NICO RESOURCES LTD

Wingellina Advances Metallurgical Testwork

Nico Resources Limited ("**Nico**" or the "**Company**") (ASX: NC1) is pleased to provide an update on its current metallurgical testwork program. The latest works are part of a definitive program of Metallurgical Engineering aimed at underpinning a Definitive Feasibility Study ("**DFS**") for development of the world-class Wingellina Nickel-Cobalt Project ("**Wingellina"** or the **"Project**") located in Western Australia.

Wingellina is a world-class oxide-type nickel cobalt deposit which hosts an initial reserve of 1.56 million tonnes of contained nickel capable of producing approximately 40,000t of nickel and 3,000t of cobalt in a Mixed Hydroxide Precipitate ("**MHP**") for at least 42 years. A detailed pre-feasibility study[1] ("**PFS**") completed on the Project in December 2022 confirmed a globally significant Tier 1 asset, characterised by its long life, low cost and high operating margins.

The results received from this comprehensive testwork program continue to confirm all previous metallurgical testwork and show that Wingellina ore has characteristics that are particularly well suited to processing by High Pressure Acid Leach ("**HPAL**") which results in high metallurgical recoveries and low reagent usage. Moreover, the recent technological advancements in HPAL technology and the additional testwork completed confirms that additional operating benefits are likely available which can provide a reduction in both operating and capital costs.

Due to the current depressed capital market conditions, the Company has stopped short of commencing the intended start of a continuous pilot testwork program. This program will be reconsidered following the completion of the current bench scale metallurgical testwork program.

The Company notes green shoots appearing in the nickel market and considers that prices have begun to recover to levels where large scale, long life and low cost projects such as Wingellina provide relevant economic returns and appeal as dependable projects for stable nickel supply.

Highlights

Additional bench scale metallurgical testwork has continued to confirm the technical viability of utilising the HPAL process to produce MHP from the Wingellina deposit, including relatively low rates of acid consumption and excellent leaching kinetics.

- Bulk HPAL slurry was produced to investigate the conditions required downstream for successful nickel and cobalt recovery from the liquor.
- Primary neutralisation ("**PN**") conditions with nickel losses of less than 1% can be achieved.

[1] See ASX Announcement 22 December 2022 "PFS confirms Wingellina as a Tier 1 project capable of supplying decades on Nickel and Cobalt".

- Neutralised leach residue thickening achieved up to 50 wt% solids which is at the higher end of similar nickeliferous oxide-type deposits. This will result in a continuous counter-current decantation ("**CCD"**) train with high nickel recoveries and accordingly will have a modest positive impact on capital and operating costs.
- First-Stage Secondary Neutralisation ("**SN1"**) conditions with less than 2% nickel losses can be achieved while removing iron and aluminium impurities.
- A bench scale test work program has commenced to assess the beneficiation and leaching potential of transitional ore for potential incorporation into the process flowsheet. This testwork, if successful, will provide additional metal units and neutralisation capacity which will have an additional positive impact on production and costs.

The Current Metallurgical Program

During the second half of 2023 Nico embarked on a testwork program with the objective of generating sufficient data to underpin a DFS level flowsheet and engineering design for the Project. The Wingellina deposit is a large nickel-cobalt reserve[2] with predominantly high-iron limonite ore, which is ideally suited for processing by HPAL. The processing flowsheet consists of ore scrubbing and beneficiation, HPAL, neutralization, CCD, two-stage secondary neutralisation for iron and aluminium impurity removal, MHP precipitation, tailings neutralization and storage. The initial sample preparation and bench scale test programs commenced in September 2023 with the objective of confirming the flowsheet and process design criteria for a pilot plant campaign on a bulk sample. The main test program is being undertaken at the ALS Metallurgy laboratories in Perth.

Samples for testwork

Samples for limonite testwork were sourced from a Bauer drilling campaign conducted in 2013. During this campaign four 30 metre holes were drilled to generate bulk samples for metallurgical testwork. Holes three and four were selected as sources for the current program since they represented areas of the deposit that were identified for early processing during prefeasibility studies.

Representative samples from the nearby Lewis calcrete deposit were collected from Reverse Circulation ("**RC**") drilling pulps. The representative composite assayed 64% $CaCO_3$.

Outcomes

Salient results of the testwork recently conducted are presented below and are in addition to the previous announcement "Wingellina Metallurgical Testwork Update" released to the ASX on 23 January 2024.

Hydrometallurgical Bench Scale test work

On-going programme of batch HPAL leaches has been undertaken to confirm acid addition, temperature, and kinetic parameters:

- Leaching temperatures in the range of 245 °C to 260 °C.
- Nickel and cobalt extractions of 95% or higher were achieved.

[2] Ore reserves of 168.4 million tonnes at 0.93% Nickel and 0.07% Cobalt.

- The addition of minor amounts of sulphur was successful in reducing chromium extraction.
- Acid requirements are typically at the lower end of expectations (see Figures 1 and 2) and below that assumed in the PFS.
- Additional analysis to determine the optimum leaching temperature is on-going but is expected to be in the range of 250 °C to 260 °C.

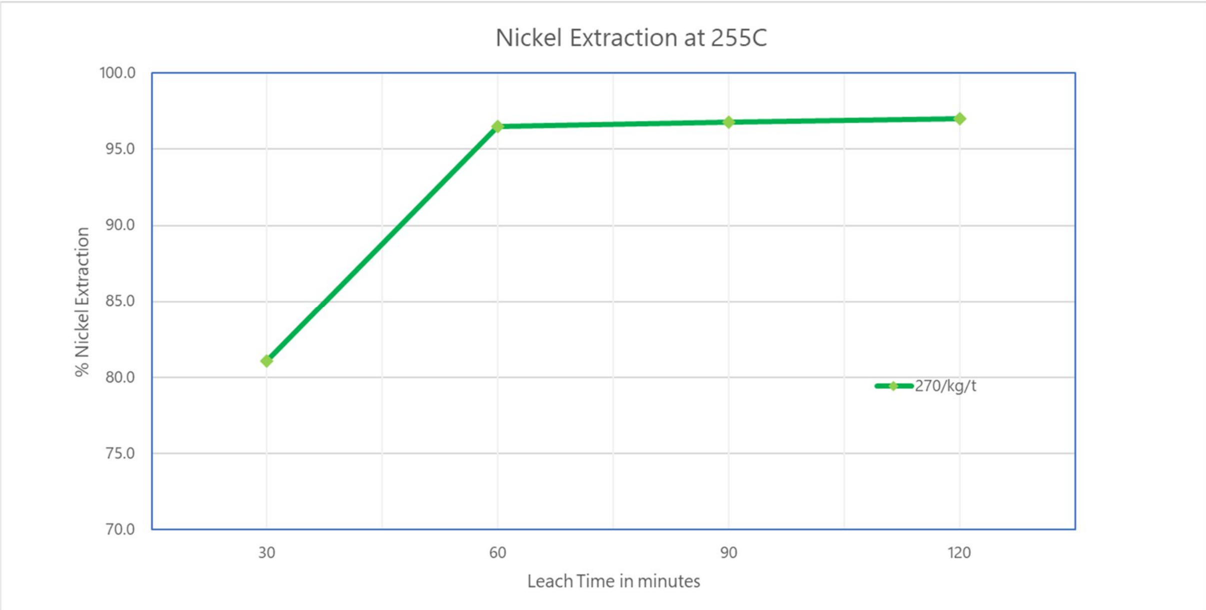

Figure 1: Typical Nickel Extractions at 255 °C and 270 kg/t acid

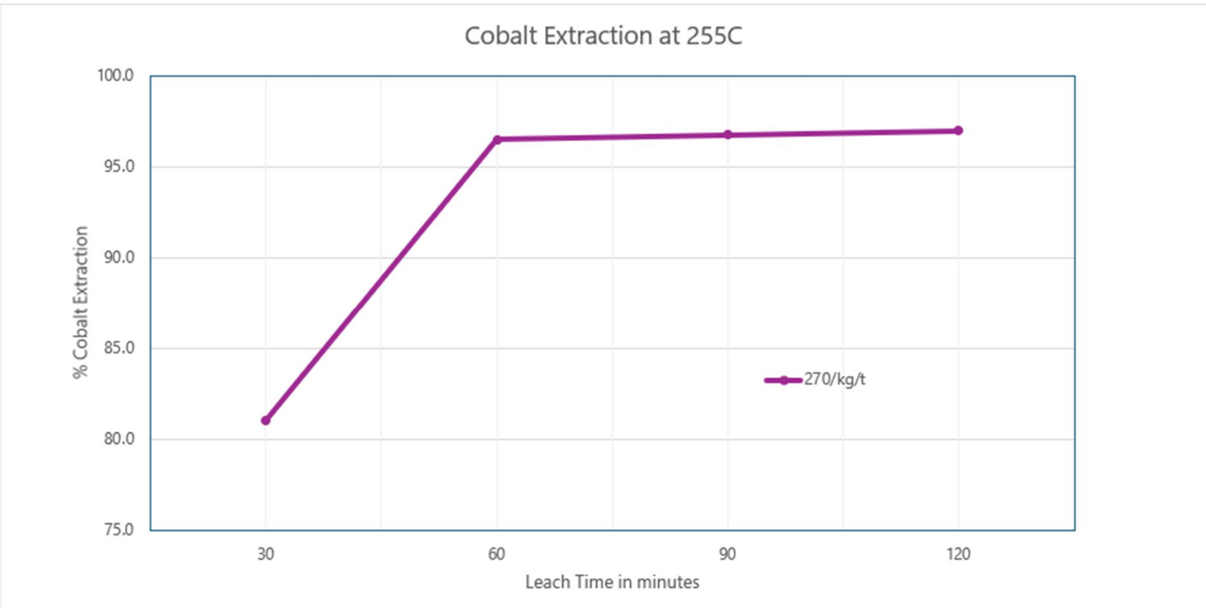

Figure 2: Typical Cobalt Extractions at 255 °C and 270 kg/t acid

Sufficient bulk HPAL leaches have been conducted to generate slurry for downstream testing. Current ongoing testing includes verification of the performance criteria for PN, CCD, SN, MHP precipitation, nickel and cobalt scavenging and manganese removal.

Material from the Lewis calcrete resource, located around 30 kilometres from Wingellina, was used in all neutralisation testwork. The results from the use of Lewis calcrete have further confirmed the viability of its use in the proposed HPAL circuit at Wingellina. This is a major advantage of the project to have a large resource of neutralising material located in very close proximity to the proposed plant.

Testwork downstream of HPAL included:

- PN metal precipitation vs pH.
- PN kinetic tests to select the optimal reaction time and pH, to remove iron and aluminium from the liquor with nickel losses of less than 1%.
- Rheological testing of PN discharge slurry:
- The slurry yield stress at 50% solids is less than 100 Pa and comfortably within the operating range of centrifugal pumps.
- CCD1 flocculant screening tests were successfully completed. Optimum flocculant types and dosage was typical for an oxide-type deposit.
- SN metal precipitation vs pH test completed.
- SN1 kinetic tests completed. Results achieved assist in the selection of an appropriate reaction time and pH that maximises aluminium precipitation while minimising nickel losses to less than 2%.
- SN1 bulk test completed to confirm performance at selected pH condition and to produce solids for further testing.
- SN1 conditions used resulted in aluminium precipitation of 83% and <1% nickel loss.
- SN2 kinetic test completed. Results assist in the selection of a reaction time and pH for complete aluminium removal and ensure that a pure liquor progresses to Mixed Hydroxide precipitation.
- SN2 bulk test completed to confirm performance at selected pH conditions and to produce solids for further testing.
- Future tests will leach SN2 precipitate under recycle re-leach conditions.

Transitional Ore

Transitional ores form a minor component of the Wingellina resource and represent around 5% of the total Wingellina resource[3]. A bench scale test work program has commenced to assess the beneficiation and leaching potential of transitional ore for potential incorporation into the process flowsheet. The overall feed contribution of transitional ores would be minor but would provide additional metal units and neutralising capacity.

- Transitional ore samples were successfully separated by size, to produce a fine fraction, suitable as HPAL feed, and a coarse fraction with useful neutralising properties.
- HPAL tests successfully completed on 3 samples which resulted in nickel and cobalt extractions of around 95%. Results will be used to optimise transitional ore feed into the HPAL circuit.
- Acid neutralisation test completed on 10 oversize samples to determine ability to minimise calcrete addition. Results as anticipated, with acid neutralised capacity of course material typically in excess of 500 kg H_2SO_4 /t.

[3] Total mineral resource of 182.6 million tonnes at 0.92% Nickel and 0.07% Cobalt.

Calcrete and Quicklime from Lewis Calcrete Deposit

As a neutralising agent is critical to the metallurgical process and comprises a material cost for processing, significant effort was previously undertaken to delineate a nearby source of appropriate material. The Lewis Calcrete Deposit is a substantial calcrete resource located approximately 30 kilometres north of Wingellina and appears of sufficient size and quality to supply calcrete to the project for the life of mine. The use of Lewis Calcrete enables significant savings in the purchase of calcium carbonate and transport of calcium carbonate minerals such as limestone to the processing plant.

The following testwork was undertaken to establish the viability of using Lewis Calcrete as a neutralising agent and as a source of material that can be converted to quicklime (Lewis Quicklime).

- Lewis calcrete was utilised in acid neutralisation capacity ("**ANC**") tests simulating neutralisation conditions and resulted in an acid neutralisation capacity of 642 kg H_2SO_4 / tonne of calcrete. This result is consistent with the calcium and magnesium carbonate contained within the calcrete.
- ALS conducted slaking tests on pilot plant generated quicklime, which confirmed the bench scale results generated at Simulus Laboratories in previous testwork.
- ANC tests on slaked lime generated at pilot plant scale confirmed previous results produced during bench scale tests.
- The Lewis Quicklime has been proven to be a viable alternative to commercially produced quicklime and results in substantial operating cost benefits for the project.
- Rheology tests for Lewis Quicklime slaked and screened at 106 micron were conducted, producing rheology results equivalent to commercially produced quicklime.
- Following the successful tests on Lewis Quicklime, slaked lime was produced for use in nickel and cobalt scavenging, and manganese removal.

Ongoing Works

Ore Preparation

Small scale scrubbing tests have highlighted the presence of agglomerates in some samples. Tests using 50 kg samples of the high agglomerate containing material have been successful in reducing the agglomerate content to less than 1% of ore feed mass. Additional batch scrubbing tests will be conducted to further reduce agglomerate content.

The results will be used to design a continuous ore preparation pilot plant, which will provide feed material for the HPAL pilot plant. Data from the continuous ore preparation plant will be used for the final plant design.

Recycle Releach

Secondary Neutralisation produces a precipitate that contains modest quantities of co-precipitated nickel and cobalt. To improve overall metal recovery, this precipitate will be re-leached in acidic slurry exiting the HPAL circuit. Tests will be conducted to determine the efficiency of this process.

Primary Neutralisation Stress Test

PN tests will be conducted on slurries spiked with aluminium to collect data on neutralisation of high aluminium liquors within the PN system, to simulate solution build-up due to processing recycle streams. This will ensure the PN system has the capacity to handle recycle streams containing aluminium.

Mixed Hydroxide Precipitation Test Work

In the current quarter the purified Secondary Neutralisation liquor will be treated with caustic calcined magnesia, to precipitate a mixture of nickel, cobalt, and manganese as MHP. The objective of the testwork is to determine the conditions required to produce a saleable Mixed Hydroxide Product.

Scavenger Precipitation Test Work

MHP discharge liquor will be treated with slaked lime produced from Lewis calcrete, to precipitate the remaining nickel and cobalt. The objectives of the testwork are to determine the conditions required to maximise nickel and cobalt precipitation while optimising manganese co-precipitation.

Manganese Removal Test Work

Nickel free liquor from the MHP testwork will be treated with Lewis slaked lime, to precipitate manganese from the liquor, prior to its use as wash water in the CCD train.

Pilot Plant testing

Organisation of hydrometallurgical piloting and bulk sample preparation was scheduled to commence on completion of the bench scale testwork. As previously stated, this pilot plant campaign will be delayed.

Jonathan Shellabear, Nico's Managing Director commented:

"We are pleased with these outstanding outcomes and their importance in continuing to advance Wingellina to be a development ready project. We know from the PFS that if Wingellina was developed and operational prior to the recent nickel price rout, the Project still would have generated robust free cash at the market lows.

This is a great stress test for a project of this magnitude and scale. We continue to press forward in readiness for the next phase. We have to be patient, but we do so in the belief that Wingellina is world class in size and grade, has a long life in excess of 40 years and it remains one of very few major undeveloped oxide-type nickel-cobalt deposits in the world. These deposit types have now become the most dominant contributor of nickel supply to assist in the long-term global energy transition."

This announcement has been authorised for release by the Board.

Contacts

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

Jonathan Shellabear
Managing Director

Amanda Burgess
Company Secretary

COMPETENT PERSON'S STATEMENT

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.

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.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Reverse Circulation (RC) drilling and Bauer Drilling (large diameter auger-type rig) were used for all drilling and sampling reported in this release. • RC drilling has been utilised extensively at the Central Musgrave Project (CMP). • From 2001 to 2008 drill cuttings were extracted from the RC return via cyclone. The underflow from each interval was transferred via bucket to a four-tiered riffle splitter, delivering approximately three kilograms of the recovered material into calico bags for analysis. The residual material was retained on the ground near the hole. Composite samples were obtained from the residue material for initial analysis, with the split samples remaining with the individual residual piles until required for re- split and duplicates analysis or eventual disposal. Cyclone cone splitter sampling was in use in the 2017, 2019 and 2022 programs • RC drilling produced samples that were collected at two-metre intervals using a cone splitter to produce an approximate three-kilogram sample, which is considered representative of the full drill metre. This is considered to be an industry standard. Sampling was guided by qualified field personnel. • All samples were sent to Intertek Laboratories (Perth or

Criteria	JORC Code explanation	Commentary
		Kalgoorlie). Samples were analysed for a standard 18 element XRF Ni laterite suite (FB1/XRF - Al2O3, CaO, Co, Cr2O3, Cu, Fe2O3, K2O, LOI, MgO, MnO, Na2O, Ni, P2O5, SO3, Sc, SiO2, TiO2, Zn) on all of the samples and an Aqua Regia digestion/ ICP MS (AR25/MS) multi-element suite on approximately half of the samples (Au, Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Hf, Hg, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Pd, Pt, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr).
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Bulk sample Nickel Laterite Ore used in the current testwork was sourced from two bulk sample holes drilled in 2013 – WPBS003 and WPBS004. Analytical results from the Wingellina Reverse Circulation drill hole database were scrutinised to locate vertical holes that yielded an average aggregated target grade approximating the overall average feed grade for the first 10 years of the operation. Holes were 780mm in diameter and drilled to a depth of 30m (above the water table). At the time of drilling a grab sample was taken of each metre interval. This was analysed at SGS laboratories using XRF and four acid digest for a standard Nickel Laterite suite (Al2O3, CaO, Co, Cr2O3, Cu, Fe2O3, K2O, LOI, MgO, MnO, Na2O, Ni, P2O5, SO3, SiO2, TiO2, Zn). Further confirmatory XRF analysis of homogenised material was conducted at ALS laboratories as part of the 2023/2024 work • The Wingellina 2022 RC drill program at Lewis Calcrete from which calcrete samples for testwork were derived was executed by Kennedy Drilling using a Schramm T685WS Rotadrill RC drill

Criteria	JORC Code explanation	Commentary
		rig with a compressor capacity of 1350 / 500 cfm and 2400 / 1000 cfm booster. • Drilling was carried out using a 146mm RC face sampling hammer.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Overall drilling recoveries were good. No defined relationship exists between sample recovery and grade. Nor has sample bias due to preferential loss or gain of fine or coarse material been noted.
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Geological logging of the drill chips were recorded for all holes, including lithology, mineralogy, texture, weathering, oxidation, colour and other features of the samples. Drill chips were not logged to any geotechnical standard. Logging of RC drill chips is considered to be semiquantitative given the nature of rock chip fragments and the inability to obtain detailed geological information. The drill holes were logged in full to the end of the hole.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to*	• All two-metre splits from the drill holes were passed through a cone splitter to produce a 7.5% representative sample for assaying. Check or repeat samples have been submitted for analysis. • Each sample was weighed at the preparation laboratory and the weights recorded along with analytical results. • Samples were shipped to Intertek laboratories in Alice Springs

Criteria	JORC Code explanation	Commentary
	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.*	or Kalgoorlie for drying, pulverising and splitting to prepare a pulp of approximately 200 grams which was analysed at Intertek Laboratories in Perth, Australia. Analysis included a standard 18 element XRF Ni laterite suite (FB1/XRF - Al2O3, CaO, Co, Cr2O3, Cu, Fe2O3, K2O, LOI, MgO, MnO, Na2O, Ni, P2O5, SO3, Sc, SiO2, TiO2, Zn) on all of the samples and an Aqua Regia digestion/ ICP MS (AR25/MS) multi-element suite on approximately half of the samples (Au, Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Hf, Hg, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Pd, Pt, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr). The sample sizes are considered to be appropriate to correctly represent the sought after mineralisation style. •
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.* • *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.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• RC sample weights ranged from 1 – 3kg. Samples were dried, crushed and pulverised to minus 75 microns. Analysis was undertaken using both XRF and Aqua Regia digestion/ ICP MS. Both are considered accepted industry analytical process appropriate for the nature and style of mineralisation under investigation. Blanks and standards were incorporated into the sampling procedure. Intertek undertook their own internal checks and blanks.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Results of standards and field duplicates are within acceptable ranges. No independent or alternative company has yet been engaged to verify results.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Each drill hole location (easting and northing) was set out using a handheld GPS. Locations will be surveyed using a Real Time Kinematic GPS. This measures X, Y and Z to sub-centimetre accuracy in terms of the MGA 94, Zone 52 metric grid. • Final surveyed locations are expected to be within 5 metres of the handheld GPS locations • Topographic control is generated from a combination of remote sensing methods and ground- based surveys. This methodology is adequate for the resource in question.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill hole spacing at CMP is generally on a 120m x 50m spacing. 2022 drilling has typically infilled the local areas to 60m x 25m and 30m x 25m.
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.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have*	• Drilling intersections are nominally designed to be sub-normal to the orebody. • It is not considered that drilling orientation has introduced an appreciable sampling bias.

Criteria	JORC Code explanation	Commentary
	introduced a sampling bias, this should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• Samples are delivered to a third-party transport service, who in turn relay them to the independent laboratory contractor. Samples are stored securely until they leave site.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have yet been conducted on the exploration data presented in this release.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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*	• The CMP comprises five granted exploration leases and one granted miscellaneous lease. Native title interests are recorded against the CMP tenements. The CMP tenements are held by Austral Nickel Pty Ltd (South Australia) and

Criteria	JORC Code explanation	Commentary
	environmental settings. • *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.*	Hinckley Range Pty Ltd (Western Australia). Nico has 100% ownership of both companies. One third party royalty agreement applies to the tenements at CMP, over and above the state government royalty. Hinckley Range Pty Ltd and Austral Nickel Pty Ltd operate in accordance with all environmental conditions set down as conditions for the grant of the leases. There are no known issues regarding the security of tenure. There are no known impediments to continued operation.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The CMP area has an exploration history which extends to the 1960's, with significant contributors being Southwestern Mining Limited (INCO 1950's and 1960's), Nickel Mines of Australia (1970's), Acclaim Exploration Limited (2001 – 2004) and Metals X Limited (2005-2021). • On balance, more recent work since 2001 has generally confirmed the veracity of historic exploration data.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Musgrave Block is an east-west trending, structurally bounded mid- Proterozoic terrane some 130,000km2 in area, straddling the common borders of Western Australia, South Australia and the Northern Territory. Deep weathering of olivine-rich ultramafic units aided by shearing has resulted in the concentration of nickel mineralisation. The olivine in the ultramafic units has background values of about 0.15% Ni to 0.3% Ni. The almost complete removal of MgO and SiO2 to ground waters during the weathering of olivine in the ultramafic units resulted in extreme volume reductions and

Criteria	JORC Code explanation	Commentary
		consequent significant upgrading of other rock forming oxides (Fe_2O_3, Al_2O_3) and metal element concentrations in the weathered profile.
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* ○ *down hole length and interception depth* ○ *hole length.* • *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.*	• Excluded results are non-significant and do not materially affect understanding of the Wingellina deposit. • Specific hole locations are not relevant as this report details metallurgical results of sample composites designed to represent typical material of the Wingellina and Lewis Calcrete Deposits
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts 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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Data aggregation methods are not relevant to the metallurgical results reported.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Interval widths are downhole width unless otherwise stated.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Not applicable to the metallurgical results reported.
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.*	• The accompanying document is considered to represent a balanced report. Further evaluation into the significance of these results is ongoing.
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.*	• Other exploration data collected by the Company is not considered as material to this report at this stage. Further data collection will be reviewed and reported when considered material.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling*	• Exploration and mine planning assessment continues to take place at the CMP.

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	areas, provided this information is not commercially sensitive.	

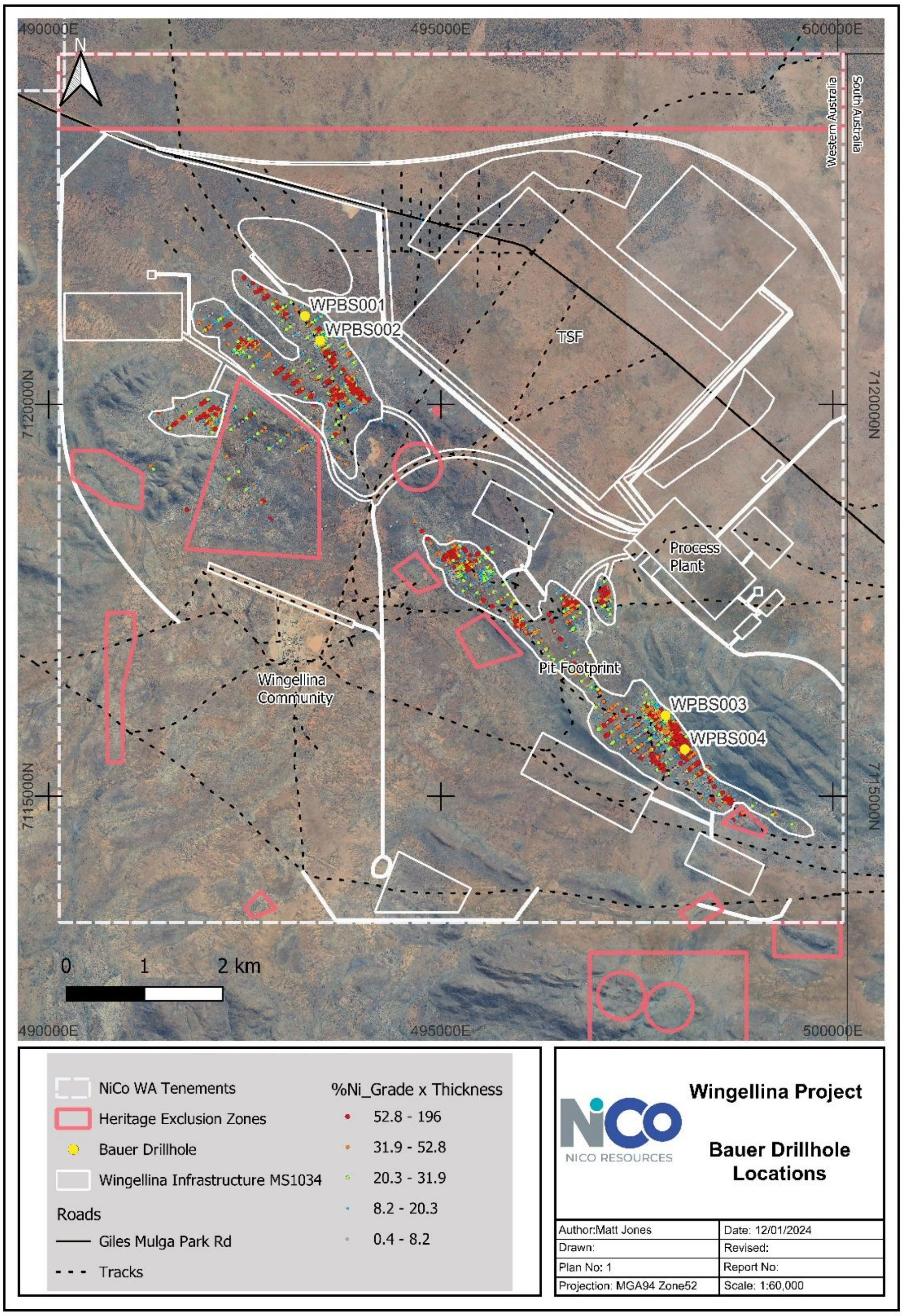

Figure 3: Bauer Drillhole Location Plan