

ASX Announcement
10 June 2021

EM SURVEYS DEFINE PROSPECTIVE CONDUCTORS AT FIRE DRAGON

HIGHLIGHTS

- **Moving Loop Electromagnetic (MLEM) surveys have been completed** at the Fire Dragon Nickel-Copper target within the Biranup Project, located in the world class Albany Fraser Orogen (AFO).
- **17 Survey lines were completed across 4 high priority targets** highlighted by SPECTREM Airborne Electromagnetic (AEM) surveys and geophysical data re-processing by the Company.
- Preliminary review of the MLEM survey data has **defined a good quality late time EM conductive response** at FD1, with conductive responses also observed at FD2 and FD4.
- Preliminary EM modelling at **FD1 suggest a moderately dipping strong basement conductor** with a strike length of 800m. modelling and analysis of anomalies at FD2 and FD4 are continuing.
- **A cluster of conductors** is appearing in the Fire Dragon target area which is encouraging for magmatic nickel-copper sulphide deposits where orebodies usually form in clusters.
- Final review, modelling and analysis to be completed in the coming weeks in preparation for a **fully funded diamond** and diamond with RC drill-collar program.
- **The initial drill program is being designed** to test and expand previously identified massive sulphides at Fire Dragon and the now enhanced FD1 target, and to test MLEM conductors at the FD1-FD4 targets, with **Downhole Electromagnetic (DHEM) surveys also planned**.

NickelX Limited ("NickelX", "NKL" or "the Company") is pleased to report that MLEM Surveys have been completed ahead of schedule across four high priority targets on E39/1828. 17 lines of MLEM were conducted focussed on the FD1-FD4 AEM conductive anomalies, where the Company is seeking magmatic Nickel-Copper deposits in the AFO.

The MLEM surveys were designed to better define the four high priority targets identified from a SPECTREM AEM survey flown by previous explorers and reprocessed by Southern Geoscience Consultants for the Company. Three 1st order conductivity targets (FD1, FD2 and FD4; Figures 2 and 3) were followed up by MLEM surveys to test the conductivity anomalies and define targets for drill testing.

The MLEM conductive anomalies detected at FD1, FD2 and FD4 are all suggestive of basement sources with preliminary modelling on FD1 suggesting a conductor located down dip of previously identified EM conductors at Fire Dragon. Final review, modelling and analysis is continuing with results to be released in the coming weeks.

An EIS co-funded diamond drilling program at the Fire Dragon nickel target is being organised with DDH1 for a 4 hole 1,212m diamond and diamond with RC pre-collar program. Approval for a Program of Works (POW) has been received for this and a wider 5,000m drill program.

NickelX Managing Director Matt Gauci commented:

"Following efficient and safe mobilisation to site so soon after the Company's listing, the NickelX team have better defined both previously generated and newly identified high priority targets on E39/1828. The preliminary MLEM results have returned strong discrete conductive responses at the FD1, FD2 and FD4 AEM conductive anomalies with further interpretation ongoing to systematically guide our impending drill program where a POW has been lodged and drillers appointed".

Biranup Nickel Project Overview

The Biranup Project is comprised of six granted exploration licenses (EL's) covering a total area of ~400km² and is located at the north-eastern Albany Fraser Orogen (AFO), where previous work has identified 20+ EM conductors, including 4 high priority targets, that are considered highly prospective for magmatic nickel-copper mineralisation. The high priority Fire Dragon nickel target has been the subject of an AEM survey, ground MLEM survey and very limited drilling by previous explorers, which intersected semi-massive to massive sulphides (including pentlandite and chalcopyrite), from a limited 4-hole program.

The AFO is still considered an emerging mineral belt as nickel-copper discoveries continue after only 10 years from the discovery of the Nova-Bollinger deposit. Total mineral endowment of the AFO is approximately 0.3Mt contained nickel-copper, whereas more mature belts, such as the Thompson Belt in Canada, have been explored for more than 40 years with total mineral endowment of 2.7Mt contained nickel. Discoveries continue to be made in the AFO including the Silver Knight deposit (Creasy Group), Mawson's deposit (Legend Mining Limited) and the Orion target (IGO Limited).

Figure 1. NickelX Biranup and Ponton Projects in the Albany Fraser Orogen

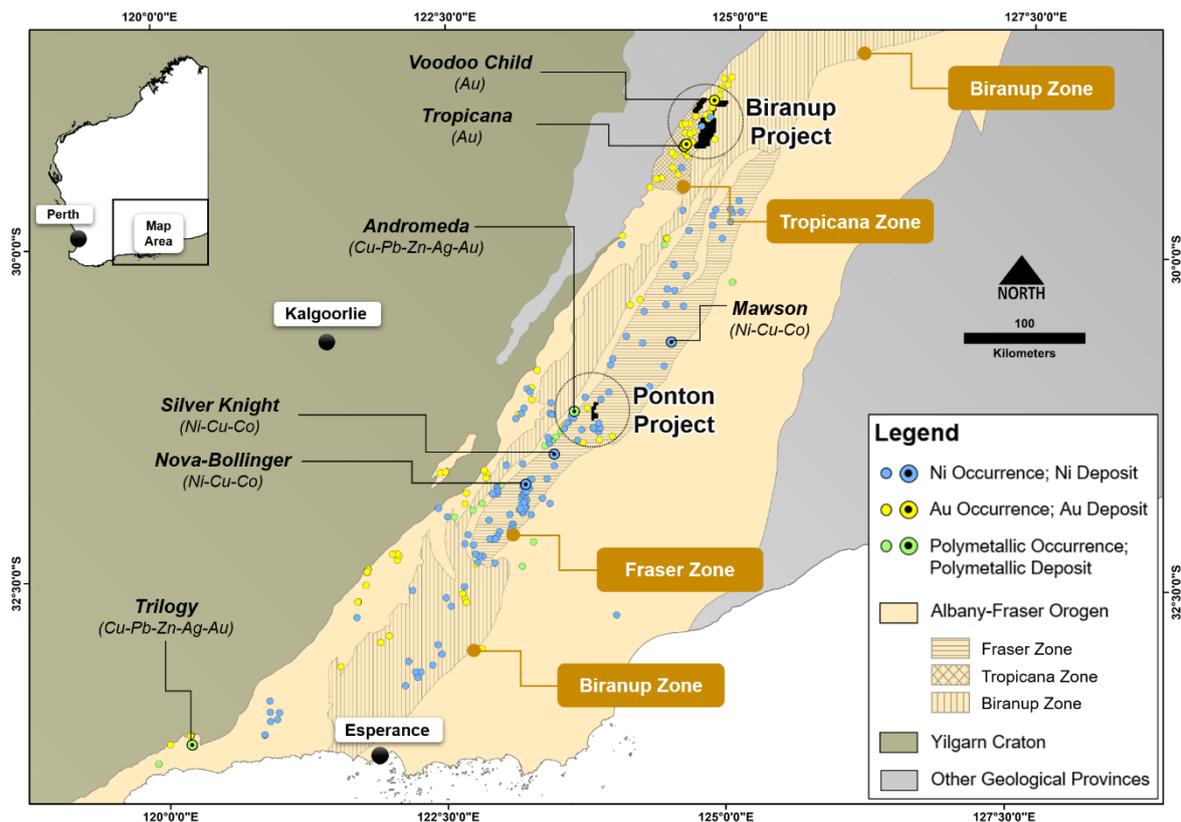


Figure 2. MLEM Survey lines at the Fire Dragon targets

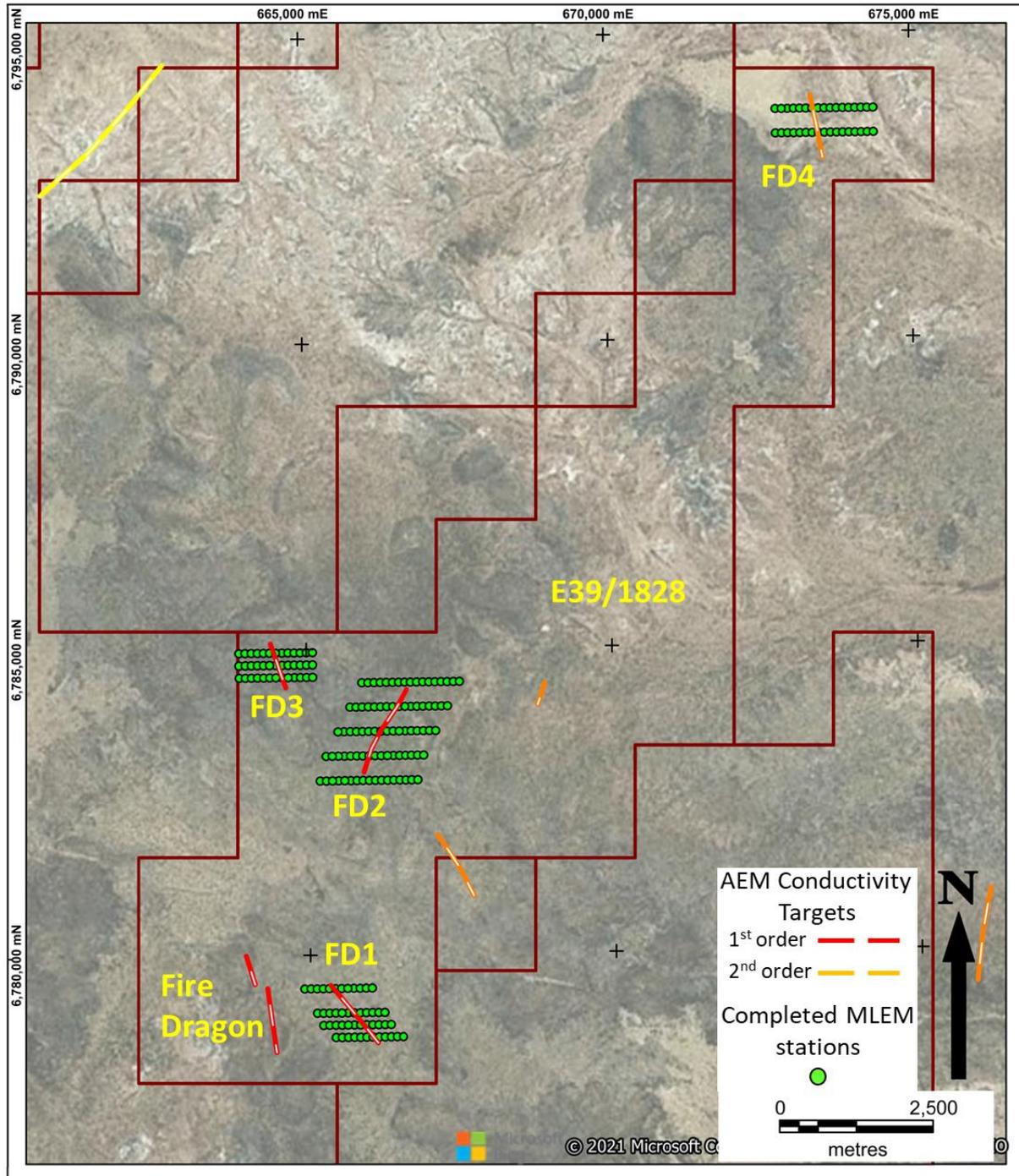
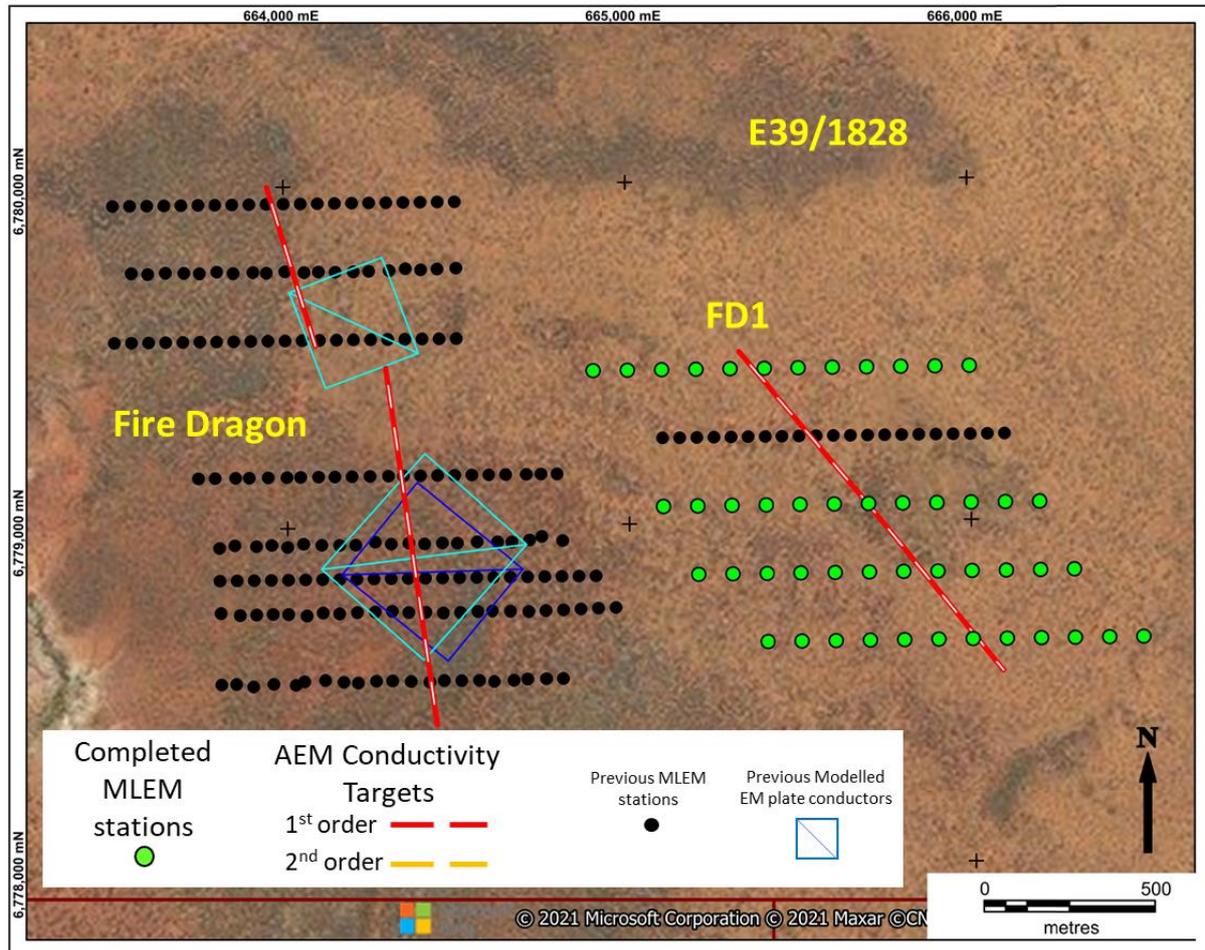


Figure 3 MLEM Survey lines at Fire Dragon and FD1



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

ENDS

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ABOUT NICKELX LIMITED

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

The Company owns 100% interest in its 6 granted Exploration Licenses (EL's) at the Biranup Project in the Albany Fraser Orogen, including numerous high priority targets at Fire Dragon, Silver Dragon, Black Dragon and Red Dragon, as well as additional 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.Geol) 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.

JORC Code Table 1 for Biranup Project

The following tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of the Exploration Results at the Biranup and Ponton Projects.

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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 downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>All references to airborne electromagnetic data acquisition and sampling are taken from reports and documents prepared by previous explorers. They have been reviewed by NKL and considered, in the Competent Person's opinion, to provide sufficient confidence that sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation. Refer to ASX releases by NKL on 11th May 2021.</p> <p>Wireline Services Group MLEM data was acquired in-loop with 200m x 200m loops moved 100m for each reading. Transmission frequency was 1Xz from a TTX2, petrol generator system- 100A/250V transmitter. A SMARTem24 receiver was used with a EMIT B-Field Fluxgate sensor to collect data. Data was repeated three times and results stacked to minimise noise to data ration.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>All references to airborne electromagnetic data acquisition and sampling are taken from reports and documents prepared by previous explorers. They have been reviewed by NKL and considered, in the Competent Person's opinion, to provide sufficient confidence that sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation. Refer to ASX releases by NKL on 11th May 2021.</p> <p>Wireline Services Group MLEM data was acquired in-loop with 200m x 200m loops moved 100m for each reading. Transmission frequency was 1Xz from a TTX2, petrol generator system- 100A/250V transmitter. A SMARTem24 receiver was used with a EMIT B-Field Fluxgate sensor to collect data. Data was repeated three times and results stacked to minimise noise to data ration.</p>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	All references to mineralisation are taken from reports and documents prepared by previous explorers and have been reviewed by NKL and considered to be fit for purpose.
	<i>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.</i>	All references to airborne electromagnetic data acquisition and sampling are taken from reports and documents prepared by previous explorers. They have been reviewed by NKL and considered, in the Competent Person's opinion, to provide sufficient confidence that sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programs and

Criteria	JORC Code explanation	Commentary
	<i>submarine nodules) may warrant disclosure of detailed information.</i>	generating targets for investigation. Refer to ASX releases by NKL on 11 th May 2021. Wireline Services Group MLEM data was acquired in-loop with 200m x 200m loops moved 100m for each reading. Transmission frequency was 1Xz from a TTX2, petrol generator system- 100A/250V transmitter. A SMARTem24 receiver was used with a EMIT B-Field Fluxgate sensor to collect data. Data was repeated three times and results stacked to minimise noise to data ration.
Drilling techniques	<i>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.).</i>	No drilling results are reported
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	No drilling results are reported
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	
	<i>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.</i>	
Logging	<i>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.</i>	No drilling results are reported
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	
	<i>The total length and percentage of the relevant intersections logged.</i>	
Subsampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No drilling results are reported
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	No drilling results are reported
	<i>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</i>	All references to airborne electromagnetic data acquisition and sampling are taken from reports and documents prepared by previous explorers. They have been reviewed by NKL and considered, in the Competent Person's opinion, to provide sufficient confidence that sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation. Refer to ASX releases by NKL on 11 th May 2021. Wireline Services Group MLEM data was acquired in-loop with 200m x 200m loops moved 100m for each reading. Transmission frequency was 1Xz from a TTX2, petrol generator system- 100A/250V transmitter. A SMARTem24 receiver was used with a EMIT B-Field Fluxgate sensor to collect data. Data
	<i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i>	
	<i>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.</i>	
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	

Criteria	JORC Code explanation	Commentary
		was repeated three times and results stacked to minimise noise to data ration.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	No assay data is reported
	<i>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.</i>	All references to airborne electromagnetic data acquisition and sampling are taken from reports and documents prepared by previous explorers. They have been reviewed by NKL and considered, in the Competent Person's opinion, to provide sufficient confidence that sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation. Refer to ASX releases by NKL on 11 th May 2021. Wireline Services Group MLEM data was acquired in-loop with 200m x 200m loops moved 100m for each reading. Transmission frequency was 1Xz from a TTX2, petrol generator system- 100A/250V transmitter. A SMARTem24 receiver was used with a EMIT B-Field Fluxgate sensor to collect data. Data was repeated three times and results stacked to minimise noise to data ration. All data was acquired digitally and forwarded to SGC geophysical consultants digitally for QA/QC processing and modelling
	<i>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.</i>	All references to airborne electromagnetic data acquisition and sampling are taken from reports and documents prepared by previous explorers. They have been reviewed by NKL and considered, in the Competent Person's opinion, to provide sufficient confidence that sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation. Refer to ASX releases by NKL on 11 th May 2021. Wireline Services Group MLEM data was acquired in-loop with 200m x 200m loops moved 100m for each reading. Transmission frequency was 1Xz from a TTX2, petrol generator system- 100A/250V transmitter. A SMARTem24 receiver was used with a EMIT B-Field Fluxgate sensor to collect data. Data was repeated three times and results stacked to minimise noise to data ration. All data was acquired digitally and forwarded to SGC geophysical consultants digitally for QA/QC processing and modelling
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No significant intersections are reported
	<i>The use of twinned holes.</i>	No twinned holes are reported
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All references to airborne electromagnetic data acquisition and sampling are taken from reports and documents prepared by previous explorers. They have been reviewed by NKL and considered, in the Competent Person's opinion, to provide sufficient confidence that sampling was performed

Criteria	JORC Code explanation	Commentary
		<p>to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation. Refer to ASX releases by NKL on 11th May 2021.</p> <p>Wireline Services Group MLEM data was acquired in-loop with 200m x 200m loops moved 100m for each reading. Transmission frequency was 1Xz from a TTX2, petrol generator system- 100A/250V transmitter. A SMARTem24 receiver was used with a EMIT B-Field Fluxgate sensor to collect data. Data was repeated three times and results stacked to minimise noise to data ration.</p> <p>All data was acquired digitally and forwarded to SGC geophysical consultants digitally for processing and modelling</p>
	<i>Discuss any adjustment to assay data.</i>	No assay data is reported
Location of data points	<i>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	<p>NKL has done sufficient verification of the data, in the Competent Person's opinion, to provide sufficient confidence in the accuracy and quality of survey data and that it is fit for the purpose of planning exploration programs and generating targets for investigation. NKL continues to fully verify the data.</p> <p>Data locations were determined by hand-held GPS with field accuracy of <2m for point and RL locations.</p> <p>No Mineral Resource or Ore Reserve has been estimated.</p>
	<i>Specification of the grid system used.</i>	<p>Several grid systems have been used previously, including AGD 1966 AMG Zone 51, AGD 1984 AMG Zone 51 and GDA 1994 MGA Zone 51. NKL uses the grid system GDA 1994 MGA Zone 51 although is in the process of converting to GDA 2020 MGA Zone 51.</p>
	<i>Quality and adequacy of topographic control.</i>	<p>The local topography in the project areas is relatively flat and nominal RLs or RLs taken from handheld GPS are assumed to have been used previously. NKL continues to fully verify the data and has not found any material issues to date.</p>
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	<p>Various data spacing has been used at various prospects by previous explorers. Refer to NKL ASX announcement dated May 11th 2021. Data was acquired at 100m station spacing on lines 200-400m apart. See figures in the report.</p>
	<i>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.</i>	No Mineral Resources or Ore Reserves have been estimated.
	<i>Whether sample compositing has been applied.</i>	No Mineral Resources or Ore Reserves have been estimated.
Orientation of data in relation to	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the</i>	<p>Geophysical data acquisition has been carried out on east-west lines at an oblique angle to the regional northeast-southwest strike of</p>

Criteria	JORC Code explanation	Commentary
geological structure	<i>extent to which this is known, considering the deposit type.</i>	aeromagnetic trends thought to indicate the trend of bedrock geology.
	<i>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.</i>	No drilling results are reported
Sample security	<i>The measures taken to ensure sample security.</i>	Original geophysical data has been digitally stored in databases and is readily available for use and reprocessing.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	SGC geophysical consultants performed data checks as the raw data was being acquired for QA/QC purposes and repeatability of data acquired. No issues were reported with the data quality.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>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.</i>	The details and status of NKL's exploration licences and exploration licence applications are provided in the body of the Announcement. NKL's tenements cover unallocated crown land on the western edge of the sparsely populated Great Victoria Desert. No pastoral leases exist at the Biranup Project. The same is true for any sensitive historical sites, wilderness or national park and environmental settings. The Biranup Project area falls within a native title claim by the Nangaanya-ku Native Title Claim Group.
	<i>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.</i>	NKL's granted tenements E38/3191, E38/3294, E39/1828, E39/2000, E39/2001 and E39/2003 are 100% owned by NKL. The tenements are in good standing and NKL is unaware of any impediments for exploration on these licences.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Previous exploration has been completed on NKL's projects by a variety of companies. Refer to NKL ASX announcements dated May 11 th 2021 and June 1 st 2021.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	NKL's Projects are located in the eastern Albany-Fraser Orogen, Western Australia, a poorly outcropping, ca. 1,200 km-long, arcuate, Neoproterozoic to Mesoproterozoic fold belt that developed along the southern and south-eastern margins of the Archean Yilgarn Craton and upon a Yilgarn-like Archean basement. The orogen records a long history of extensional tectonics (basins, magmatism) as well as thrust tectonics (long-lived structures) and is dominated by high-grade metamorphic (amphibolite to granulite facies) mafic and felsic gneisses and granite and mafic-ultramafic intrusive plutons and complexes. Target mineralisation is magmatic nickel-copper-cobalt systems such as Nova-Bollinger. Orogenic and possible intrusion-related gold systems may also be found in the area.

Criteria	JORC Code explanation	Commentary
Drill hole information	<i>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 downhole length and intersection depth hole length.</i>	No drilling results are reported
	<i>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.</i>	The announcement pertains to potential anomalies derived from reprocessing of geophysical datasets previously acquired by past explorers and new data announced herein. Refer to NKL ASX announcement dated May 11 th 2021.
Data aggregation methods	<i>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.</i>	No assay results are reported.
	<i>Where aggregate intersections 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.</i>	No assay results are reported
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are reported.
Relationship between mineralisation widths and intersection lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	No mineralised intersections are reported.
	<i>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</i>	No mineralised intersections are reported.
	<i>If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. “downhole length, true width not known”).</i>	No mineralised intersections are reported.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intersections should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</i>	Appropriate maps and diagrams are provided in the body of the Announcement.
Balanced reporting	<i>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.</i>	No drilling results are reported.
Other substantive exploration data	<i>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;</i>	All material data is reported in the body of the Announcement.

Criteria	JORC Code explanation	Commentary
	<i>bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	A two-year exploration work program has been planned and will include additional surface geochemical sampling, geophysical surveys and DD, RC, AC or RAB drilling.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	All diagrams are presented in the body of the Announcement.