

ASX Announcement | 10 November 2025

WATER PIPELINE TO THE MARICUNGA GOLD BELT APPROVED

Final EIS approval for the 3rd stage of the ENAPAC desalination project received - A multi-client multi-pipeline project pumping water to key regions in the Atacama, including the Maricunga Gold Belt, the location of the Pantanillo Gold Project.

Flagship Minerals Limited (ASX:FLG) (“Flagship” or “the Company”) is pleased to advise that a significant milestone has been achieved for gold projects in the Maricunga Gold Belt with the approval of the ENAPAC Ruta Este project, the third leg of a 1,750 litres per second solar powered desalination and pumping project which will pump desalinated water to the north of Copiapo and to the Maricunga Gold Belt, providing a permanent water supply to gold projects and other users in the Maricunga Gold Belt, the location of Flagship’s 1.05Moz Au (QFE^{1,2}, NI 43-101) Pantanillo Gold Project.

KEY POINTS


- Flagship fast-tracking conversion of **current 1.05Moz Au foreign estimate (QFE, NI 43-101)** to a Mineral Resource Estimate (MRE) in accordance with the JORC Code 2012.
- A key consideration for projects in the Atacama region, including the Maricunga Gold Belt, is a sustainable water supply.
- ENAPAC Spa receives EIS approval for ENAPAC Ruta Este, the third leg of its US\$1.5 Billion, 1750l/s desalination and pipeline project, a pipeline which will pump water to the Maricunga Gold Belt.
- ENAPAC Ruta Este is the first multi-client water project in Chile’s Atacama Region, facilitating the supply of desalinated water to different companies through a common infrastructure.
- The pipeline approval provides a substantial risk mitigant to projects in the Maricunga Gold Belt, including Flagship’s Pantanillo Gold Project.

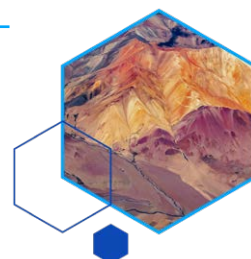
¹ The qualifying foreign estimates (QFE) are not reported in accordance with the JORC Code (2012). The Competent Person has not done sufficient work to classify the qualifying foreign estimates in accordance with the JORC Code (2012) and it is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code. The QFE was first reported in ASX announcement dated 14 April 2025 and titled “*Pantanillo Gold Project - Advanced Large Scale Oxide Gold Project - Maricunga Gold Belt, Chile - Binding Option Agreement to Purchase 100%*”.

² The Company is not in possession of any new information or data relating to the QFE that materially impacts on the reliability of the QFE or Flagship’s ability to verify the QFE as Mineral Resources or Ore Reserves in accordance with Appendix 5 (JORC Code). Flagship also confirms that the supporting information provided in the initial market announcement in accordance with Listing Rule 5.12 continues to apply and has not materially changed.

Flagship Minerals Limited

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Flagship Minerals' Managing Director, Paul Lock, commented:

"This is an important milestone for all projects in the Maricunga Gold Belt, providing an important pathway for a permanent high volume water solution. For Flagship and its Pantanillo Gold Project, the ENAPAC Ruta Este approval mitigates a key risk factor of the Project, and is a timely outcome as Flagship is updating and expanding the existing QFE into a Mineral Resource Estimate and is positioning to begin baseline studies for its Environmental Impact Statement."

GENERAL COMMENTARY

The ENAPAC desalination project is a multi-client multi-pipeline project pumping water to key regions in the Atacama, including the Maricunga Gold Belt.

The Environmental Assessment Commission of the Atacama Region, Chile, approved the Environmental Impact Study (EIS) of the ENAPAC Ruta Este project, the third leg of the ENAPAC desalination system.³

The project is promoted by ENAPAC SpA, which aims to strengthen water security in the Atacama region for mining and other productive activities through the construction of US\$1.5 billion of pumping infrastructure, pumping stations, and an extensive pipeline network which will pump 1,750l/s desalinated water.⁴

ENAPAC Ruta Este is the eastern arm of the network, which will transport and distribute desalinated water from the coast to the interior of the Atacama Region, connecting the sectors of Copiapó, Diego de Almagro and Maricunga, one of the areas with the greatest level of mining development in Chile.

The ENAPAC desalination system is the first multi-client water security project in the Atacama Region, and one of the first projects in the world to be operated using renewable energy via a photovoltaic field which will provide most of the facility's energy consumption. It is designed to produce approximately 55 million cubic meters of water per year.

This approval positions gold projects in the Maricunga Gold Belt very well, including Flagship's 1.05Moz Au (QFE, NI 43-101) Pantanillo Gold Project.

Flagship has initiated discussions with ENAPAC SpA's parent body Agua-sol.

³ BNamericas (2025). Chile gives environmental green light to ENAPAC Ruta Este desalination system. [online] BNamericas.com. Available at: <https://www.bnamericas.com/en/news/chile-gives-environmental-green-light-to-enapac-ruta-este-desalination-system> [Accessed 7 Nov. 2025].

⁴ <https://www.solaer.co.il/en/enapac-%D7%94%D7%AA%D7%A4%D7%9C%D7%94> [Accessed 7 Nov. 2025].

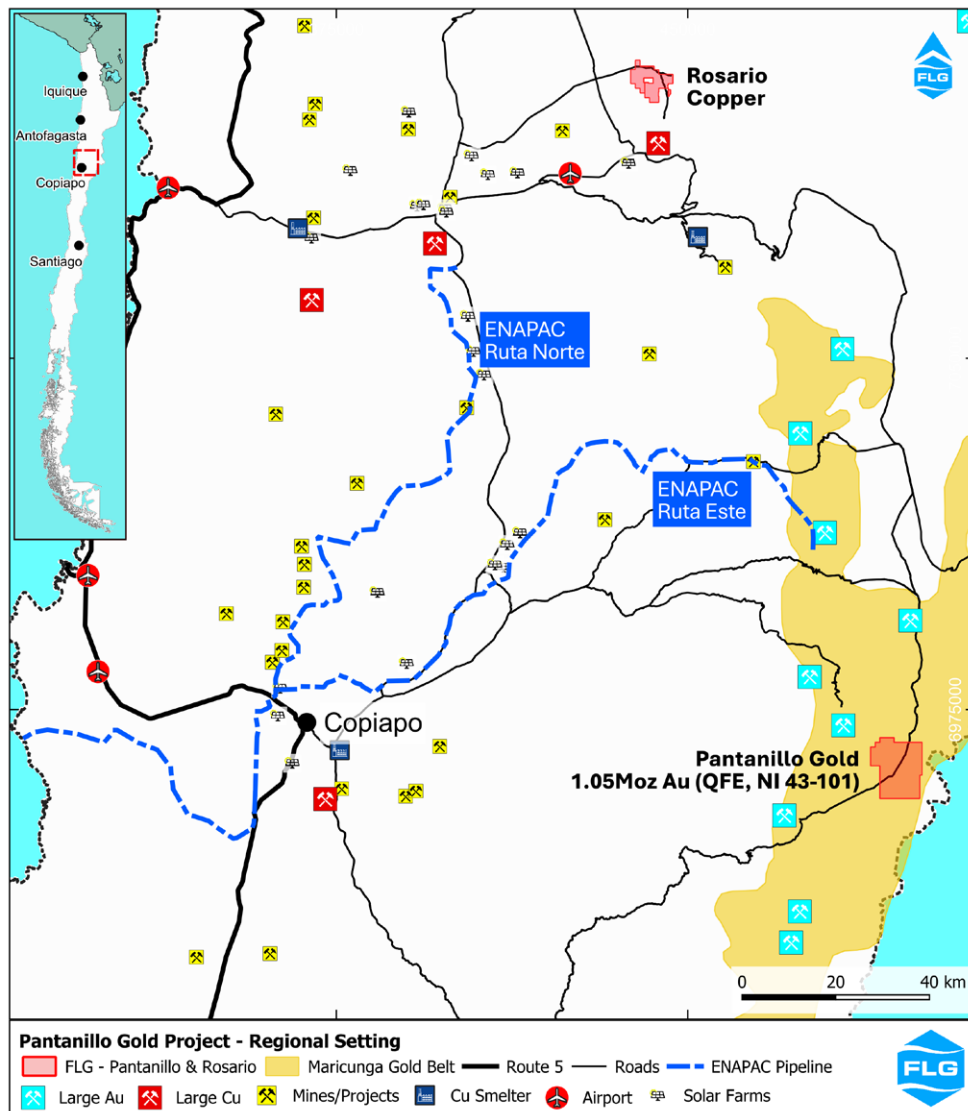


Figure 1: Flagship's Pantanillo Gold Project and other gold projects relative to the ENAPAC desalination system

Flagship's Pantanillo Gold Project has four primary water sourcing solutions: 1. Securing its water requirements through a shared infrastructure initiative such as ENAPAC SpA's 'ENAPAC Ruta Este' pipeline; 2. Securing its water requirements through currently licensed and operable water bores within the vicinity of the project; 3. Securing its water requirements via a trucking solution similar to Rio2's Fenix gold project, which is currently

meeting its water requirements via transport from Copiapo at a cost of ~US\$200/oz Au, whilst maintaining an AISC of US\$1,237/oz Au⁵ (~A\$1,850/oz); and 4. A combination of the above 3 solutions.

STRATEGY AND WORK PLAN

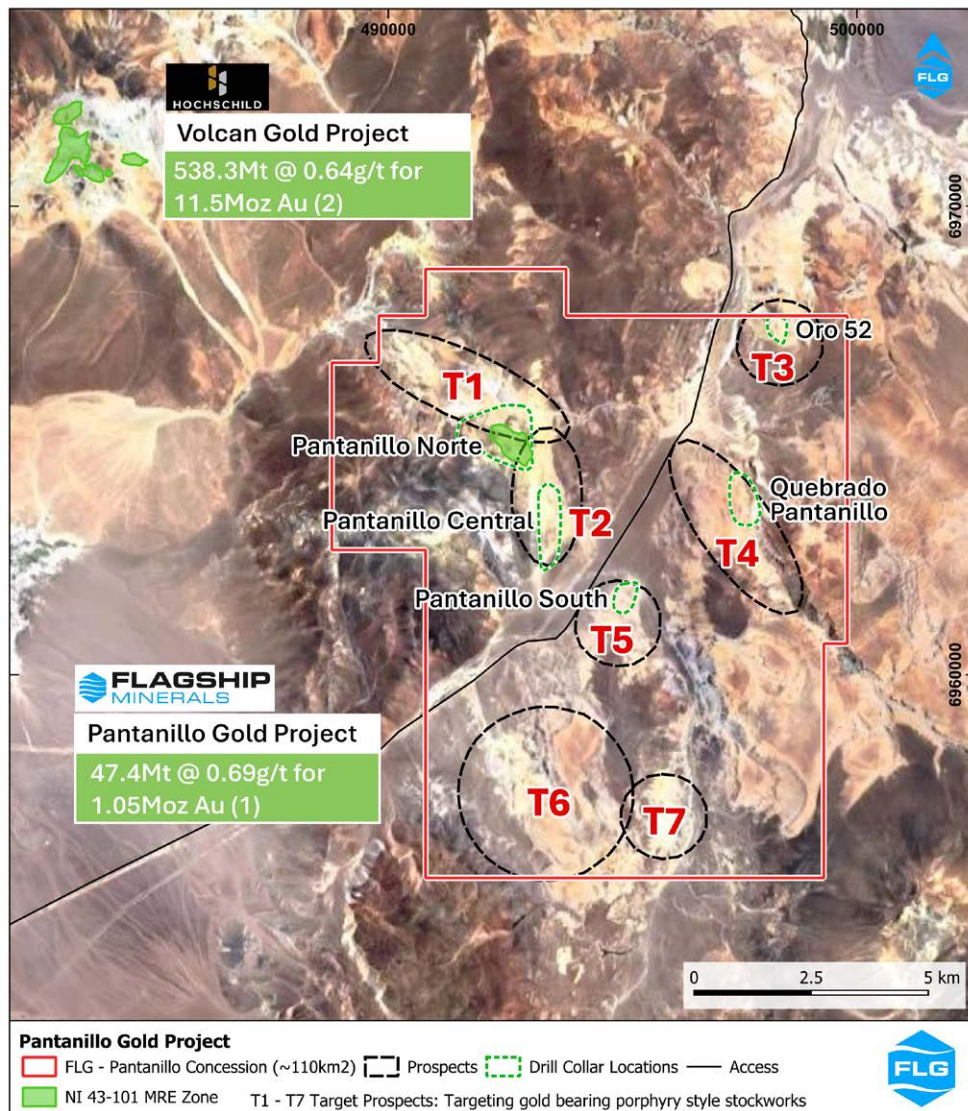
Flagship's strategy for the Pantanillo project is to **define sufficient Mineral Resources that will support** considerations for project development consisting of open pit mining and heap leach processing with an aim to produce **100,000oz of gold per year for at least 10 years**.

Flagship's work plan for the Pantanillo Gold Project will focus on the following:

1. **Updating and expanding the existing QFE into a Mineral Resource Estimate** reported in accordance with the **JORC Code (2012)**. This will include validating existing drill data and, as required, additional re-sampling of drill core, confirmatory and infill drilling and other supporting technical work. Flagship does expect to increase the Mineral Resource without immediate drilling, leveraging the newly acquired data and updated economics and previous metallurgical testwork.
2. **Advancing metallurgical testwork and project studies** for input into a techno-economic assessment.
3. **Extensional drilling in early 2026 for an anticipated MRE upgrade later in 2026.**

As the techno-economic assessment progresses, Flagship will consider opportunities to bring in additional oxide and higher-grade sulphide gold mineralisation resources that may exist throughout the broader ~110km² holding, see Figure 7.

⁵ For details on Rio2's Fenix Gold Project, see: <https://www.rio2.com/post/rio2-completes-feasibility-study-for-the-fenix-gold-project>.



(1) Pantanillo Norte: Qualifying Foreign Estimate (QFE) - 2010 43-101 Report, oxides only, excludes sulphides.
 (2) Hochschild Mining (LSE-HOC): Volcan - Qualifying Foreign Estimate (NI 43-101) with an effective date of 22/07/2022. Viewed on 11/08/2025, source: <https://www.tiernangold.com/project/volcan-gold-project/mineral-resource-and-pea/>

Figure 2: Pantanillo Gold Project – Local Setting and Prospects

The approval of the ENAPAC Ruta Este project, the third leg of the ENAPAC desalination system, is an extremely positive outcome, providing one form of water security to projects in the Atacama Region, including Flagship's 1.05Moz Au (QFE, NI 43-101) Pantanillo Gold Project.

Flagship looks forward to providing shareholders and the market with regular updates regarding activities associated with the ongoing evaluation of the Pantanillo gold project.

- Ends -

Authorised by the Chairman and Managing Director

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IMPORTANT INFORMATION

Competent Persons Statement - General

The Exploration Results and information in this announcement reported under Listing Rule 5.12 that relates to foreign estimates of mineralisation at the Pantanillo Project is based on and fairly represents information compiled by Mr David Hobby and is an accurate representation of the available data and studies for the Project. Mr Hobby is a Member of the Australasian Institute of Mining and Metallurgy and is an employee and Executive Director of Flagship Minerals Limited. Mr Hobby has sufficient experience relevant to 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 Australasian Code for the Reporting of Exploration Results and Mineral Resources, and Ore Reserves. Mr Hobby consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

Forward Looking Statements

Various statements in this document constitute statements relating to intentions, future acts and events which are generally classified as “forward looking statements.” These forward looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other important factors (many of which are beyond the Company’s control) that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed in this document. For example, future reserves or resources or exploration targets described in this document may be based, in part, on market prices that may vary significantly from current levels. These variations may materially affect the timing or feasibility of particular developments. Words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “potential” and similar expressions are intended to identify forward-looking statements. Flagship Minerals Limited cautions security holders and prospective security holders to not place undue reliance on these forward-looking statements, which reflect the view of Flagship Minerals Limited only as of the date of this document. The forward-looking statements made in this document relate only to events as of the date on which the statements are made. Except as required by applicable regulations or by law, Flagship Minerals Limited does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

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