

ASX Announcement
12 May 2021

NICKELX BUILDS ON WA NICKEL PROSPECTIVITY DATABASE

- **Following the commencement of exploration at the Biranup Project, in the world-class Albany Fraser Orogen, NickelX has commenced the build of its WA Nickel database to support project generation and M&A activities to create shareholder value.**
- **The WA Nickel database will focus on the South West Yilgarn and the South East Yilgarn, WA, targeting areas of interest for Nickel sulphide deposits for project generation and M&A activities.**
- **The project aims to characterise critical, mappable controls on nickel sulphide mineralisation and to produce a predictive map, highlighting areas of elevated prospectivity that may have been overlooked by previous explorers.**
- **Industry leading prospectivity modeller Dr Matt Bruce will lead the project with contributions from NickelX director's Dr's Oliver Kreuzer and Kris Butera and Exploration Manager Tony Donaghy.**
- **The project generation will complement the Company's active exploration programs in the Albany Fraser where EM and drilling are being organised at the highly prospective Fire Dragon Nickel target (see NKL ASX Announcement 11 May 2021).**

NickelX Limited ("NickelX" or "The Company") is pleased to report that following the successful \$7 million IPO and ASX listing and the commencement of exploration activities at the 100% owned Biranup Project, located in the world class Albany Fraser Orogen, the Company has commenced the build of its WA Nickel database to support project generation and M&A activities.

The project will focus on the regions of the SW Yilgarn and the SE Yilgarn. The Yilgarn Craton hosts more than 550 known deposits, prospects and occurrences including world-class deposits at Mt. Keith, Perseverance, Kambalda, Yakabindie, and Honeymoon Well. Other nickel discoveries such as Nova-Bollinger (SE Yilgarn), Julimar and Yarawindah Brook (SW Yilgarn) or Mt Alexander (Central Yilgarn) demonstrate that significant Nickel discovery potential remains in and around the Yilgarn with critical re-evaluation of exploration criteria and application of new models and ideas.

Fuzzy logic mineral potential modelling (Figure 1) is being used to identify and target areas that have high potential for hosting economic concentrations of Nickel minerals, utilising all knowledge and relevant spatial data available. The procedure aims to reduce concepts of mineral deposit genesis to their most fundamental mappable components using a mineral systems approach. Complex relationships between critical genetic factors can then be expressed in the form of a logical model which is carefully guided at every step by the NickelX team of geoscientists. Holistic mineral-systems targeting models such as these, intimately reflect the way in which the NickelX team incorporates a wide variety of simultaneous input criteria and can be uniformly and subjectively applied over the entire SW and SE Yilgarn to which a particular conceptual targeting model applies. The final result is a numerical grid of values, representing spatial variations in nickel potential. Reclassification of the grid allows it to be displayed as a simple colour-coded, multi-class favourability map.

NickelX Managing Director Matt Gauci commented:

"The WA Nickel database project generation tool will complement the company's strong industry networks in the WA exploration sector, to target and generate additional nickel opportunities that have the potential of creating significant shareholder value seeking magmatic nickel deposits in WA.

"The Company is pleased to have industry leading prospectivity modeller Dr Matt Bruce lead the project with contributions from NickelX Director's Dr's Oliver Kreuzer and Kris Butera and Exploration Manager Tony Donaghy, to build of the WA Nickel database which will be complimentary to the Company's active exploration programs at the Biranup project where EM and Drilling crews are being organised."

Figure 1. WA Nickel prospectivity database mechanics

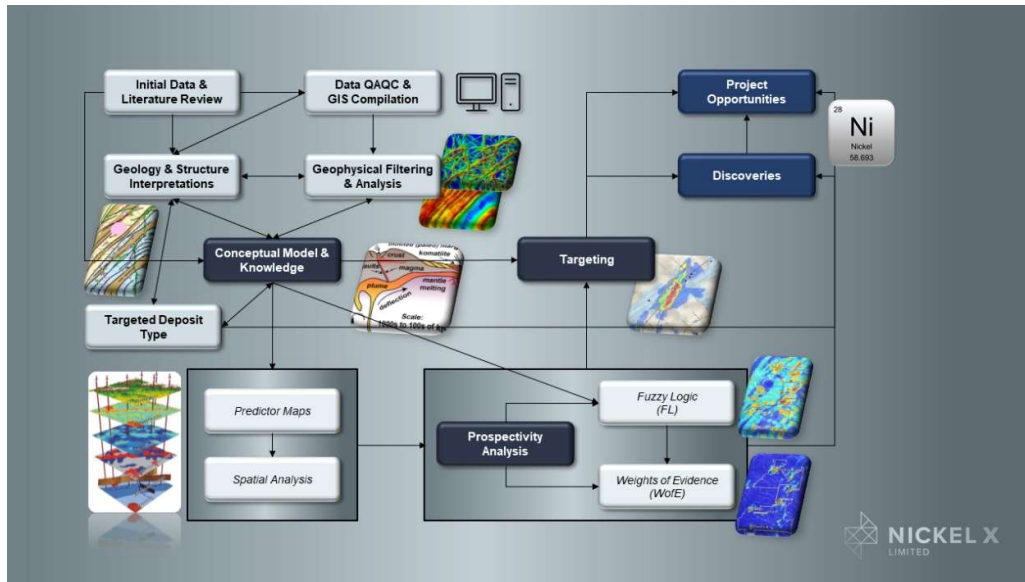
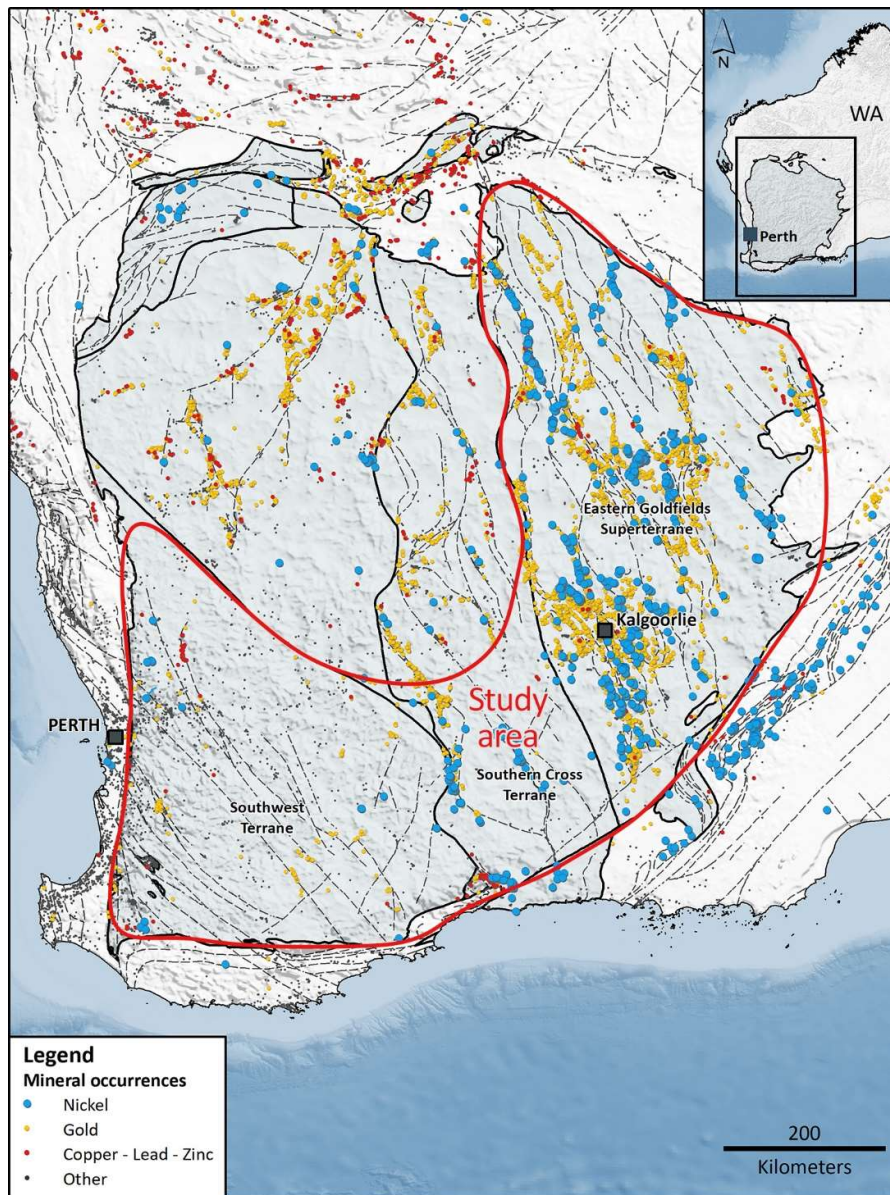


Figure 2. WA Nickel Prospectivity database focus on the SW and SE Yilgarn



Authorised for ASX release by Matt Gauci, Managing Director of the Company.

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ABOUT NICKELX LIMITED

NickelX Limited is an Australian, ASX listed, Nickel and Copper exploration company exploring for high-grade Nova-type magmatic Nickel-Copper deposits in the world class Albany Fraser Belt (AFO), located in Western Australia.

The Company owns 100% interest in its 6 granted Exploration Licenses at the Biranup Project in the Albany Fraser Belt, including 4 high priority targets at Fire Dragon, Silver Dragon, Black dragon and Red Dragon, as well as 16 further priority targets which comprise the projects.

Competent Person's Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Tony Donaghy who is a Registered Professional Geoscientist (P.Geo) with the association of Professional Geoscientists of Ontario (PGO), a Recognised Professional Organisation (RPO). Mr Donaghy is an employee of CSA Global, an ERM Company, and is contracted as Exploration Management Consultant to Nickel X Limited. Mr Donaghy has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Donaghy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Some statements in this announcement regarding estimates or future events are forward-looking statements. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Statements regarding plans with respect to the Company's mineral properties may also contain forward looking statements.

Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in exploration and development activities, geological, mining, processing and technical problems, the inability to obtain exploration and mine licenses, permits and other regulatory approvals required in connection with operations, competition for among other things, capital, undeveloped lands and skilled personnel; incorrect assessments of prospectivity and the value of acquisitions; the inability to identify further mineralisation at the Company's tenements, changes in commodity prices and exchange rates; currency and interest rate fluctuations; various events which could disrupt exploration and development activities, operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions; the demand for and availability of transportation services; the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks and various other risks. There can be no assurance that forward-looking statements will prove to be correct.