

Wingellina gets extended green light from EPA

Nico Resources Limited ("**Nico**" or the "**Company**") (ASX: NC1) is pleased to advise that the Minister for Environment, Hon. Reece Whitby has granted an extension to the previous EPA approval for the future development of the Wingellina Nickel-Cobalt Project ("**Wingellina**" or the "**Project**") in Ministerial Statement No. 1223 as recommended by the Environmental Protection Authority ("**EPA**").

Wingellina is a world-class oxide-type nickel-cobalt limonite deposit located in the Musgrave Ranges of WA, approximately 100 km east of BHP's planned West Musgrave Nickel-Copper Project. Wingellina hosts an open pit mining reserve containing 1.56 million tonnes of nickel metal and 123k tonnes of cobalt metal (168.4 Mt at 0.93% nickel and 0.07% cobalt).

A prefeasibility study completed in December 2022 outlined a viable project capable of producing up to 40,000t of nickel and 3,000t of cobalt in a Mixed Hydroxide Precipitate ("**MHP**") for at least 42 years. The MHP product contains essential critical minerals used in batteries and energy storage systems required for the global energy transition. The Company is currently awaiting approval of its application for the Project to be granted Federal Major Project Status which will assist with the critical funding and project development of this mega-project. When developed Wingellina will play a critical role in the Australian Government's strategy to create resilient and diverse supply chains, build Australian's sovereign capability in critical minerals processing and create significant economic opportunities for regional and First Nations communities.

Highlights

The approval is subject to the following conditions listed in Statement No. 1223, as published on the Western Australian EPA website:

- An extension of the environmental permit to enable the project to be developed for 5 years from the Statement publication date (10 June 2024) as requested by Nico; and
- The removal of previous existential conditions relating to additional survey requirements for a flora species (previously thought to be of higher conservation significance), as requested by Nico.

Managing Director comment

Nico's Managing Director Jonathan Shellabear said:

"Nico welcomes and accepts the EPA's inquiry of all conditions of its environmental permit and the receipt of an updated approval for the Wingellina project. The revisions to the Ministerial Statement have not only extended the timeframe of the environmental approval for the Wingellina Project but also provides confidence that the Project meets current expectations of the Government, Traditional Owners, Ngaanyatjarra Council, and residents of Irrunytju, as well as the broader public with respect to the environmental impact assessment."

Wingellina is the largest undeveloped nickel deposit by mining reserves in Australia and one of the very few development opportunities for a new major nickel development outside of the Chinese-dominated

Indonesian nickel industry. It is very pleasing to have the EPA approval extended and to be in a position to continue to progress the project toward development for the benefit of all stakeholders.

The nickel price on international markets has suffered recently due to oversupply of the metal notwithstanding continued strong underlying demand. With that increase in supply, major technological breakthroughs in process technology and “know how” have paved a more certain and lower cost path for nickel oxide developments. Ironically, if Wingellina was built and operating today it would still be generating strong free cashflows and would have withstood the recent price demise which is very positive for its long-term future.”

Background

The Approval for the development of the Wingellina Project was previously granted in 2016 subject to implementation conditions (Ministerial Statement No 1034) from the then Minister for Environment following a comprehensive environmental impact assessment (“EIA”) under Part IV of the Western Australian *Environmental Protection Act 1986*. The EIA demonstrated that it would not have a significant impact on the environment.

At the time, the Project was also referred under the Commonwealth *Environment Protection and Biodiversity Conservation Act 2000* and received a ‘not a controlled action’ decision at that time, meaning it would not significantly impact matters of national environmental significance.

In 2022, Nico applied to the EPA under s46 of the *Environmental Protection Act 1986* requesting amendment of conditions within its existing Ministerial Statement No. 1034, specifically:

- An extension to time limit for implementation of the Project (Condition 3), which had lapsed; and,
- Removal of Condition 6, relating to the conservation of significant flora based upon new information relating to the classification and distribution of a Priority flora species.

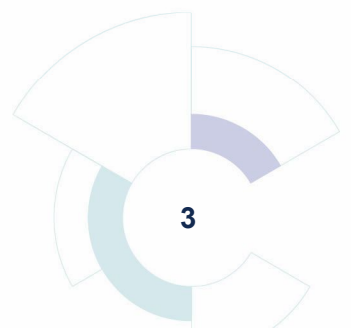
Following receipt of the application by the EPA, the Minister for Environment also requested the EPA consider changes to all conditions during the time extension and whether additional conditions for Aboriginal heritage and greenhouse gas emissions should be required for this proposal.

EPA Report

The EPA completed a thorough inquiry and considered the following key environmental factors: flora and vegetation, social surroundings and greenhouse gas emissions. Key findings in EPA Report No 1762 include:

- Flora and Vegetation:
 - “Regarding the proponent’s request to remove condition 6 regarding *Goodenia* sp. aff. *quasilibera*, considering the information provided by the proponent (reclassification of the species to Priority 3), DBCA [Department of biodiversity, Conservation and Attractions] and relevant EPA policies and guidelines, the EPA considers that this condition is no longer required and can be deleted from MS 1034.”
- Social Surroundings:
 - “The EPA is satisfied that the processes provided for under the AH Act [*Aboriginal Heritage Act 1972*] can mitigate potential direct impacts to Aboriginal sites within the proposal footprint to meet the EPA’s objectives.”

- In its consideration of potential impacts to the Wingellina (Irrunytju) community the EPA determined that "there are no changes to the proposal that may affect emissions or discharges". "Light, noise and air quality modelling have been previously submitted to the EPA for consideration under the amenity factor and it was considered that the proposal was unlikely to impact township amenity."
- "Details relating to emissions and discharges (noise and dust) from types of activities and premises can be assessed, managed and regulated by instruments required under Part V of the EP Act."
- Greenhouse gas emissions:
 - "The EPA recommends a new condition requiring a revised GHG management plan prior to commencement of ground-disturbing activities for the proposal."
 - "The EPA considers that the proposed GHG emissions reduction trajectory for the proposal is reasonable as it includes linear and meaningful cuts in emissions which are broadly in line with government and public expectations."



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.

This announcement has been authorised for release by the Board.

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