26 March 2025

Update to ASX Announcement - "Successful Completion of Heap Leach Testwork Confirms Technical Feasibility "

Alliance Nickel Limited ("the Company") (ASX:AXN) refers to its announcement titled "Successful Completion of Heap Leach Testwork Confirms Technical Feasibility " announced on ASX on 24 March 2025.

The Company has updated the announcement to include a JORC Table 1, Competent Person statement and further information in relation to the completed testwork.

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

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ASX: AXN

ASX ANNOUNCEMENT

SUCCESSFUL COMPLETION OF HEAP LEACH TESTWORK CONFIRMS TECHNICAL FEASIBILITY

26 MARCH 2025

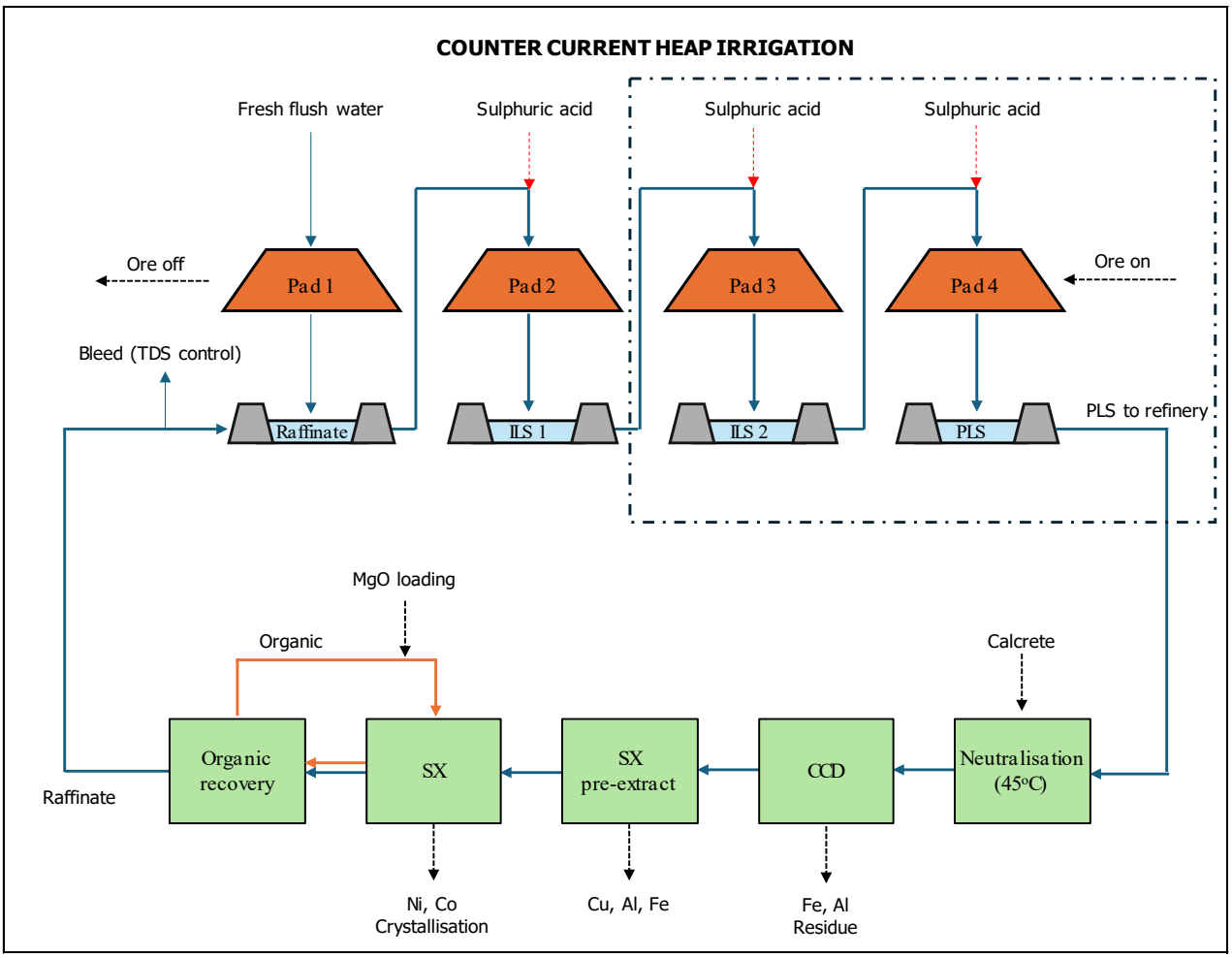
HIGHLIGHTS

- **Extensive confirmatory metallurgical heap leach testwork program successfully completed, validating technical feasibility of heap leach technology for NiWest Project**
- **Nickel and Cobalt recoveries in line with prior DFS testwork results with no precipitation in columns over the trial period**
- **Results validate capital and operating cost estimates in the DFS for the heap leach design**

Alliance Nickel Limited ("Alliance" or "the Company") (ASX:AXN) is pleased to announce the successful completion of its extensive confirmatory metallurgical heap leach testwork program for the NiWest Nickel Cobalt Project ("NiWest" or "the Project"), as previously announced to the ASX on 21 November 2024.

This closed-circuit column testwork has been underway over the last quarter in the laboratory at Metallurgy Pty Ltd, focusing on confirming solubility and temperature setpoints for two of the more critical heap leach stages of the Ausenco heap leach design, where solute concentrations are the highest.

The portion of the flowsheet evaluated in this program of work is represented in the heap leach schematic for the NiWest flowsheet by the dashed box (below).



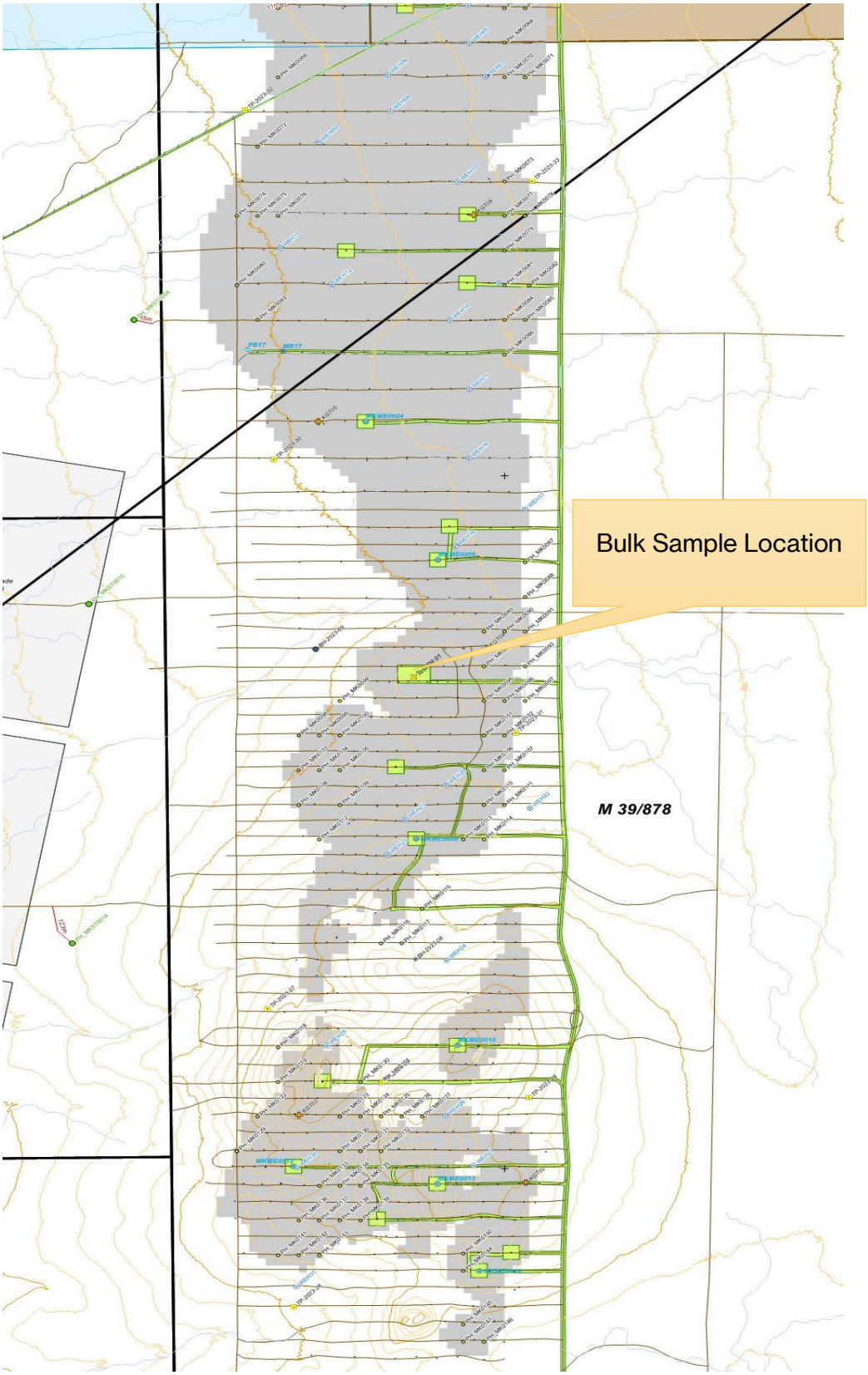
Schematic flowsheet of NiWest Project flowsheet

During the Definitive Feasibility Study (DFS) development, Ausenco utilised modelling simulation to ascertain optimal heap leach solubility and temperature setpoints for the heap leach system using SysCAD and OLI software. This included determination of the operating setpoints or 'concentrations' within the heap leach system for the total dissolved solids (TDS) in the liquor streams, and the associated temperatures required to maintain these TDS concentrations in solution ahead of refining processes.

As part of a project financing due diligence process, these modelled operating setpoints require confirmatory testwork assessment under laboratory conditions to ensure the closed-circuit columns could replicate theoretical results from the modelling. The modelling indicated only two stages of the heap leach design required an augmented temperature to maintain solubility at high solute concentrations, and as such, the closed-circuit metallurgical testwork program was set up to simulate these two stages. The other two ambient temperature stages in the heap leach design have already proven their solubility results with earlier column testwork conducted during the DFS.

Closed circuit testwork and unloading activities

A bulk sample collected from the Mount Kilkenny deposit in 2022 was utilised for this testwork and represents the first 11 years of production from the NiWest Project.



Mt Kilkenny pit with bulk sample location identified against various other drilling / sampling programs

The bulk sample was extracted by excavator from the Mt Kilkenny pit with the sample collected and then stored in 205 litre steel drums as shown in the photos below.

Mt Kilkenny bulk sample collection and storage

Sub-samples were collected from each drum and prepared for analytical analysis at SGS Perth by X-ray Fluorescence (XRF) as detailed in table 1. Sufficient drums to make a 600kg sample containing a geochemical composition that resembled the expected LOM grades were selected for use in the closed-circuit testing program. The contents of the selected drums were crushed to the required ore feed size of minus 50mm and homogenised prior to being agglomerated with 98% sulphuric acid and loaded into the columns for leaching.

Operational results from the closed-circuit column testwork indicate solubility in the two critical stages of the heap leach design are able to be maintained in accordance with the DFS SysCAD/OLI predictions with Ni and Co recoveries observed to be in line with the prior DFS testwork results for similar periods under leach.

Parameter	Closed Circuit Program	DFS Design basis
Days of leaching	70	70
Ni recovery % at corresponding days of leaching	77	69
Co recovery % at corresponding days of leaching	80	77

These results confirm recoveries presented in the DFS will be achievable using the augmented temperature conditions.

This confirms the technical feasibility of using heap leach as an extractant technology with Alliance's lateritic ore body and confirms the suitability of the capital and operating cost estimates in the DFS for the heap leach design (see ASX announcement 21 November 2024).

Alliance Nickel Managing Director and CEO Mr Paul Kopejtka said:

"These positive results from our heap leach testwork program mark another important milestone for the NiWest Project. By confirming the technical feasibility of our proposed heap leach process, we have further de-risked the project and validated our DFS assumptions. This allows us to progress towards financing and development with full technical confidence in our NiWest Project as we look forward to becoming a significant producer of battery-grade nickel and cobalt sulphate."

-ENDS-

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Competent Person's Statement

The information in this announcement that relates to Metallurgical Testwork was based on work designed and supervised by Mr Linus Sylwestrzak, a Competent Person who is a Chartered Professional of The Australasian Institute of Mining and Metallurgy. Mr Sylwestrzak is a consultant to Alliance Nickel Limited, an employee of SGS Australia Pty Ltd and has relevant experience in the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Sylwestrzak consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcements by Alliance Nickel Limited on 21 November 2024 and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Forward Looking Statement

This announcement contains statements related to our future business and financial performance and future events or developments involving Alliance Nickel Limited (Alliance) 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 Alliance management & consultants, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond Alliance's control, affect our operations, performance, business strategy and results and could cause the actual results, performance or achievements of Alliance to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

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.	▪ A bulk test sample was collected from an excavated trench at Mt Kilkenny in 2022. Approximately 4t of ore was extracted from the trench by excavator and placed into forty-eight (48) 205 litre drums. The overall trench had a width of 4m and length of 10m. Samples were collected from the trench in 0.5m depth increments to a depth of 6.5m. Each drum was identified by a unique numbering system, based on the vertical location from the trench where the sample had been extracted from. Representative sub-samples of each drum were collected and submitted for Geochemical analysis by SGS Perth ▪ The samples were prepared and assayed by SGS Perth. Sample preparation entailed oven drying at 65˚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. ▪ Based on the assayed results, 6 drums of ore were selected for testing, which represented the first two years of mining operation, based on the location the sample was collected from and where this location exists in the mine plan. ▪ The selected drums were combined and homogenised by the metallurgical test laboratory prior to being crushed to the required testwork size P_{100}- 50mm. A sub-sample of the homogenised composite was split off and submitted for head grade analysis. Additional sample splits were taken for analysis and compared against the main composite head sample for each individual column test.
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.).	▪ N/A – No drilling results reported for this program of work.
Drill sample recovery	▪ Method of recording and assessing core and chip sample recoveries and results assessed. ▪ Measures taken to maximise sample recovery and ensure representative nature of the samples.	▪ N/A – No drilling results reported for this program of work.

Criteria	JORC Code explanation	Commentary
	▪ 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.	
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.	▪ A contractor geologist (Terrasearch) was onsite overseeing the excavation of the trench samples, to maintain accuracy of the vertical depth sampled, ensure accurate collection and labelling of the samples and to confirm the sample originated within a mineralised zone of the Mt Kilkenny orebody.
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.	▪ For each drum a 5kg grab sub-sample was collected. ▪ The samples were processed using conventional sample preparation procedures, which included oven drying, crushing, splitting and pulverising before being submitted for assay. ▪ Duplicate, replicate and blank samples based on the laboratory standard procedures have been used and are in line with industry practices.
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 checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	▪ 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. ▪ No external lab checks have been performed.
Verification of sampling and assaying	▪ The verification of significant intersections by either independent or alternative company personnel. ▪ The use of twinned holes.	▪ 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.

Criteria	JORC Code explanation	Commentary
	▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. ▪ Discuss any adjustment to assay data.	▪ 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. ▪ Drill hole collar positions around the trench sample have been surveyed by registered surveyors using Total Station or DGPS equipment.
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.	▪ N/A – No drilling results reported for this program of work.
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.	▪ The mineralisation occurs in sub-horizontal layers and all historical drill holes are vertical. The historical drill holes are approximately orthogonal to the mineralised zones, and the reported drill hole intercepts can be considered to represent the true thicknesses.
Sample security	▪ The measures taken to ensure sample security.	▪ The sample collection was managed by Terrasearch (a geological consultancy). Terrasearch was responsible for the collection, recording, and packaging of the samples into drums. Terrasearch coordinated the delivery of the drums to the company's warehouse storage facility in Perth by road transport and again transported later by road to the metallurgical laboratory for the testwork program. Sub-samples were sent to SGS Perth for analysis and Alliance received copies of the submission reports, assay files and certificates.
Audits or reviews	▪ The results of any audits or reviews of sampling techniques and data.	▪ The company's external metallurgical consultant verified the samples used in the metallurgical testwork program and ensured they aligned with the selected drums to be used for testing.

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 and 2 prospecting licences within the project area. A summary of the tenement detail is presented the company's latest Mineral Resource statement.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	▪ Prior to AXN/GME's involvement in 2004-2024, 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 was described in the ASX announcement made on the 21 November 2024.

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.	▪ This release is not reporting new exploration results.
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').	▪ This release is not reporting new exploration results. ▪ The mineralisation occurs in sub-horizontal layers and all historical drill holes are vertical. The historical 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.	▪ A general map location from where the bulk sample was collected at Mt Kilkenny, which also includes relationship details to previous drill hole samples locations, is provided in the body of this ASX announcement.
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.	▪ This ASX release is not reporting new exploration results.
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.	▪ This ASX release is not reporting new exploration results ▪ Further historical data is available in the announcement made on the 21 November 2024

Criteria	JORC Code explanation	Commentary
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.	▪ There is no current further planned exploration programs for the deposit described in this report.