ASX ANNOUNCEMENT
8 JUNE 2023

MULTIPLE NI-CU-PGE GEOCHEMICAL ANOMALIES DEFINED AT THE DALWALLINU NICKEL PROJECT, WEST YILGARN

HIGHLIGHTS

- Assays from a recently completed infill auger drilling soil sampling program has defined **multiple high priority geochemical anomalies** over a combined strike length of approximately 12km of folded strata at the Dalwallinu project, where the company is seeking Julimar style mineralisation, in the West Yilgarn, WA.

- The infill auger drilling soil sampling program was **undertaken on a 50m x 50m spacing to better define four priority targets** which were previously identified by 100m x 200m soils sampling program and a recent Airborne Magnetic Survey.

- The highest priority target assays **represent some of the highest West Yilgarn PGE assays** (**73.7ppb Pt & Pd) as well as significant and coincident anomalous values for nickel and copper (up to 466ppm Ni and 843ppm Cu).**

- The high priority geochemical targets **complement the recently modelled Moving Loop Electromagnetic (MLEM) and Fixed Loop Electromagnetic (FLEM) bedrock conductors** at DEM1 and DEM2 (Figure 2), prospective for massive sulphide.

- **The auger soil geochemical and FLEM targets align** and are consistently offset outboard of prominent magnetic strata thought to represent banded iron formation (BIF). This is consistent with an interpretation of a folded sill complex, sitting stratigraphically below and folded with the BIF.

- The DEM2 high priority geophysical target **represents some of the strongest FLEM responses in the West Yilgarn** over 65 x 65 m with high conductance (16,850 S) sub-vertical plate at a very shallow depth of approximately 30 m from surface.

- Access and Exploration Agreements have been **signed with four relevant Dalwallinu landowners for future exploration drilling and development activities.**

- Program of Works (POW) for a planned maiden **2,500m Reverse Circulation (RC) and Diamond (DDH) campaign** is being organised with the Department of Mines, Industry Regulation and Safety (DMIRS).

- Due Diligence and **Engagement with the Local Aboriginal Cultural Heritage Services (LACHS), when available,** has also commenced under the WA Labor Party's soon to be effectuated Aboriginal Cultural Heritage Act (2021).

- The Dalwallinu project covers **86km² of the entire Barra Barra Greenstone Belt, in the West Yilgarn, 150km NE of Julimar, with a 12km strike** on accessible private farmland, containing sealed road frontage, access to water and infrastructure.

NickelX Managing Director Matt Gauci said:

"The team are very excited by the combined 12 kilometres of strike of geochemical anomalies recently defined, which confirms the significant prospectivity of the Dalwallinu project for Ni-Cu-PGE mineralisation. This, combined with the recent Drone Magnetic Survey and MLEM and FLEM Survey results, has now identified numerous high priority targets, prospective for Julimar type Nickel-Copper-PGE mineralisation.

The high priority targets represent some of the highest assays and responses in the West Yilgarn, in particular up to 73.7ppb Pt & Pd; 466ppm Ni and 843ppm Cu from regional and infill auger drilling soil sampling and two priority bedrock conductors at very shallow depths from surface, at the DEM1 and DEM2 targets.

A 2,500m Reverse Circulation (RC) and Diamond (DDH) campaign is being organised with the Department of Mines, Industry Regulation and Safety (DMIRS) and drilling contractors have been engaged to drill test these very significant Nickel-Copper-PGE targets."

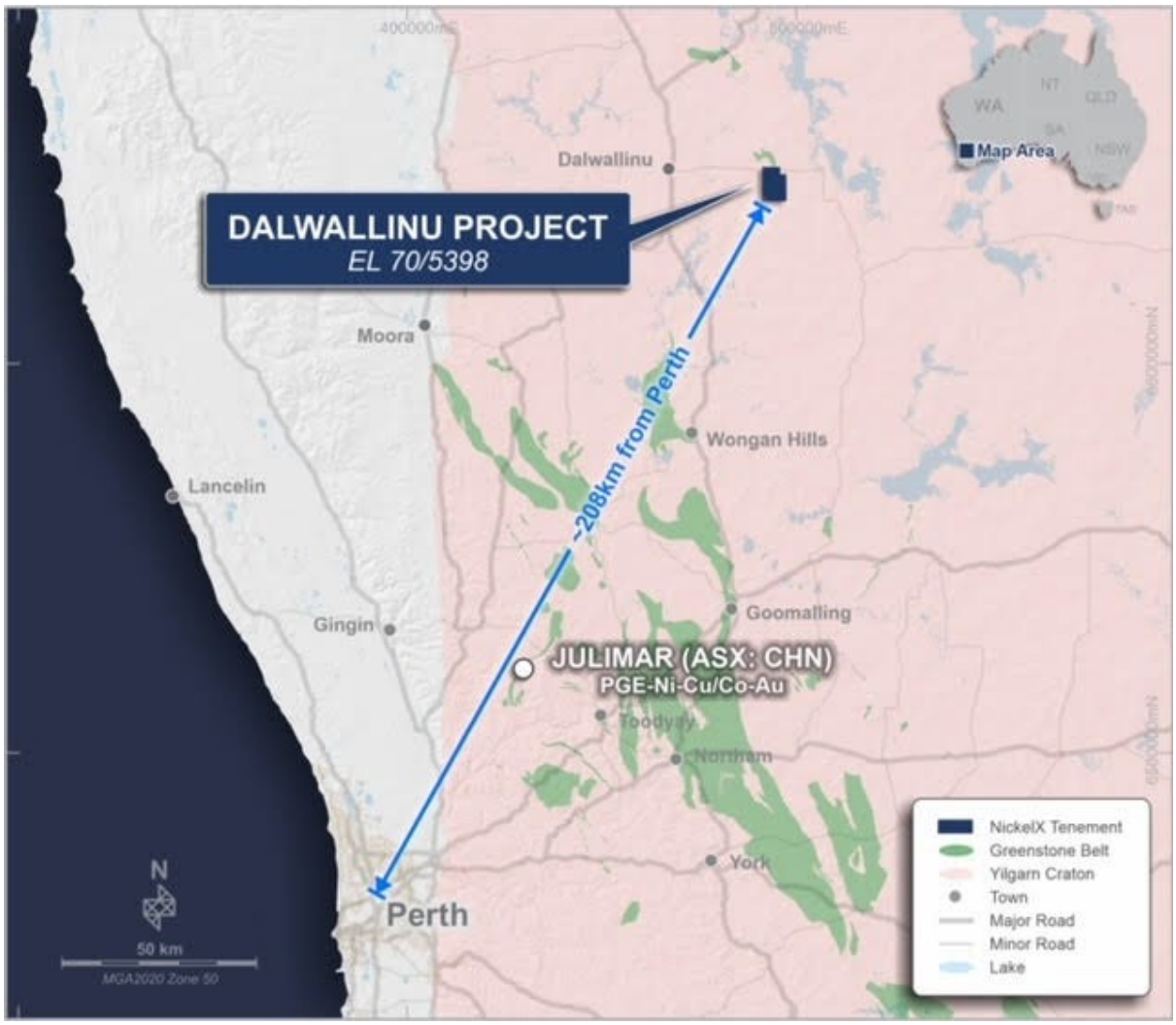

Figure 1: Location of Dalwallinu Nickel Project in The West Yilgarn, 150km NE of Julimar and 208km NE of Perth.

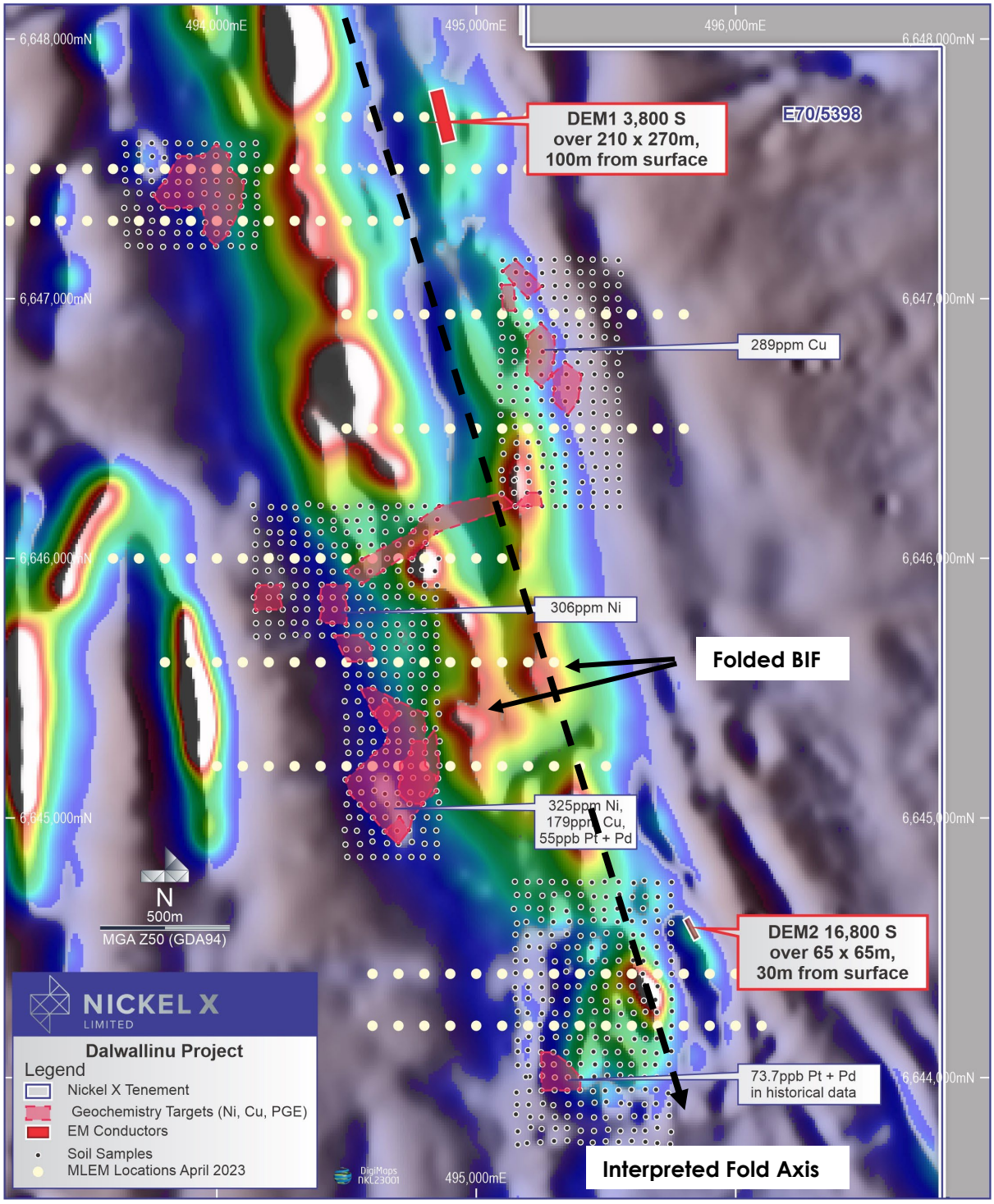

Figure 2: High priority targets defined by infill auger geochemical and geophysical work programs over a 12 km strike, with indicative values within recent infill soil data.

AUGER INFILL GEOCHEMISTRY RESULTS

Four priority areas were identified from historical auger geochemical data obtained on a 100m x 200m grid, with values in the historic data up to 73.7ppm Pt+Pd, 466 ppm Ni and 843 ppm Cu (see ASX Announcement dated 14 February 2023). These four priority areas were infilled with auger geochemistry on a 50m x 50m grid (Figure 2). The work was completed in February-March 2023 by contractors Gyro Australia using a vehicle mounted auger. A total of 873 samples were collected and analysed. The results of the auger sampling program (Figures 2, 3, 4 and 5) within the target areas defined are consistent with the earlier regional survey results, with values up to 55 ppb Pt+Pd, 325 ppm Ni and 289 ppm Cu. The results have confirmed these target areas as anomalous in Ni, Cu, PGE, and allowed further refinement of the target zones.

DALWALLINU NICKEL COPPER PGE TARGETING AND INTERPRETATION

The soil geochemical and FLEM anomalies (see ASX Announcement dated 25 May 2023) are consistent and occupy the same target horizon outboard of, and folded around, an interpreted synformal structure defined by the close spaced drone aeromagnetic anomaly. This horizon containing the geochemical and geophysical anomalous areas is interpreted as a possible sill sitting stratigraphically below a magnetic banded iron formation (BIF), where the sill has been folded with the BIF.

This horizon with anomalous geochemistry and geophysics, as it is folded and repeated, gives a combined strike of some 12 kilometres of target trend to explore. The trend of soil geochemical anomalies and discrete conductivity targets is consistent with an interpretation of a potential magmatic sulphide system comprising subcropping disseminated Ni-Cu-PGE sulphide mineralisation, and the conductors potentially defining more massive sulphide mineralisation that is geochemically blind to surface.

WEST YILGARN REGIONAL GEOLOGY

Nearly all world class Ni-Cu-PGE deposits globally are associated with major structural corridors along older cratonic margins. This tectonic position focuses magma flow from melting of the mantle through the crust. This focus mechanism allows rapid ascent of mantle melts, focussed intrusion and formation of magma conduits with, under the right circumstances, concentration of metals such as Nickel-Copper-PGE into ore deposits within those conduits. The Yilgarn Craton margin has in the past 30 years proved to be a fertile terrane for nickel exploration with the discoveries of Nebo-Babel and Nova-Bollinger on the eastern and southern margins of the craton. The West Yilgarn, stretching approximately 1,200km along the western margin of the Yilgarn Craton, represents a similar geological setting, but is almost entirely unexplored. The recent discovery of the Julimar deposit in the West Yilgarn has demonstrated the world class potential of the belt to host Nickel-Copper-PGE mineralisation.

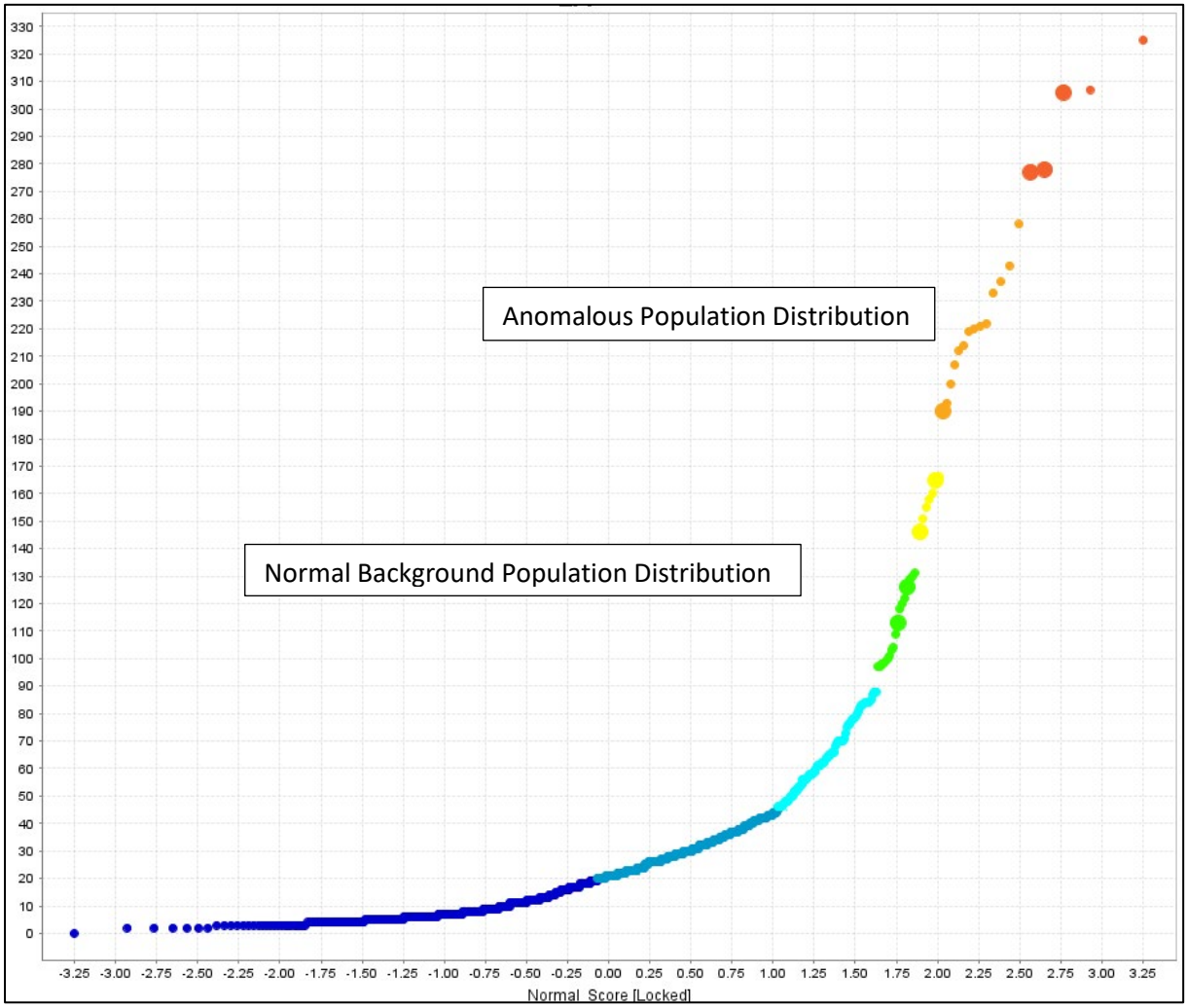

Figure 3: Infill auger soil nickel values (ppm) defining anomalous target areas identified.

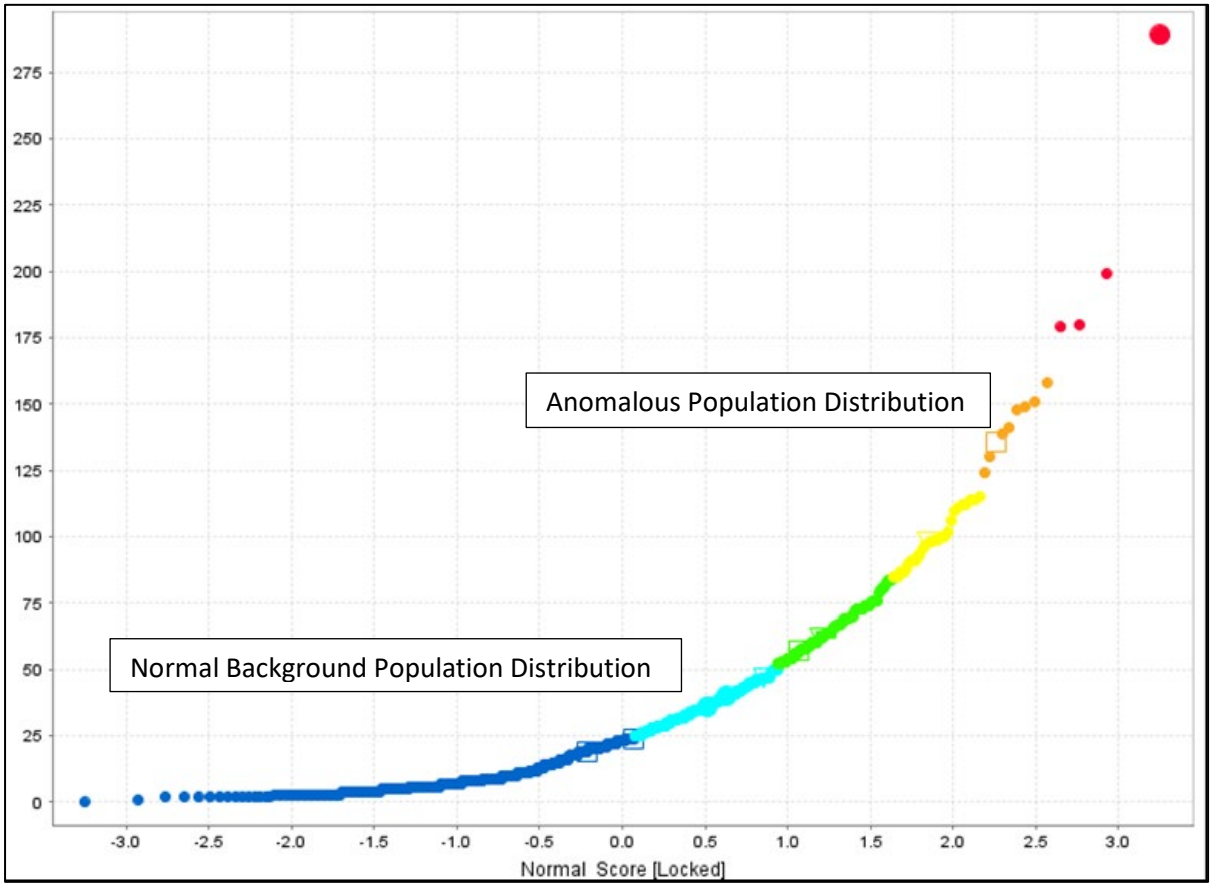

Figure 4: Infill auger soil copper values (ppm) defining anomalous target areas identified.

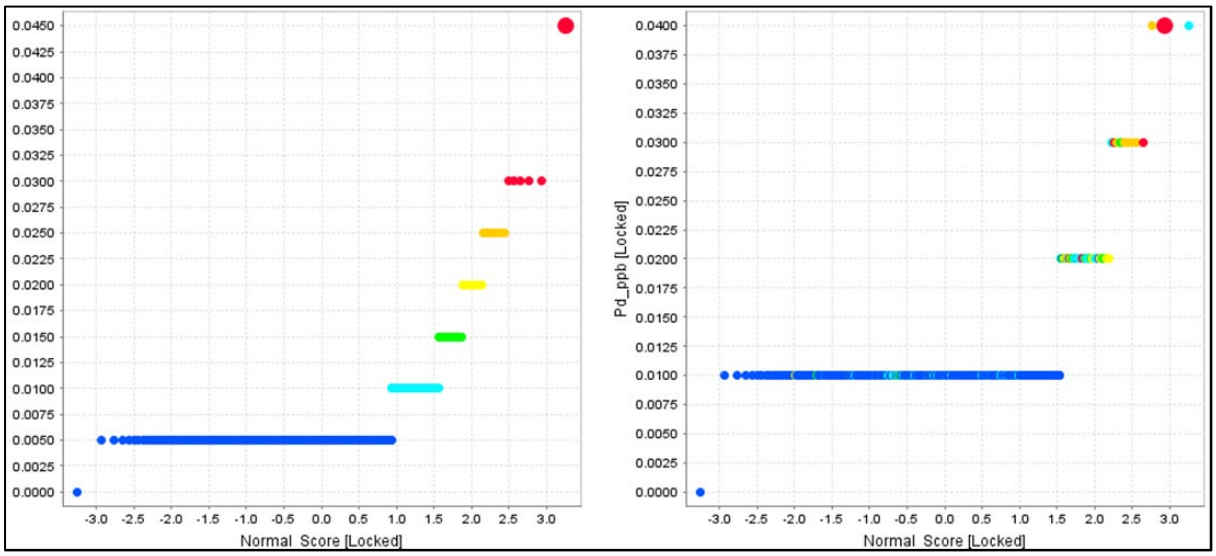

Figure 5: Infill auger soil Pt (left) and Pd (right) values (ppm) defining anomalous target areas identified.

NEXT STEPS

A Program of Works (POW) for a planned maiden 2,500m Reverse Circulation (RC) and Diamond (DDH) campaign is being organised with the Department of Mines, Industry Regulation and Safety (DMIRS).

The Due Diligence and Engagement process with the Local Aboriginal Cultural Heritage Services (LACHS), for the West Yilgarn and Dalwallinu region, when available, has commenced under the WA Labor Party's soon to be effectuated Aboriginal Cultural Heritage Act (ACH Act 2021). The ACH Act 2021 comes into effect on the 1st of July 2023.

Pending the POW and LACHS engagement, Nickel X aims to be drill testing the D1-D4 and DHEM1 and DHEM2 high priority targets in the September Quarter 2023.

Authorised for ASX release by Managing Director Matt Gauci.

CONTACT:

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

David Tasker
Chapter One Advisors
dtasker@chapteroneadvisors.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. The company's primary focus is the highly prospective Dalwallinu Nickel Project which covers 86km^2 of the underexplored Barra Barra Greenstone belt in the emerging West Yilgarn, which is host to several recent Nickel-Copper-PGE discoveries including the world class Julimar Nickel-Copper-PGE discovery. Recent geochemical and geophysical work programs undertaken by the Company have identified priority Nickel-Copper-PGE targets over a strike length of 6km with more detailed geochemical, geophysical and drilling work planned.

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.

JORC Code Table 1 for Dalwallinu Project

The following tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of the Exploration Results at the Dalwallinu Project.

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 downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	Auger soil geochemistry was acquired by Gyro Australia Pty Ltd using vehicle mounted mechanical petrol-driven auger. Auger samples were drilled to a nominal 30cm depth. End of Hole (EOH) samples were sieved using a 2mm mesh, and approximately 800 grams of the material passing the 2mm mesh was bagged in standard brown paper sample bags and transported direct to Bureau Veritas Laboratories in Perth by Company personnel.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Auger soil geochemistry was acquired by Gyro Australia Pty Ltd using vehicle mounted mechanical petrol-driven auger. Auger samples were drilled to a nominal 30cm depth. End of Hole (EOH) samples were sieved using a 2mm mesh, and approximately 800 grams of the material passing the 2mm mesh was bagged in standard brown paper sample bags and transported direct to Bureau Veritas Laboratories in Perth by Company personnel. Bureau Veritas Laboratories conducted industry standard instrument calibrations utilising standards, duplicates and blanks to ensure representativity and reproducibility of the sampling.
	Aspects of the determination of mineralisation that are Material to the Public Report.	All references to mineralisation are taken from reports and documents previously released to market by NKL and considered to be fit for purpose.
	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.	Auger soil geochemistry was acquired by Gyro Australia Pty Ltd using vehicle mounted mechanical petrol-driven auger. Auger samples were drilled to a nominal 30cm depth. End of Hole (EOH) samples were sieved using a 2mm mesh, and approximately 800 grams of the material passing the 2mm mesh was bagged in standard brown paper sample bags and transported direct to Bureau Veritas Laboratories in Perth by Company personnel.
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.).*	Auger soil geochemistry was acquired by Gyro Australia Pty Ltd using vehicle mounted mechanical petrol-driven auger. Auger samples were drilled to a nominal 30cm depth. End of Hole (EOH) samples were sieved using a 2mm mesh, and approximately 800 grams of the material passing the 2mm mesh was bagged in standard brown paper sample bags and transported direct to Bureau Veritas Laboratories in Perth by Company personnel.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Auger soil geochemistry was acquired by Gyro Australia Pty Ltd using vehicle mounted mechanical

Criteria	JORC Code explanation	Commentary
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	petrol-driven auger. Auger samples were drilled to a nominal 30cm depth. End of Hole (EOH) samples were sieved using a 2mm mesh, and approximately 800 grams of the material passing the 2mm mesh was bagged in standard brown paper sample bags and transported direct to Bureau Veritas Laboratories in Perth by Company personnel. No relationship exists between sample recovery and grade reported.
	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.	
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.*	No geological logging of soil samples was undertaken.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	
	The total length and percentage of the relevant intersections logged.	
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No core drilling results are reported
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Auger soil geochemistry was acquired by Gyro Australia Pty Ltd using vehicle mounted mechanical petrol-driven auger. Auger samples were drilled to a nominal 30cm depth. End of Hole (EOH) samples were sieved using a 2mm mesh, and approximately 800 grams of the material passing the 2mm mesh was bagged in standard brown paper sample bags and transported direct to Bureau Veritas Laboratories in Perth by Company personnel. Sampling is of dry material.
	For all sample types, the nature, quality, and appropriateness of the sample preparation technique.	Auger soil geochemistry was acquired by Gyro Australia Pty Ltd using vehicle mounted mechanical petrol-driven auger. Auger samples were drilled to a nominal 30cm depth. End of Hole (EOH) samples were sieved using a 2mm mesh, and approximately 800 grams of the material passing the 2mm mesh was bagged in standard brown paper sample bags and transported direct to Bureau Veritas Laboratories in Perth. In the Competent Person's opinion, sample size, sampling methodology, QA/QC was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation.
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples.	
	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.	
	Whether sample sizes are appropriate to the grain size of the material being sampled.	
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.*	Assaying was conducted at Bureau Veritas Laboratories in Perth using technique AR102 for elements Pt Ag As Bi Cd Co Cr Cu Hg In Mo Ni Pb Pd Sb Se Sn Te W Zn, and AR001 for Au and AR 102 for Ca Fe Mg Mn The analysis is considered total and in the Competent Person's opinion, sampling and analysis

Criteria	JORC Code explanation	Commentary
		was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation.
	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.	No geophysical data is rfeported
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Bureau Veritas laboratories conducted industry standard instrument calibrations utilising standards, duplicates and blanks to ensure representativity and reproducibility of the sampling. In the Competent Person's opinion, sampling and analysis was performed to adequate industry standards and is fit for the purpose of planning exploration programs and generating targets for investigation.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	No significant intersections are reported
	The use of twinned holes.	No twinned holes are reported
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All data was reported digitally and is maintained in an excel spreadsheet.
	Discuss any adjustment to assay data.	No assay data adjustments were made
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	NKL has done sufficient verification of the data, in the Competent Person's opinion, to provide sufficient confidence in the accuracy and quality of survey data and that it is fit for the purpose of planning exploration programs and generating targets for investigation. NKL continues to fully verify the data. Data locations were determined by hand-held GPS with field accuracy of <2m for point and RL locations. No Mineral Resource or Ore Reserve has been estimated.
	Specification of the grid system used.	NKL uses the grid system GDA 1994 MGA Zone 51 although is in the process of converting to GDA 2020 MGA Zone 51.
	Quality and adequacy of topographic control.	The local topography in the project areas is relatively flat and nominal RLs or RLs taken from handheld GPS are assumed to have been used previously. NKL continues to fully verify the data and has not found any material issues to date.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Data was acquired at 50m station spacing on lines nominally 50m apart. See figures in the report.
	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.	No Mineral Resources or Ore Reserves have been estimated.
	Whether sample compositing has been applied.	No Mineral Resources or Ore Reserves have been estimated.

Criteria	JORC Code explanation	Commentary
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.*	Soil samplng data acquisition has been carried out on east-west lines at an oblique angle to the regional northwest-southeast strike of aeromagnetic trends thought to indicate the trend of bedrock geology.
	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 is as yet insufficient data to determine the orientation of any mineralised structures
Sample security	*The measures taken to ensure sample security.*	Original data has been digitally stored in databases and is readily available for use and reprocessing.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits have been conducted other than review of data and sample locations. NKL has done sufficient verification of the data, in the Competent Person's opinion, to provide sufficient confidence in the accuracy and quality of survey data and that it is fit for the purpose of planning exploration programs and generating targets for investigation. NKL continues to fully verify the data.

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, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Dalwallinu Nickel Project (E70/5398) covers 86km2. The details and status of NKL's exploration licence are provided in the body of the Announcement. NKL's tenement covers freehold farmlands where native title has been extinguished.
	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 tenements are in good standing and NKL is unaware of any impediments for exploration on these licences.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Previous exploration has been limited to soil auger geochemistry data acquisition by Blue Ribbon Mines, and regional airborne magnetic data acquisition.
Geology	*Deposit type, geological setting and style of mineralisation.*	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. Target mineralisation is magmatic nickel-copper-cobalt-PGE systems such as Julimar. Orogenic and possible intrusion-related gold systems may also be found in the area.
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* *downhole length and intersection depth* *hole length.*	No core drilling results are reported. Sufficient detail as to soil auger sample locations are provided in the figures within the report.

Criteria	JORC Code explanation	Commentary
	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.	No material information has been excluded
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.*	No weighted averages or maxima/minima assay results are reported.
	Where aggregate intersections 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.	No aggregated assay results are reported
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are reported.
Relationship between mineralisation widths and intersection lengths	*These relationships are particularly important in the reporting of Exploration Results.*	No mineralised intersections are reported.
	If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.	No mineralised intersections are reported.
	If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. "downhole length, true width not known").	No mineralised intersections are reported.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intersections should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	Appropriate maps and diagrams are provided in the body of the Announcement.
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.*	All soils data results are reported graphically in the report.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): 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.*	All material data is reported in the body of the Announcement.
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).*	A two-year exploration work program will be planned and will include additional surface DD, RC, AC or RAB drilling and additional geophysical surveys.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	All diagrams are presented in the body of the Announcement.