

22 July 2022

Ms Sandra Wutete
Principal Advisor ASX
Level 40 Central Park, 152-158 St Georges Tce
Perth WA 6000

Dear Ms Wutute

The purpose of this letter is to respond to the queries raised by the ASX by your email of Wednesday 20 July 2022.

In response to your queries Nico responds as follows;

1. *Why was the Original 3Y lodged late –*

The Director, Rod Corps was travelling both interstate and overseas promoting Nico Resources Limited and overlooked the necessity to furnish the Company Secretary with the information to be able to lodge the 3Y in the 5 day time required.

2. *Please confirm if the transactions all occurred on 12 May 2022 as set out in the amended 3Y. If not please provide the dates on which the transactions occurred –*

See attached the updated appendix A which includes the dates the transactions occurred.

3. *If the transactions occurred on dates other than 12 May 2022, please explain why the original 3Y only referred to 12 May 2022 as the date of change –*

The original 3Y depicted the date of the first change that had occurred on 12 May 2022.

4. *If the Transactions occurred on dates other than 12 May 2022, please explain why the subsequent amended 3Y only referred to 12 May 2022 as the date of change? –*

The dates should have been included on the Schedule A list of transactions and was purely an oversight.

5. *When did Nico first become aware of Mr Corp's on-market transactions? –*

The Company became aware on 16 June 2022.

6. *Were the transactions permitted Trades in accordance with Nico's Trading Policy? –*

The Company believes the trades were in accordance with the trading policy. The Company was not in a mandated block out period and the Company had no market sensitive information that had not already been released to the market.



7. *Were the Transactions notified in writing to the Chairman and Company Secretary in accordance with section 5.1 of the Trading Policy before entering into the Transactions? If not why? –*

Each individual transaction was not specifically notified to the Chairman and Company Secretary in advance of entering into the transaction nor do we believe our trading policy requires this, however, the director, Mr Rod Corps did discuss his trading with the Chairman and at the Board of Directors meetings held on the 11 May 2022 and again on 16 June 2022 where the Board discussed the trading of shares, including trading by Mr Rob Corps. The Company was not in a mandated block out period and the Company had no market sensitive information that had not already been released to the market. The reason for the delay in reporting being the director, Mr Rod Corps was travelling at the time the transactions occurred and it was overlooked.

8. *Did the Chairman or Company Secretary grant approval (written or otherwise) to Mr Corps to carry out the on-market Transactions? -*

The Chairman confirms that at the Board of Directors meeting on the 11 May 2022 and again on 16 June 2022 the Board discussed the trading of shares, including trading by Mr Rob Corps. The Board believed that the market was fully informed and the Company was not in Black out period and trading could proceed until the mandated period to be imposed from 15 July 2022.

9. *Has NC1 entered into an agreement with each of its directors under which the director accepts liability to provide the necessary information to NC1 to enable it to comply with the Listing Rules, and in particular Listing rules 3.19A and 3.19B? if your answer to this question is 'no', please explain what NC1 has in place with its director's to ensure that it is able to meet its disclosure obligations under listing rule 3.19A ? -*

The Company can confirm that all directors have an agreement under which the director accepts liability to provide the necessary information to be able to comply with the listing rules.

10. *Please confirm that NC1 is complying with the Listing rules and , in particular , Listing Rule 3.1. –*

The Company is complying with the Listing Rules to the best of its knowledge.

11. *Please confirm that NC1's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of NC1 with delegated authority from the board to respond to ASX on disclosure matters. –*

The Company confirms that the Board of Directors have approved the responses and the despatch of this letter to the ASX in response to their queries.

This response has been approved and authorised by the Board of Nico Resources Limited.

Your faithfully



Amanda Burgess
Company Secretary



Annexure A

Date	Type	Volume	Price	Value
12/05/2022	buy	20,000	1.02	\$20,400
12/05/2022	buy	260,000	0.98	\$255,100
13/05/2022	sell	(200,000)	0.94	(\$187,603)
18/05/2022	buy	481,667	1.06	\$509,810
19/05/2022	sell	(237,950)	1.04	(\$248,007)
17/05/2022	buy	6,239	0.94	\$5,865
19/05/2022	buy	50,000	1.03	\$51,500
20/05/2022	sell	(200,000)	1.16	(\$231,305)
24/05/2022	buy	200,000	1.35	\$270,000
27/05/2022	sell	(28,830)	1.42	(\$40,885)
27/05/2022	buy	289,952	1.34	\$387,842
30/05/2022	buy	476,071	1.42	\$678,062
30/05/2022	sell	(56,568)	1.49	(\$84,389)
31/05/2022	sell	(241,504)	1.41	(\$341,050)
31/05/2022	buy	155,752	1.43	\$222,410
1/06/2022	buy	61,595	1.30	\$79,984
1/06/2022	sell	(618,007)	1.26	(\$778,595)
2/06/2022	sell	(60,105)	1.18	(\$71,186)
3/06/2022	buy	62,516	1.19	\$74,554
3/06/2022	sell	(149,896)	1.21	(\$181,021)
6/06/2022	sell	(80,000)	1.12	(\$89,514)
7/06/2022	sell	(120,000)	1.12	(\$134,990)
8/06/2022	sell	(20,000)	1.04	(\$20,812)
9/06/2022	sell	(20,000)	1.01	(\$20,200)
		30,932		\$ 125,968





20 July 2022

Reference: 54882

Ms Amanda Burgess
Company Secretary
Nico Resources Limited

By email

Dear Ms Burgess

Nico Resources Limited ('NC1'): Short term trading – Query

ASX refers to the following:

- A. NC1's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 17 June 2022 for Mr Rod Corps (the 'Original 3Y');
- B. The announcement by NC1 entitled 'Change of Director's Interest Notice Amended' lodged on MAP on 5 July 2022 (the 'Amended 3Y'). The Amended 3Y disclosed the on-market purchase of 2,063,792 shares and the on-market disposal of 2,032,860 shares in NC1 by Mr Rod Corps, a director of NC1. The Amended 3Y disclosed that the date of change in Mr Corps interest occurred on 12 May 2022 (the 'Transactions').
- C. NC1's securities trading policy lodged on MAP on 17 January 2022 (the 'Trading Policy') which is also available on NC1's website and which states, among other things, the following:

"4.3 When is Trading prohibited?

Even if the Trading Window is open, the laws prohibiting insider trading continue to apply to Employees and Restricted Persons so that they must not trade if they possess any inside information. Refer to clause 2 of this Policy for further details.

Employees are prohibited from:

- (a) *(short term trading) other than when an Employee exercises employee options or performance rights to acquire Securities at the specified exercise price, Trading in Securities (or an interest in Securities) on a short-term trading basis. Short-term trading includes buying and selling Securities within a 12-month period, and entering into other short-term dealings (e.g. forward contracts);"*

...

5.1 Who and when must give notification of an intention to Trade?

When permitted to Trade in accordance with this Policy, all Restricted Persons must give at least two trading days' (or such shorter period approved by the Chair) prior written notice of any proposed Trading in Securities and confirm that they do not possess any inside information:

- (a) *in the case of Senior Executives (other than the Chief Executive Officer), to the Chair and Company Secretary; (b) in the case of the Chief Executive Officer, to the Chair and Company Secretary (in circumstances where the Chair is an independent director) or otherwise to the Board and Company Secretary;*

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- (c) *in the case of a Director of the Company, to the Chair and Company Secretary;*
- (d) *in the case of the Chair, the Board and Company Secretary, (each a Notification Officer). If the relevant Notification Officer objects to the proposed Trade, they must immediately notify the relevant Director or Senior Executive that the Trade must not proceed and must advise the Directors (who may overrule the decision if they think appropriate)."*

D. Listing Rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *'The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.'*

E. Listing rule 3.19B which states that:

'An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.'

F. Guidance Note 27: *Director Disclosure of Interests and Transactions in Securities – Obligations of Listed Entities* which was published to assist listed entities with their obligations under Listing Rules 3.19A and 3.19B and to give an overview of ASX policy in relation to disclosure of directors' interests and transactions in securities, and Guidance Note 22: *Trading Policies* which was published to assist listed entities to comply with their obligations under Listing Rules 12.9-12.12 regarding trading policies.

The Original 3Y indicates that a change in Mr Corps's notifiable interest occurred on 12 May 2022. It appears that the Original 3Y should have been lodged with ASX by 19 May 2022. Consequently, NC1 may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Corps may have breached section 205G of the *Corporations Act 2001* (Cth).

Request for information

Having regard to the above, and pursuant to Listing Rule 18.7, ASX asks NC1 to respond separately to each of the following questions.

1. Please explain why the Original 3Y was lodged late.

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2. Please confirm if the Transactions all occurred on 12 May 2022 as set out in the Amended 3Y. If not, please provide the dates on which the Transactions occurred.
 3. If the Transactions occurred on dates other than 12 May 2022, please explain why the Original 3Y only referred to 12 May 2022 as the date of change.
 4. If the Transactions occurred on dates other than 12 May 2022, please explain why the subsequent Amended 3Y only referred to 12 May 2022 as the date of change.
 5. When did NC1 first become aware of Mr Corps's on-market Transactions?
 6. Were the Transactions permitted Trades in accordance with NC1's Trading Policy?
 7. Were the Transactions notified in writing to the Chairman and Company Secretary in accordance with section 5.1 of the Trading Policy before entering into the Transactions? If not, why not?
 8. Did the Chairman or Company Secretary grant approval (written or otherwise) to Mr Corps to carry out the on-market Transactions?
 9. Has NC1 entered into an agreement with each of its directors under which the director accepts a liability to provide the necessary information to NC1 to enable it to comply with the Listing Rules, and in particular Listing Rules 3.19A and 3.19B? If your answer to this question is 'no', please explain what NC1 has in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A.
 10. Please confirm that NC1 is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 11. Please confirm that NC1's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of NC1 with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM AWST Monday, 25 July 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, NC1's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require NC1 to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in NC1's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and

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- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in NC1's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to NC1's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that NC1's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Sandra Wutete
Principal Adviser, Listings Compliance (Perth)