

ASX ANNOUNCEMENT

Company Update

12 March 2026

HIGHLIGHTS

- **NiWest capital cost optimisation program underway, investigating vat leaching as an alternative to heap leaching, with preliminary analysis indicating potential capex savings principally through reduced water infrastructure requirements.**
- **Preliminary gold drilling program completed at the Wanbanna tenement area, with 10 RC holes drilled totalling approximately 720 metres.**
- **Discussions with Stellantis on revised offtake terms continue**
- **Board continuing to evaluate de-SPAC merger opportunities as a potential pathway to a NASDAQ listing.**

Emerging battery chemical producer, Alliance Nickel Limited (**Alliance** or the **Company**) (ASX: AXN) is pleased to provide a Company update.

NiWest Project - Capital Cost Optimisation

Alliance Nickel is pleased to advise that a capital cost optimisation program has commenced for its NiWest Nickel-Cobalt Project (**NiWest** or the **Project**). The basis of the program is a revised process flowsheet which retains atmospheric leaching technology but investigates vat leaching (VL) as an alternative to the heap leaching configuration outlined in the 2024 Definitive Feasibility Study (DFS) (see announcement 21 November 2024).

A key driver of this work is the significant reduction in water demand that vat leaching technology is expected to deliver compared with heap leaching. A substantial portion of the DFS capital cost was attributable to water infrastructure (circa \$310M) required to support the heap leach configuration. Preliminary analysis indicates that, under a vat leach flowsheet, local sourcing of water from the Mt Kilkenny tenement could be sufficient for the Project.

The Company is working with an experienced hydrometallurgical processing specialist to complete a desktop study of the vat leaching configuration. Preliminary analysis indicates potential capital cost savings, as well as potential operating cost benefits.

Alliance Nickel will continue to provide updates as the optimisation program progresses. It is noted that the vat leaching technology being assessed operates at atmospheric temperature and pressure, consistent with the process design basis of the existing DFS flowsheet.

Gold Exploration – Australia United Tenement (M39/1130)

Alliance Nickel has completed a reverse circulation (RC) drilling program at the historic Australia United Gold Mine on 100% owned granted mining lease M39/1130. The Australia United mine is located within the Company's broader Wanbanna tenement area which hosts a significant nickel laterite deposit.

A total of 10 RC holes (AURC001 to AURC010) were drilled for approximately 720 metres, with drilling completed on 22 February 2026 with no safety incidents. Initial geological observations are encouraging.

All samples have been dispatched to Bureau Veritas (Kalgoorlie) for assay, with results expected in the coming weeks. Following receipt and interpretation of the assay results, the Company will be better positioned to assess the prospectivity of the tenement and determine the appropriate next phase of exploration. Alliance Nickel will update the market as results become available.

Stellantis – Offtake Discussions

Discussions with Stellantis N.V. (STLA) on the terms of a revised nickel offtake arrangement continue. The Company previously provided Stellantis with a draft offtake term sheet, currently being reviewed by Stellantis' in-house legal team. The Company is awaiting formal feedback and will provide a further update in due course.

Stellantis has indicated its support for the Company's capital cost optimisation program and remains open to considering alternative process flowsheets, as well as different final product outcomes, as part of ongoing offtake discussions.

De-SPAC Merger Opportunities

The Company continues to hold exploratory discussions with potential SPAC partners regarding a possible merger and NASDAQ listing. While the Board acknowledges that the prior termination of the Stellantis offtake agreement has reduced the immediate attractiveness of this pathway, it continues to assess whether a SPAC transaction represents a viable and value-accretive option for shareholders. The Board will provide a further update as its evaluation progresses.

Alliance Nickel Managing Director and CEO Mr Paul Kopejtka said:

"Despite NiWest's position as a projected first cost quartile producer, it is important, particularly in the current challenging nickel price environment, that we continue to challenge our cost base and drive every possible efficiency from our flagship Project. The preliminary findings on vat leaching are genuinely encouraging, and we look forward to reporting back to shareholders as this work progresses. We are also fortunate to hold tenements with a long and well-documented history of gold prospectivity, and with gold prices at unprecedented levels, we believe it is the right time to also pursue exploration in parallel across these areas to assess whether additional value can be generated from these assets."

-ENDS-

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

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About Alliance Nickel Limited

Alliance Nickel Limited is an ASX-listed critical minerals development company with its principal asset being its flagship 100% owned NiWest nickel cobalt project containing one of the highest-grade undeveloped nickel laterite resources in Australia. The Project has access to existing primary mining infrastructure such as an established network of roads, a railway and gas pipeline and is strategically situated adjacent to Glencore's Murrin Murrin Operations. The Company has completed a Definitive Feasibility Study (see ASX announcement 21 November 2024) which has confirmed the technical and economic viability of a heap leach and direct solvent extraction operation where it aims to produce low-cost, high-quality Class 1 nickel and cobalt sulphate for battery manufacturers and automakers in the Electric Vehicle (EV) sector.

The Company confirms that all material assumptions underpinning the production target and forecast financial information in the Definitive Feasibility Study continue to apply and have not materially changed.

More information is available at www.alliancenicel.au

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.