

## December 2021 Quarterly Report

# Nimy completes successful ASX listing. Commences multi-pronged exploration program at Mons Nickel Project, WA

### Key Points

- Nimy completed IPO, raising \$6M after costs at 20c a share
- Commenced 32sqkm Moving Loop Electro Magnetic Survey (MLEM) Survey across Zone A – Area A01 – to identify Kambalda-style targets
- Leading geophysical consultants NewExco engaged to interpret the MLEM data and potential targets for drilling
- POWs and drill holes planning completed for commencement of deep (400-600m) diamond drilling of Zone A – Area 02, including Dease and Godley targets
- Heritage approval progressed for tenements in Zones C and D for exploration in 2022
- Site access roads to Zone A and Zone B were upgraded. Mons exploration camp established
- Updated Karroun Hill Belt greenstone geology map created based on interpretation of the regional Yilgarn Geology update by GSWA
- Exploration targeting program expanded to cover additional co-occurring minerals at Mons

Nimy Resources (ASX:NIM) is pleased to report on a successful December 2021 quarter for the Company.

The period was marked by Nimy's successful IPO and ASX listing and the start of the multi-pronged exploration campaign at its Mons Nickel Project in WA's Forrestania nickel belt.

#### Mons Nickel Project: Exploration

##### Moving Loop Zone A - Area A01 – Underway

The moving loop electromagnetics (MLEM) contractor was mobilised during the period to undertake an initial survey over 32sqkm of Area 01 to further define Kambalda and Forrestania-style targets for follow-up drilling. MLEM is a key well understood, low cost, and successful exploration method for the discovery of potential nickel sulphide conductor plates at depth.

#### RELEASE DATE

31<sup>st</sup> January 2022

#### COMPANY DETAILS

ASX:NIM

Registered Office

254 Adelaide Tce,  
Perth, WA, 6000

Website  
[www.nimy.com.au](http://www.nimy.com.au)

Contact  
[info@nimy.com.au](mailto:info@nimy.com.au)

#### BOARD AND MANAGEMENT

Simon Lill  
Non-Executive Chairman

Luke Hampson  
Executive Director

Christian Price  
Managing Director

Stuart Peterson  
Chief Geologist

John Palermo  
Secretary/CFO

#### CAPITAL STRUCTURE

Shares on Issue - 114m

Options Issue - 12.5m



## Heritage and Tenement Approvals – Zone C & Zone D

The final stages of heritage and tenement approvals across Zone C & Zone D occurred during the quarter. Surface exploration activity is planned across Zone C & Zone D in H2 2022. This is a key step going forward in unlocking the greater Mons Nickel Project.

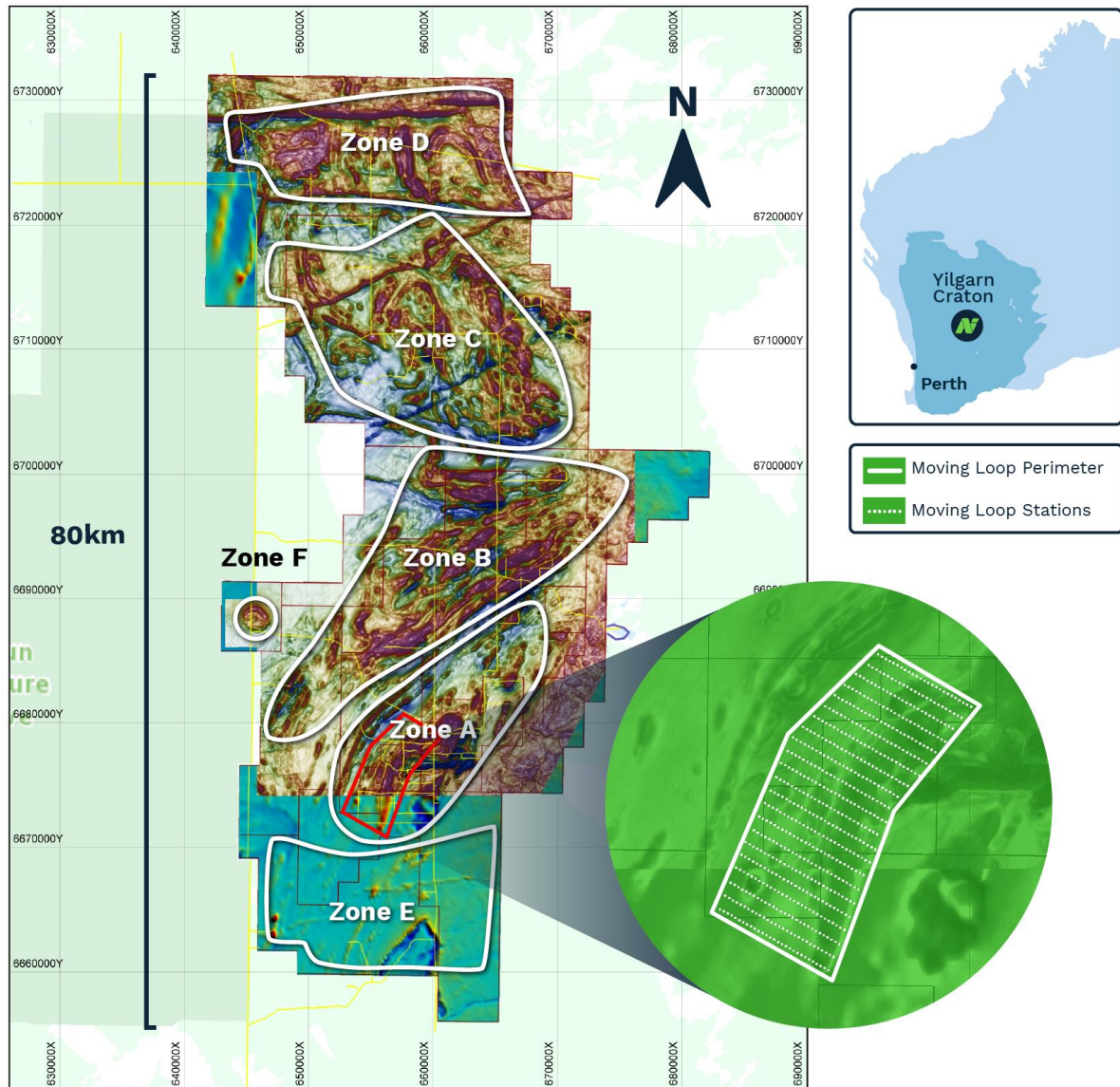


Figure 1 - Mons Nickel Project and Zone A - Moving Loop Campaign

## Planning & Preparation for Diamond Drilling Zone A – Area A02 – Dease and Godley targets

Planning and site preparation works are underway for deep diamond drilling on the Dease and Godley prospects targeting Mt Keith-style targets. This will follow-up the successful R/C drilling campaign of October 2020. POWs site access were completed during the quarter with DMIRS (Department of Minerals, Industry Regulation and Safety) in preparation for commencement of diamond drilling in January 2022.



*Figure 2 - Mons Nickel Project - MLEM Crew on the ground*

#### **Management Team & Consultants**

Newexco has been appointed to interpret the data from the MLEM Surveys across site. Newexco is a leading geophysical consulting firm which has been involved in the discovery and definition of a large number of komatiite-hosted Kambalda-style deposits in Yilgarn Craton. Newexco expertise and the knowledge gained from the MLEM survey campaigns will be applied to the broadscale explorations targeting across the greater tenement package.

#### **Exploration Targeting, Geological Modelling and Exploration Strategy**

The Mons Nickel Project and Karroun Hill geology model has been updated based on revisions to public available information to update the regional bedrock geology and geochemistry from GSWA (Geological Survey of Western Australia). Coupled with an updated interpretation of Mons geochemical and historical exploration information the exploration targeting model and exploration strategy have been updated, for Nickel targets and other co-occurring minerals in the expansive Karroun Hill Greenstone belt.

#### **Central Exploration Camp Setup & Site Access**

The initial Mons exploration camp was completed in November-December 2021. The existing camp services are being increased to accommodate and service multiple crews and exploration programs across several zones, providing a base of operation in the field for operations and technical teams.

Site access to the Mons Nickel Project has been upgraded to assist with the upcoming exploration campaigns in Zone A & Zone B. Central access to the tenement package was improved using local Mukinbudin based contractors. Improved road conditions decreases risk to personnel and reduce travel time between the exploration camp and exploration target areas.





## Corporate

### Nimy Resources ASX Announcements

The following key announcements were made during the last quarter and up to the date of this activities report:

- Prospectus – 18<sup>th</sup> November 2021
- Mons Nickel Project Exploration - 23<sup>rd</sup> November 2021
- Mons Nickle Project Moving Loop Commences – 6<sup>th</sup> Jan 2021
- Diamond Drilling Program Underway – 19<sup>th</sup> Jan 2022

### Initial Public Offer

Nimy Resources listed on the ASX on the 22<sup>nd</sup> of November 2022 following a success initial public offering (IPO) that raised \$6.0m after costs through the issue of 32,242,500 shares at 20c per share to fund the exploration and development of the Mons Nickel Project in Western Australia.

A total of 114 million shares are on issue, together with 12.5 million unquoted options.

Details of the IPO and capital structure are outlined in the Company's prospectus.

### Additional ASX information

The Company provides the following information pursuant to ASX Listing Rule requirements:

#### Related party payments included in the Quarterly cashflow report

In accordance with the ASX Listing Rules, the Company will also lodge its cashflow report for the quarter ending 31 December 2021 today. Included in those cashflows are payments to related parties and their associates as follows:

- a. Payment of \$184k to Cloonmore Pty Ltd for settlement of an outstanding related party loan.
- b. Payment of \$116k in Director Fees (including superannuation as applicable) to both a related entity of Mr Hampson & a related entity of Mr Price; and
- c. Payment of \$26k for monthly management services and monthly rental charges to a related entity of Mr Hampson.

### Exploration and Evaluation Expenditures

The Company spent \$237k on exploration and evaluation work in the quarter, which comprised \$75k for MLEM Surveys, \$96k for rents, rates and related tenement costs and \$66k on technical consulting and analysis.

The Company also confirms that there was no mine production and development activities for the quarter.

### Use of Funds

Pursuant to ASX Listing Rule 5.3.4, the Company provides the following update between its actual expenditure incurred and the proposed use of funds as announced to the ASX on 18 November 2021:



Table 1 – Comparison of actual expenditure to the Use of Funds statement in the Prospectus dated 6 October 2021

	Use of Funds for 24 Months AUD\$ (22.11.21)	Use of Funds Pro-Rata to AUD\$ 31.12.21*	Actuals (22.11.21 to 31.12.21) \$AUD	Variance AUD\$	Note
Geochem and geophysical	489,000	26,125	75,000	48,875	1
Drilling and assay costs	1,980,476	105,806	-	(105,806)	2
Technical expert and studies	448,828	23,978	19,250	(4,728)	3
Tenement and site access costs	515,573	27,544	93,567	66,023	4
Working capital	1,622,550	86,684	227,800	141,196	5, 6
Costs of the Offer	703,610	703,610	653,955	(49,655)	6
Administration costs	688,463	36,781	94,192	57,411	6
Total	6,448,500	1,010,529	1,163,843	153,315	

\*Pro-rata adjustment of 5.3% (39 days of 24 months) applied to expenditure items in Use of Funds budget.

#### Note 1

Moving Loop electromagnetic surveys (MLEM) commenced in the period until 31 December 2021.

#### Note 2

Difference due to timing of pro-rata budget compared to actual activities (Drilling commenced in Jan 2022)  
- No drilling undertaken up to 31 December 2021).

#### Note 3

No material variance from expectation.

#### Note 4

The tenement and site access costs incurred as the Company setup an exploration camp prior to starting exploration activities. The difference is mainly attributable to timing of the pro-rata budget and actual expenditures.

#### Note 5

Working capital also includes the acquisition of a vehicle and other field equipment.

#### Note 6

Difference mainly due to timing of pro-rata budget compared to actual activities, including a number of expenses initially incurred which should even out over time.

#### Tenement Schedule

The Mons Nickel project tenement package consist of 12 tenements, of which 7 were granted and further 5 are in application pending granting at the end of the December 2021 quarter (3 subsequently also granted on 20 January 2022). All tenements are located in Western Australia.

The following information is provided pursuant to ASX Listing Rule 5.3.3 for the quarter:



Table 2 - Nimy Resources Tenement Schedule

Tenement	Commence	Expiry	Area (Blocks)	Approx. Area Ha	Locality
E77/2255	10-Mar-15	9-Mar-25	7	1,960	Mount Jackson
E77/2332	4-Jul-16	3-Jul-26	54	15,120	Mount Jackson
E77/2438	9-Oct-17	8-Oct-22	16	4,480	Mount Jackson
E77/2683	29-Mar-21	28-Mar-26	9	2,520	Mount Jackson / Karroun Hill
E77/2714	15-Apr-21	14-Apr-26	75	21,000	Mount Jackson West
E77/2741	7-Jul-21	6-Jul-26	41	11,480	Mount Jackson / Karroun Hill
E77/2810	20-Jan-22	19-Jan-27	66	18,480	Karroun Hill NR East
E77/2811	20-Jan-22	19-Jan-27	37	10,360	Karroun Hill NR East
E77/2812	20-Jan-22	19-Jan-27	135	37,800	Karroun Hill NR East
E77/2813	Pending		112	31,360	Karroun Hill NR East
E77/2818	Pending		20	5,600	Karroun Hill NR East
E77/2833	Pending		20	5,600	Mount Jackson

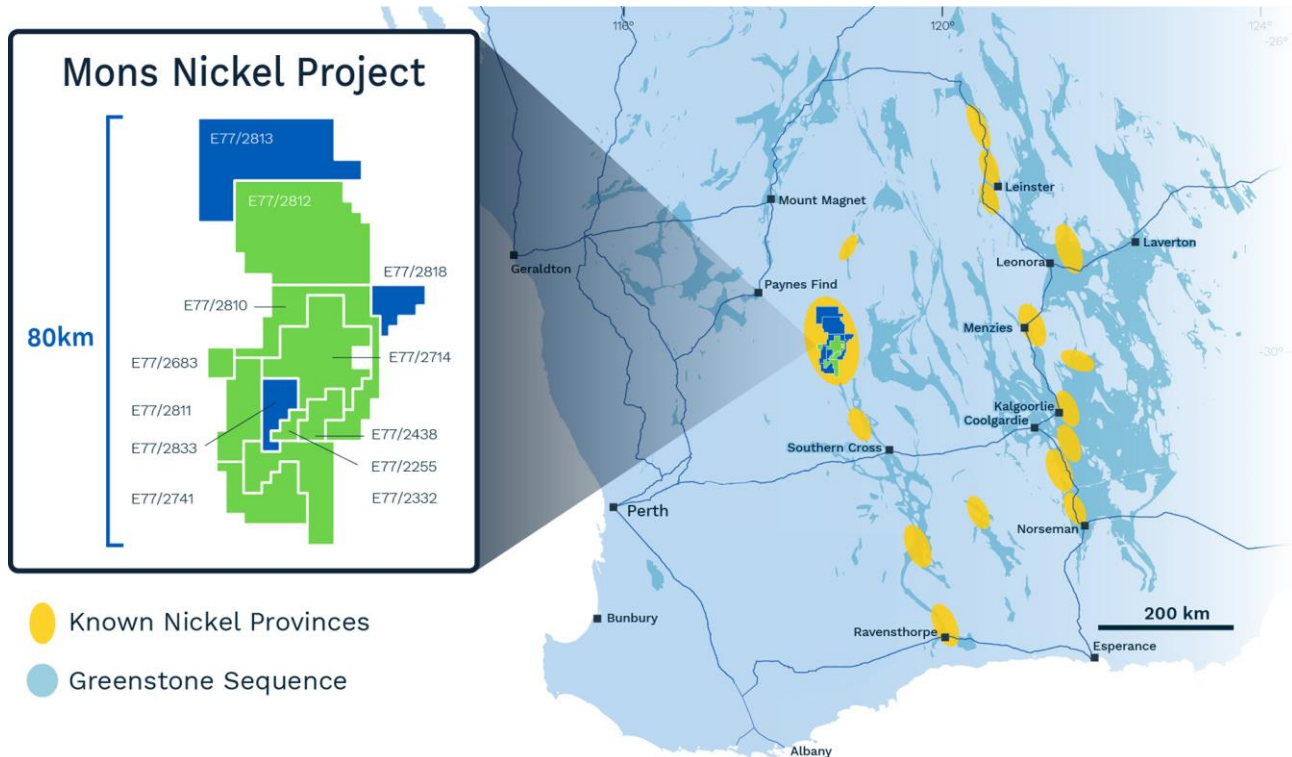


Figure 3 - Mons Project Map and Tenement Outline



## Project Background

Nimy's flagship asset, the Mons Nickel Project, is located 140km NNW of Southern Cross and covers the Karroun Hill Nickel district. It contains a large tenement holding of 1,761 km<sup>2</sup> that contains similar key Mafic/Ultramafic geology and regional structures to both the Forrestania and Kambalda nickel belts.

The Forrestania nickel belt, which runs parallel to the Kambalda Nickel belt 200km to the east, has an outstanding production history, hosting several prolific deposits including Spotted Quoll, Flying Fox and Cosmic Boy.

## About Nimy Resources

Nimy Resources is an emerging exploration company, with the vision to responsibly discover and develop an economic nickel-sulphide project in a Tier 1 jurisdiction, Western Australia.

Nimy Resources has prioritised the development of the Mons Project, a district scale land holding consisting of 12 tenements, an area over 1,761sqkm along an 80km north/south strike.

The project is located 370km North-East of Perth, Western Australia and is situated within a large scale fertile "Kambalda-Style" Komatiite sequence within the Archean Murchison Domain of the Youanmi Terrane of the Yilgarn Craton.

This release has been approved for release by the Board.

For further information on Nimy Resources Limited

### Company Information

Nimy Resources Limited  
Christian Price  
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### Investor & Media Information

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## FORWARD LOOKING STATEMENT

This report contains forward looking statements concerning the projects owned by Nimy Resources Limited. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Nimy Resources Limited

ABN

82 155 855 986

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(203)	(322)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(77)	(81)
	(e) administration and corporate costs	(222)	(347)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(3)	(3)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(505)</b>	<b>(753)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(84)	(87)
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(84)</b>	<b>(87)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	6,449	6,474
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(573)	(654)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(184)	(204)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>5,692</b>	<b>5,616</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	646	973
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(505)	(753)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(84)	(87)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,692	5,616

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>5,749</b>	<b>5,749</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	5,749	646
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,749</b>	<b>646</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

<b>Current quarter \$A'000</b>
142
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-

7.5 <b>Unused financing facilities available at quarter end</b>	-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	(505)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(505)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	5,749
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	5,749
8.7	<b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	<b>11.38</b>

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?  

Answer: Not applicable.
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?  

Answer: Not applicable.
3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?  

Answer: Not applicable.

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2022

Authorised by: By the Board of Nimy Resources Limited  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.