

## Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

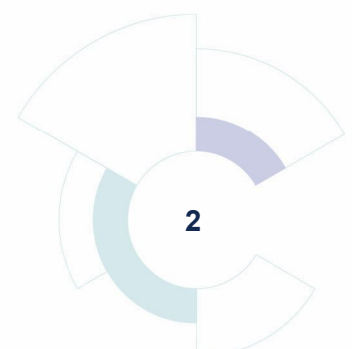
This notice is given by Nico Resources Limited (ACN 649 817 425) (**Company**) (ASX: NC1) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (the **Act**) as modified by Australian Securities and Investments Commission (**ASIC**) Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73.

On Tuesday, 19 September 2023, the Company announced the launch of an underwritten pro rata non-renounceable entitlement offer of 1 new Share (**New Share**) for every 5 Shares held by eligible shareholders (**Entitlement**) at 5pm (Perth time) on the record date of Monday, 25 September 2023 to raise approximately A\$7.30 million (before costs) (**Entitlement Offer**).

In connection with the New Shares to be issued pursuant to the Entitlement Offer, the Company confirms:

- (a) The New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Act.
- (b) This notice is being given under section 708AA(2)(f) of the Act.
- (c) As at the date of this notice, the Company has complied with:
  - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
  - (ii) sections 674 and 674A of the Act.
- (d) As at the date of this notice, there is no information of the type referred to in sections 708AA(8) and 708AA(9) of the Act; that is, there is no information:
  - (i) that has been excluded from a continuous disclosure notice given by the Company in accordance with the ASX listing rules; and
  - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - (B) the rights and liabilities attaching to the New Shares.
- (e) The potential effect that the issue of the New Shares will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including the extent to which eligible shareholders participate in the Entitlement Offer and subscribe for their Entitlements.

- (f) At the date of this notice, the Entitlement Offer is not expected to have any material effect on control of the Company given:
- (i) the size of the Entitlement Offer; the number of New Shares to be issued pursuant to the Entitlement Offer is 18,200,000 New Shares and the total number of Shares on issue at completion of the Entitlement Offer will be 109,200,002 Shares (on a fully subscribed basis subject to rounding);
  - (ii) the structure of the Entitlement Offer as a pro rata issue which is fully underwritten by the underwriter (for further details, see the Company's announcement dated 19 September 2023 announcing the Entitlement Offer); and
  - (iii) the current level of holdings of substantial holdings (based on substantial holding notices that have been given to the Company and lodged with ASX on or prior to the date of this notice).
- (g) If all eligible shareholders subscribe for their Entitlement in full:
- (i) each eligible shareholder's percentage interest in the total issued shares will remain the same and will not be diluted; and
  - (ii) there will not be any material effect on control of the Company.
- (h) In the event that not all eligible shareholders subscribe for their full Entitlement and a shortfall remains:
- (i) those eligible shareholders who do not participate (including those shareholders who are ineligible to participate) in the Entitlement Offer or who do not subscribe for their full Entitlement, will be diluted relative to those shareholders who subscribe for their full Entitlement and those persons who acquire New Shares under the underwriting commitments; and
  - (ii) the extent of the shareholding dilution will depend on the degree to which eligible shareholders take up their Entitlement.
- (i) The Company will not issue New Shares under the Entitlement Offer to the extent it may result in the voting power of a person and their 'associates' (as defined in the Corporations Act) exceeding 20% or increasing an existing voting power of more than 20%.
- (j) So far as the Company is aware, based on substantial holding notices that have been lodged prior to the date of this notice, there are no shareholders with voting power of more than 20% in the Company.
- (k) The table below sets out the estimated dilutive effect of the Entitlement Offer on existing shareholders' interests in various subscription scenarios:



Acceptances by Eligible Shareholders	New Shares issued	Dilution
100% subscription under Entitlement Offer	91,000,002	0%
75% subscription under Entitlement Offer	68,250,000	4.17%
50% subscription under Entitlement Offer	45,500,000	8.34%
25% subscription under Entitlement Offer	22,750,000	12.50%
0% subscription under Entitlement Offer	0	16.67%

**Note:** The table above sets out the estimated dilutive effect of the Entitlement Offer on the shareholding interests of existing shareholders assuming various subscription scenarios under the Entitlement Offer. The figures in the table are estimates only and do not take into account the rounding of any fractional entitlements under the Entitlement Offer.

This announcement has been authorised by the board of directors of the Company.

Amanda Burgess  
**Company Secretary**

