

SEPTEMBER 2022 QUARTERLY REPORT

Nordic continues to lay the foundations for its maiden drilling program in Finland with positive regional exploration work, key additions to its technical team and geophysics work underway

HIGHLIGHTS

- **Historical drilling data confirmed the significant regional nickel sulphide prospectivity of the wider Pulju Project area.**
- **54 historic shallow regional drill holes for 5,844m accessed.**
- **Near-surface disseminated nickel sulphide mineralisation, similar to that drilled extensively at the Hotinvaara Prospect, confirmed at multiple prospects throughout Pulju, demonstrating the significant regional endowment.**
- **Further downhole geophysics has commenced at the Hotinvaara Prospect on 26 open holes of the original 51 drilled by Outokumpu.**
- **Highly experienced nickel geologist and mining executive Julian Hanna appointed as Geological Consultant to the Company.**
- **Cash of \$10.47m as of 30 September 2022**

Nordic Nickel Limited (Nordic Nickel or the Company) (ASX: NNL) is pleased to report on its activities for the period ending 30 September 2022.

PULJU NICKEL PROJECT

Nordic Nickel's flagship 100%-owned Pulju Nickel Project is located in the **Central Lapland Greenstone Belt (CLGB)**, 50km north of Kittilä with access to world-class infrastructure, grid power, a national highway, international airport and, most importantly, Europe's only two nickel smelters.

The known nickel mineralisation in the CLGB is typically associated with ultramafic cumulate and komatiitic rocks with high-grade, massive sulphide lenses and veins enveloped by very large, lower grade disseminated nickel near surface. The disseminated nickel at Pulju is widespread and indicates the presence of a vast nickel-rich system as indicated by the Maiden JORC (2012) Mineral Resource Estimate of 133.6Mt @ 0.21% Ni, 0.01% Co^{1,2}. The known massive sulphide lenses in the system will be the primary target for the upcoming drill campaign at Hotinvaara.

Pulju is located 195km from Boliden's Kevitsa Ni, Cu, Au-PGE mine and 9.5Mtpa processing plant in Sodankylä, Finland. Kevitsa provides feed for the 19ktpa Harjavalta smelter, which is located approximately 950km to the south and processes concentrate from Kevitsa's low-grade disseminated nickel sulphide ore (Resource Ni grade ~0.21%). Europe's only other smelter is Terrafame's 37ktpa Sotkamo smelter, which is located 560km from Pulju.

¹ Refer to ASX announcement 7 July 2022 "Nordic Delivers Maiden 133.6Mt Mineral Resource – 278,520t Ni and 12,560t Co".

² The Company confirms all material assumptions and technical parameters underpinning the Resource Estimate continue to apply and have not materially changed as per Listing Rule 5.23.2.





Figure 1: Location of Pulju Nickel Project and Europe's entire nickel smelting and refining capacity.

Management Comment

Commenting on the September Quarterly Activities Report, Nordic Nickel Managing Director, Todd Ross, said: "The company has continued the strong momentum established since listing in June 2022. Preparations are well underway for the commencement of the diamond drilling program to start in January 2023 and the next program of geophysics currently being carried out will be a very valuable dataset for finalising the early drill targets. Additionally, the acquisition of the historical drilling data is extremely encouraging showing extensive near-surface disseminated nickel mineralisation across multiple prospects, highlighting the enormous scale of the opportunity at Pulju."

Exploration Activity

During the quarter, Nordic acquired data on an additional 54 diamond drill holes, for 5,844m, of historical drilling results from across the Pulju Project (ASX Announcement, 10 August 2022). The drill holes were in addition to, and located regionally and outside of, those used in the July 2022 JORC (2012) Mineral Resource Estimate (MRE) for the Hotinvaara Prospect.

The regional drill results confirmed widespread near-surface, disseminated nickel sulphide mineralisation across the full extent of the Pulju Project. The prospective Mertavaara Formation has a strike extent of approximately 35km within the Nordic Nickel tenure, offering the potential for multiple discoveries.

The historical holes were planned as shallow scout holes, generally 60-120m in length. As a result many of the wide disseminated nickel sulphide intersections ended in mineralisation.

Preparations for the 14-month diamond drilling campaign at the Hotinvaara Prospect continued during the quarter with the commencement of downhole electromagnetic surveys on 26 holes that remain open (of the original 51 historical holes drilled by Outokumpu).

Technical Team Update

On 1 September 2022, the Company appointed highly-regarded mining executive Julian Hanna as Geological Consultant to the Company. Mr Hanna will act as technical advisor to the Managing Director as the exploration program progresses at the Pulju Project under the direction of Nordic Nickel's Finnish Team led by Juho Haverinen and the Company's partners, Magnus Minerals Oy, who have unparalleled experience in nickel exploration within the Central Lapland Greenstone Belt of Finland.

Upcoming work programs

Planned Work Programs

- Pulju Project – Borehole EM program to be completed in November 2022
- Maaninkijoki 3 – Ground magnetic survey – November 2022 to April 2023
- Pulju Project – Moving Loop EM to be commence December 2022
- EM survey results and 3D modelling – November to December 2022
- Commencement of initial drilling program at Pulju – January 2023

Corporate information as at 30 September 2022

ASX Code:	NNL	Directors and Officers:	
Quoted Ordinary shares on issue:	58.4m	Managing Director & CEO	Todd Ross
Restricted ordinary shares on issue:	56.8m	Independent Non-Executive Chairman	Marcello Cardaci
Unlisted Options (\$0.25 to \$0.50):	14.65m	Executive Director	Robert Wrixon
Share price range since listing:	\$0.20 to \$0.325	Non-Executive Director	Juho Haverinen
Share price end of Quarter:	\$0.23	CFO & Company Secretary	Aaron Bertolatti
Market cap (at \$0.23)	\$26.5M		

Inaugural ESG Report

Subsequent to the end of the quarter, the Company released its inaugural Environmental, Social and Governance (ESG) Disclosure Report for 2022 (refer ASX release dated 12 October 2022). Nordic Nickel is committed to discovering and developing sustainably and ethically sourced, traceable battery minerals based on best-practice ESG principles in accordance with the United Nations' Sustainable Development Goals.

Nordic Nickel is focused on creating long-term value for shareholders, stakeholders and the communities where it operates and recognises that the development and implementation of a ESG reporting framework is the most effective way of achieving this outcome.

Financial Commentary

The Quarterly Cashflow Report for the period ending 30 September 2022 provides an overview of the Company's financial activities.

- The Company is in a strong financial position with A\$10.47 million in cash at the end of the quarter. This is considered sufficient to fund corporate costs well into CY 2023 and also facilitate the acceleration of exploration programs across the Company's nickel assets in the CLGB in Finland.
- Expenditure on exploration during the reporting period amounted to A\$186k, and included technical consulting fees and costs associated with geophysical works. The Company also acquired plant and equipment for a cost of \$43k.
- Payments for administration and corporate costs amounted to \$193K and related to costs for and associated with compliance, business development and consulting fees. The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities was \$129k (refer to Table 2).

Item	Current Quarter (A\$)	Previous Quarter (A\$)
Directors' Remuneration		
Managing Director's Fees	75,340	42,692
Non-Executive Chairman's Fees	15,000	15,000
Non-Executive Director Fees	39,000	30,000
Total payments to related parties and their associates	129,340	92,692

Table 2: Payments to Related Parties of the Entity and their Associates

Statement of Commitments

The current quarter is covered by the Statement of Commitments¹ outlined in the Prospectus dated 8 April 2022. A summary of expenditure to date is outlined below:

Funds available	Year 1 (\$)	Year 2 (\$)	Total (\$)	ACTUAL
				(1 April to 30 September 2022)
Existing cash reserves			392,593	
Funds raised from the Offer			12,000,000	
Total			12,392,593	
Allocation of funds				
Data Analysis & Compilation	50,000	-	50,000	-
Lab & Field Programs (Core archive, mapping, geochemical sampling, other non-drilling)	100,000	-	100,000	-
Geophysics	470,000	635,000	1,105,000	8,082
Site Access and Infrastructure Upgrades	500,000	-	500,000	-
Drilling	2,150,000	4,415,000	6,565,000	-
Modelling & Resource Estimation	80,000	80,000	160,000	-
External Consultants	100,000	100,000	200,000	294,731
CSR	50,000	50,000	100,000	-
Environmental	100,000	100,000	200,000	-
Expenses of the Offer	1,011,250	-	1,011,250	1,044,564
Administration costs	900,000	900,000	1,800,000	689,833
Working capital	501,343	100,000	601,343	43,478
Total	6,012,593	6,380,000	12,392,593	2,080,688

¹ The above table is a statement of current intentions. Investors should note that the allocation of funds set out in the above table may change depending on a number of factors including the results of exploration, outcome of development activities, regulatory developments and market and general economic conditions. In light of this the Board reserves the right to alter the way the funds are applied.

Tenement Schedule

ASX Listing Rule 5.3.3: The details of the mining tenements, the location and the Company's beneficial percentage interest held in those Tenements at the end of the Quarter is included in the Table at the end of this report as Appendix 1.

For more information, visit the Company's website: www.nordicnickel.com.

Authorised for release by: Todd Ross – Managing Director

For further information please contact:

Nordic Nickel

Todd Ross – Managing Director

T: +61 416 718 110

E: info@nordicnickel.com

W: nordicnickel.com

Media

Nicholas Read – Read Corporate

T: +61-8 9388 1474

M: +61-8 419 929 046

Competent Person Statement

The information in this report that relates to Mineral Resources defined at Hotinvaara is based on information compiled by Mr Adam Wheeler who is a professional fellow (FIMMM), Institute of Materials, Minerals and Mining. Mr Wheeler is an independent mining consultant. Mr Wheeler has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Wheeler consents to the inclusion of this information in the form and context in which it appears in this report.

The information in this announcement that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled under the supervision of Dr Lachlan Rutherford, a consultant to the Company. Dr Rutherford is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Rutherford consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statement

This announcement contains forward-looking statements that involve a number of risks and uncertainties, including reference to the conceptual Exploration Target area which surrounds the maiden Hotinvaara MRE described in this announcement. 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.

Appendix 1 – Tenement Interests

Project	Tenement Name	Area Code	Tenement Type	Status	Registered Holder	Application Date	Grant Date	Expiry Date	Area (km ²)
Pulju (100% interest)	Saalama	VA2020:0071	Exploration Reservation	Valid	Puljun Malminetsintä Oy	2/11/2020	4/02/2021	1/11/2022	323.59
	Hotinvaara	ML2019:0101	Ore Exploration Permit	Valid	Puljun Malminetsintä Oy	11/11/2019	24/01/2020	24/01/2024	4.92
	Holtinvaara	ML2013:0090	Ore Exploration Permit	Application	Puljun Malminetsintä Oy	4/11/2013			14.99
	Aihkiselka	ML2013:0092	Ore Exploration Permit	Application	Puljun Malminetsintä Oy	4/11/2013			15.75
	Kiimatievat	ML2019:0102	Ore Exploration Permit	Application	Puljun Malminetsintä Oy	11/11/2019			24.21
	Mertavaara1	ML2013:0091	Ore Exploration Permit	Application	Puljun Malminetsintä Oy	4/11/2013			11.88
	Rööni- Holtti	ML2022:0009	Ore Exploration Permit	Application	Puljun Malminetsintä Oy	9/03/2022			18.65
	Saalamäselkä	ML2022:0010	Ore Exploration Permit	Application	Puljun Malminetsintä Oy	9/03/2022			6.02
	Kaunismaa	ML2022:0011	Ore Exploration Permit	Application	Puljun Malminetsintä Oy	9/03/2022			1.68
Total									98.09
Maaninkijoki (earning 75% interest)	MJ3	ML2020:0011	Ore Exploration Permit	Application	MagStar Mining Oy	21/03/2020			30.44

Mining Tenements disposed: Nil

Beneficial percentage interests held in farm-in or farm-out agreements: Nil

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed:
Nil

Appendix 5B

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

Name of entity

Nordic Nickel Limited

ABN

13 647 455 105

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(193)	(193)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(193)	(193)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(43)	(43)
(d) exploration & evaluation	(186)	(186)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	(229)	(229)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	10,750	10,750
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(193)	(193)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(229)	(229)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	140	140
4.6	Cash and cash equivalents at end of period	10,468	10,468

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,968	10,750
5.2	Call deposits	3,500	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,468	10,750

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	129
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <p>Payment of Directors' and Consulting Fees - \$129k</p>		

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

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

8. Estimated cash available for future operating activities	\$A'000	
8.1	Net cash from / (used in) operating activities (item 1.9)	(193)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(186)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(379)
8.4	Cash and cash equivalents at quarter end (item 4.6)	10,468
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	10,468
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	27.6
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	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: N/A		
8.8.2	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: N/A		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

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: 26 October 2022

Authorised by: The Board of Nordic Nickel 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.