
ASX ANNOUNCEMENT**28 April 2023**

QUARTERLY ACTIVITIES REPORT

EXPLORATION**DALWALLINU NICKEL-COPPER-PGE PROJECT – WEST YILGARN, WA**

- A **close spaced (50m×50m) Drone Magnetic Survey** over the project area suggests that the Barra Barra Greenstone Belt intrusive body targeted for Ni-Cu-PGE mineralisation represents a folded dyke or sill.
- A **close spaced Moving Loop Electromagnetic Survey (MLEM)** over the project area was completed over 4 high priority Ni-Cu-PGE targets on 200m×200m loops with 100m station spacings and lines oriented east-west.
- A detailed infill auger drilling soil sampling program was **undertaken on a 50m×50m spacing to extend the four high priority targets**
- Further review of the historical geochemical datasets prioritised 4 high priority targets over a **strike length of 6km** with the **D1 Target** where previous surface samples returned highly anomalous assays including **362-674 ppm Ni, 201-349 ppm Cu** and several **+49 ppb Pd/Pt** identified as highest priority.
- A first pass field work, drill hole siting and soil sampling program was completed to **support the prospectivity of the D1-D4 Targets** which are interpreted to be coincident with mafic and ultramafic units of the Barra Barra Greenstone Belt,
- EM data processing, Auger assays results and evaluation are pending.

COSMOS SOUTH NICKEL PROJECT – WILUNA GREENSTONE BELT, WA

- No further work was undertaken and the company is evaluating partnerships.

BIRANUP GOLD PROJECT – ALBANY FRASER OROGEN, WA

- No further work was undertaken and the company is evaluating partnerships.

CORPORATE

- Solid cash position of \$3.5M

DALWALLINU NICKEL COPPER PGE PROJECT

The Dalwallinu Nickel Project (E70/5398) covers 86km² of the underexplored Barra Barra Greenstone belt in the emerging West Yilgarn, which is host to a number of recent Nickel-Copper-PGE discoveries including the world class Julimar Nickel-Copper-PGE discovery.

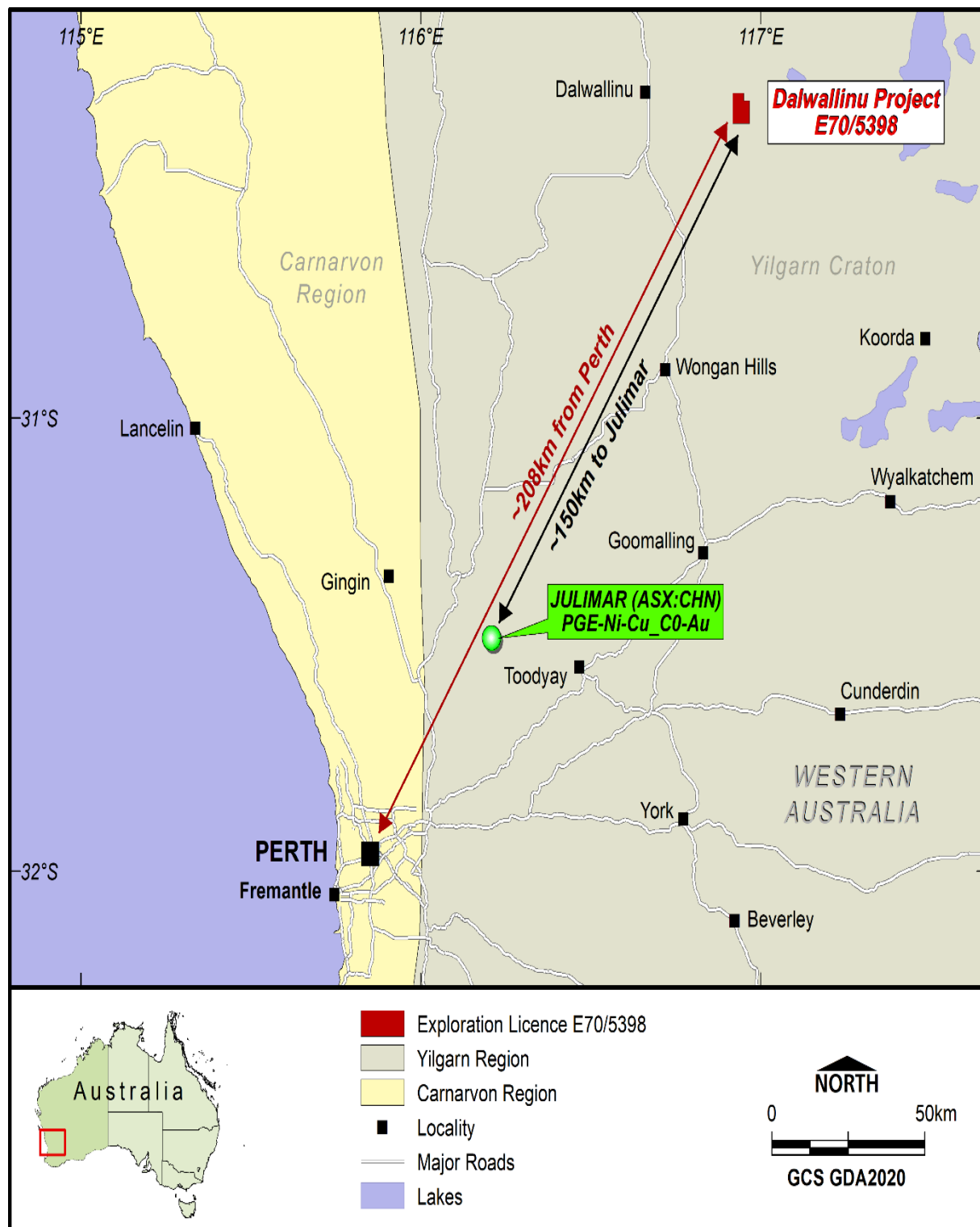


Figure 1. Dalwallinu Nickel Project Location



Figure 2: View across the Dalwallinu Nickel Project

The Company contracted SensorEM in November-December 2022 to carry out a drone airborne magnetic survey over the entire Dalwallinu project tenement E70/5398. The survey was flown on 50m spaced lines, oriented east-west at a sensor height of 40m above ground. In all 771 line-kilometres of magnetic data was obtained over the project. The new magnetic data represents a far superior product to the previous regional magnetic data for target delineation on the project.

Preliminary interpretation of the new magnetic data indicates that the Barra Barra Greenstone Belt intrusive targeted for Ni-Cu-PGE mineralisation represents a folded tabular body, either originally a dyke or a sill. The body appears to be tightly folded, with a western antiformal structure plunging steeply to the north in the west of the tenement, and a shallowly north plunging synformal structure in the east of the project (Figures 3 and 4).

Overlaying the previously reported auger geochemistry data on the new magnetic data highlights an apparent intrusive body horizon just outboard and bordering the main folded magnetic strata, that is anomalous for Ni-Cu-PGE (Figures 5, 6 and 7). This may represent a sill-like body lying structurally below and folded with the magnetic strata. Four areas are highlighted with anomalous metal values in the auger geochemistry data. These areas represent priority targets for follow-up exploration, as does investigation of the margins of the antiform folded magnetic body in the west of the project. Results from these four areas include 73.7ppb Pt & Pd with a 5km +10ppb Pt & Pd north-south strike, and values to 466ppm Ni and 843ppm Cu.

Gyro Australia was contracted in February to infill auger geochemical soil sampling over the four high priority areas identified (Figure 8) on a 50m x 50m grid. Previous sampling was on a 100m x 200m grid. 873 samples were collected and sent to Bureau Veritas Laboratories in Perth for analyses. Assay results are pending.

Wireline Services Group were contracted in March to complete Moving Loop ElectroMagnetic (EM) surveys on traverses across the 4 priority target areas. In total, 140 receiver stations were read on 9 lines using 200m x 200m transmitter loops on 50m station spacing along the lines (Figure 9). Interpretation of results are pending.

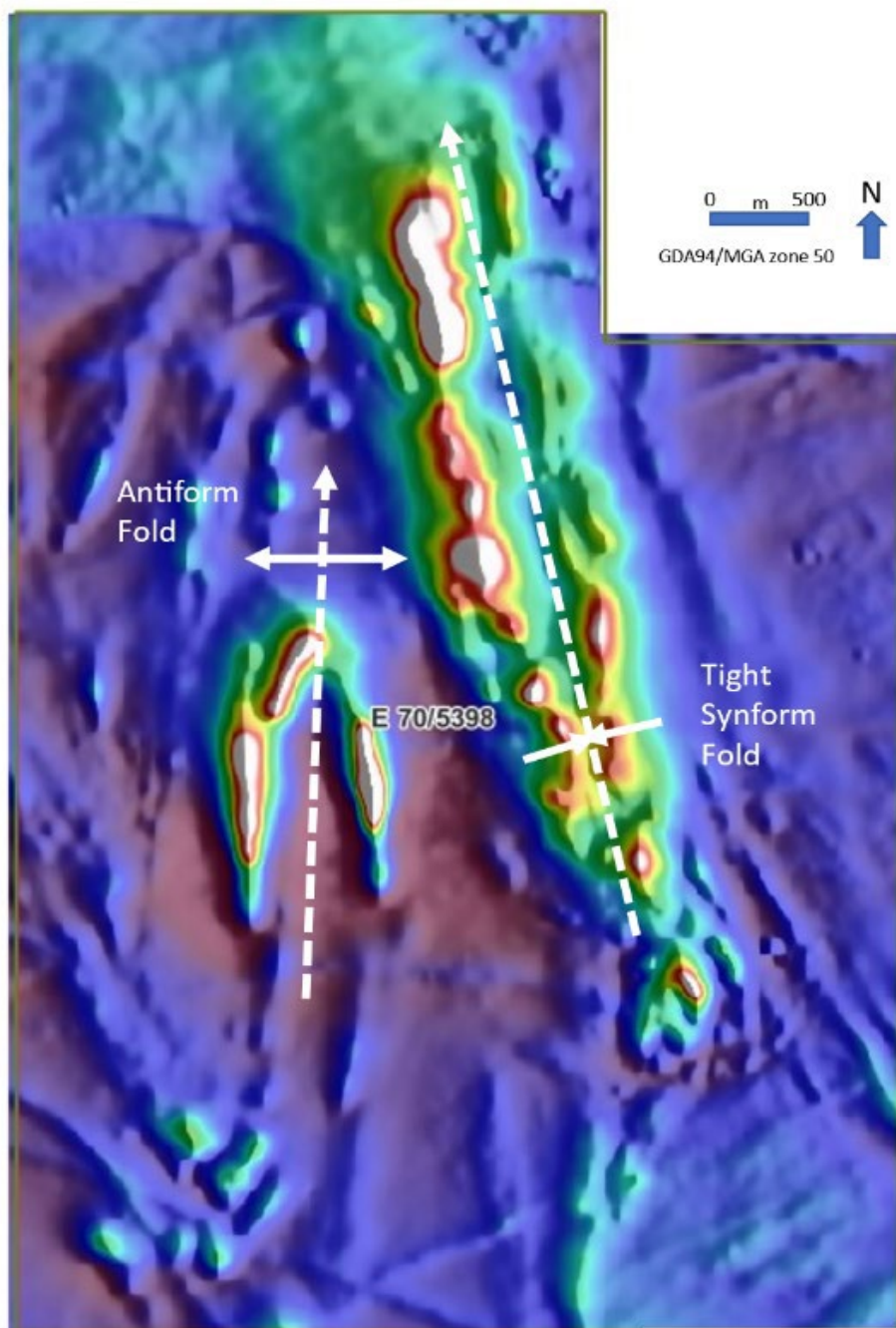


Figure 3: Dalwallinu Nickel Project Preliminary Drone Magnetic Interpretation Barra Barra Intrusive, Reduced To Pole (RTP) magnetic data.

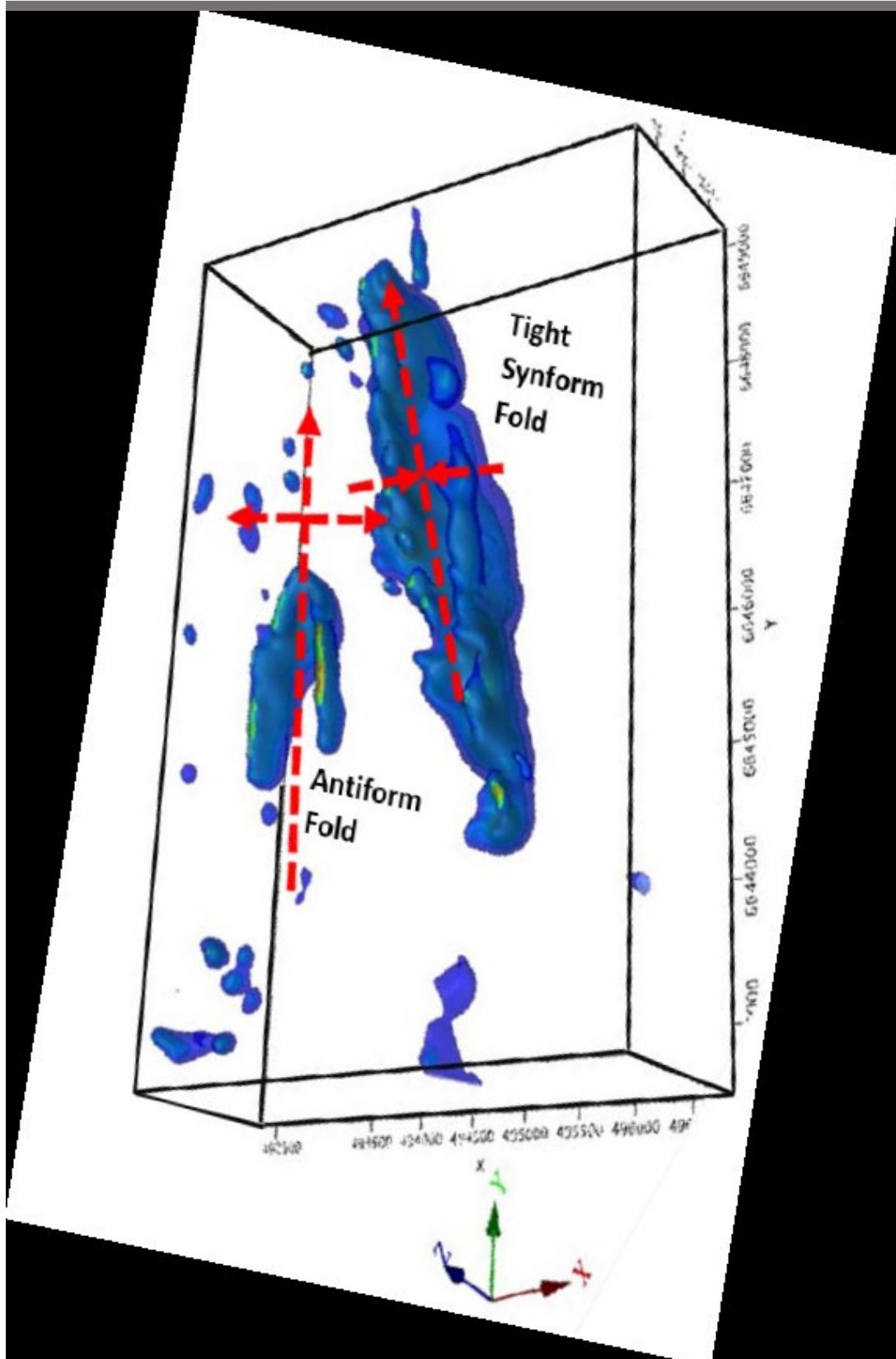


Figure 4: Dalwallinu Nickel Project Preliminary Drone Magnetic Interpretation Barra Barra Intrusive, 3D Magnetic Isosurface model.

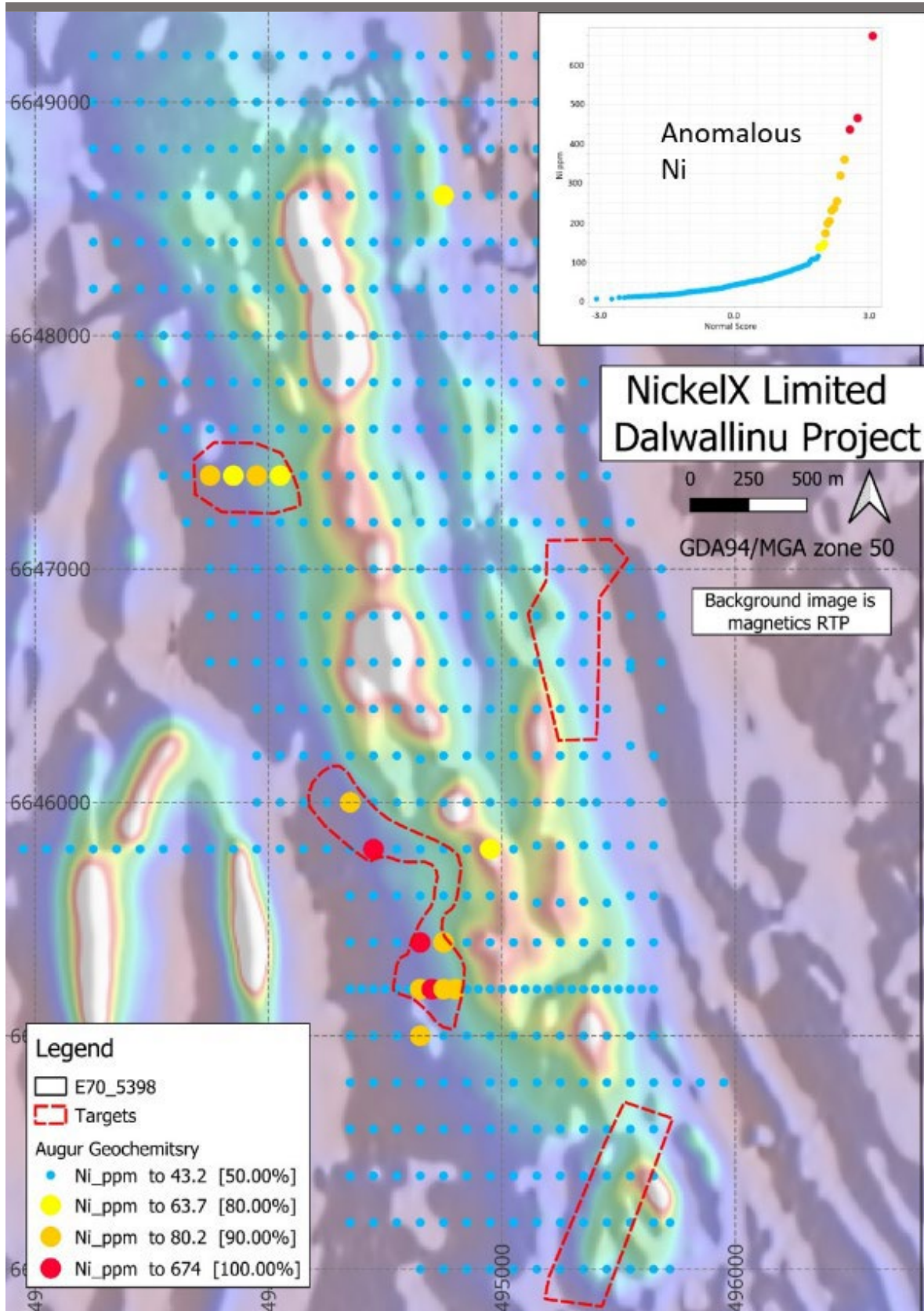


Figure 5: Dalwallinu Nickel Project First Pass Nickel Soil Sampling.

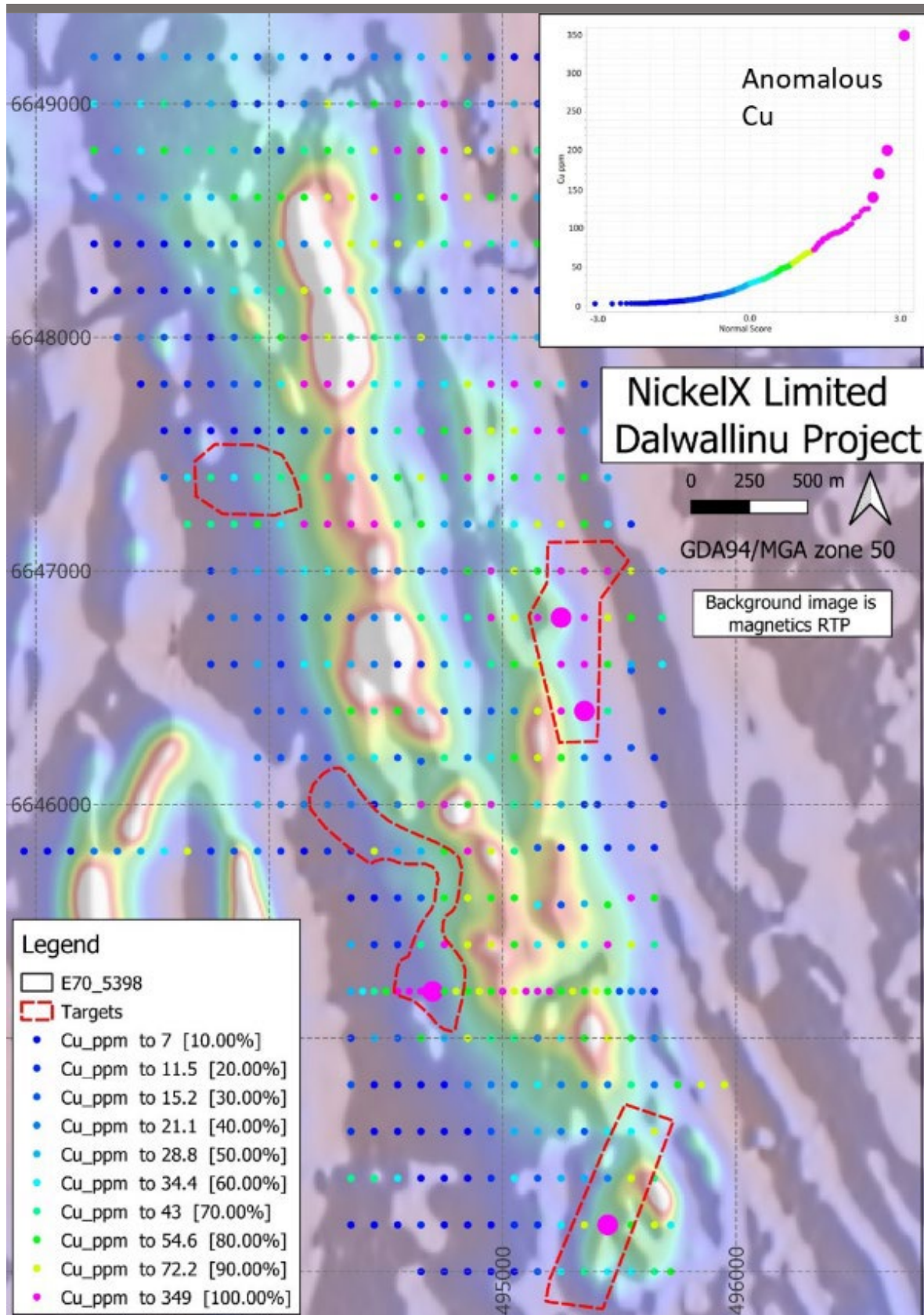


Figure 6: Dalwallinu Nickel Project First Pass Copper Soil Sampling.

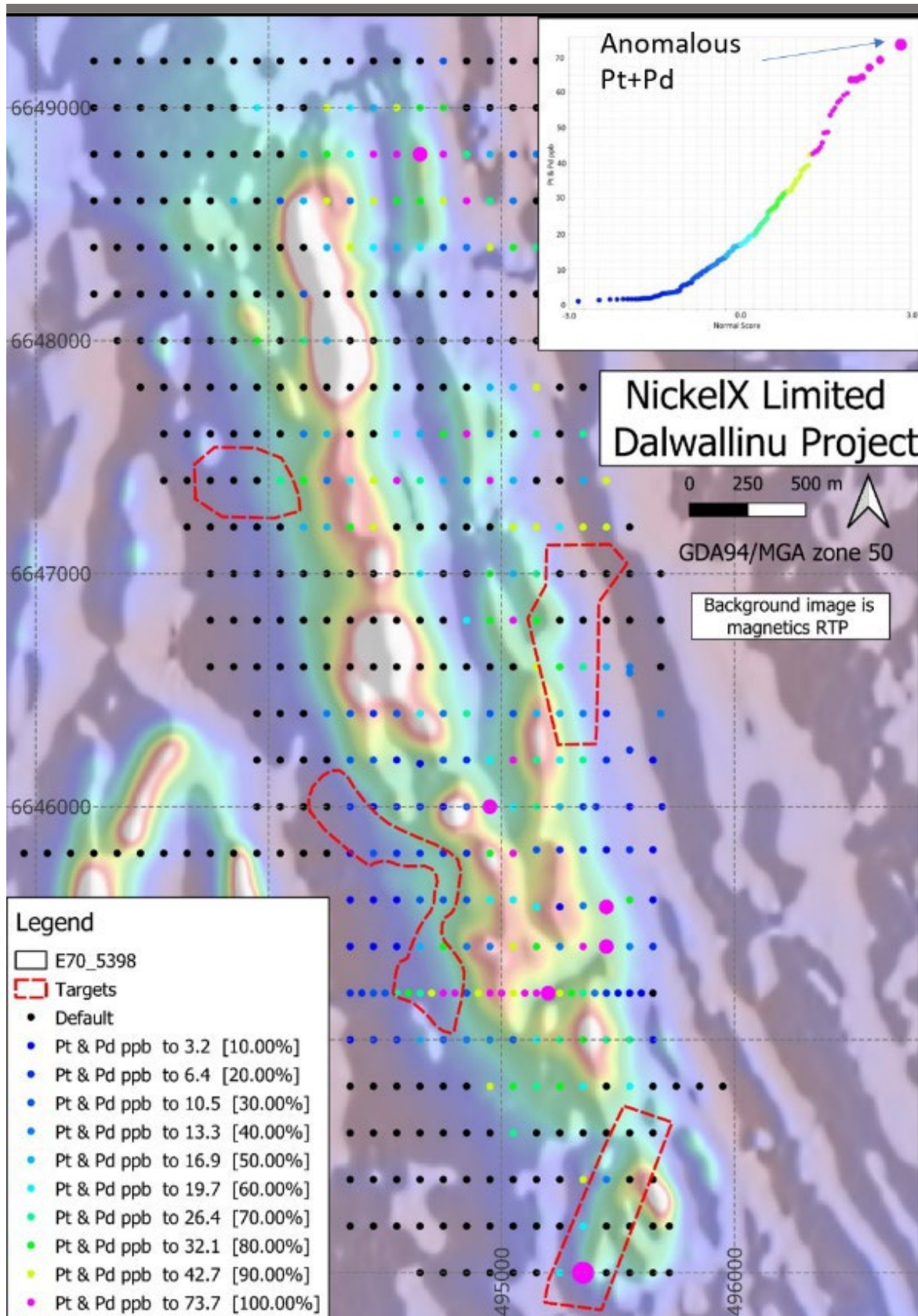


Figure 7: Dalwallinu Nickel Project First Pass PGE Soil Sampling.

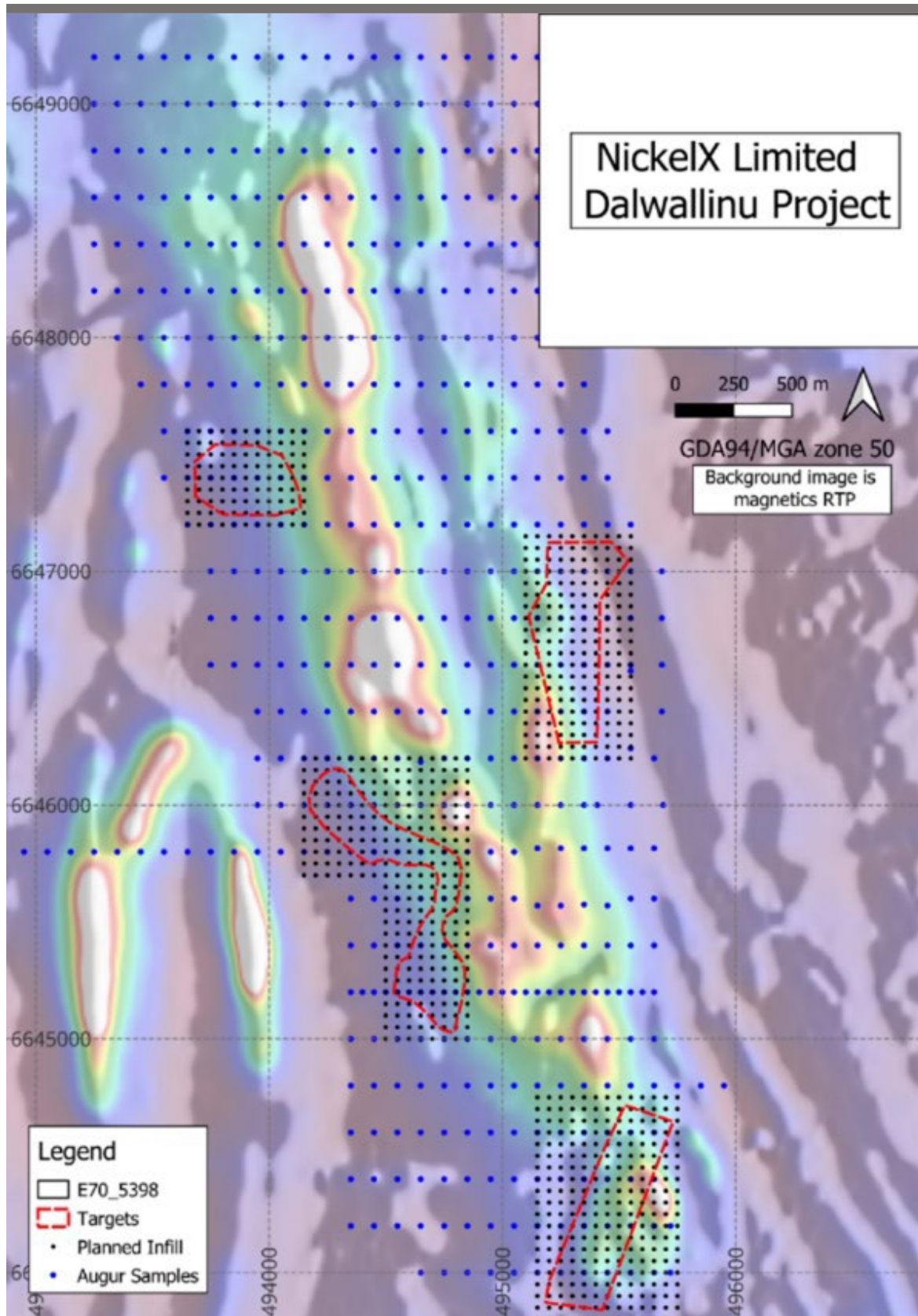


Figure 8: Dalwallinu Nickel Completed Infill Soil Sampling.

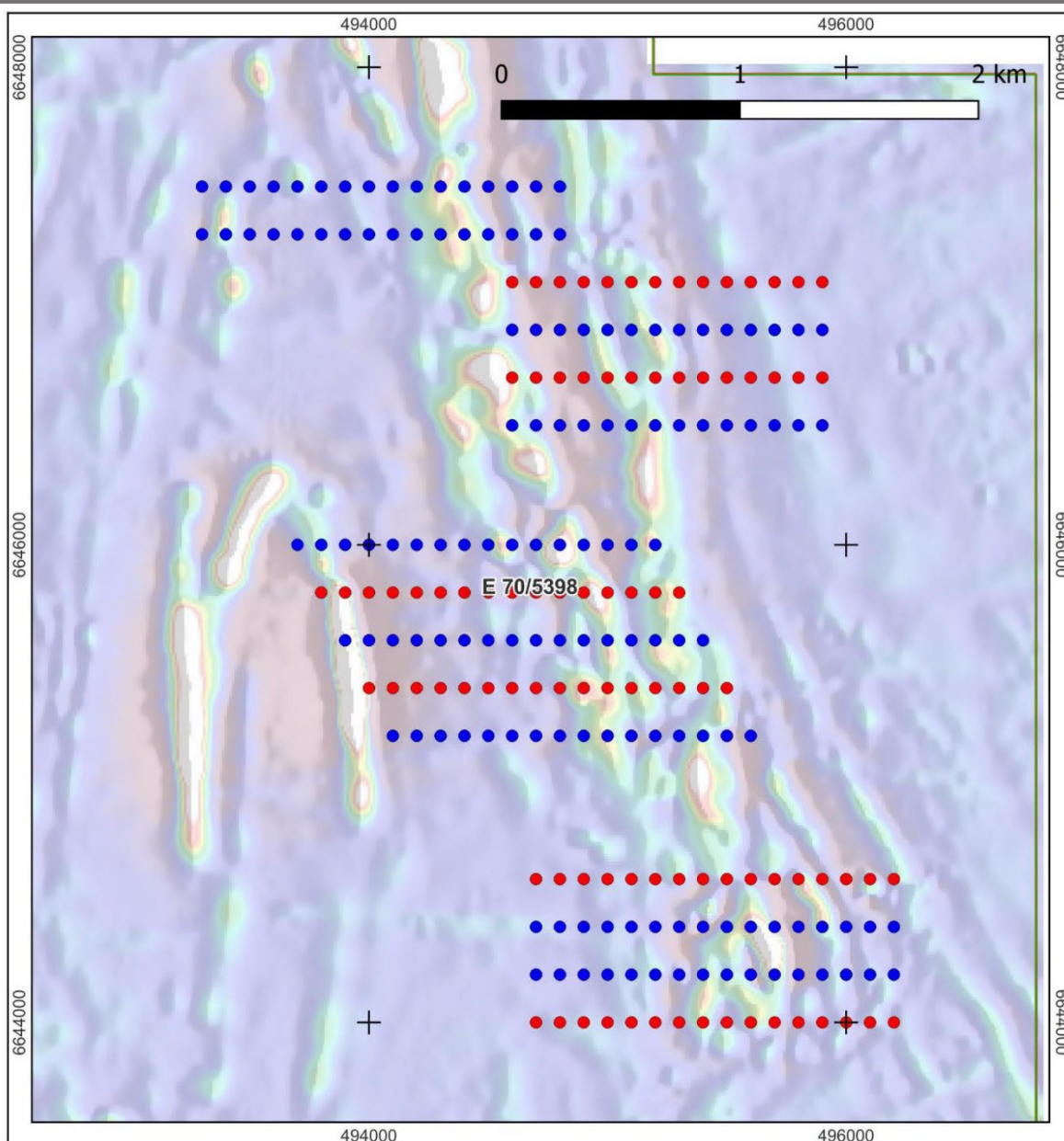


Figure 9: Dalwallinu Nickel Project Completed MLEM 50m survey stations (blue dots) using 200m x 200m transmitter loops. Red dots depict potential infill receiver stations should pending results require follow-up surveys.

CORPORATE

NickelX continues to generate new project opportunities in WA for Nickel sulphide mineralisation and is in discussion with a number of parties over projects both early stage and advanced to build on the Company's portfolio.

At the end of the Quarter the Company reported a solid cash position of \$3.5M.

In accordance with ASX Listing Rule 5.3.2, the Company advise that no Mining Development or Production activities were conducted during the quarter.

Related Party Transactions

In accordance with ASX Listing Rules 4.7C.3 payments to related parties of the entity and their associates outlined in the Company's Appendix 5B for the quarter relate to Directors fees of \$83,000 and professional and consulting fees paid to Grange Consulting for company secretarial and financial management services totalled \$31,500.

Compliance

For the purpose of Listing Rule 5.3.1, details of the Company's group exploration activities for the quarter, including any material developments or material changes in those activities, and a summary of the expenditure incurred on those activities is detailed above and below.

For the purpose of Listing Rule 5.3.2, the Company confirms that there were no mining production and development activities during the quarter by the Company or its subsidiaries.

Pursuant to Listing Rule 5.3.4, the Company provides the following comparison of its actual group expenditure on the individual items in the "use of funds" statement in its IPO prospectus since the date of its admission to ASX's official list against the estimated expenditure on those items in the "use of funds" statement in the prospectus and an explanation of any material variances.

Use of Funds	Estimate for the first two years after ASX admission (as per Prospectus dated 16 March 2021)	Actual Use Up to 30 June 2023	Variance Under/(Over)
Exploration at Biranup Project	\$4,055,000	\$2,206,973	\$1,848,027
Exploration at Ponton Project	\$605,000	\$137,028	\$467,972
Administration costs & working capital	\$2,133,321	\$2,476,313	(\$342,992)
Expense of the Offer	\$678,603	\$ 755,812	(\$77,209)
TOTAL	\$7,471,924	\$5,576,126	\$1,895,798

*The material variances above are as a result of the Company listing on the 6th May 2021 and completion of a \$2.05m capital raising as announced on 11 October 2022. This capital raising will result in the actual use to date figures having variances and additional expenditure above the budget included in the Company's IPO prospectus.

Tenement Summary

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 31 December 2022. The Company and its subsidiaries did not enter into any farm-in or farm-out agreements during the quarter.

Tenement ID	Holder	Percentage held
Biranup Project		
E38/3191	Ventnor Gold Pty Ltd	100%
E38/3294	Ventnor Gold Pty Ltd	100%
E39/1828	Ventnor Gold Pty Ltd	100%
E39/2000	Ventnor Gold Pty Ltd	100%
E39/2001	Ventnor Gold Pty Ltd	100%
E39/2003	Ventnor Gold Pty Ltd	100%
Ponton Project		
E28/2779	Black Dragon Energy (Aus) Pty Ltd	100%
Cosmos Project		
M36/580 ⁽¹⁾	MG Resources Pty Ltd	0%
Dalwallinu Project		
E70/5398	Blue Ribbon Pty Ltd and Keops Pty Ltd	80%

(1) NKL will have the option to acquire 100% interest in the Tenement by spending \$500,000 over an earn-in period of 24 months along with milestone payments. Refer ASX announcement dated 25 November 2021 for acquisition details.

This announcement has been authorised by the Board of NickelX Limited.

For enquiries contact:

Matt Gauci
NickelX Limited
info@nickelxlimited.com
 +61 8 417 417 907

David Tasker
Chapter One Advisors
dtasker@chaperoneadvisors.com.au
 +61 8 433 112 936

ABOUT NICKELX LIMITED

NickelX Limited is an Australian, ASX listed, Nickel exploration company exploring for Nickel sulphide deposits in the SE and SW Yilgarn supported by the company's Nickel prospectivity database. The company's primary focus is the highly prospective Cosmos South Nickel project, where 2 high priority targets have been identified via geochemical, geophysical and geological evaluation, and where permitting and drilling contractors are being organised. Cosmos South is located 10km South of the world class Cosmos Nickel operation (IGO/WSA) and 20km North of the Leinster Nickel operation (BHP) within the Wiluna Greenstone Belt, WA.

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.Geo) 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 NickelX 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.

Appendix 5B

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

Name of entity

NickelX Limited

ABN

52 631 513 696

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(253)	(544)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(97)	(291)
	(e) administration and corporate costs	(255)	(597)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	19
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	153
1.8	Other (GST)	(29)	(69)
1.9	Net cash from / (used in) operating activities	(628)	(1,329)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(50)	(150)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(50)	(150)

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	-	2,127
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	-	2,127

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,179	2,852
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(628)	(1,328)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(50)	(150)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,127

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,501	3,501

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	501	4,180
5.2	Call deposits	3,000	-
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)	3,501	4,180

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	83
6.2	Aggregate amount of payments to related parties and their associates included in item 2	32

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.

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

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	N/A	N/A
7.2	Credit standby arrangements	N/A	N/A
7.3	Other (please specify)	N/A	N/A
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.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(628)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(50)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(678)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,501
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,501
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.16
	<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	

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

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

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.

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.

28 April 2023

Date:

Board of Directors

Authorised by:
(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.