ACN 119 057 457

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

18 August 2021

DRILLING INTERSECTS SULPHIDES AND MAGNETITE IN FIRST HOLE AT SORTEKAP

HIGHLIGHTS

- Drill-hole SODD001 at the Sortekap Prospect is complete and preliminary investigations show the following zones of interest:
  - From 59.2-112.2m downhole
    - ~2% chalcopyrite
  - 121.9-180.0m downhole
    - ~80% magnetite + ~5% disseminated sulphide (pyrrhotite + other)
  - 180.7-193.4m downhole
    - ~80% magnetite
  - From 195.2-196.5m downhole
    - ~30% pervasive sulphide (pyrrhotite + minor chalcopyrite)
  - From 200.7-209.8m downhole
    - ~90% magnetite + ~10% disseminated sulphide (pyrrhotite + minor chalcopyrite)
  - 214.6-222.0m downhole
    - ~60% magnetite
  - 222.0-223.2m downhole
    - ~1% disseminated? pentlandite
  - 226.6-234.6m downhole
    - ~2% disseminated? pentlandite
  - 234.6-236.7m downhole
    - ~80% magnetite
- The drill-hole targeted an Induced Polarisation (IP) anomaly from a survey conducted in 2020. The anomaly was satisfied by the presence of sulphide mineralisation identified at target depth.
- Drilling at SODD002 has commenced, targeting the IP anomaly and located 350m south of SODD001.
- Drill-hole MIDD007 at the Miki Prospect is complete, having successfully intersected the Miki Fjord Dyke and zones of copper sulphide mineralisation.
- The aeromagnetic-radiometric survey across the Ryberg Licence area is 100% complete and has identified numerous areas of interest, some of which will be drill-tested in the coming weeks.

Conico Limited (ASX: **CNJ**) ("**Conico**" or "the Company") and its wholly owned subsidiary Longland Resources Ltd ("**Longland**") is pleased to announce preliminary results from completed drill-holes SODD001 & MIDD007, located at the Sortekap and Miki Prospects respectively. Drilling has since commenced at hole SODD002 at Sortekap, and hole MIDD008 at Miki. In addition, the regional magnetic-radiometric

survey is now 100% complete and has highlighted multiple areas of interest within the 4,521km^2 Ryberg Project area.

Longland CEO Thomas Abraham-James said:
"The find at Sortekap is significant, we are seeing multiple styles of mineralisation all in one drill-hole. The IP survey coupled with surface geochemistry has successfully guided us to a very prospective location that also happens to have the most magnetic readings of all the Ryberg Project area – as indicated by the recently completed regional magnetic survey. This opens up a very large area of interest that we will now be assessing in earnest."

Drill-hole SODD001

Drill-hole SODD001 represents the first to ever occur at the Sortekap Prospect, targeting nickel sulphide mineralisation as seen at surface, and a conductive anomaly seen in the 2020 Induced Polarisation (IP) survey. The drill-hole intersected complex geology with preliminary investigations identifying mineralisation in the form of sulphides and massive magnetite (Fig.7).

The collar of the hole was located on serpentinised ultramafic rock, transitioning to massive units of magnetite containing ~5-10% disseminated sulphide most of which is chalcopyrite with subordinate pyrrhotite (Fig.1). The massive magnetite begins at 121.9m where it then persists to 236.7m downhole with intermittent pauses in between, after which it then only reappears intermittently. Given the geological setting and preliminary textural analysis, the magnetite is interpreted to be a product of hydrothermal activity overprinting serpentinised ultramafic rock, with extensive remobilisation and recrystallisation of metal-rich phases.

Further down the hole the massive magnetite unit contains relic enclaves of mineralised metavolcanics that host sulphide mineralisation in the form of visible pyrrhotite and chalcopyrite and other unidentified sulphide minerals (Fig.5). Within the massive magnetite unit, the metavolcanics reappear and host semi-massive pyrrhotite, chalcopyrite and possible other sulphide minerals persisting over 1.3m (Fig.2 & 3).

Toward the end of the hole, the magnetite is interspersed with metavolcanics that have undergone significant hydrothermal alteration, resulting in leaching of the host metavolcanic rock and mineralised veins containing sulphides and phyllosilicates (Fig.6).

At 239m the contact between the metavolcanic/ultramafic package and gneiss was reached. Accordingly, the hole was terminated at 287m downhole and drilling of SODD002 has since commenced.

Figure 1 Magnetic pen holding onto magnetite at SODD001 from 196.5m downhole.

Figure 2 Pyrrhotite mineralisation hosted in metavolcanic within SODD001 from 195.8m downhole.

Figure 3 Pyrrhotite mineralisation hosted in metavolcanic within SODD001 from 196.3m downhole.

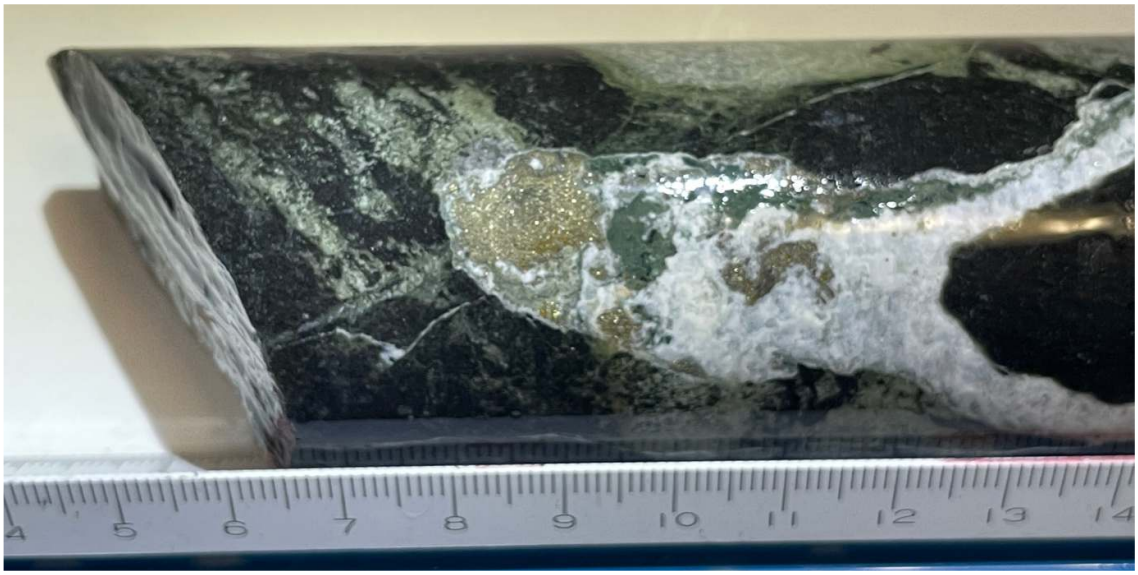

Figure 4 Chalcopyrite with minor pyrrhotite within carbonate vein in SODD001 from 205.5m downhole.

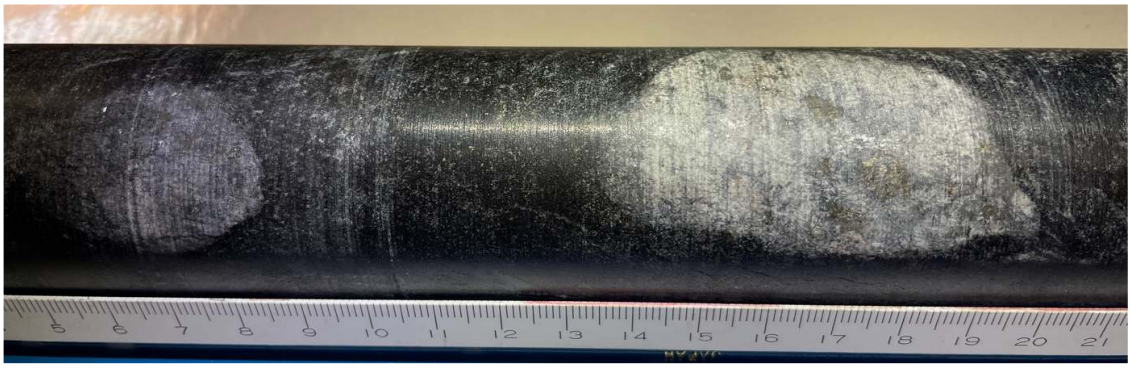

Figure 5 Metavolcanic enclaves containing sulphide mineralisation hosted within magnetite in SODD001 from 207.5m downhole.

Figure 6 Sulphide and phyllosilicate mineralisation within leached metavolcanic in SODD001 from 219.8m downhole.

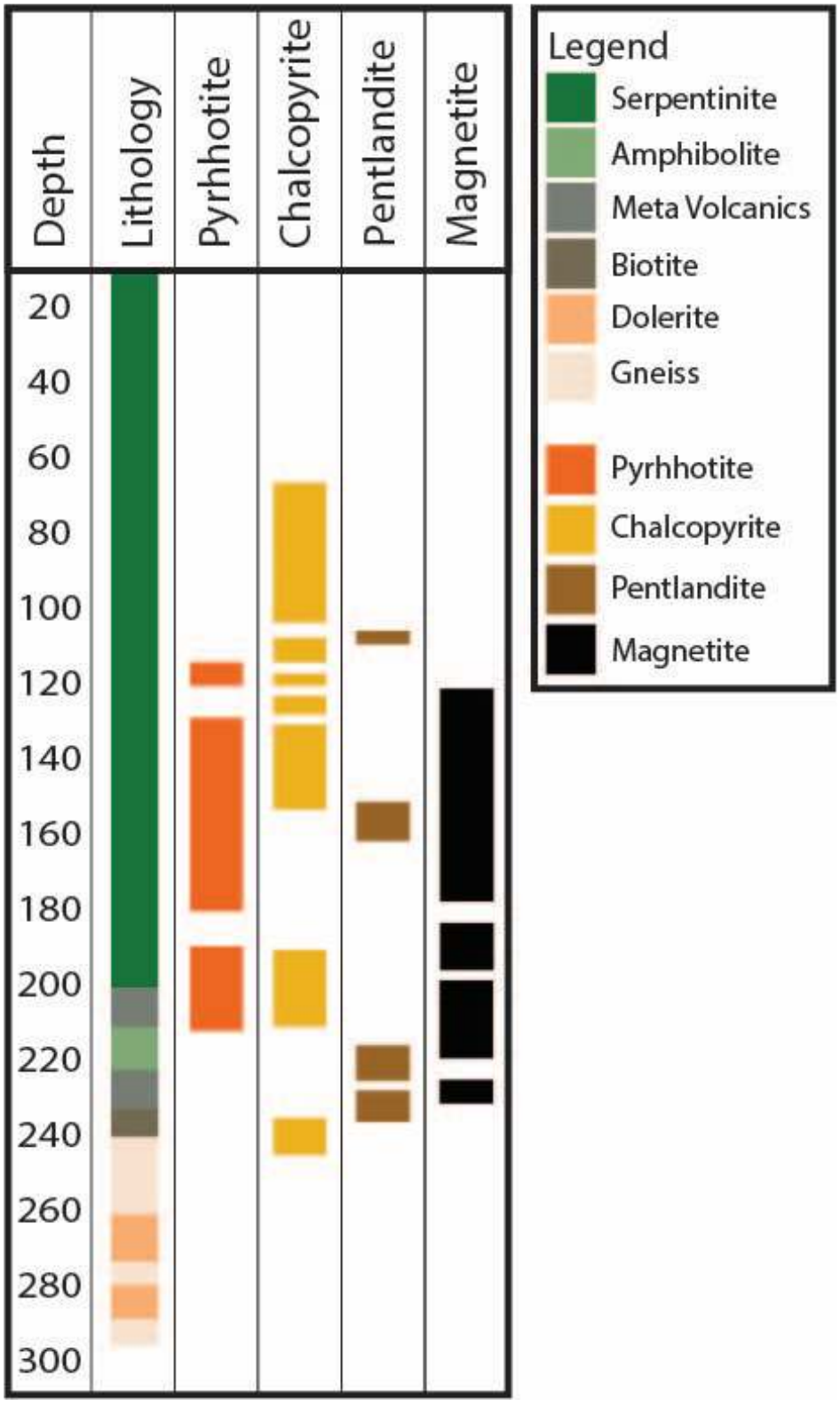

Figure 7 Mineralogical log for Sortekap drill-hole SODD001.

Sortekap Discussion

The IP survey is regarded as having successfully identified sulphide mineralisation, with drill-hole SODD001 intersecting sulphides within 10m of the interpreted chargeable anomaly (Fig.8). The IP anomaly will now be re-tested down-dip by at least two additional drill-holes, the first of which is currently underway (SODD002).

The consequent drill-holes are collared in Archaean greenstone amphibolite that is known to host gold in quartz veins at surface. Prior surface sampling yielded grade up to 2.7g/t, with the gold associated with trace sulphides. Each drill-hole will therefore be penetrating two zones of interest, the amphibolite for gold and then the deeper IP anomaly.

The magnetite encountered in SODD001 is massive in form, fine-grained and persists for a combined total of 89.4m downhole. It differs from known deposits in Australia where iron is present mostly in banded iron formation (BIF), instead the magnetite at Sortekap is the result of hydrothermal alteration of serpentinite and is more akin to the long-lived Cogne deposits in Italy, that produced magnetite from the Middle Ages to 1979. In addition to the magnetite, disseminated sulphide mineralisation is present and analysis is awaited to determine what other metals aside from iron may be present.

The preliminary findings at Sortekap are strongly encouraging and the presence of magnetite is something that the IP survey did not identify. The recently competed heli-borne magnetic survey has however identified Sortekap, and a location approximately 13km to the southeast, referred to as Pyramiden, as the most strongly magnetic locations within the entire Ryberg Project area. The combined area of interest covers ~75km^2 and is regarded as being highly prospective for additional sulphide and magnetite mineralisation.

Initial reconnaissance of Pyramiden has occurred, with iron oxide readily observed. The geology is known to consist of Archaean metamorphic rocks (such as those seen at Sortekap in SODD001), overlain by ~100 million-year old marine shales that have been intruded by mafic sills. Further reconnaissance of this locality is planned, with the intention of locating sites for drilling this field season.

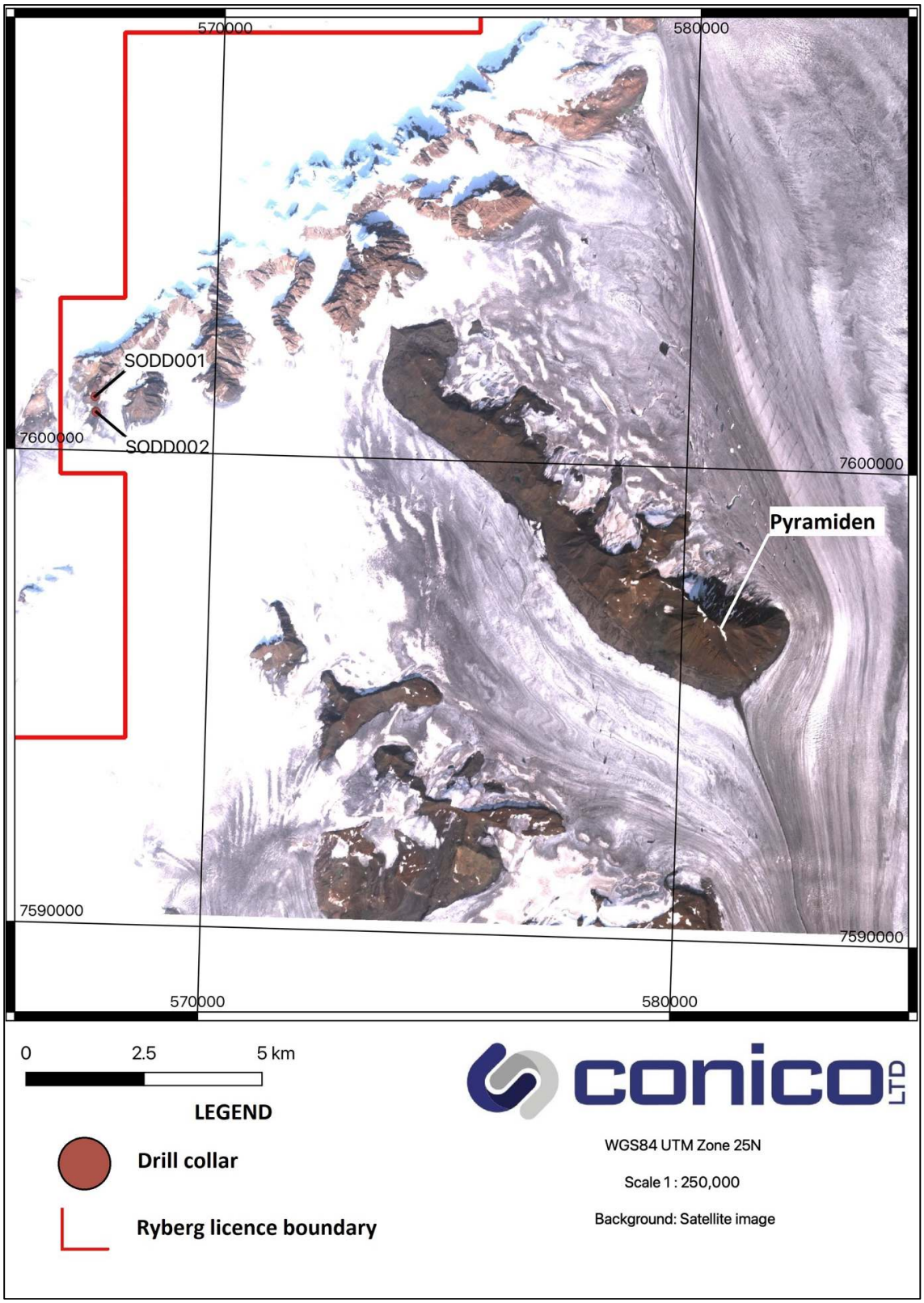

Figure 8 Location map for Sortekap drill-holes and Pyramiden.

Regional Magnetic-Radiometric Survey

The regional heli-borne magnetic-radiometric survey has been successfully completed by New Resolution Geophysics (NRG) of South Africa (Fig.9). They utilised their 'Xcite' system, flying at 200m line spacing, and at 100m spacing over the Sortekap and Miki Prospects, as well at the Togeda Dyke. The data is of high quality, having undergone daily quality control checks by NRG technicians, and weekly checks by consulting geophysicist Kim Frankcombe in Perth.

The regional data represents the first geophysical survey to ever be conducted over the majority of the licence area. It is currently undergoing final processing and interpretation, however preliminary findings have already highlighted areas of significant interest, including magnetism at Sortekap and Pyramiden.

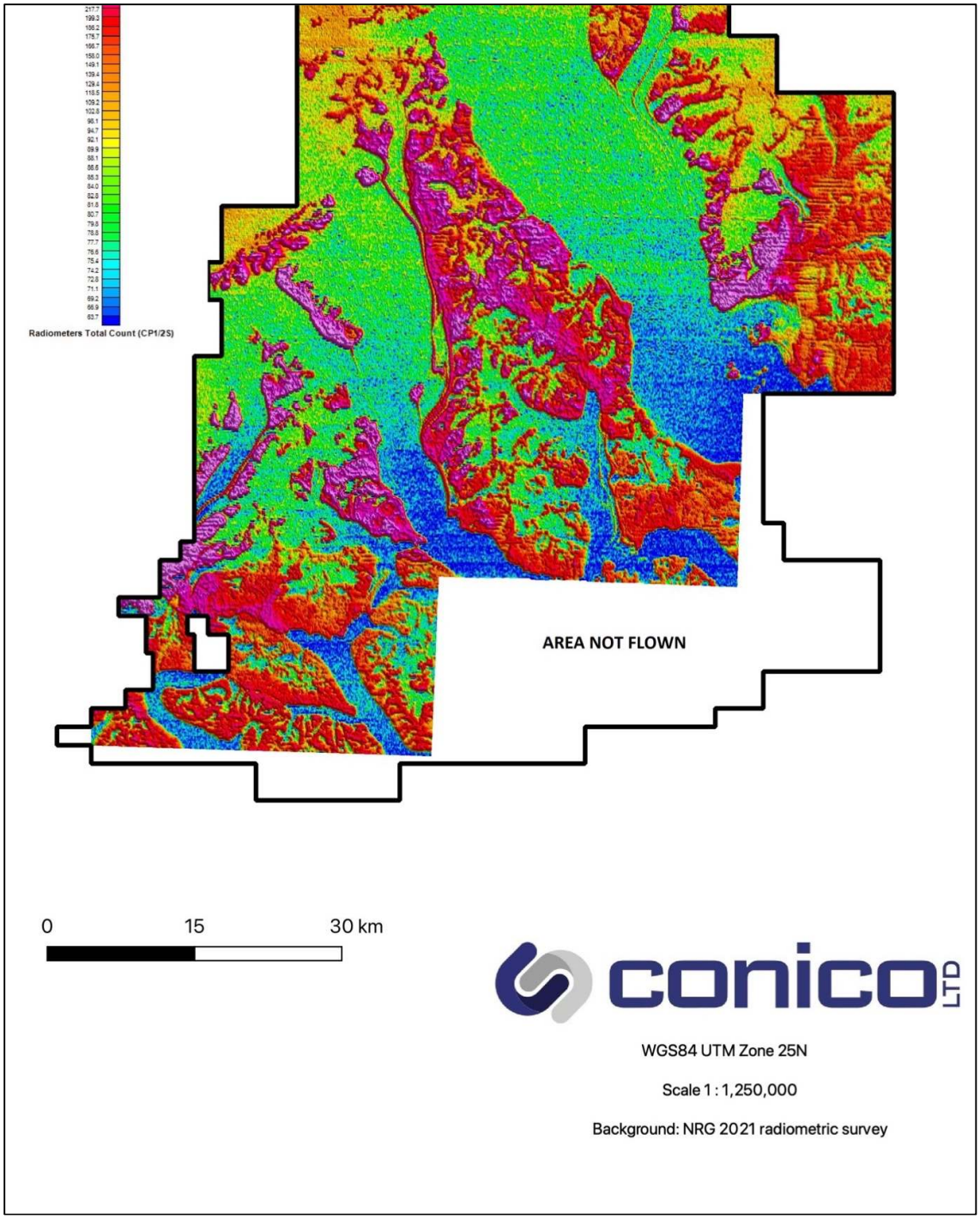

Figure 9 The newly completed NRG heli-borne radiometric survey.

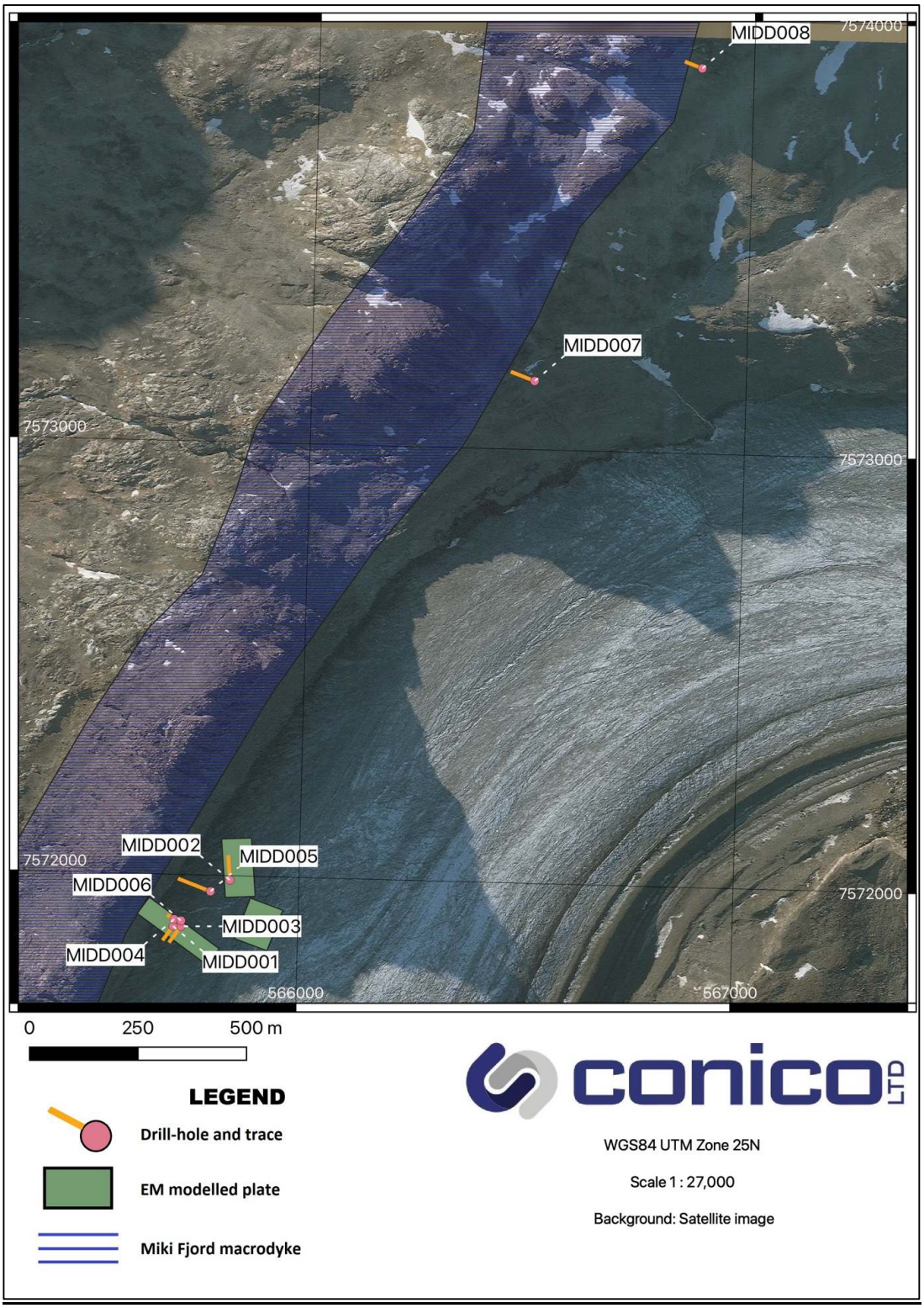

Figure 10 The Miki Prospect showing the location of all drill-holes past and present, plus the EM modelled plates.

Drill-hole MIDD007

Drill-hole MIDD007 at the Miki Prospect successfully intersected the mafic Miki Fjord Dyke at 144m downhole, transitioning from the country rock gneiss (Fig.10). Preliminary investigation highlighted the presence of copper sulphides (chalcopyrite) present as blebs (up to 5mm diameter) and in veins associated with quartz-carbonate, both of which were in the gabbro (Fig. 11 & 12). The information learnt from this hole is valuable, assisting in determining the orientation of the dyke and will aid future drill-holes such as MIDD008 that has just commenced drilling approximately 800m north-northeast of hole MIDD007.

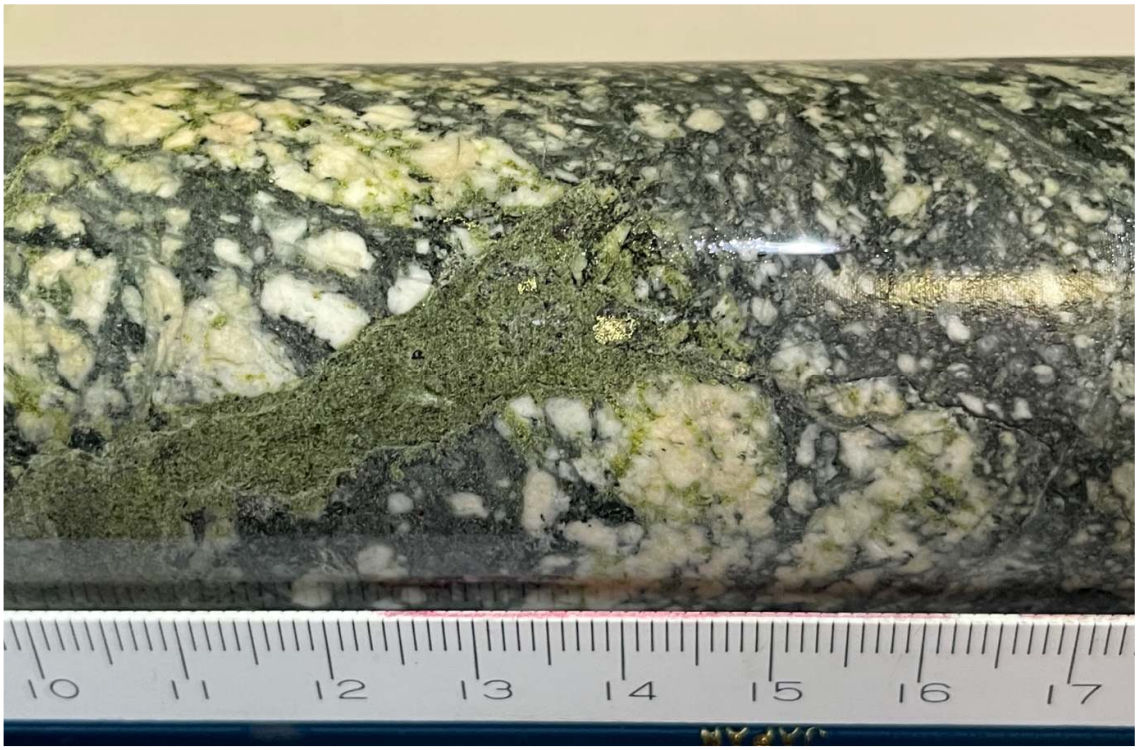

Figure 11 Bleb of chalcopyrite within MIDD007 from 99.8m downhole.

Figure 12 Hydrothermally mobilised chalcopyrite within MIDD007 from 165.0m downhole.

About the Miki Cu-Ni-Co-Pd-Au Prospect

The Miki Prospect is within the Ryberg Project that is located on the east coast of Greenland, approximately 350km NW of Iceland. Conico subsidiary Longland is the 100% owner and operator of the licences that cover an area of 4,521km^2.

The Miki Prospect contains magmatic sulphide mineralisation associated with Tertiary mafic dykes/sills that have intruded Archaean basement gneiss and Cretaceous sediments. There are well developed showings of copper-palladium-gold-rich sulphides at surface, with mineralisation occurring as globular sulphides up to ~15 cm in diameter consisting of pyrrhotite and chalcopyrite.

Grab samples by Longland from surface rocks returned up to 2.2% copper, 0.8% nickel, 3.3g/t palladium and 0.15 g/t gold. A second nickel-rich sulphide phase is also present, with surface samples grading up to 0.8% nickel and 0.1% cobalt.

By order of the board.

Guy T Le Page, FFIN, MAusIMM
Executive Director

COMPETENT PERSONS STATEMENT

The information contained in this report relating to exploration results relates to information compiled or reviewed by Thomas Abraham-James, a full-time employee of Longland Resources Ltd. Mr. Abraham-James has a B.Sc. Hons (Geol) and is a Chartered Professional (CPGeo) and Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr. Abraham-James has sufficient experience of relevance to the styles of mineralisation and the types of deposit under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserve Committee (JORC) "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Abraham-James consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Annex 1

Hole ID	Easting	Northing	Elevation	Dip	Azimuth	Length
MIDD001	565714	7571884	298m	-80°	215°	217.0m
MIDD002	565840	7571990	312m	-80°	355°	313.5m
MIDD003	565734	7571883	298m	-80°	215°	180.0m
MIDD004	565715	7571897	299m	-80°	290°	36.0m
MIDD005	565797	7571960	311m	-70°	285°	381.0m
MIDD006	565728	7571889	298m	-75°	290°	153.0m
MIDD007	566497	7573151	386m	-70°	290°	278.0m
MIDD008	566880	7573889	567m	-80°	290°	N/A
SODD001	567481	7601155	1,319m	-80°	355°	287.0m
SODD002	567518	7600827	1,240m	-85°	095°	N/A

All coordinates are displayed in WGS84 UTM Zone 25N

Annex 2

JORC Code, 2012 Edition

Section 1: Sampling Techniques and Data

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.*	• Sampling of MIDD007 & SODD001 was conducted using standard industry practices with diamond drilling. Magnetic readings were taken using a Reflex EZ-Trac downhole survey tool.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	• Drill-holes MIDD007 & SODD001 were angled to optimally intersect the interpreted contact with the Miki Fjord Dyke and an IP conductor, respectively.
	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.	• Mineralisation in drill-holes MIDD007 & SODD001 has not been quantitively determined and is awaiting assay. The determination in this report is qualitative, based on visual observation made by the Competent Person who is a geologist on site.
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.).*	• Wireline diamond drilling using a 56.5mm diameter drill bit and standard tube. The core has not been orientated but has been surveyed using a Reflex EZ-Trac multi-shot tool. The drill rig is a CDI 500 heli-portable fly rig operated by Cartwright Drilling Inc.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	• All drill core has been geotechnically logged with core recovery measured per drill core run (3m).
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	• The drill crew was notified of the target depth and likelihood of intersecting sulphides, accordingly they eased pressure on the drill bit from that depth onward to minimise the chance of core destruction. All drill core was then placed in trays with lids to ensure that no core was lost during transportation from the drill site to core logging facility. The drill core was then

		reconstructed into continuous runs on an angle iron cradle by the geologist. Depths were checked against depths indicated on the core blocks.
	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.	• Not applicable as no assays have been conducted to date.
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.*	• All drill core has been geologically and geotechnically logged by a qualified geologist to a level of detail that supports appropriate Mineral Resource estimation, mining studies and metallurgical studies.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	• The logging is qualitative. All drill core was photographed.
	The total length and percentage of the relevant intersections logged.	• Drill-holes MIDD007 & SODD001 have been logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	• No sampling has been undertaken.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	• Not applicable as the drill-holes are core.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	• Not applicable as no sampling has been undertaken.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	• Not applicable as no sampling has been undertaken.
	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.	• Not applicable as no sampling has been undertaken.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	• Not applicable as no sampling has been undertaken.
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.*	• Not applicable as no assaying has occurred.
	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.	• Downhole magnetic readings were taken using a Reflex EZ-Trac. Readings were taken every 3m at completion of drilling, with the survey beginning at bottom of hole and working up. The tool protruded beyond the drill string by 3m to ensure no interference from the rods. The magnetic roll is 0° to 360° with an accuracy of ±0.35°. The magnetic range is 0 to 100,000 nT with an accuracy of ±50 nT.
	Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory	• Not applicable as no sampling or assaying has occurred.

	checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.	
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	• Consultants utilised by the Company have verified the findings of the on-site geologists.
	The use of twinned holes.	• Not applicable as no twinned holes have been drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	• All logging data was entered into a computer on site, with daily backups taken and stored on hard drives and the cloud.
	Discuss any adjustment to assay data.	• Not applicable as no assaying has occurred.
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.*	• Drill-holes MIDD007 & SODD001 were located using a handheld Garmin GPS with an accuracy of ±4m.
	Specification of the grid system used.	• UTM WGS84 Zone 25N.
	Quality and adequacy of topographic control.	• Topographic information was sourced from the Greenland Mapping Project (GIMP) digital elevation model (30m accuracy).
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	• Not applicable as the drill-holes are targeting specific geological and IP targets.
	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.	• Not applicable as the drill-holes are targeting specific geological and IP targets.
	Whether sample compositing has been applied.	• Not applicable as no sampling has occurred.
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.*	• The strike and dip of drill-holes MIDD007 & SODD001 were designed to intersect geological and IP targets (respectively) at an adjacent angle, not along strike. Therefore, the sampling conducted by the drill-hole is considered unbiased.
	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.	• There are no known biases caused by the orientation of drill-holes MIDD007 & SODD001.
Sample security	*The measures taken to ensure sample security.*	• The drill core is stored onboard the Company's charter vessel which is considered highly secure.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out at this time.

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,*	• The Ryberg Project is wholly within Mineral Exploration Licences 2017/06 and 2019/38, located on the east coast of Greenland. They are held 100% by Longland Resources

	partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Ltd, a wholly owned subsidiary of Conico Ltd.
	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.	• The tenure is secure and in good standing at the time of writing. There are no known impediments.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	• Previous work mentioned (2017 VTEM survey) was planned and managed by Longland Resources Ltd, a wholly owned subsidiary of Conico Ltd. • Historic rock-chip sampling was conducted by Platina Resources Ltd and University of Leicester.
Geology	*Deposit type, geological setting and style of mineralisation.*	• Deposit type: Magmatic. • Geological setting: The project area is located within the North Atlantic Igneous Province (NAIP), a Tertiary volcanic centre that covered an area of approximately 1.3 million km^2 in continental flood basalts (6.6 million km^3 in volume), making it one of the largest volcanic events in history. Volcanism is associated with the opening of the North Atlantic, and presence of a mantle plume (what is now the Icelandic hotspot). The project area represents an erosional interface where the flood basalts have been removed, revealing the basement geology beneath. The project area is adjacent to a triple junction (failed rift) and consists of Archaean orthogneiss, Tertiary gabbro/flood basalt, and Cretaceous-Tertiary sediments (rift valley basin). Approximately 70% of the geology within the sedimentary basin has been intruded by Tertiary sills that are feeders to the overlying plateau basalts. There are also feeder dykes and layered mafic intrusions – it is likely that there is also a large ultramafic body present at depth, evidence for this is in the form of ultramafic xenoliths brought to surface by magma conduits. • Style of mineralisation: magmatic copper and nickel sulphides with appreciable cobalt, palladium and gold.
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.*	• Refer to Annex 1.

	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.	• This is not the case.
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.*	• Not applicable as no sampling or assaying has occurred.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Not applicable as no sampling or assaying has occurred.
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').*	• The geometry of the mineralisation with respect to the drill-hole angle is not known. All reported lengths are in reference to down-hole length, true width not known.
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.*	• Refer to Figures 7, 8 & 10.
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.*	• Not applicable as no sampling or assaying has occurred.
Other substantive	*Other exploration data, if meaningful and material, should be reported including (but not limited to):*	• Previous exploration results are detailed in:

exploration data	*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.*	*1.* Conico Ltd press release on the 11th of December 2020, entitled '*EM Survey Reveals Highly Prospective Chonolith at Ryberg*'. 2. Conico Ltd press release on the 29th of July 2020, entitled '*Conico to acquire East Greenland projects via acquisition of Longland Resources*'. 3. Holwell et al, Mineralium Deposita, 2012, 47:3-21.
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).*	• Diamond drilling testing for lateral extensions of mineralisation, and 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.	• Refer to Figure 7, 8 & 10.