elemental sulphur and magnesia (approximately 600,000 tpa and 21,500 tpa respectively) and the export of nickel and cobalt sulphates (approximately 90,000 tpa and 7,600 tpa respectively).

The Project has access to an existing extensive network of transport infrastructure with access to a loading and unloading facility at Malcolm Siding 35 km from the Project.

14.1 Import — Reagents

Bulk sulphur will be imported through Esperance Port, approximately 630 km from the Project. The port currently imports bulk sulphur and has existing storage and inloading facilities with capacity to increase to volumes that will accommodate Alliance's requirements. Further, the port is connected to state rail infrastructure that connects through Kalgoorlie to the Malcolm Siding. A small fleet of 3-4 side tipping trucks will be required to transport and discharge sulphur to the Project's sulphur stockpile area.

The Company has signed a memorandum of understanding with Southern Ports Authority providing a basis for future contract discussions.

Other process plant reagents will be imported to Fremantle Port and transported in standard shipping containers via rail to site using the regular Fremantle-Kalgoorlie-Malcolm Siding rail service. The Company has held extensive discussions with two rail logistics companies with capacity to support the Project.

14.2 Export — Product

Nickel and cobalt sulphate products will be packaged in plastic lined bulk bags each containing 1,000 kg of material. Two bags will be packed and strapped onto a wooden or plastic pallet and will be shrink wrapped, 10 pallets (20 tonnes of product) will be packed into a standard 20-foot container.

The shipping containers will be delivered via the state rail link at Leonora directly to Fremantle Port, a gateway for trade and commerce in the region, approximately 850 kilometers from the Project site.

Figure 13: Esperance Port approximately 630km from the NiWest Project

15.0 CAPITAL COSTS

15.1 Pre-Production Capital Costs

The pre-production capital cost is estimated at A$1,651 million based on the exchange rates adopted for the financial model and includes a 10% contingency of A$149 million. The capital cost estimate has been prepared with an inherent accuracy range of -10% to +15%.

The Project cash flow has been generated based on the start and finish date of each work or equipment package in accordance with the project execution schedule. Cost expenditure distributions over time were applied based on Ausenco's assessment of the most appropriate curve for each cost element. No allowance was included for retentions on any vendor and/or contractors in lieu of retention for performance guarantees and warranty period guarantees.

All capital items are assumed to be purchased outright, without any deferred capital, outsourced infrastructure or equipment leasing. Opportunities for leasing and vendor financing are being investigated by Alliance.

The pre-production capital cost is summarised in Table 6 below.

The capital cost estimate has increased by 31% compared to the capital cost estimate in the Updated PFS completed in 2022. This is primarily from an increase in water infrastructure costs of approximately A$310 million as water cannot be sourced locally in either the volume or quality required. A main groundwater borefield will be constructed approximately 200km to the north west of Mount Kilkenny. In addition, as with many other resource projects in Australia, and as noted above, the increase in capital cost estimate reflects the post COVID inflationary environment with significant cost increases in the costs of labour, materials and consumables.

Facility	Total Cost (A$M)	Total Cost (USD$M)
Mining	43	29
Mineral Process Plant	502	335
Sulphuric Acid Plant	290	193
Infrastructure	453	302
Construction Indirects	34	23
Engineering Costs	94	63
Owners Costs	86	57
Contingency	149	99
	1,651	**1,101**

Table 6: Capital Cost – Level 1 WBS

15.2 Sustaining Capital Costs

Sustaining capital costs of $332 million are incorporated in the financial analysis over the life of the Project. The processing plant and associated infrastructure sustaining capital is included in operating costs. The majority of the sustaining capital estimates (provided by Knight Piesold) relate to the costs involved with subsequent lifts over 33 years of the residue storage facility, site drainage and evaporation ponds.

16.0 OPERATING COSTS

The operating cost estimate was compiled by Ausenco and has been derived using a first principles approach to build up of costs.

The estimate includes cost elements provided by Alliance for mine operating costs, reagents and owners general and administration costs.

The operating cost estimate is presented in Australian dollars (A$) and uses prices obtained in, or escalated to, the third quarter of 2024 (Q3 2024). The estimates prepared by Ausenco are considered to have an accuracy of 10% to +15%.

Operating costs cover all onsite costs directly associated with mining, processing, and administrative activities and include costs related to sustaining production of the Project over the life of the project including royalties and logistics costs.

A summary of the average annual LOM operating costs is shown in Table 7 below.

Item	A$M/Year	A$/lb Nickel	A$/t Nickel
Mining and haulage	75.4	1.96	4,328.74
Processing costs	248.3	6.46	14,251.47
General and administrative	12.2	0.32	702.77
Product transport costs	7.1	0.18	404.81
Total	**343.0**	**8.92**	**19,687.79**

Table 7: Average annual operating costs (A$)

Item	US$M/Year	US$/lb Nickel	US$/t Nickel
Mining and haulage	50.3	1.31	2,887.27
Processing costs	165.6	4.31	9,505.73
General and administrative	8.1	0.21	468.75
Product transport costs	4.7	0.12	270.01
Total	**228.7**	**5.95**	**13,131.76**

Table 8: Average annual operating costs (US$)

17.0 IMPLEMENTATION

The Project implementation strategy supports the Company's vision to develop and deliver a project that meets the needs of the shareholders and the community with zero accidents and minimal impact on the environment.

Further the Company's implementation objectives are to minimise initial capital expenditure, ensure high purity and low carbon product specifications are achieved and to protect or improve on the targeted feasibility project production timeline.

The implementation strategy assumes an Engineering and Project Construction Management (EPCM) implementation. The head contract is between the Owner and the EPCM contractor who then manages firm price horizontal and vertical construction packages as outlined and a number of smaller secondary EPC or Design and Construct (D&C) packages where either local contractor or specialist technology suppliers have demonstrated cost benefits to the project. During the early works phase opportunities will be explored to increase the portion of the project that could be undertaken by EPC/D&C contractors (on a fixed price basis), including vertical construction packages for areas of the process plant and acid plant.

The full project execution plan and schedule will be finalised as part of the early works phase. The early works phase of the Project will commence following the completion of the DFS and will comprise critical path activities such as completion of formal tender and award of the EPCM package, confirmatory testwork, approval of environmental and regulatory permits, early works engineering to progress the camp, acid plant and mining pre-strip and bulk earthworks programs.

The Project will then progress to full execution comprising final detailed engineering and procurement, construction and commissioning.

Figure 14: Previous exploration activity at NiWest Project site

18.0 OPERATIONS

The Project will operate 24 hours per day, seven days per week and the operations personnel required will be located at the Project site and housed in the permanent camp. A description of the key process and operating areas is below.

18.1 Corporate

The corporate management office is established in Perth and headcount will be expanded in 2025 to assume responsibility for the executive, financial, product marketing, payroll and human resources functions.

18.2 Mining

Alliance will appoint a suitably qualified and experienced mining contractor for a minimum term of 5 years, which will be responsible for the following key activities:

- Provision, operation and maintenance of the mining and haulage fleet
- Short term mine planning
- Drill and blast where required
- Mining of ore and haulage to the ROM pad located adjacent to the heap leach pads
- Feeding ore to the crusher feed bin on the ROM pad
- Reclaiming of the ripios material after each leach cycle and transport and discharge to the pit voids and ex-pit permanent storage areas
- Transport of plant residue (filter cake) to pit voids
- Development and operation of the calcrete quarry and haulage to the process plant area

18.3 Heap Leach

The heap leach operation will run on an 18-week on/off cycle of successively building heap leach modules, leaching and reclaiming the ripios for disposal in the exhausted pit voids. Each module will have a capacity of around 45,000 tonnes. The cycle for each module is as follows:

- Prepare pad area and underdrainage
- Load crushed and agglomerated ore onto pad.
- Install irrigation system
- Leach (105 days)
- Flush
- Drain down
- Remove ripios

The operation of the heap leach will be dominated by materials handling activities with constant moving of overland conveyors and installation and removal of irrigation systems. This will all be carried out on a 24/7 basis. The heap leach operation will produce the PLS loaded to the required nickel/cobalt concentration which is the feed to the refinery.

18.4 Refinery

The refinery will operate continuously 24 hours a day, 7 days a week and will consist of the following key areas:

- Neutralisation
- Nickel solvent extraction
- Cobalt solvent extraction
- Nickel and cobalt crystallisation
- Product drying and baggin

18.5 Acid Plant

The acid plant will provide sulphuric acid for the heap leach process and produce power, utilising the heat generated from burning sulphur, to meet the electrical requirements of the operation. The plant will operate whenever the heap leach area is operating (which requires acid) and must also generate electrical power for the entire site.

19.0 MARKET OUTLOOK

19.1 Supply Constraints

It is the view of the Company that the nickel market is on the brink of a resurgence, underpinned by diminishing supplies from key Indonesian nickel producers.

Nickel demand exceeded 3mt in 2023 and it is expected to rise sharply over the coming years to 4.5mt in 2030 – driven by clean energy applications and expansion in the EV market.

Whilst Indonesia has dominated the global nickel market for some time, analysts believe future nickel supply from the country will be significantly reduced due to depleting ore reserves in the Philippines, which Indonesia heavily relies on.

According to global investment bank UBS, the Philippines' H1 2024 ore production fell 20% year on year with reserves at the lowest level since 2019, mimicking Indonesia's production statistics, leading to an anticipated 3-9% global annual supply loss between 2025 and 2029.

In addition, significant Chinese-backed investment in HPAL refining infrastructure in Indonesia over the past six years helped rapid development of production rates to the point the nation now accounts for half global nickel production.

However, much of this infrastructure is starting to age, requiring significant future capital investment to maintain and repair.

HPAL also produces significant tailings waste and industry observers such as Wood Mackenzie have noted the outlawing of deep-sea tailings disposal across Indonesia, coupled with reducing on-land waste management options is fast becoming an issue.

Together, these factors will likely drive-up production costs and limit future development of HPAL infrastructure. An example was German chemical producer BASF exiting a US$2.6 billion HPAL and Base Metal Refinery plant project in Weda Bay, Indonesia this June.

This is welcoming news for nickel miners in other regions, as nickel supplies will need to be sourced from elsewhere to meet the rising demand.

19.2 Geopolitical Considerations

While the outcome of the US Election is still relatively fresh, the Trump administration victory could bring into question certain elements of the Inflation Reduction Act 2022 (IRA) with potential to impact critical mineral producers and suppliers in non-US jurisdictions.

Since being introduced, the IRA has attracted US$110 billion in the EV and battery sectors, with close to 60% of that in battery manufacturing alone.

Although President elect Trump has mooted repealing parts of the IRA that favour the EV manufacturing market, Tesla CEO Elon Musk has emerged as one of his closest allies. His recent appointment as head of department of government efficiency (DOGE), alongside former presidential candidate Vivek Ramaswamy, will likely influence Trump's policy decisions that impact the US' largest EV company.

EV sales have also grown steadily since the IRA was activated, and interestingly the majority of investment has landed in Republican states, meaning their respective Governors would likely push back against proposed repeals.

The President-elect will also need to find a balance between any wind back of EV-based incentivisation and how it impacts the US race to catch up with China's booming EV sector.

From a European perspective, EU battery regulations coming into force mean battery-grade material suppliers will need to demonstrate how their material meets stringent low-carbon production criteria.

This forms part of new battery passport policy being introduced in February 2027, tracing lifecycle carbon emissions of all EV and industrial batteries on the EU market and a trend towards 'green nickel' supply options.

In the case of Indonesia-sourced nickel, work done by the Institute for Energy Economics and Financial Analysis forecasts its carbon emission profile is forecast to reach 38.5mt by 2028 which would account for close to 5% of the nation's total CO_2 emissions and drastically impair their ability to enter circulation in the EU.

19.3 Nickel Price

Despite downward pressure on the nickel price in early 2024, analysts expect it to recover longer term due to Indonesia's depleting ore reserves, reducing grade and increasing production costs.

Forecast pricing from leading financial forecaster Macquarie Bank (Desk Strategy – Commodities report September 2024) shows London Metals Exchange (LME) nickel prices improving to US$18,250/t in 2025 and increasing to US$23,000/t by 2028 before settling at a long-term forecast price of US$20,000/t.

The LME nickel price is a reference or "base price" against which the majority of nickel products from intermediates to nickel metal to nickel chemicals are priced. Alliance expects based on offtake discussions to date that a market premium to LME will be paid for Australian battery grade (class 1), precursor nickel sulphate (>99.9% purity).

Figure 15: Electric vehicles will represent more than 60 per cent of vehicles sold globally by 2030, according to the International Energy Agency.

20.0 ECONOMIC ANALYSIS

20.1 Financial Model Parameters

The economic analysis has evaluated a life of mine (LOM) of 35 years from the beginning of commercial operations with average annual production of 19,500 tonnes of nickel metal as nickel sulphate hexahydrate (c.90,000 tonnes per annum) and 1,500 tonnes of cobalt metal as cobalt sulphate heptahydrate (c.7,000 tonnes per annum) over the first 27 years of operations. Pre-production capital costs, sustaining capital costs and operating costs are consistent with the costs presented in sections 15, and 16 above.

The valuation of the Project is based on the discounted cash flow method. The key attributes of the financial analysis are as follows.

- ✓ The NPV base date for the Project is 1 January 2026.
- ✓ The model spans 35 years (2026 to 2062 with 22 months of construction and commissioning before commercial operations, followed by 35 years and 3 months of operations).
- ✓ The financial model presents real after-tax ungeared Project cash flows which are discounted at a real rate of 8% to calculate the NPV (referenced as NPV_8).
- ✓ Cash flows are discounted annually and assumed to be incurred evenly across each period.

Key assumptions used in the financial model are summarised in Table 9.

Assumption		
Key Financial Inputs		
Average realised LOM nickel price (real) (including sulphate premium)	US$/t	22,325
Average realised LOM cobalt price (real)	US$/t	32,556
LOM exchange rate	A$/US$	0.667
Corporate tax rate	%	30
WA State royalty	%	2.5
Discount rate - Real	%	8
Mining and Processing		
Construction Period	Months	22
Mine life	Years	35
Ore mined	Mt	85.5
Total waste tonnes mined	Mt	167.4
LOM strip ratio	Waste/Ore	2.0
Nickel head grade	% Ni	0.94
Cobalt head grade	% Co	0.06
Steady-state nickel recovery	%	78
Steady-state cobalt recovery	%	85
Contained nickel produced	kt	627.3
Nickel sulphate produced	kt	2,809.4
Contained cobalt produced	kt	47.0
Cobalt sulphate produced	kt	227.5

Table 9: Key Assumptions Summary

20.2 Financial Model Outcomes

The Project is forecast have a post-tax NPV of A$1,504 million at a real 8% discount rate and a post-tax IRR of 17.64% calculated over the LOM. The after-tax payback occurs in year 5 of operations.

The project is forecast to generate LOM revenue of A$23,298 million, comprising revenue from sales of nickel sulphate of A$20,995 and cobalt sulphate of A$2,303. Nickel sulphate sales comprise approximately 91% of total project revenue with the remaining 9% being cobalt sulphate revenue.

Financial Outcomes		
Valuation, Returns and Key Ratios		
NPV_8 (pre-tax ungeared, real basis)	A$ Million	2,230
NPV_8 (post-tax ungeared, real basis)	A$ Million	1,504
IRR (pre-tax ungeared, real basis)	%	21.12
IRR (post-tax ungeared, real basis)	%	17.64
Payback period (post tax)	Years	5
Key Financial Results (LOM)		
Revenue	A$ Million	23,298
Operating Cashflow (EBITDA)	A$ Million	10,366
Project free cashflow – pre-tax	A$ Million	8,307
Project free Cashflow – post tax	A$ Million	6,089
Total royalties & corporate taxes	A$ Million	2,800

Table 10: Financial Outcomes

The LOM unit cash operating costs are shown in Table 11. The operating parameters reflect the operating strategy of processing higher grade (HG) ore for the first 27 years of operation followed an 8-year period of processing previously mined and stockpiled low-grade ore (LG).

Unit Cash Operating Costs	Units	First 27 Years	LOM
Mining and haulage costs	A$/lb	2.04	1.96
Processing costs	A$/lb	5.90	6.46
General and administrative costs	A$/lb	0.29	0.32
C1 Cash Cost	**A$/lb**	**8.23**	**8.74**
Product transport costs	A$/lb	0.18	0.18
Royalties	A$/lb	0.42	0.42
Sustaining capital	A$/lb	0.27	0.24
AISC (excluding cobalt credits)	**A$/lb**	**9.10**	**9.58**
Cobalt credits	A$/lb	(1.68)	(1.67)
AISC (including cobalt credits)	**A$/lb**	**7.42**	**7.91**
Net All-in Sustaining Cost (AISC)	**US$/lb**	**4.95**	**5.28**

Table 11: Unit Cash Operating Costs

The C1 Cash Cost has increased by 10% compared to the Updated PFS. This cost increase reflects design modifications, and the escalation experienced in Australia from the post COVID inflationary environment and resultant significant cost increases in the costs of labour, materials and consumables.

Figure 16 below shows the NiWest Project AISC cost firmly within the first cost quartile compared to domestic and international nickel producers. The operations with costs below that of those projected for Alliance are predominately polymetallic producers with significant by-product credits arising from copper and platinum group metals production. Norilsk in particular produces over 300kt of copper and 120 tonnes of 120 tonnes of platinum group metals together with 220kt of nickel (**source: Wood Mackenzie commentary**).

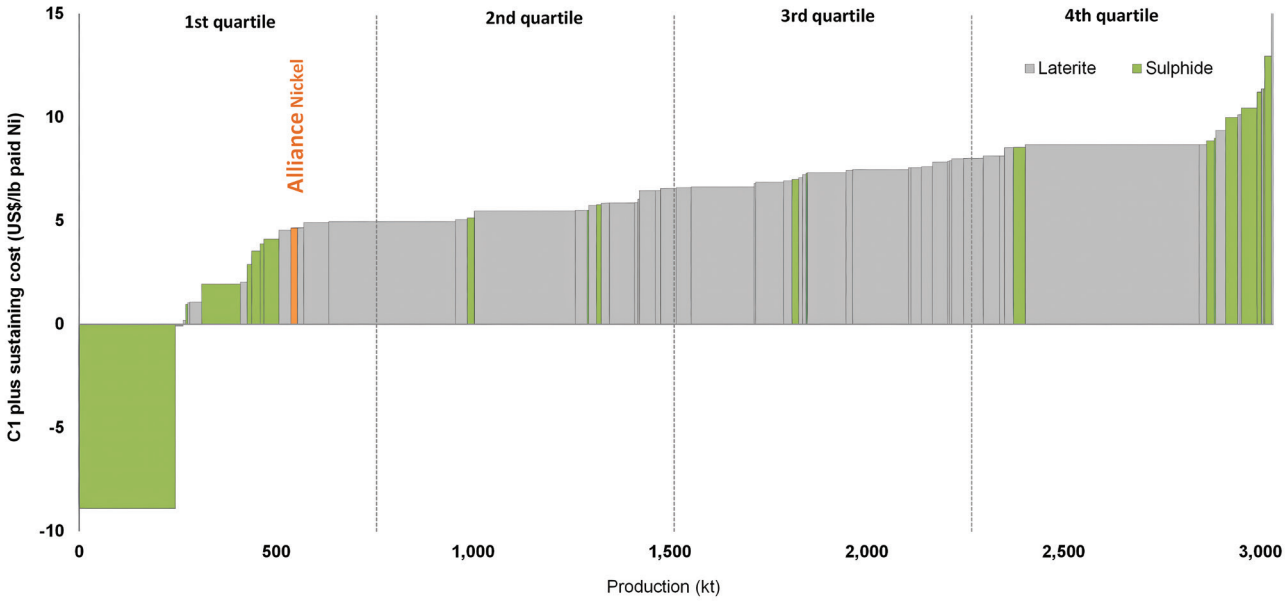

Figure 16: Cash Cost Comparison
Source: Wood Mackenzie. 2024 C1 plus sustaining costs (US$/lb) paid nickel net of by product credit 2024 real terms

Total EBITDA is forecast at A$10.4 billion, with annual average EBITDA of A$343 million over the first 27 years of operations. Figure 17 shows the LOM average realised nickel price per tonne compared to the LOM average annual AISC per tonne (including cobalt credits).

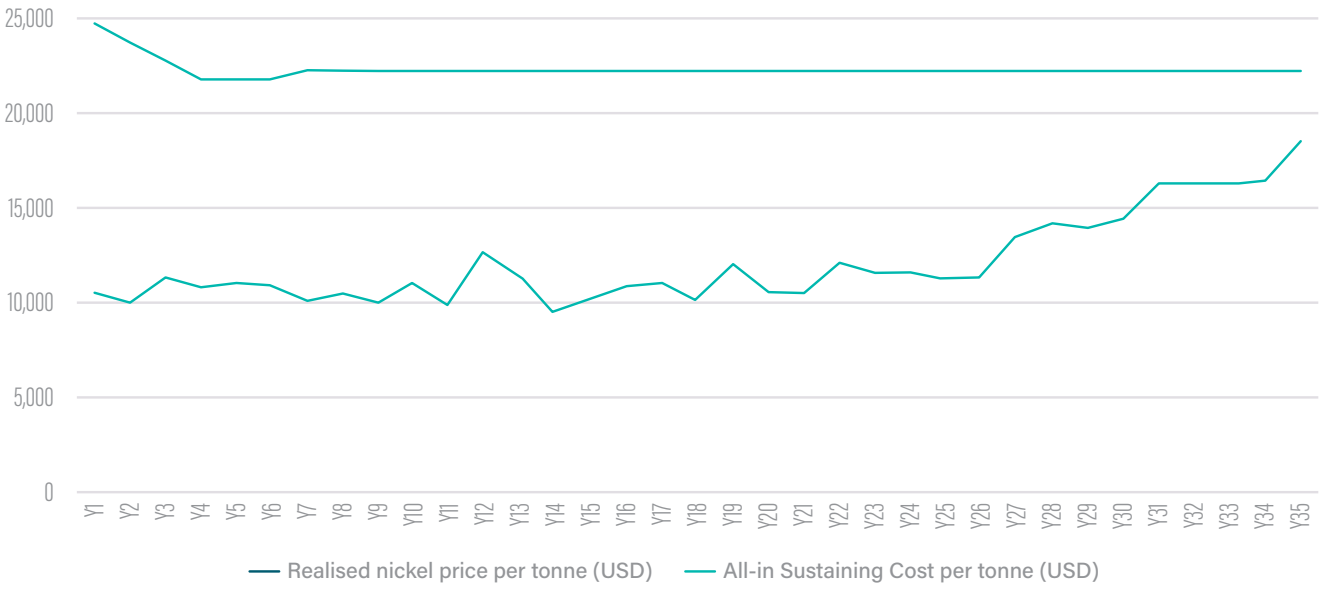

Figure 17: Realised nickel price per tonne (US$/tonne, real and AISC per tonne (US$)

Figure 18 shows the annual and cumulative Project cash flows (post all capital and tax).

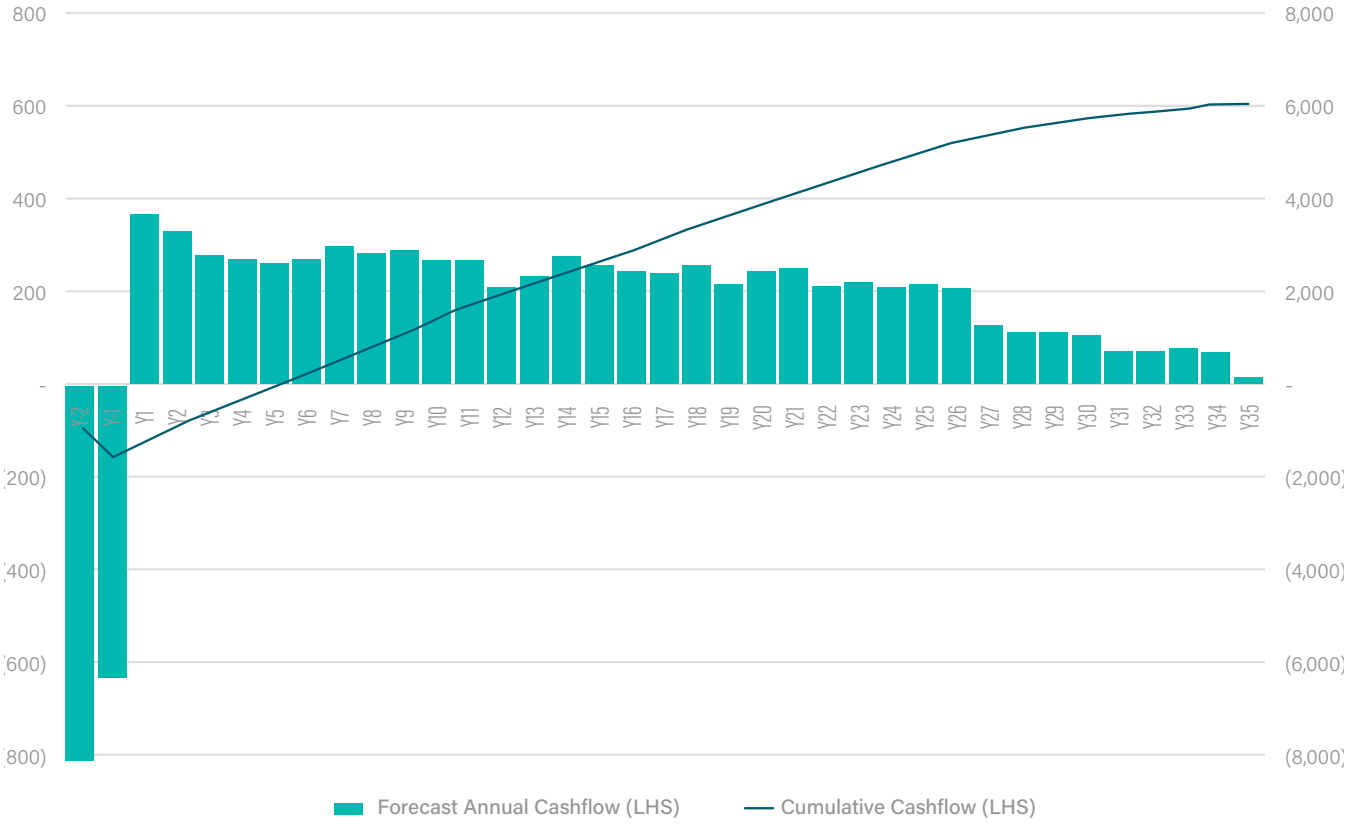

Figure 18: Annual and Cumulative Net Project Cash Flow

20.3 Sensitivity

Sensitivity analysis have been carried out to demonstrate the impact and sensitivity of the financial results to changes in key assumptions and variables. The analysis in Figure 19 shows the Project is most sensitive to changes in nickel price, foreign exchange and nickel recovery.

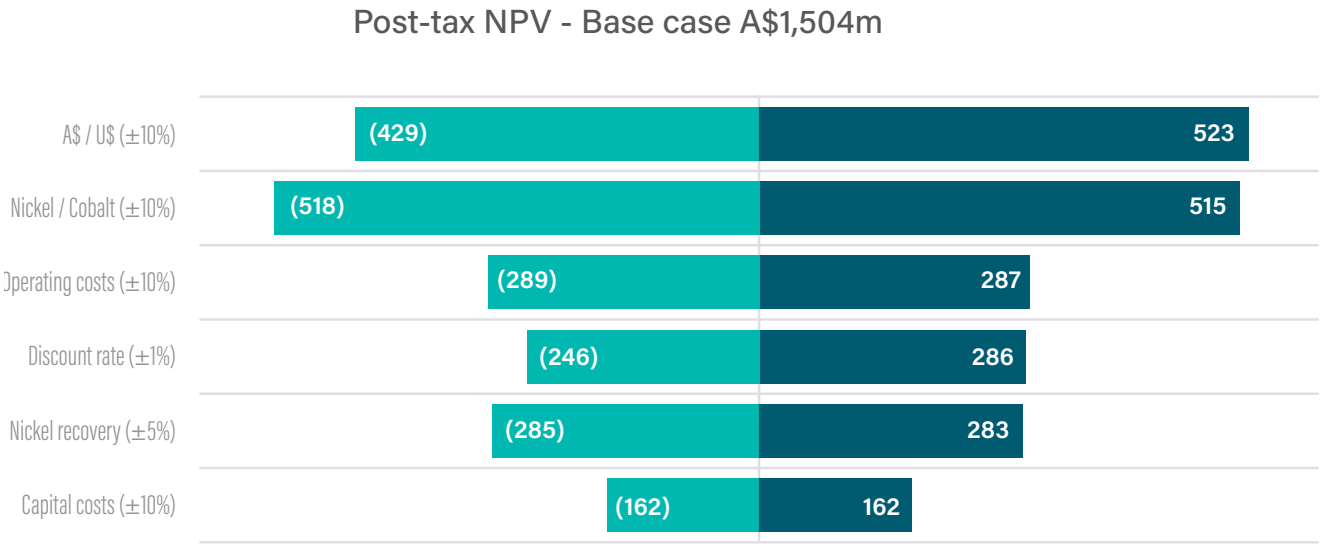

Figure 19: Sensitivity analysis of key assumptions

20.4 Pathway to Financing

In 2023, the Company appointed specialist natural resource financial advisor, Blackbird Commodity Partners Pty Ltd (Blackbird Partners) to support the Company's funding strategy and arrange a project debt facility for the Project. Projects of this scale and nature are typically funded by a mixture of equity and project debt finance that is sourced from various third parties. Initial modelling indicates that the project cashflows would support a gearing level of up to 60% of the total funding requirement.

Debt funding

The target debt strategy is one of project finance comprising both Government backed ECA lenders and leading commercial bank lenders. As nickel and cobalt are listed as either critical or strategic minerals by many governments, including Australia, the Project has strong strategic alignment with the global ECAs including members of the Minerals Security Partnership Finance Network announced in September 2024. Specifically for the Project, there are strong opportunities for ECA participation via product sales, reagents (with particular reference to sulphur) and capital asset procurement. Numerous positive discussions continue with the target ECAs.

In addition, Blackbird Partners together with the Company has received a positive response to its debt funding process through the issuance of an Expression of Interest and subsequent meetings with thirteen domestic and international commercial banks. Similar to the ECAs, the main driver for the interest of commercial banks is the direct linkage of the Project's premium product to the EV battery sector, development of new and additional nickel supply chains outside of China and Indonesia, and their respective banking relationships with Automotive Original Equipment Manufacturers (Auto OEMs).

As announced on 19 September 2023, the Company has also received a letter of support from Export Finance Australia (subject to conditions) to participate alongside commercial lenders. This has provided the Company with support for its debt funding process and the Company believes that this, together with the other factors outlined, is a reasonable basis for believing that the required debt financing for the Project will be available.

Equity and strategic partner

The Company's primary equity strategy is to target strategic investors to invest at either the Company level or Project level through a combination of strategic offtake and/or joint venture partnerships to fund the portion of the Project funding which is not debt financed. Given the Project's production of nickel sulphate and cobalt sulphate are both precursor products for battery cathodes, Auto OEMs and battery manufacturers are the key target market for this strategy. The Company has been engaging with detailed discussions with target strategic investors over the last 2 years regarding equity funding structures.

A strategic investment at the project level through a joint venture partnership will typically comprise an upfront payment from a potential joint venture partner to acquire a share of NiWest. It is anticipated that the Company would divest up to 50% of the Project on this basis. This upfront payment would substantially contribute to the Company's pro-rata equity requirement. If required, any shortfall in the Company's pro-rata equity requirement will be financed through the issue of ordinary shares in the Company.

Given the significant progress completed to date by the Company and its advisors, the Company has formed the view that there is a reasonable basis to assume that future funding for the Project's development will be available, based on:

- The Company announced on 19 September 2023 that it had received a letter of support from Export Finance Australia (subject to conditions) to participate alongside commercial lenders.
- Ongoing detailed discussions with current and potential strategic partners contemplating a joint venture project level investment into NiWest (up to 50% project selldown).
- Binding offtake and cornerstone equity investment with Stellantis announced on 1 May 2023. Stellantis currently hold an 11.5% shareholding in Alliance and Stellantis' representative, Klervi Menaheze, was appointed to the Alliance Board with effect form 14 February 2024. The binding offtake agreement is for the first five years of operations (with rollover to extend this period) representing (at least) approximately 170,000t of nickel sulphate and 12,000t of cobalt sulphate over this period. The strategic partnership also incorporated a share subscription agreement, whereby Stellantis subscribed for A$15 million in new equity in Alliance at a subscription price of A$0.18 per share.
- A non-binding term sheet signed with Samsung SDI Co., Ltd (Samsung SDI) for future offtake of battery grade nickel sulphate and cobalt sulphate for an initial six-year period was announced on 8 February 2024. This non-binding term sheet also provides that Samsung SDI and Alliance will discuss a potential acquisition by Samsung SDI of an equity interest in a project company to be formed by Alliance that will hold the Project. Discussions with Samsung SDI have progressed positively in relation to a potential binding offtake agreement and associated equity investment.
- The strong production and economic outcomes delivered by the DFS are considered by the Company's Board to be sufficiently robust to continue both the equity and debt discussions to date; and
- The Project is located in Western Australia in an established nickel and cobalt producing region with significant legacy infrastructure. Western Australia is considered one of the world's leading and low risk mining investment destinations.

There is no certainty that the Company will be able to source the required funding when required and it is possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's shares.

21.0 RISK AND OPPORTUNITY

A rigorous risk assessment process was undertaken as part of the NiWest DFS to identify risks that may prevent the Project from achieving its strategic, business and operational objectives, and to identify opportunities to improve overall project performance.

The risk assessment process was used to identify the key design, operational, safety, financial and environmental risks of the Project and establish potential control measures to mitigate the identified risks to acceptable levels.

Two project risk workshops were held as part of the DFS that focussed on reviewing the extreme and high risks and opportunities and identifying preliminary mitigation plans. The workshops were attended by Alliance, Ausenco and all contributors to the DFS. The workshops were run in accordance with ISO 31000:2009 (International Standard for Risk Management). At the conclusion of the workshops, there were no extreme risks identified by the study team.

The risk assessment methodology that was adopted for each identified risk considered the current risk rating including any existing controls, and then assessed the residual (or target) assuming the successful operation of the proposed mitigating strategies.

Each risk in the register is assigned a current risk rating reflected as a function of the likelihood of the risk arising (rare to almost certain) and the consequence (minor to critical). Similarly, each opportunity in the register reflects the likelihood and consequence of the opportunity materialising.

The ratings for the ninety-two (92) active items in the NiWest Project Risk Register are displayed in Figure 20.

The risk items in the prefeasibility study report were transferred into Ausenco's risk template and rated based on the likelihood and consequence rating previously allocated. Comparing the current feasibility study register to the pre-feasibility study register, the number of high risks has decreased from 28 to 22, medium risks have increased from 30 to 37. The current register has 15 low risks and an additional 18 opportunities. No extreme risks were identified in the final pre-feasibility study or current feasibility study register. The 5 extreme risks identified during Workshop 1 were mitigated and removed from the current register.

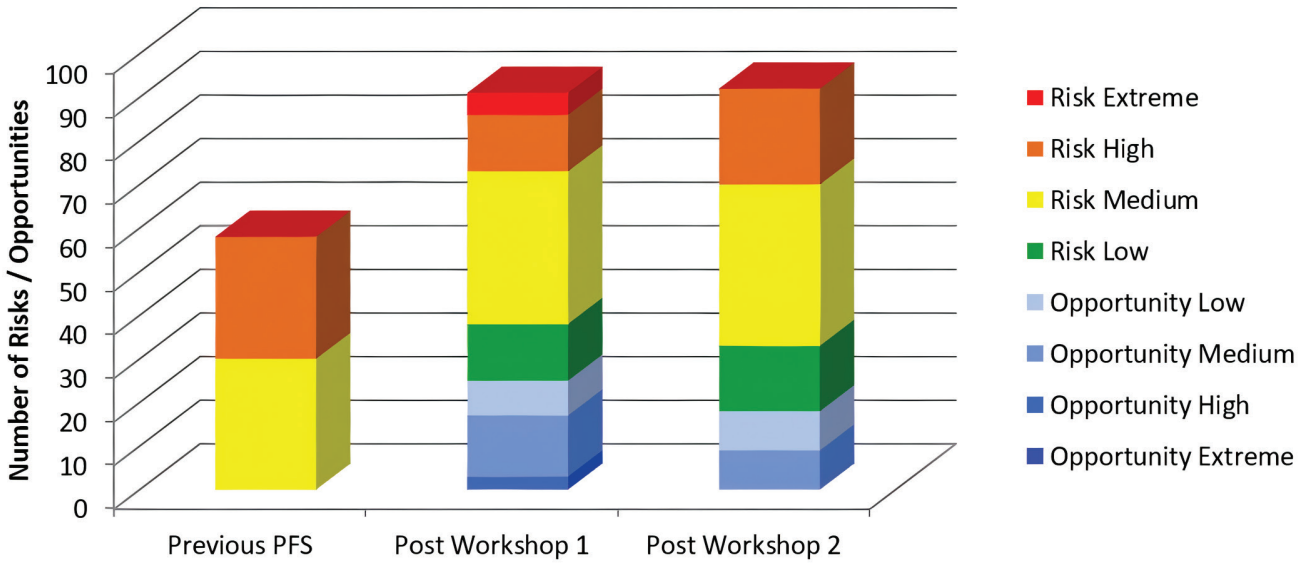

Figure 20: Ratings Distribution

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