

QUARTERLY REPORT SEPTEMBER 23

ASX ANNOUNCEMENT 30 OCTOBER 2023



ASX: NC1

Board

Peter Cook
Non-Executive Chairman

Jonathan Shellabear
Managing Director/CEO

Rod Corps
Non-Executive Director

Stewart Findlay
Non-Executive Director

Brett Smith
Non-Executive Director

Issued Capital

91.00M shares on issue
43.05M unlisted options
3.00M Performance shares

Market Capitalisation

\$27.71 million

Enterprise Value

\$24.73 million

Cash at Bank (30-Sept-23)

\$2.98 million

Nico Resources Limited

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During the quarter Nico Resources Limited ("Nico" or the "Company") continued to focus on progressing the Wingellina Nickel-Cobalt Project ("Wingellina" or the "Project") from PFS to DFS. Several critical components were advanced which are discussed in more detail below. In addition, the Company continued to engage under confidentiality agreements with potential strategic partners that have both the technical and financial capacity to assist with the development of the Project.

Key Highlights

- An inferred resource of 44.8 Mt at 42.5% CaO has been estimated by CSA Global for the Lewis Calcrete deposit, located approximately 25 kilometres north of the Project. This preliminary calcrete resource will provide enough neutralising agent for the HPAL process for the first 30 years of production.
- A passive seismic survey was completed over the Cobb Embayment water resource following the completion of an anthropological and archaeological survey and approval from the Ngaanyatjarra Council.
- A metallurgical testwork and piloting program commenced at ALS during the quarter which includes bench scale optimisation testwork in support of the proposed flowsheet. A continuous piloting program will commence after completion of the bench scale testwork.
- An underwritten 1 for 5 pro-rata non-renounceable entitlement offer at \$0.40 per new share to raise approximately \$7.3 million (before costs) was announced during the quarter.

Nico is pleased to present a summary of activities for the quarter ended 30 September 2023.

QUARTERLY ACTIVITIES

Exploration & Geology

Lewis Calcrete Resource Modelling

Initial drill testing of the Lewis Calcrete deposit in 2014, located approximately 25 kilometres north of the Project, comprised 89 shallow reconnaissance reverse circulation (RC) holes (See Figure 1). Testwork confirmed good quality calcrete with CaO+MgO+LOI exceeding 70% within a majority of the holes drilled.

In late 2022, Nico completed 2,144 m of RC drilling in 302 holes for calcrete resource definition drilling on E69/3065 with the objective of defining sufficient suitable calcrete resources for the life of operations at the Project (see Figure 2). During the current quarter, CSA Global completed a preliminary resource estimate for the Lewis Calcrete deposit which is summarised (at a 36% CaO cut-off grade) in Table 1 below.

Nico Resources Limited

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Principle Business Address

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Registered Address

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Calcrete is an important consumable in the HPAL process and is used as a neutralization agent. The use of a locally sourced calcrete will significantly reduce the operating costs by minimising the cost of imported lime. The Lewis Calcrete deposit should provide all the calcrete requirements for the life of the project and the initial resource will provide enough calcrete for the first 30 years of production.

Domain	Tonnage (Mt)	CaO (%)	MgO (%)	Al ₂ O ₃ (%)	Fe ₂ O ₃ (%)	SiO ₂ (%)	LOI (%)
Area 1	10.7	42.7	1.0	1.2	0.7	19.3	34.8
Area 2	14.5	38.8	1.1	1.8	1.0	36.0	32.3
Area 3	6.7	42.8	1.0	1.6	0.9	17.8	35.2
Area 4	17.4	42.5	1.2	1.4	0.8	18.6	34.9
Total	44.8	42.5	1.1	1.4	0.8	22.6	34.9

Table 1. Lewis Calcrete Inferred Resource

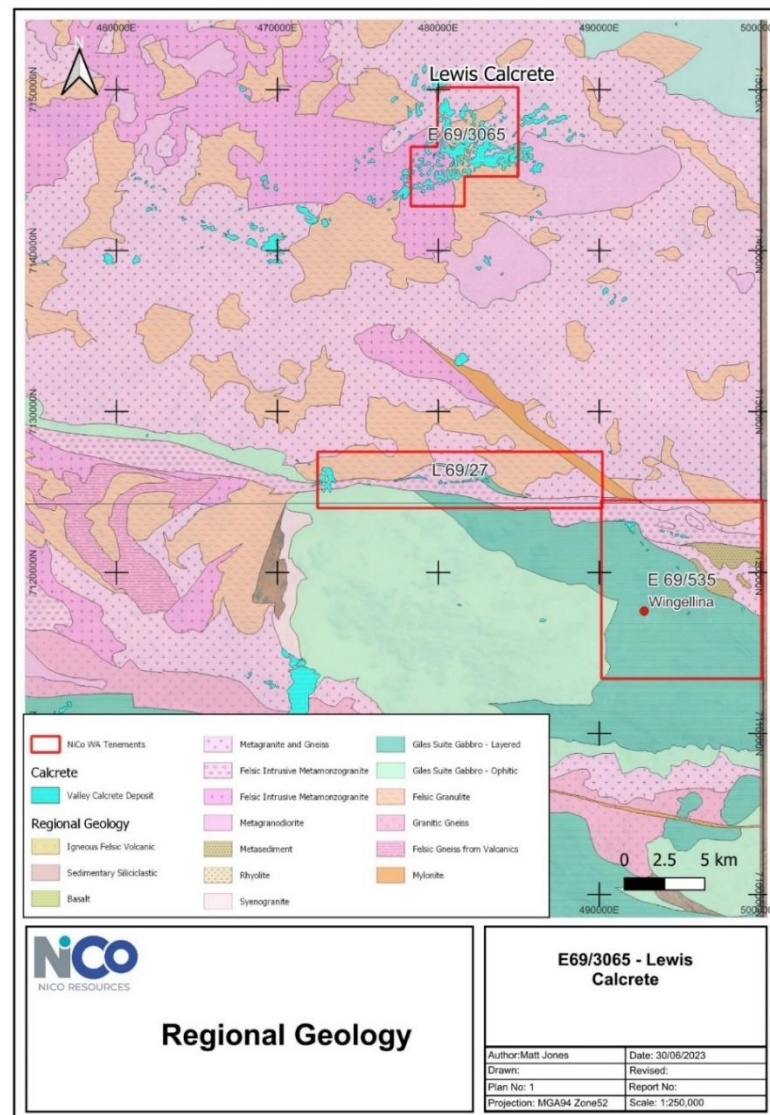


Figure 1. Location of the Lewis Calcrete deposit and underlying geology

Further work on the Lewis Calcrete deposit will include additional drilling, both extensional drilling (to increase volume of the resource), infill drilling (to confirm continuity of the resource) and some twinned holes (for QA/QC purposes). Additional systematic sampling is also required across the deposit for neutralising values (NV) which will be used to determine the relationship between NV and geochemistry and provide the means to predict NV within the resource block model.

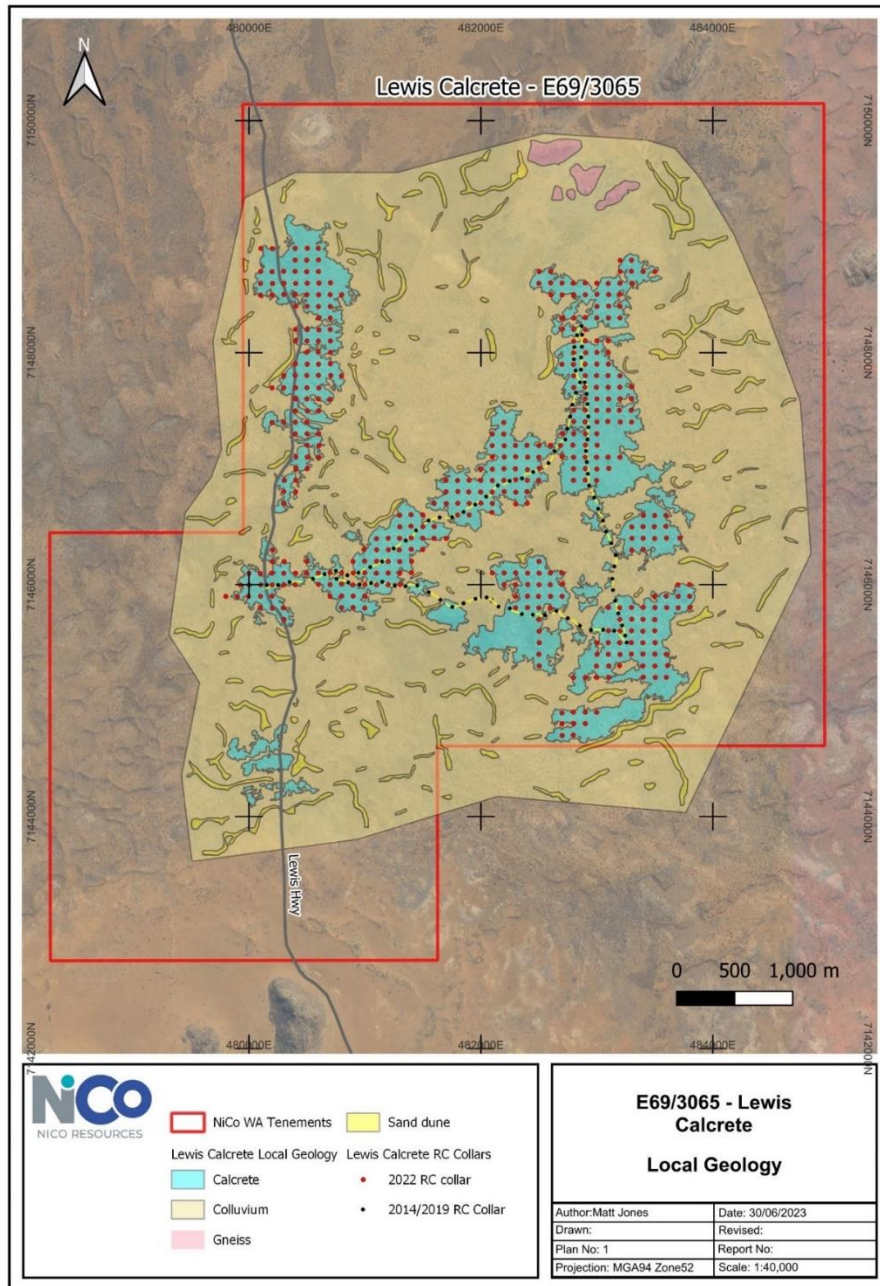
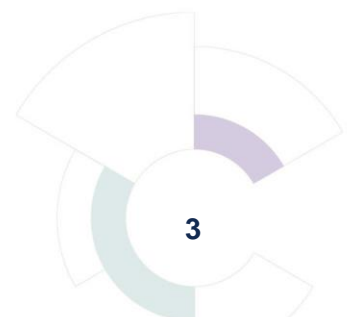


Figure 2. Lewis Calcrete local geology and drillhole locations



Wingellina Resource Modelling

CSA Global have also been appointed to complete an update of the Wingellina resource model which will incorporate the results from the 2022 drill program. The results from the 2022 program returned a strong correlation between the resource targets generated in a previous study and the high-grade zones extended much deeper than previous interpretations indicated. The results provide Nico with confidence that the 15 high grade pits may provide a suitable source of higher-grade mining inventory and significantly enhance the cash flow generation in the initial years of production from the project.

The update of the resource model for the Wingellina Deposit commenced during the September quarter following the consolidation and validation of the recently collected 2022 drilling data. Throughout the quarter, the consolidation of the Wingellina drill program data into the existing resource database was completed which will enable CSA Global to proceed with an updated resource model and a re-estimation of resources.

During the quarter the topographical surface was created, and all data has been imported into the 3D modelling software and a review of geology and logging is in progress. An updated resource estimate of the Wingellina project, incorporating the results from 2022 program is expected to be completed in the December quarter.

A geo-metallurgical model will then be constructed from the resource model which will be used for mine scheduling purposes and optimisation studies.

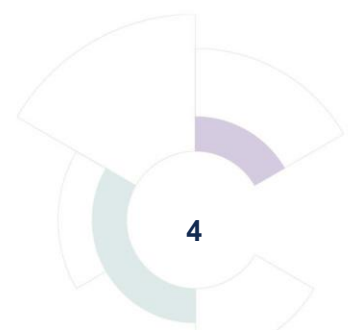
Water Resources

During the September Quarter the Company received the necessary approvals for a passive seismic survey to commence on the Cobb Embayment water resource (see Figure 3) following the completion of anthropological and archaeological surveys. The passive seismic survey commenced in late September and the data generated from the survey is currently being processed and analysed. The passive seismic survey is required to constrain the specific water supply target areas ahead of the upcoming water drilling campaign. Drilling and pump testing of the formations is expected to commence in the March Quarter of next year.

The Cobb Embayment of the Canning Basin lies approximately 70 kms north-west of Wingellina and sedimentary strata of Permian age lie within the embayment to at least 140 metres in depth. The Cobb Embayment provides the most economically attractive water supply option for the project due to shallower bore depths and better quality water (between 1,000 to 3,100 mg/L TDS) compared with the Officer Basin.

Previous work undertaken at the Cobb Embayment indicate the presence of good quality water and there is a high level of confidence that the water requirements for the project will be achieved. The Company remains committed to implementing responsible water management practices in alignment with environmental regulations.

Nico Resources has also continued investigations into the Nyikukara area (Mann Fault - South Australian extension) which was previously explored by MetalsX Limited in 2011 (see Figure 4). The Company is assessing future exploration options for this potential additional water source particularly for water during the construction stage of the project.



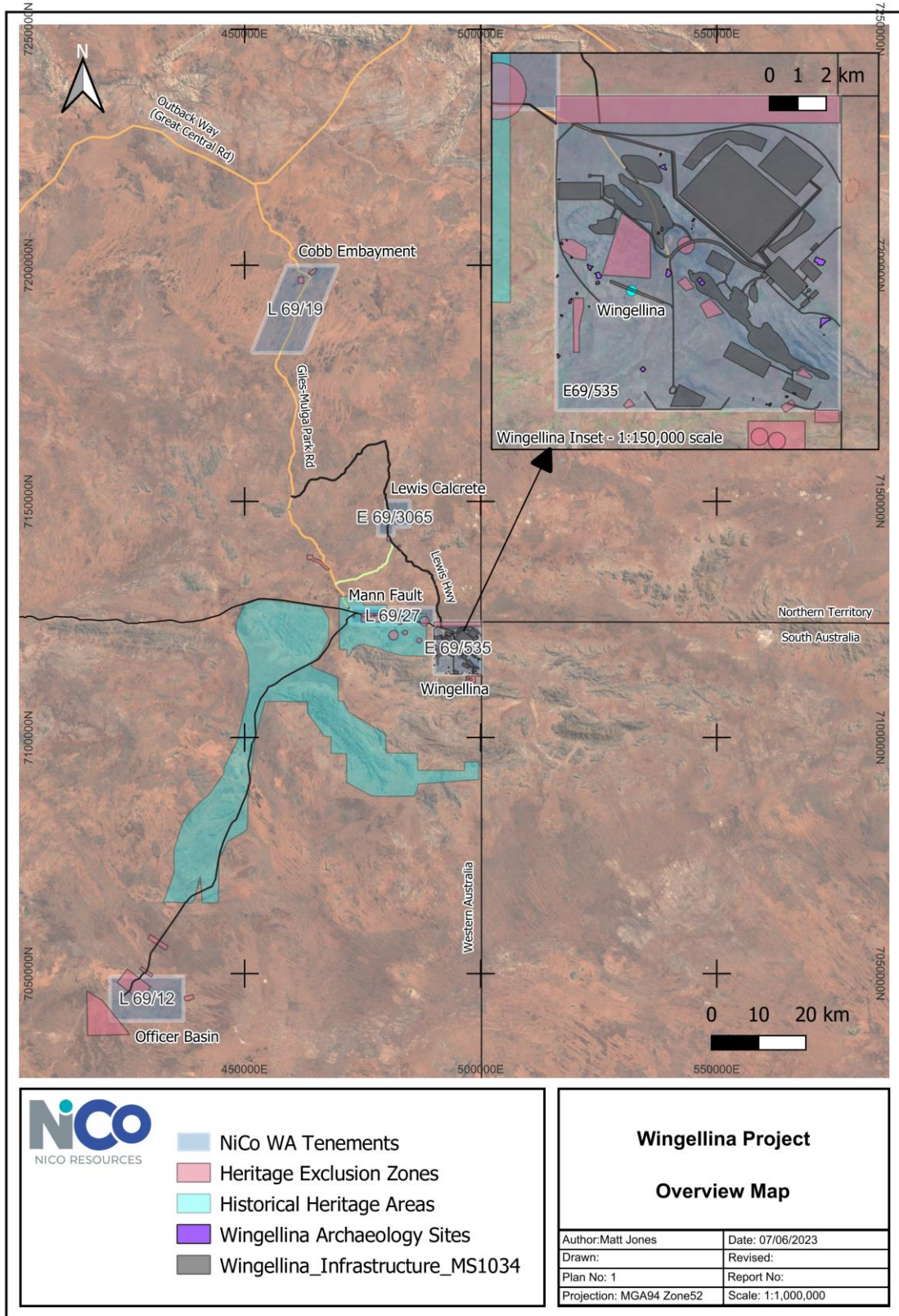


Figure 3. Location of the Cobb Embayment, Mann Fault and Officer Basin

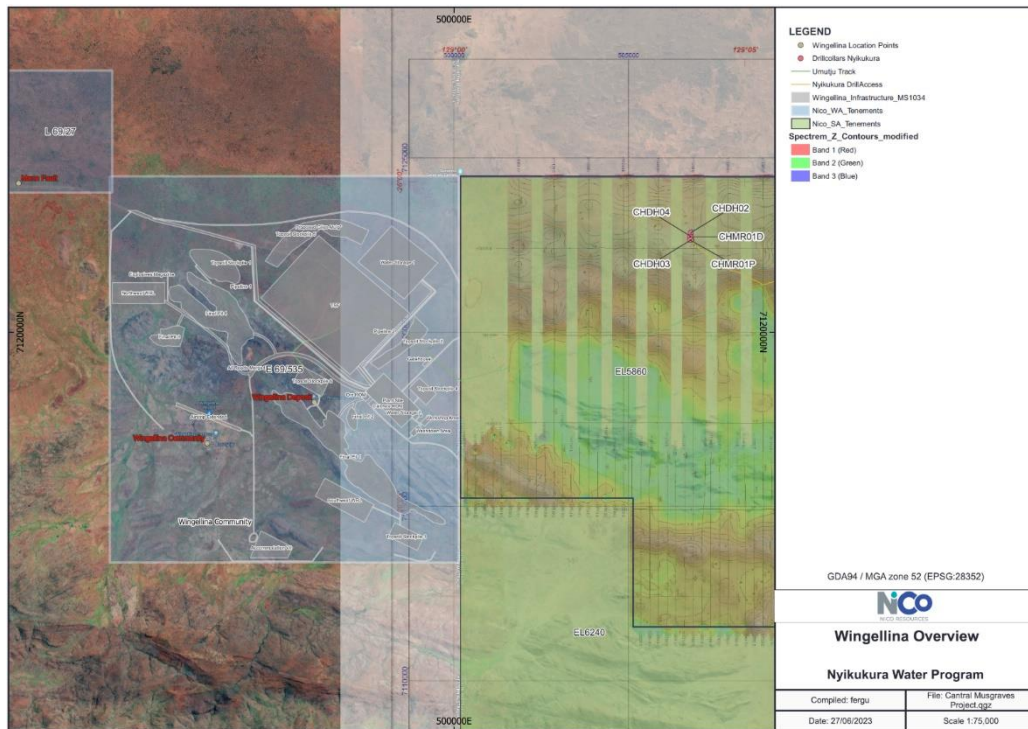


Figure 4. Location of the Nyikukura area and potential water resource

Non-Process Infrastructure

To ensure efficient logistics and cost-effective operations, the Company has continued to undertake extensive logistics modelling and costing exercises with independent consultants. Regular discussions are ongoing to finalize the modelling options and costing strategies to further enhance the project's economics which will be compiled into a comprehensive document for the upcoming Definitive Feasibility Study (DFS).

Progress has been made regarding road upgrades to the project and a scope of work has been sent to a number of consultants for the upgrade and re-alignment survey of the Giles-Mulga Park road (Irrunytju Road – see Figure 5) to RAV 10 category which will allow the use of road trains with a triple and quad configuration. Anthropological and archaeological surveys were completed on the Giles-Mulga Park road over the quarter and heritage approval has been granted to conduct flora and fauna surveys over the length of the road.

During the quarter a meeting was held with the Outback Way Steering Committee who are very supportive of the Project. As mentioned previously the upgrading and sealing of the NT section of the Outback Way is anticipated to be completed by mid-2027. However, we understand that the Indigenous Land Use Agreement (ILUA) for the WA section of the Outback way is still unresolved which has impacted on planning for road construction for Main Roads WA. Notwithstanding, development activities to allow the commencement for the construction of the relevant WA section of the Outback Way are expected to be substantially completed by 2024.

A preliminary aviation study has commenced, and the intent is to complete the initial aviation study in-house. This work will accurately define what is required for air transport to and from site and is being prepared in sufficient detail to allow completion of detailed design and construction cost from a reputable consultant/aviation contractor. The extension to the existing airstrip at Wingellina is the preferred option although two additional sites have been identified.

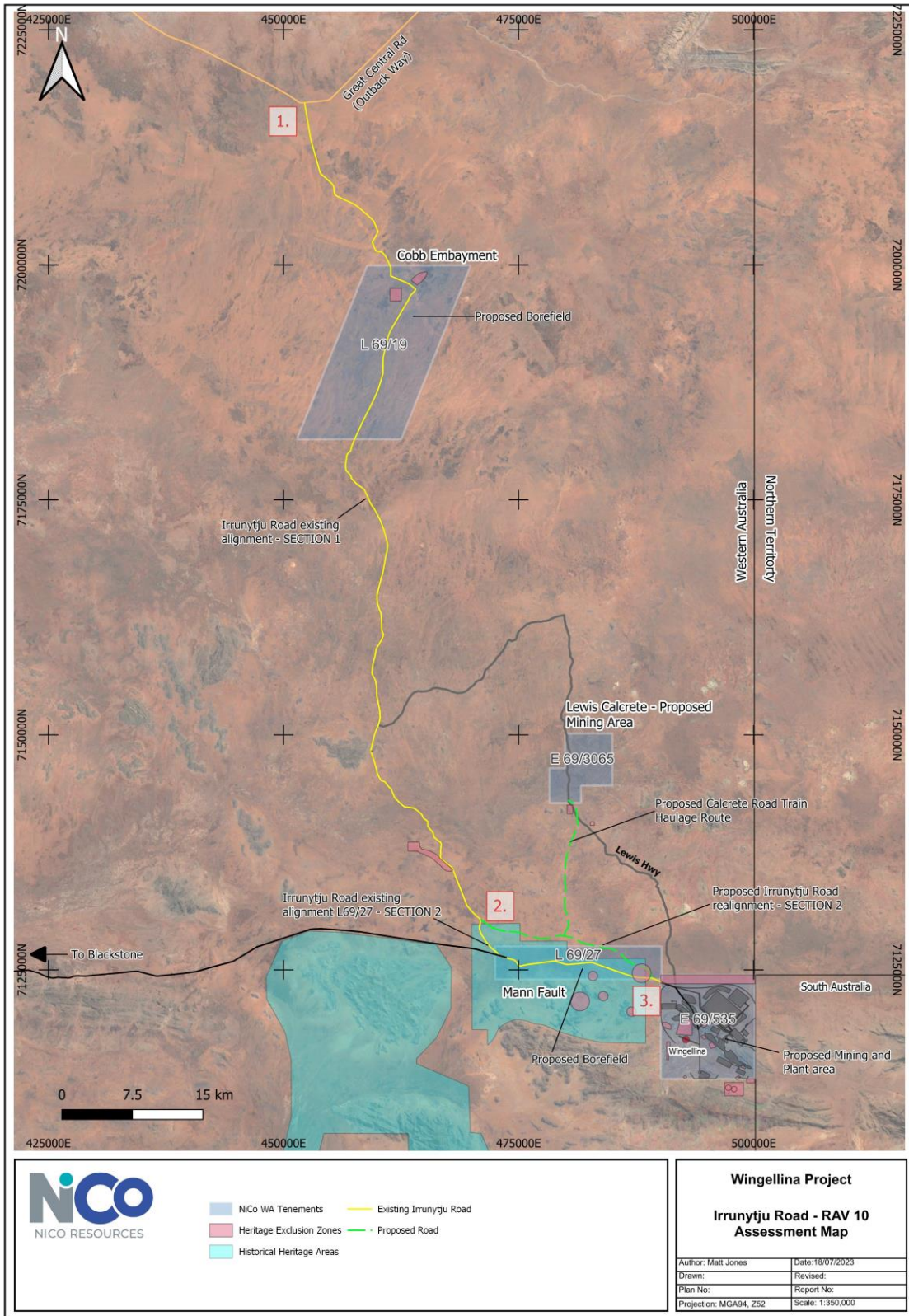
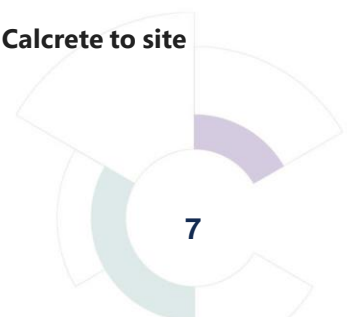


Figure 5. Road access from the Outback Way, Cobb Embayment and Lewis Calcrete to site



Processing and Metallurgy

The Scope of Work for the piloting testwork was completed during the June Quarter and was issued to laboratories who can undertake the required work. The initial focus of the piloting test work will be on Mixed Hydroxide Precipitate (MHP) processing, laying the foundation for further advancements in our metallurgical processes.

During the September Quarter, ALS were appointed to commence a bench scale testwork program. Following the bench scale program continuous piloting will be undertaken in the March Quarter 2024. The ore to be tested within this scope of work is representative of the predominant limonite ore type within the Wingellina deposit. The broad objectives of the test program are to produce reliable and bankable process and engineering data and include:

- Complete feed preparation tests to determine material properties for equipment design parameters;
- complete bench testwork programs to confirm the selected pilot flow sheets and equipment set up around numbers for the integrated pilot plant;
- conduct a separate ore preparation program to generate sufficient slurry for the 14-day continuous HPAL runs. Conditions for this flowsheet will be set by the ore preparation bench optimization tests;
- Operate a hydrometallurgical pilot plant configured to the selected flow sheet to maximise nickel extraction, optimise reagent additions and produce a high-quality mixed nickel-cobalt hydroxide product in support of an engineering design criterion for the commercial plant thereby further de-risking the Project;
- Process an ore sample of approximately 8,000 kg through a HPAL pilot program covering 14 days of continuous operation using synthetic site water;
- Assess the addition of transitional ore into the Recycle Leach/Primary Neutralisation circuit to gain added nickel and cobalt credits;
- Reagent consumption and neutralising capacity data for calcrete and slaked lime (generated by testwork on Lewis Calcrete undertaken by Simulus);
- Produce marketing samples of MHP; and
- Produce representative tailings and reject products for testing and design of the various containment and disposal structures that will be required for the Project.

The Company's metallurgical and piloting activities commenced in the September Quarter and these metallurgical programs will significantly contribute to the ongoing development of the Wingellina project and allow the commencement of the DFS. The testwork will generate the following relevant information for the DFS:

- Metal recovery data;
- Stream composition data and physical property data (including rheology);
- Bulk solids materials handling properties;
- Key equipment sizing data;
- Materials of construction data;
- Reagent consumption and waste composition data; and
- Product specification and purity.

The Nico process team has continued to actively investigate the feasibility of generating quicklime on-site at Wingellina as a cost control and project optimisation mechanism. Bench testing of Lewis calcrete in collaboration

with Simulus, continued throughout the September Quarter to assess the viability of producing quicklime from the Lewis calcrete deposit. Initial piloting was completed at 850°C, 900°C, 950°C, 1000°C and 1050°C with promising results and approximately 250 kg of quicklime was generated from the Lewis calcrete. The quicklime will be used during the continuous piloting program at ALS.

The generation of quicklime at the Project will significantly reduce operating costs and provide around \$16 million in net savings per annum and the Company is confident that this will provide material benefits to the Project.

During the September Quarter the process team also commenced an investigation into the potential to generate magnesia on site at the Project which will reduce the reliance on imported product. Initial studies are promising and further work is being undertaken to progress this opportunity. Initial analysis suggests that net cost savings could amount to around \$38 million per annum which has a material impact of the value of the Project.

Environmental, Social and Governance

Western Botanical and Bamford Consulting Ecologists completed the first round of flora and fauna surveys for the various upcoming works programs over the Cobb-Embayment, Giles-Mulga Park road and the Lewis Calcrete deposit.



Figure 6. Nico Resources' flora and fauna surveys are conducted in close consultation with the Traditional Owners

During the quarter Nico also continued to progress with responses to s46 queries (extension to existing EPA approval) from the EPA in conjunction with the Ngaanyatjarra Council. Nico is continuing to advance the outstanding areas requested by the EPA and looks forward to receiving the s46 approval shortly.

During the quarter the Company continued to develop policies, systems and processes to meet its ESG responsibilities in preparation for the next phase of Project development which included the advancement of its Mine Safety Management System. This work has been completed in advance of the next stage of project development to ensure the company is aligned with its evolving compliance requirements with the West Australian Mining Act. Nico believes that the development and installation of these processes ahead of the commencement of the next phase of studies will ensure a streamlined approach to project development.

Stakeholder Relations

During the quarter the Company maintained its ongoing engagement with various stakeholders, including government representatives, community members, and indigenous councils. Nico worked closely with the NG Council anthropologists to prepare a staged consultation plan for the proposed development of the Cobb Embayment borefield and water pipeline, Lewis calcrete quarry and haul road and the upgrade of the Giles-Mulga Park road.

Other activities conducted over the quarter included:

- Coordination of community support and education programs and sponsorship initiatives.
- Delivery of items to the various Wingellina community clubs and organisations.
- Correspondence and meetings with relevant ministers, departments, and advisory bodies to discuss project progress.

A structured approach was taken to engage various stakeholders and media outlets to foster awareness and support for the Project.

Future Work Program

During the December 2023 quarter Nico will focus on the following activities:

- Continue the bench scale testwork at ALS to confirm the robust project flowsheet design. A continuous piloting program will follow the completion of the bench scale testwork in the first quarter of next year.
- Finalise the logistics studies and for the Project.
- Further exploration and associated work on the Lewis calcrete deposit.
- Complete the required works on the potential water supply from the Cobb Embayment in preparation for the drilling of additional bores in 2024.
- Complete the updated mineral resource estimate and commence the geo-metallurgical model for the Wingellina orebody to assist in identification of orebody variability and mine planning and scheduling.
- Progress engagement with government agencies and other key stakeholders, including the local community.
- Continue the scope and definition documentation for the DFS.
- Continue engagement with a number of potential strategic partners that may assist in the development and funding of the Project.

CORPORATE AND FINANCIAL

FINANCIAL

Nico closed the quarter with cash and working capital of \$2,977,752.

CAPITAL RAISING

During the quarter the Company announced a fully underwritten non-renounceable entitlement offer ("the Entitlement Offer") to eligible shareholders to acquire one new share for every five shares at issue price of \$0.40 per New Share to raise approximately \$7.3 million (before costs). The Offer closed on the 18th October and is fully underwritten by Blue Ocean Equities Pty Limited.

Subsequent to the end of the September quarter the Company received applications for 5.32 million New Shares from eligible shareholders which represents approximately 29% of all New Shares offered under the Entitlement

Offer. The shortfall securities (amounting to 12.8 million New Shares) will be issued and allotted on Monday 30th October.

CAPITAL STRUCTURE¹ AS AT 30 September 2023

Description	Number
Fully paid ordinary shares	91,000,002
Unlisted options exercisable at \$0.25 on or before 3 November 2024	25,000,000
Unlisted options exercisable at \$0.25 on or before 29 July 2024	9,000,000
Unlisted options Lead Manager Options exercisable at \$0.30 on or before 17 January 2025	800,000
Unlisted Director options exercisable at \$0.644 on or before 23 March 2026	3,000,000
Unlisted Employee options (various)	5,550,000

Following the allotment of New Shares from the Entitlement Offer there will be 109,200,575 shares on issue.

MAJOR SHAREHOLDERS

The current major shareholders of the Company (as at 30 September 2023) are:

- Blackstone Minerals Limited 15.11%
- Mr Rod Corps 11.38%
- Metals X Limited 8.46%
- Mr Peter Cook 7.97%

Related party payments for the quarter, are as outlined in the attached Appendix 5B at section 6.1, total \$150,865 and includes amounts paid to directors including director's fees and statutory superannuation.

Exploration and Evaluation expenditure during the quarter was \$772,346.

USE OF FUNDS²

Nico provides the following disclosures required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure to date since listing on 19 January 2022 against the 'use of funds' statement in its prospectus dated 23 November 2021.

Expenditure	Funds allocated under Prospectus	Actual to 30 June 2023	Variance
Exploration Expenses	\$4,023,000	\$3,666,840	(\$356,160)
Studies and Reviews	\$622,000	\$230,083	(\$391,917)
Directors Fees	\$800,000	\$844,942	\$44,942
Working Capital	\$1,396,000	\$2,907,444	2,218,587
Costs of offer	\$1,063,000	\$1,148,764	\$85,764
Future acquisition costs	\$1,350,000	-	(1,350,000)
Total	\$9,254,000	\$9,505,216	\$251,216

¹ See various 3B announcements for details.

² The Use of Funds table is a statement of current intentions, investors should note that the allocation of funds set out in the 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.

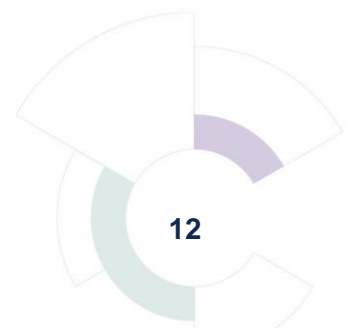
This announcement has been authorised for release by the Board.

CONTACTS

For more information, please visit our website rte or email info@nicoresources.com.au.

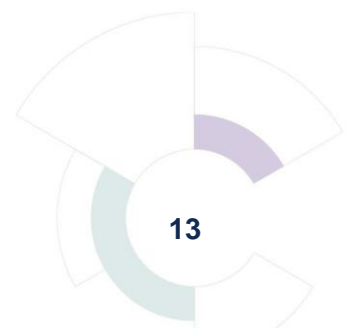
Jonathan Shellabear
Managing Director/CEO

Amanda Burgess
Company Secretary



SUMMARY OF MINING TENEMENTS

Tenement	Status	Project	Location	Ownership
E69/535	LIVE	Wingellina	WA	100
E69/3065	LIVE	Wingellina	WA	100
L69/12	LIVE	Wingellina	WA	100
L69/19	LIVE	Wingellina	WA	100
L69/27	LIVE	Wingellina	WA	100
EL5860	LIVE	Claude Hills	SA	100
EL6240	LIVE	Mt Davis	SA	100



ABOUT NICO RESOURCES LIMITED

Nico Resources Limited is an Australian company focusing on Australian nickel projects.

Nico owns a 100% legal and beneficial interest in nickel assets consisting of the Wingellina (WA) and Claude Hills (SA) nickel projects.

Central Musgrave Project (CMP)

The CMP comprising of three main exploration tenements - Wingellina (WA), Claude Hill (SA) and Mt Davies (SA) along with an Exploration Licence covering the Lewis calcrete resource and three Miscellaneous Licences covering the defined water resources.

The CMP consists of a package of tenements hosting nickel-cobalt-scandium lateritic Mineral Resources in excess of 200 million tonnes, containing 1.95 million tonnes of Nickel and 150 thousand tonnes of Cobalt along with a Probable Ore Reserve of 164.8 million tonnes containing 1.56 million tonnes of Nickel and 123,000 tonnes of cobalt.

The project tenure is approximately 1,469km² located within Western Australia and South Australia adjoining the Surveyor Generals Corner (the junction between Western Australia, the Northern Territory and South Australia).

Wingellina is one of the largest undeveloped nickel resources / reserves globally to underpin an independent Australian nickel producer.

The Wingellina deposit hosts a JORC (2012) defined Measured, Indicated and Inferred Resources of 182.6Mt at 0.92% Ni & 0.07% Co for 1.68Mt of contained nickel and 132Kt of contained cobalt and hosts a JORC (2012) defined Probable Reserves of 168.4Mt at 0.93% Ni & 0.07% Co for 1.56Mt of contained nickel and 123Kt of contained cobalt).

The Claude Hills deposit located less than 20km from Wingellina hosts a JORC (2004) defined Inferred Resources of 33.3 Mt at 0.81% Ni and 0.07% Co for 270Kt of contained nickel and 23Kt of contained cobalt.

COMPETENT PERSON'S STATEMENT

Exploration

The information in the report to which this statement is attached relates to Exploration Targets or Exploration Results is based on information compiled by Mr. M Jones, who is full time Employee of the company and also a Member of The Australian Institute of Mining and Metallurgy, with 20 years' experience in the mining industry. Mr. Jones has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

Resources

The information in this report that relates to mineral resources, exploration targets or exploration results is based on information compiled by Mr Jake (Jacob) Russell, who was previously an employee of Metals X, and a "Competent Person" who is a Member of the Australian Institute of Geoscientists (AIG). Mr Russell has sufficient experience that is relevant to the style of mineralisation and type of deposits 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. Mr Russell consents to the inclusion in this announcement of the matters based on his information and in the form and context in which it appears.

Ore Reserves

The information in this report that relates to ore reserves is based on information compiled by Mr Michael Poepjes, who was a previous employee of Metals X in 2016, a member of the AusIMM at the time and a "Competent Person". Mr Poepjes has sufficient experience that is relevant to the style of mineralisation and type of deposits 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. Mr Poepjes consents to the inclusion in this announcement of the matters based on his information and in the form and context in which it appears.

PFS CAUTIONARY STATEMENT

The production target and forecast financial information derived from the production target referred to is based on 100% of the material from probable ore reserves. This includes all material modelled for the current mining schedule for Wingellina. There has been no modifying factors applied to the estimation as all of the material included in the study resides in the probable ore reserve category. The material assumptions used in the estimation of the production target and associated forecast financial information are set out in Table 2: Ore Reserve estimation for the Wingellina Project of the "Nico Resources Limited Technical Assessment Report of the Central Musgraves Nickel-Cobalt Project" prepared by CSA Global Mining Industry Consultants as part of the "Nico Resources Replacement Prospectus Initial Public Offer" dated 23 November as at 2021. The mineral resource and ore reserve estimates underpinning the production target were prepared by Competent Persons in accordance with the JORC Code 2012.

FORWARD-LOOKING STATEMENTS:

This announcement contains certain forward-looking statements. Forward-looking statements are statements that are not historical and consist primarily of projections — statements regarding future plans, expectations and developments. Words such as "expects", "intends", "plans", "may", "could", "potential", "should", "anticipates", "likely", and "believes" and words of similar import tend to identify forward-looking statements. All statements other than those of historical facts included in this announcement are forward-looking statements, including, without limitation, statements regarding plans, strategies and objectives, anticipated production and expected costs and projections and estimates of ore reserves and mineral resources. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also forward-looking statements. Forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, exploration, development and operational risks. No independent third party has reviewed the reasonableness of any such statements or assumptions. None of the Company, their related bodies corporate and their respective officers, directors, employees, or advisers represent or warrant that such forward statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any forward statement contained in this release. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Recipients should form their own views as to these matters and any assumptions on which any of the forward statements are based and not place undue reliance on such statements.

PREVIOUS DISCLOSURE

The information in this quarterly activities report is based on the Nico Resources Limited Prospectus and Pre-feasibility study, which are available from the Nico Resources Limited website www.nicoresources.com.au and the ASX website www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus and that all material assumptions and technical parameters underpinning the Prospectus continue to apply and have not materially changed.

Appendix 5B

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

Name of entity

Nico Resources Limited

ABN

80 649 817 425

Quarter ended ("current quarter")

30 Sept 2023

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	(497)	(497)
(e) administration and corporate costs	(405)	(405)
1.3 Dividends received (see note 3)		
1.4 Interest received	38	38
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)	14	14
1.9 Net cash from / (used in) operating activities	(850)	(850)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(8)	(8)
(d) exploration & evaluation	(772)	(772)
(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	(780)	(780)

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)	-	-
	Funds received in the prior quarter for capital allotted in the current quarter		
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	4608	4608
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(850)	(850)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(780)	(780)

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
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,978	2,978

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	809	1,440
5.2	Call deposits	2,169	3,168
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)	2,978	4,608

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	151
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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	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)	(850)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(780)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,630)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,978
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,978
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2
<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:	
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:	

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:

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.

Date: 30 October 2023

Authorised by: **The Board of Nico Resources Limited**

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.