

QUARTERLY REPORT MARCH 25

ASX ANNOUNCEMENT 28 APRIL 2025



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

109.70M shares on issue
5.125M unlisted options
2.50M Performance shares

Market Capitalisation

\$8.756million

Enterprise Value

\$5.672 million

Cash at Bank (31-Mar-25)

\$3.083 million

Nico Resources Limited

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Nico Resources Limited ("**Nico**" or the "**Company**") is pleased to present a summary of activities for the quarter ended 31 March 2025.

The Wingellina nickel-cobalt project in Western Australia ("**Wingellina**" or the "**Project**") 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 annually in a Mixed Hydroxide Precipitate ("**MHP**") for at least 42 years. A detailed pre-feasibility study¹ ("**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 March 2025 quarter was a period of continued progress for the Company notwithstanding weak and uncertain market conditions which are expected to prevail in the short term. This has necessitated a significant reduction in discretionary expenditure over the last two quarters.

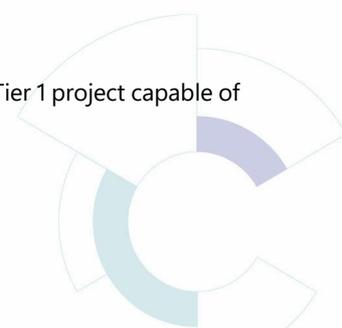
The recent imposition of trade tariffs and inconsistent trade policy by the US Administration has created considerable uncertainty in financial markets and, if implemented as stated, would have a negative impact on global GDP, demand growth and hence underlying prices for most commodities. We remain hopeful that the market instability is short term and does not have a detrimental impact on investment for large scale mining projects.

The developments during the March quarter are discussed in more detail below.

KEY HIGHLIGHTS

- Review, analysis and interpretation of the recently completed bench scale metallurgical testwork was undertaken during the quarter.
- Following the completion of the upgraded Independent Mineral Resource Estimate for the Wingellina Project, Nico continued with the development of a geometallurgical model for the project during the quarter.
- The company continued to reduce discretionary expenditure during the quarter in light of the current metals price environment and short term outlook. The Company remains confident that nickel prices will strengthen in the medium term notwithstanding the depressed market prices prevailing at present.

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



QUARTERLY ACTIVITIES

Nico Resources Limited (“**Nico**” or the “**Company**”) is pleased to present a summary of activities for the quarter ended 31 March 2025.

WINGELLINA MATERIAL TYPE AND GEOMETALLURGICAL MODEL

Introduction

In the September Quarter ERM completed an update to the Wingellina Mineral Resource Estimate (MRE). The 2024 Wingellina MRE within the limits of drilling information, and within the envelope of nickel mineralisation at a cut-off of 0.4% Ni, is **187.3Mt at 0.91% Ni and 0.06% Co for 1.7Mt** of contained nickel metal as shown in Table 1 below.

Classification	Tonnes (Mt)	Ni (%)	Ni metal (Kt)	Co (%)	Co metal (Kt)
Indicated	164.1	0.93	1,531	0.06	98
Inferred	23.3	0.72	166	0.03	7.3
Total	187.3	0.91	1,698	0.06	106

Note:

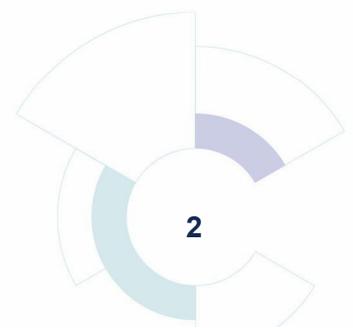
- Heritage Exclusion areas have been excluded from the MRE.
- Minor discrepancies may occur due to rounding of appropriate significant figures.

Table 1. 2024 Wingellina Nickel-Cobalt Project MRE

The MRE update included detailed modelling of the structure, lithology, regolith and geochemistry. In the March Quarter Nico, in collaboration with ERM, progressed the first phase of the work stream, which is to use the 2024 model as the basis for the development of material and ore type classifications suitable for processing via a High-Pressure Acid Leach (HPAL) circuit. The aim being:

- to recognise any variability within the Wingellina orebody;
- test the metallurgical performance of material types identified;
- include the metallurgical data to progress development of a detailed geometallurgical model; and
- to ensure robust mine planning and optimise scheduling to enable both a consistent feed for the Wingellina HPAL plant during operations and optimisation of cashflow.

The Wingellina MRE by regolith type is shown below in Table 2.



Classified Resource for Wingellina Nickel-Cobalt Project, 0.4% Ni cut-off, by Regolith Zone

Regolith Zone	Tonnes (Mt)	Ni (%)	Co (%)	MgO (%)	Fe ₂ O ₃ (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	MnO ₂ (%)	CaO (%)	LOI (%)	Sc (ppm)
Limonite	142.6	0.96	0.06	2.1	47.1	17.2	12.6	1.2	0.7	14.2	55
Transitional Limonite	18.6	0.77	0.04	7.1	21.6	42	8.9	0.6	3.2	13.4	29
Saprolite	26.1	0.68	0.02	11.8	16.6	37.5	8.4	0.4	6.1	17	31
Total	187.3	0.91	0.06	4.0	40.3	22.5	11.7	1.0	1.7	14.5	49

Note:

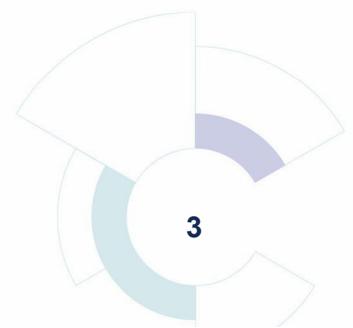
1. Heritage Exclusion areas have been excluded 2. Minor discrepancies may occur due to rounding of appropriate significant figures.

Table 2. 2016 and 2024 Wingellina Nickel-Cobalt Project MRE comparison by Regolith

Scope of Work

The work will be staged in three parts as follows:

- Phase 1 – Material Type definition based on a combination of modelled resource grades, structure, lithology, regolith and geochemistry. Statistical interrogation of multi-element grades will be employed to understand different zones within the Wingellina orebody.
- Phase 2 – Development of a drilling and geometallurgical variability sampling programme including an additional drilling and sampling program required to:
 - Providing samples for additional bench scale variability testwork for material types not well-represented in previous testwork, and to substantiate the properties of material types that have already been subject to metallurgical testwork.
 - Understanding of the local variability, particularly of high-grade areas, to support conversion of Indicated resources to Measured.
 - Increasing density data coverage to support conversion of Indicated resources to Measured.
- Phase 3 – Development of a detailed geo-metallurgical model based on the outcome of Phases 1 and 2 including parameters defined from historical and future bench-scale metallurgical testwork. The geometallurgical model will serve to identify knowledge gaps with regards to the processing characteristics of less studied material types. This will drive future bench-scale metallurgical testwork programs, with an aim to further derisk the project. The geometallurgical model will also be used to develop a mine plan and schedule to facilitate scenario planning and optimisation of the orebody to maximise value from the Wingellina Project under various macroeconomic assumptions. Parameters likely to be included are:
 - Cost models;
 - Information on beneficiation (mass rejection, upgrade, nickel recovery);
 - Acid consumption;
 - Leach extractions;
 - Calcrete consumption;



- Other losses/overall recovery;
- Magnesia consumption;
- Lime consumption;
- Sundry acid consumption (CCD wash water acidification);
- Flocculant consumption;
- Solid density; and
- An estimation of net value per SMU.

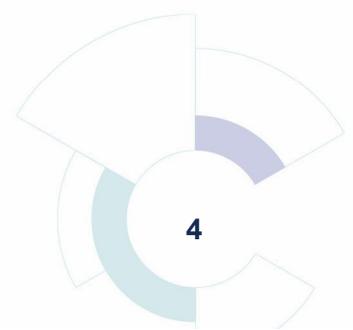
Phase 1 – Material Type Model

Overview

Phase 1 was completed by ERM consultants and Nico in the March quarter, providing a planning tool for future infill, density and metallurgical drilling and the framework for the creation of a geometallurgical model. It was noted during the Wingellina resource modelling that there are statistical differences in the grade of a number of elements across the deposit, this reflects mineralogical differences arising from several factors including:

- Lithological variability – different bedrock lithologies will weather to different mineralogical assemblages in the regolith. They may also exhibit different physical properties. Developing an understanding of the similarities and differences is a focus of variability sampling. Wingellina has an unusual ultramafic lithology compared to other Western Australian Nickel laterites due to its protolith being a layered intrusion with gradational layering between ultramafic and mafic rocks rather than an Archaean komatiite flow such as those in the Yilgarn Craton.
- Structural variability – due to presence of faults and shears which may alter mineral assemblages in proximity to the structures.
- Weathering – variability in grades and density exists between the different regolith zones (limonite, transitional limonite, saprolite, saprock) and within individual zones. The limonite and transitional zones host the bulk of the nickel and cobalt mineralisation at Wingellina. Understanding the variability within these zones will be an important step in mine planning and blending of material types to maximise cash flows.
- Geochemical variability – both economic and other elements likely to impact product recovery can exhibit variability in the deposit which will impact metallurgical processes. An understanding of this variability is the key to optimal selection of ore and waste in mining, as well as selection of suitable blending strategies for delivery to the plant.

The aim of Phase 1 was to outline the framework for a first pass characterisation of material types based on the physical properties of mineralisation attributed to structure, lithology and weathering and geochemistry. Understanding the similarities and differences of geometallurgical performance of material types across the deposit is the focus for the second phase, with the generation of a variability sampling programme. Future testwork will help to determine which physical characteristics of these first pass material types will be critical to product recovery moving forward.



Statistical Evaluation

A statistical interrogation of economic elements, as well as elements that may have an impact on the processing of the ore was undertaken. Elements considered were Ni, Co, Fe, Si, Al, Mg Ca and LOI. Factors considered were data representation (where sufficient data were available for a meaningful assessment), Geographical Domain, Fault Domain, Lithology Domain, Regolith Domain and Mineralogical Domain (Figures 1 and 2). Decision making was influenced by applying metallurgical experience obtained from other nickel laterite deposits using similar processing techniques to determine the limits defining the material types.

Histograms, log probability plots and box and whisker plots were reviewed for the critical elements Ni, Co, Fe, Mg, Ca, Mn, Al and Cr. Examples of box and whisker plots are illustrated below in Figure 3 and Figure 4. These plots show the values where most of the assays lie, along with upper and lower outliers to determine the spread of data.

The outcome was to apply the geochemical limits inferred from the statistics to the various combinations of domains described in Table 2 for an initial characterization of material types.

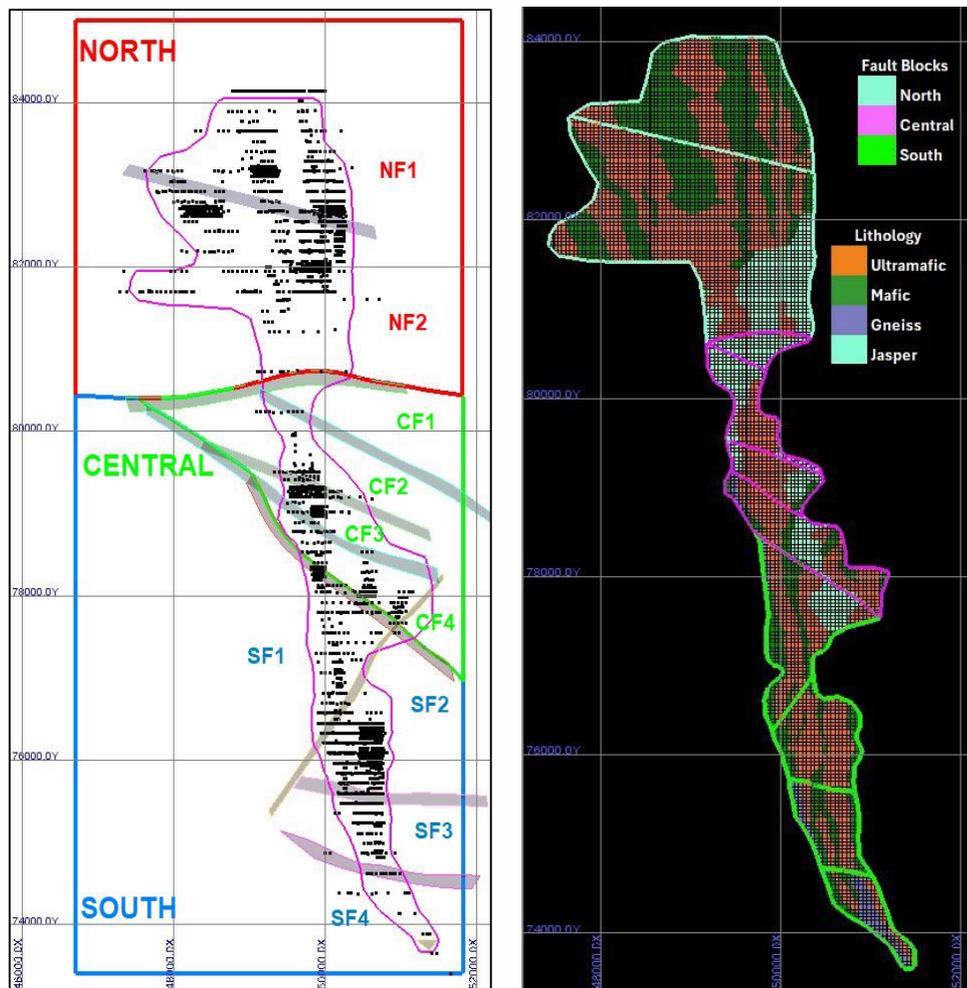


Figure 1. Geographical location based on structure and lithology

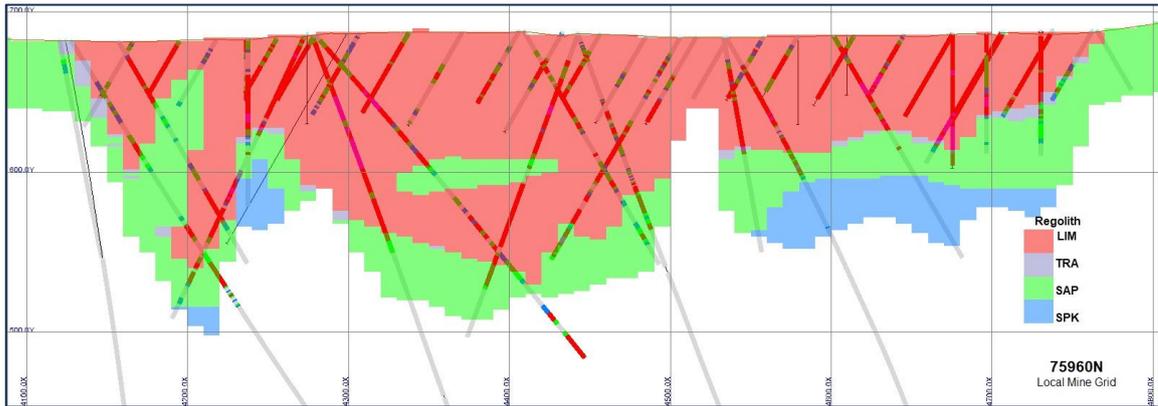


Figure 2. Cross section showing an example of regolith domains

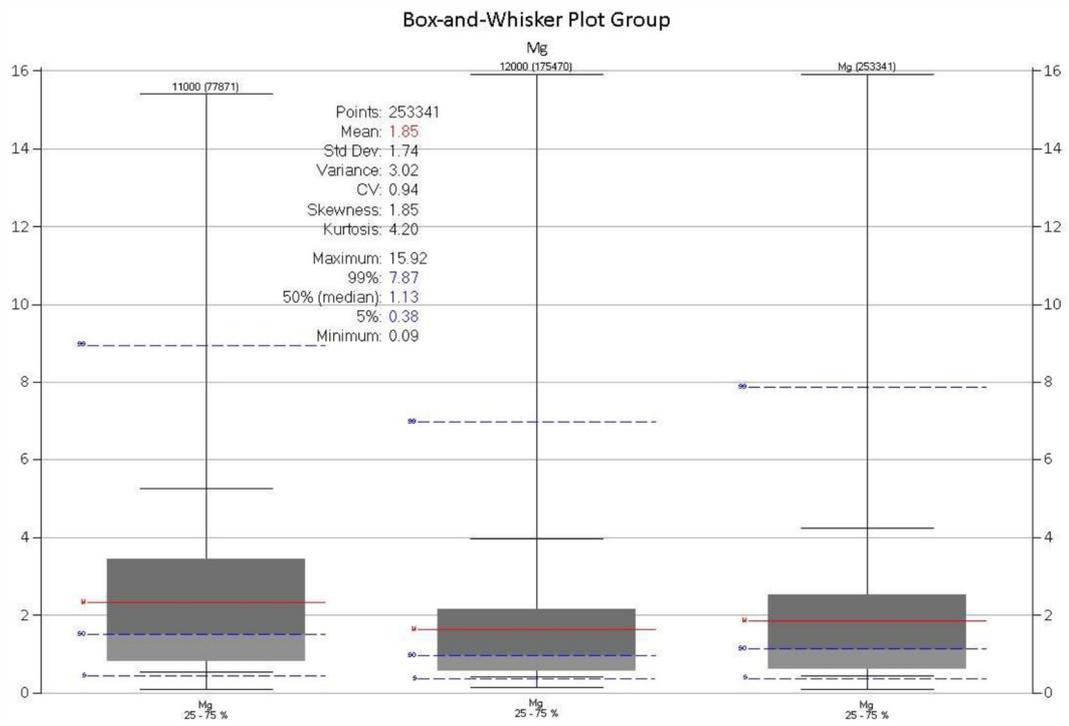


Figure 3. Example box and whisker plot North Domain – Mg in Ultramafic

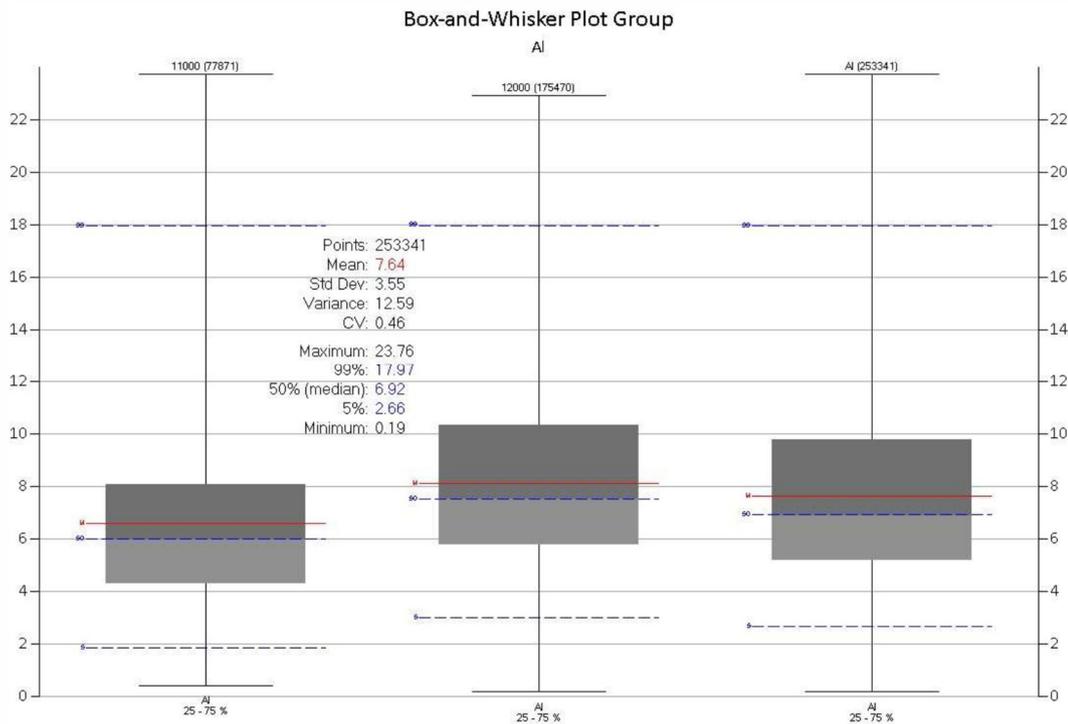


Figure 4. Example box and whisker plot North Domain – Al in Ultramafic

Next Steps

Nico will continue to progress the work streams as outlined above. The next step will be to plan and execute drilling to provide samples for testwork to determine which material types can be blended and processing, and which will be designated as waste types. Local scale variability and large scale metallurgical testwork results will aim to further refine and simplify the final material types. Final ore types should display similar physical and rheological behaviour during the process flow. With the aim being to optimize the recoverable metal product by considering factors such as:

- Recovery;
- Upgrade;
- Geochemical mix (proxy for the mineralogy);
- Hardness and grindability; and
- Acid consumption.

Future drill planning will also consider the efficient conversion of Indicated Resources to Measured status by the collection of infill density and assay data.

WINGELLINA METALLURGICAL TESTWORK

During the September 2024 quarter, ALS Laboratories finalised the bench scale metallurgical testwork program which commenced in the September 2023 quarter. Reports from on ore preparation, hydrometallurgical testwork and transition ore have been received, reviewed and comments provided. These metallurgical programs will significantly contribute to the ongoing development of the Project and are an important component of the preparatory work required to progress to a Definitive Feasibility Study (“DFS”). 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 testwork generated 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.

Summary of Activities

The Wingellina HPAL flowsheet showing major metallurgical processing steps within the nickel extraction process is shown below in Figure 5. Testwork has been undertaken to prove DFS level design data which will allow the metallurgical process and the project to proceed to the next phase.

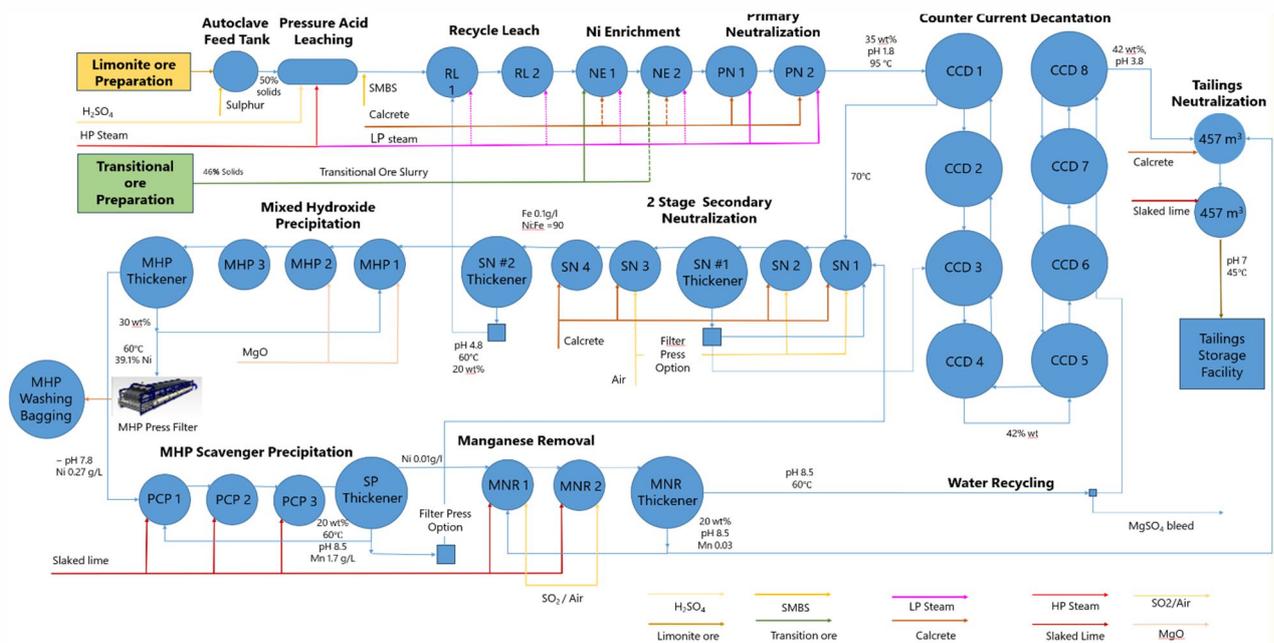


Figure 5. Wingellina HPAL flowsheet

In 2013, Metals X Limited drilled four Bauer bulk sample drill holes (780mm diameter) (Figure 6). The aim of the holes was to generate up to 100 tonnes of bulk sample material for use in bench and pilot-scale metallurgical test work. Holes were planned such that the resulting bulk sample blend would resemble the grade and material scheduled to be mined in the first ten years from the Wingellina Nickel Laterite Project (as per a mining feasibility report compiled by Coffey Mining in 2008). In 2023, Nico determined that the Bauer hole bulk sample material was a suitable, low-cost option to further progress the metallurgical understanding of the Wingellina deposit. As such an extensive program of bench-scale testwork was developed and executed at ALS Laboratories in Perth. Understanding gained from the previous and recent bench-scale work will be used in future pilot-scale testwork.

Thorough, systematic metallurgical test work is essential for the engineering and design of the processing plant. A key advantage of sample material from the Bauer drillholes is that the particle size distribution (PSD) remains unchanged (unlike RC drilling). This allowed testwork to be undertaken that will assist the design and implementation of the ore preparation strategy. The 2024 bench-scale metallurgical testwork focused on holes WPBS003 and WPBS004.

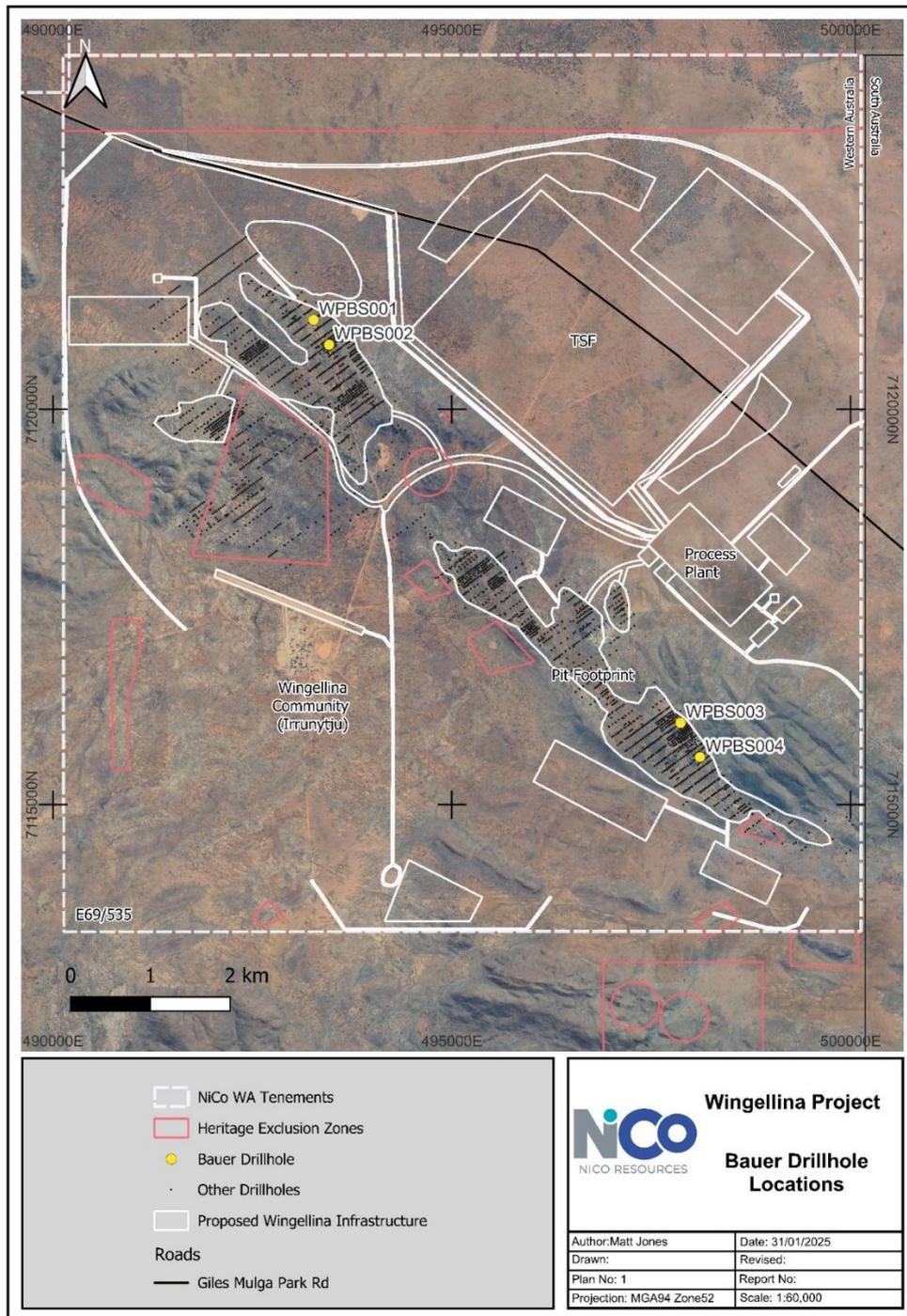
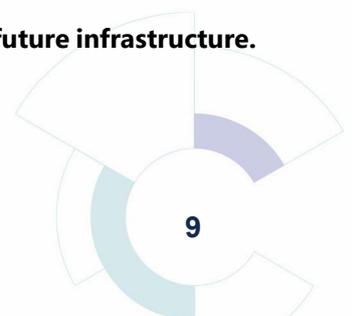


Figure 6. Location of our four Bauer holes within the proposed pit footprint, and future infrastructure.



Bauer Hole Sample Details

The following section explains the detailed downhole geochemistry and PSD of the four Bauer holes. Table 3 below shows the average grade of holes WPBS001 to WPBS004 and a comparison with the proposed first 10 years of operation as defined in the Coffey mining report.

Hole_ID	Ni%	Co%	Fe%	Al%	Mg%	Mn%	Si%	Ca%	Cr%	LOI
WPBS001	1.11	0.102	41.3	6.8	0.6	0.7	3.4	0.2	1.0	14.8
WPBS002	1.12	0.105	41.7	5.7	1.2	1.1	2.9	0.2	1.4	15.6
WPBS003	1.17	0.076	31.6	5.1	2.3	0.6	10.3	0.9	0.5	14.4
WPBS004	1.19	0.075	39.4	5.9	1.3	0.8	3.4	1.0	1.8	15.8
AVERAGE	1.15	0.089	38.5	5.9	1.4	0.8	5.0	0.6	1.2	15.2
First 10 years	1.15	0.095	35.7	5.4	1.6	0.8	7.4	0.5	1.2	13.9

Table 3. Average XRF geochemistry of WPBS001-WPBS004 (samples >0.5% Ni)

Figures 7 to 10 provide West-East cross sections at each of the four Bauer hole locations and show the location of the vertical Bauer hole. Nickel and Cobalt percent are provided along drillhole traces and Resource model blocks are coloured by nickel equivalent grade ($NiEq\% = Ni\% + ((Co\% * (89\%Co\ recovery / 92\%Ni\ recovery)) * (\$24,000/t\ Co / \$16,000/t\ Ni))$). All Bauer holes were drilled to a depth of 30m to represent material likely to be mined in the first ten years. Nickel grades are shown to be consistently high between 0.8% to 2.0% in all of the Bauer hole locations. Cobalt is more variable as it is more mobile in the regolith, tending to concentrate at the manganese redox front and along structures.

Nickel concentration is broadly consistent across the four Bauer holes and is increasing with depth. The key element assay results for the four Bauer holes are shown in Figures 11 to 20.

Assay results from the Bauer holes are broadly consistent across the orebody and provide confidence that, notwithstanding some elevated levels of magnesium and aluminium associated with discrete stratigraphic units, the ore preparation circuit is anticipated to be relatively simple and should be able to provide a consistent ore feed to the HPAL plant. Previous work on particle size distribution has shown that the deleterious acid-consuming elements are associated with coarser material and that the nickel is associated with finer fractions.

Wingellina ore (as do most nickel-cobalt laterites) contains a considerable amount of scandium, a strategic material in increasingly high demand in various industries including the aerospace industry (Figure 14). Although the global supply of scandium is small (around 40 tonnes per year), global demand for scandium has increased significantly in recent years and is expected to approximate 2,000 tonnes per annum by 2040.

The company has investigated the potential to extract scandium with ion exchange resins from existing resin suppliers. Scandium can also be extracted using a simple pH-controlled precipitation process as a byproduct without affecting the conventional nickel-cobalt hydroxide production. The extraction of scandium may be undertaken from the process flow at the Counter Current Decantation or Secondary Neutralisation process step. Through further processing of this scandium-enriched residue an intermediate scandium product can be obtained. The company will undertake further metallurgical testwork on scandium extraction from Wingellina ore.

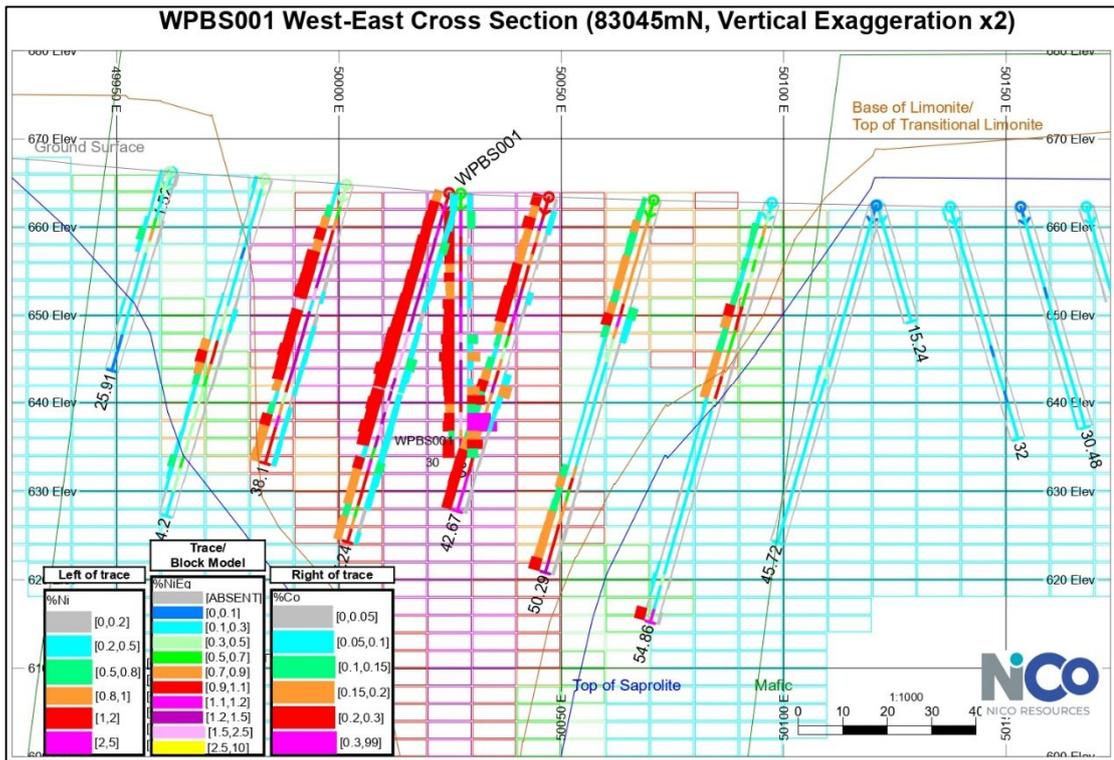


Figure 7. WPBS001 West-East cross section

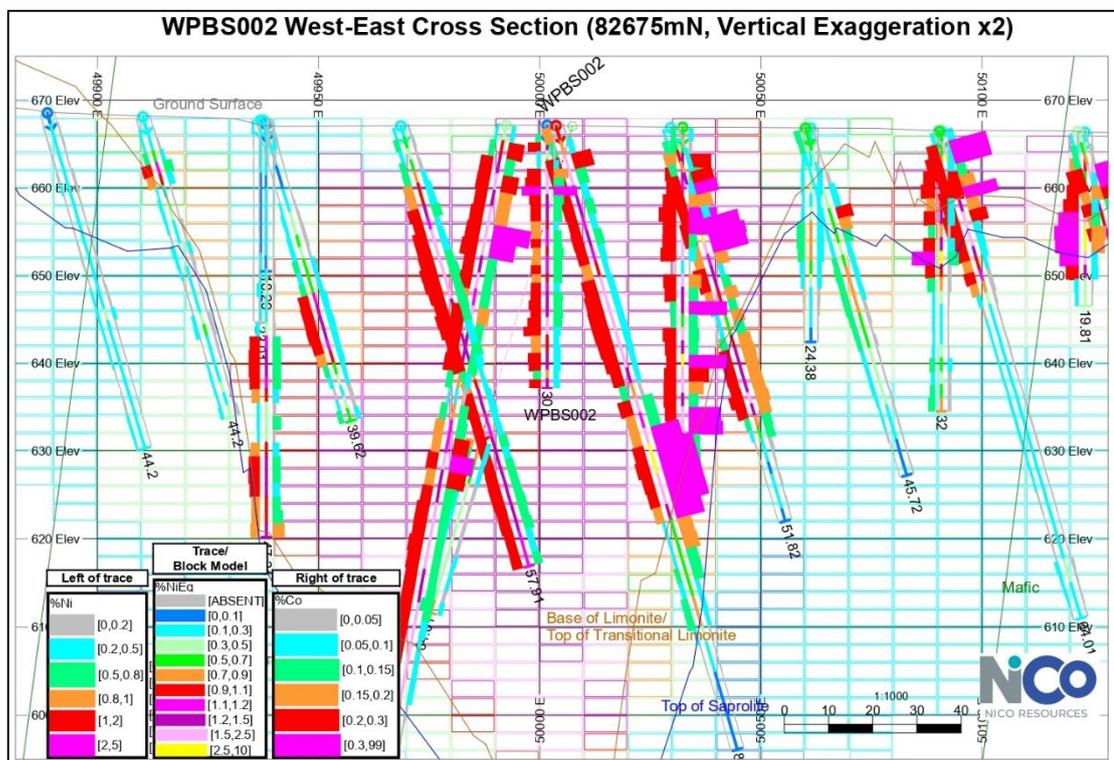


Figure 8. WPBS002 West-East cross section

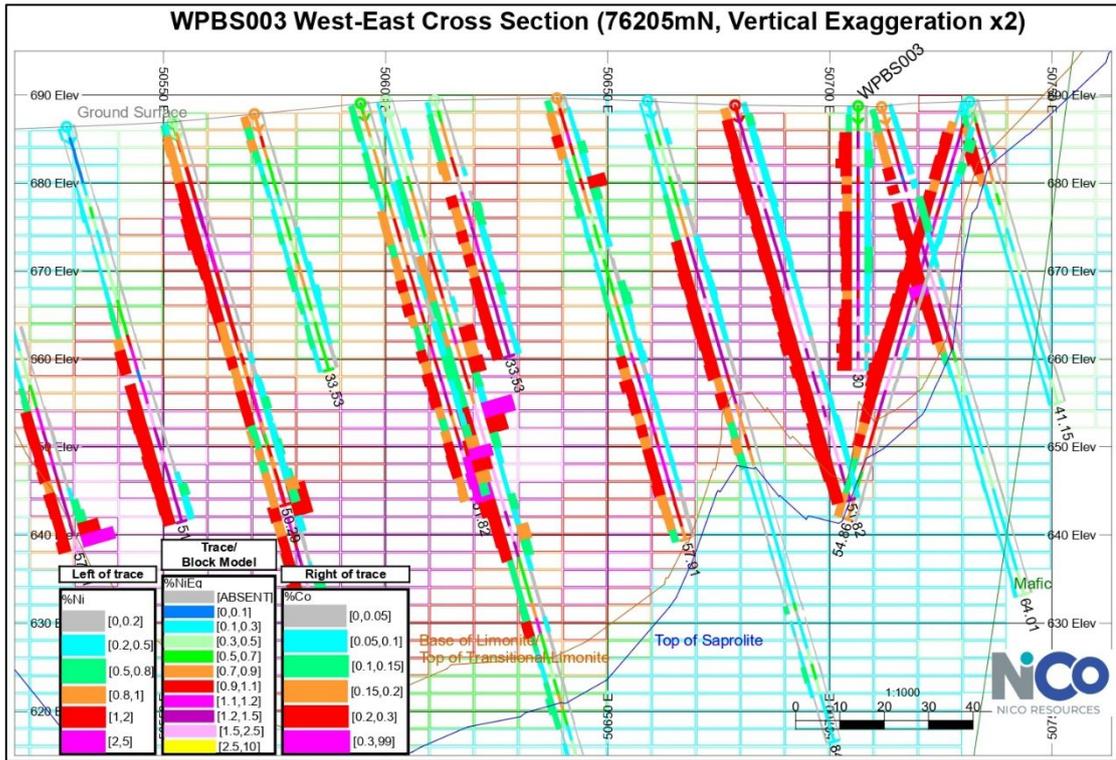


Figure 9. WPBS003 West-East cross section

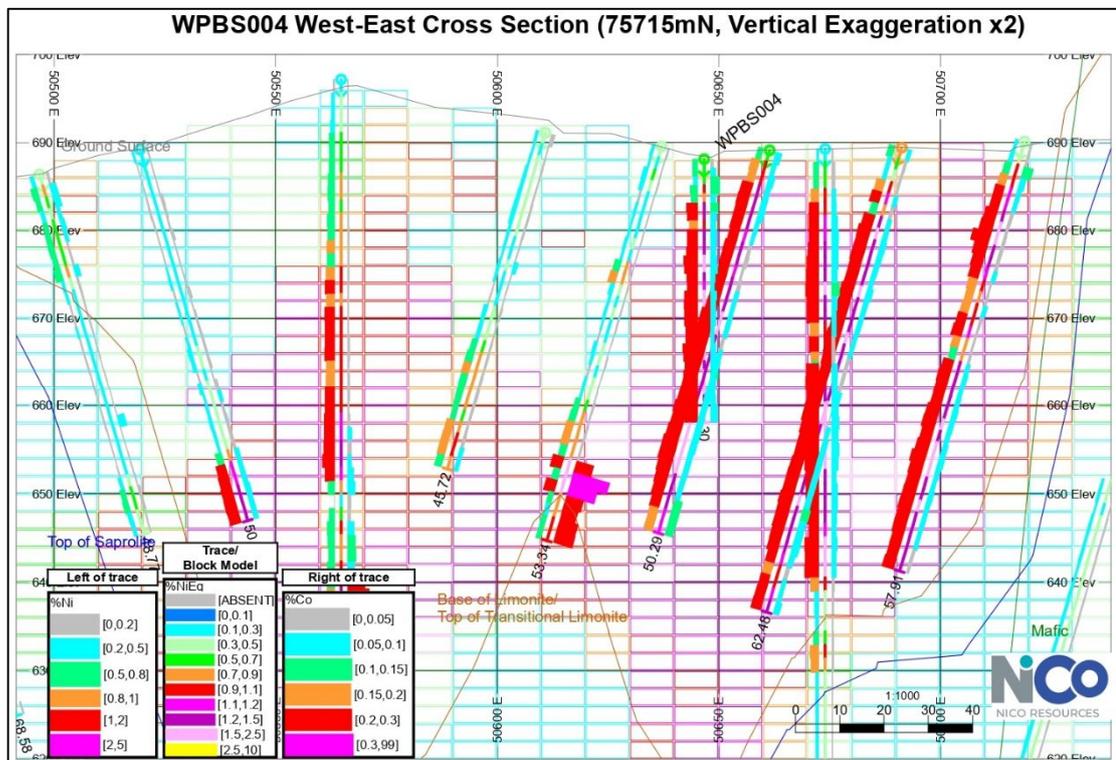
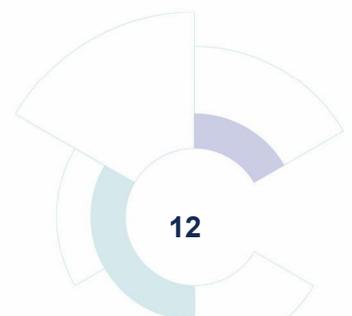


Figure 10. WPBS004 West-East cross section



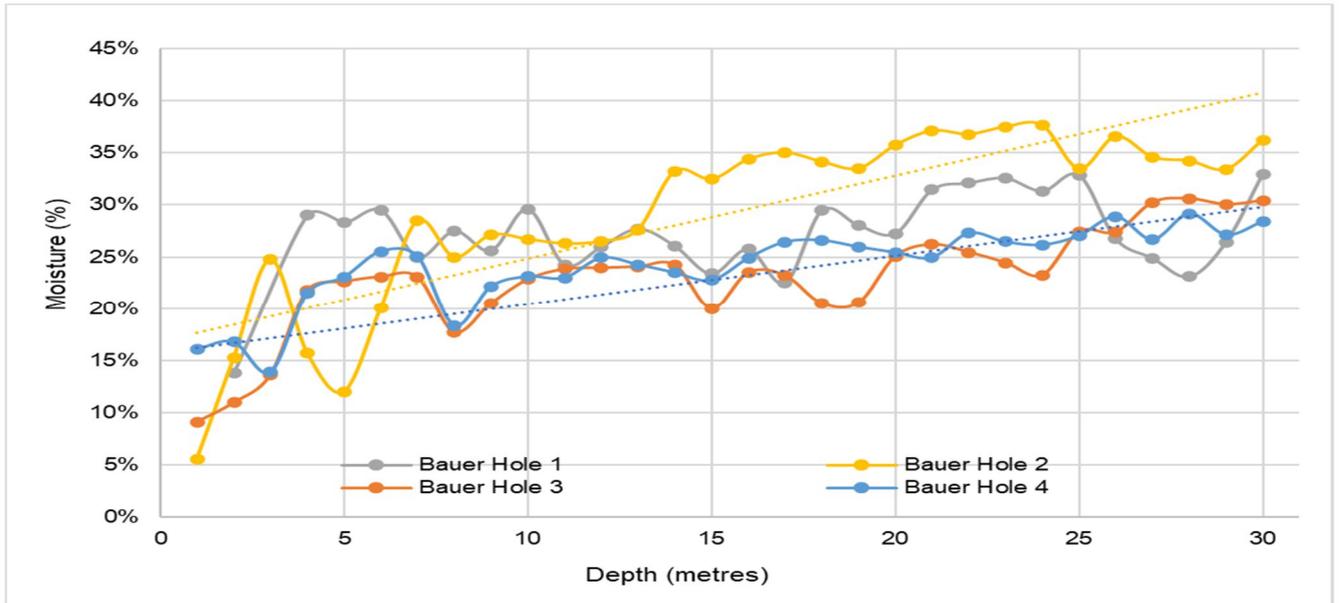


Figure 11. Moisture vs Depth all Bauer holes

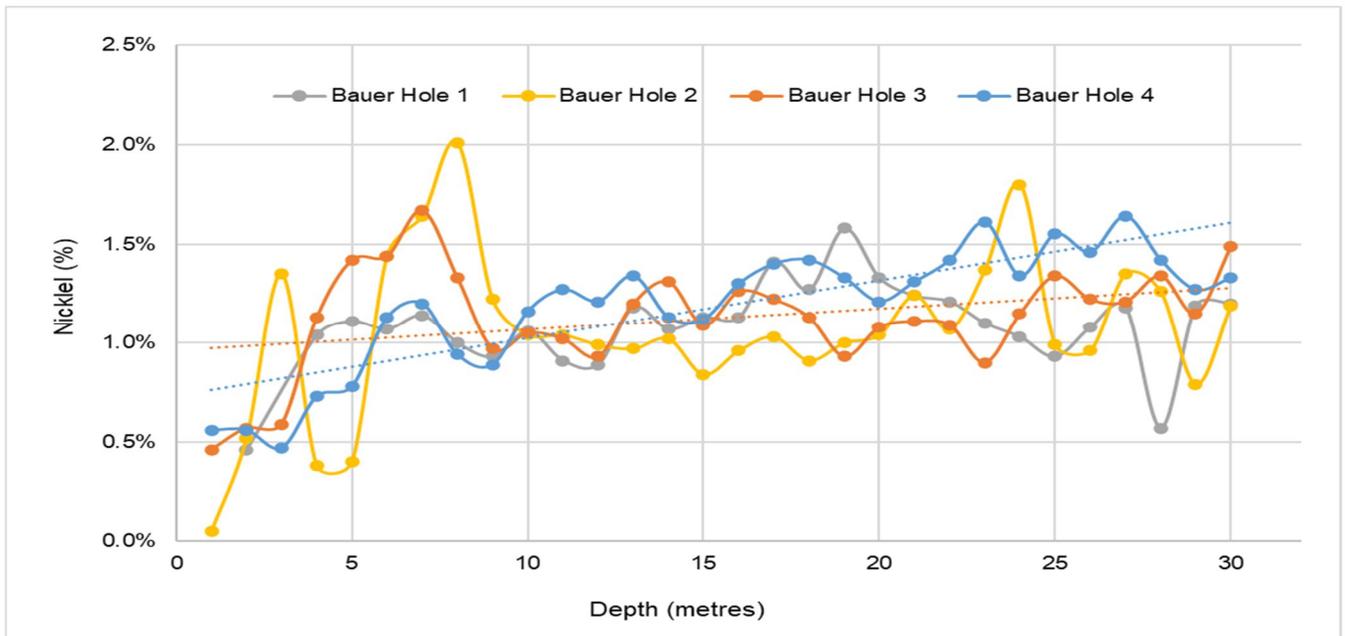


Figure 12. Nickel vs Depth all Bauer holes

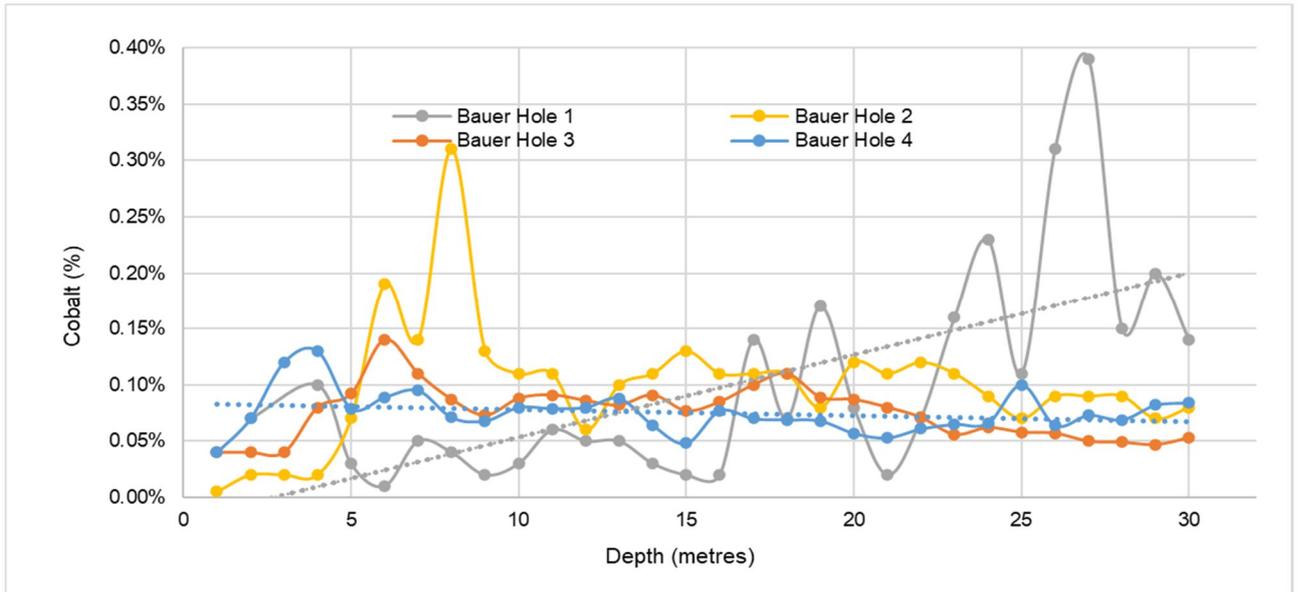


Figure 13. Cobalt vs Depth all Bauer holes

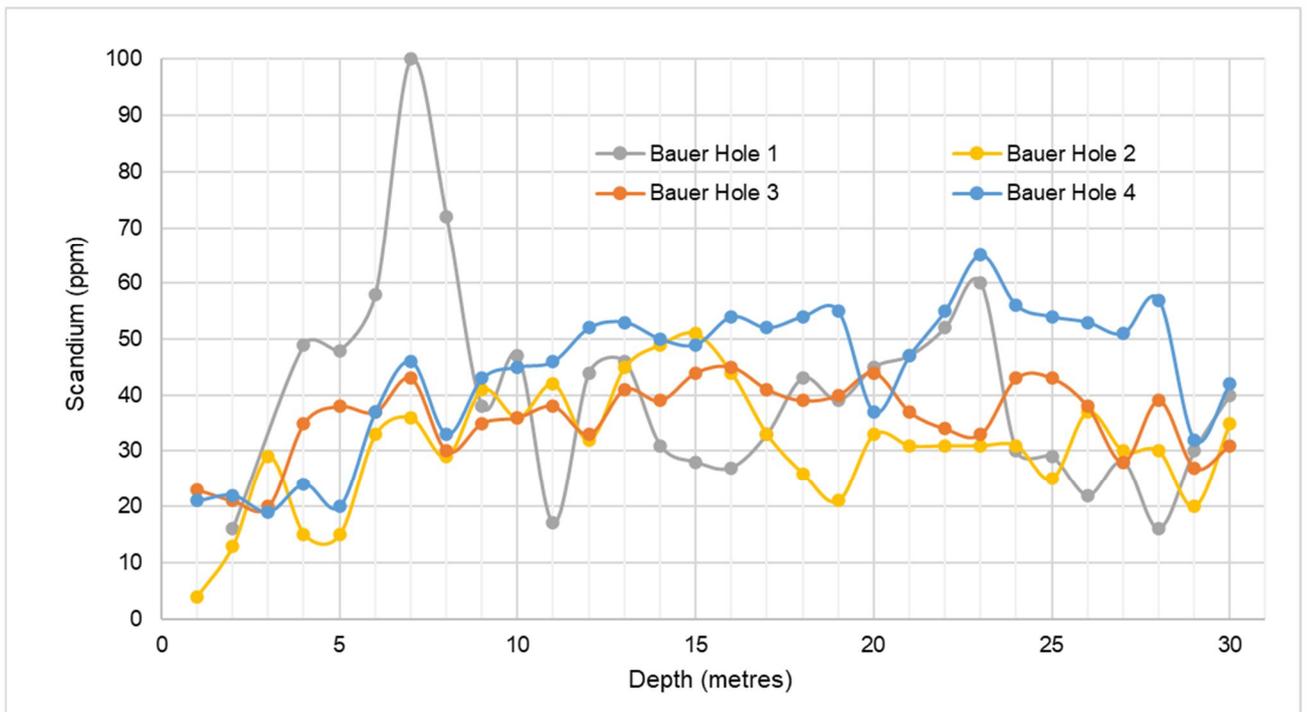


Figure 14. Scandium vs Depth all Bauer holes

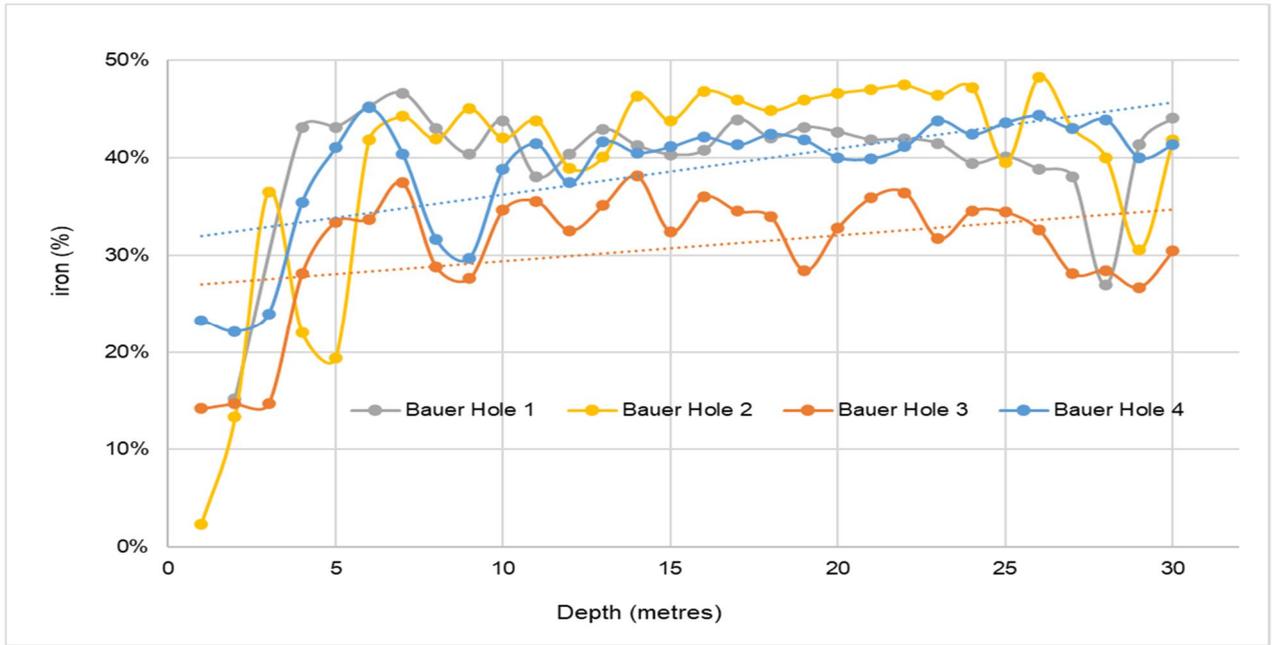


Figure 15. Iron vs Depth all Bauer holes

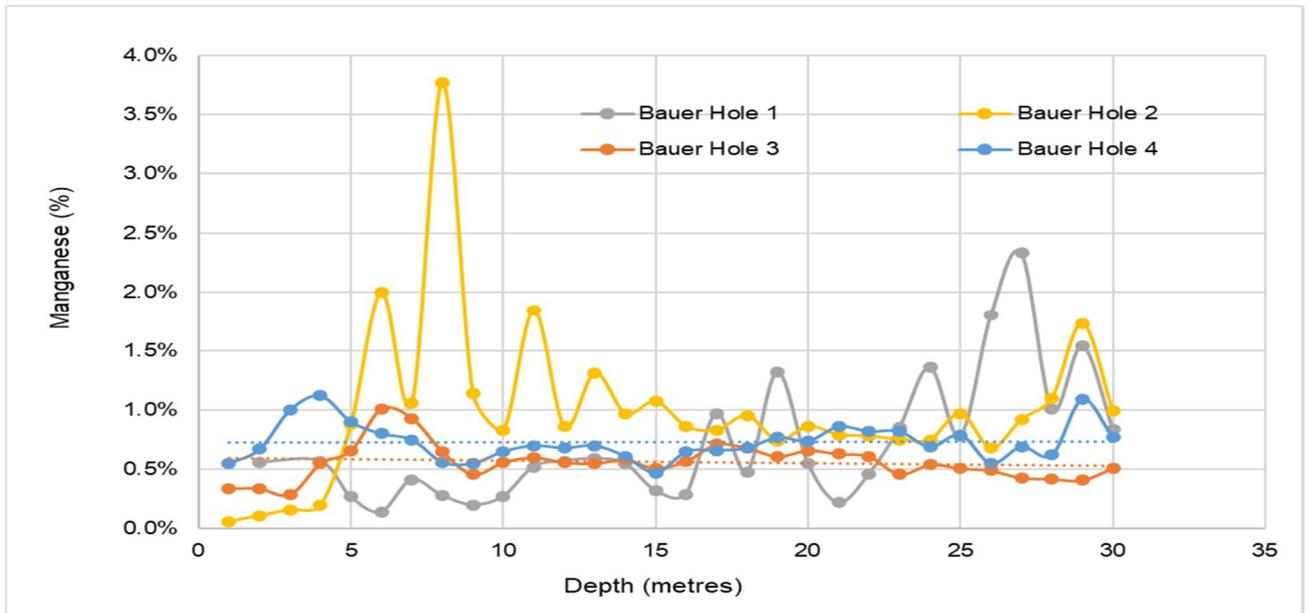


Figure 16. Manganese vs Depth all Bauer holes

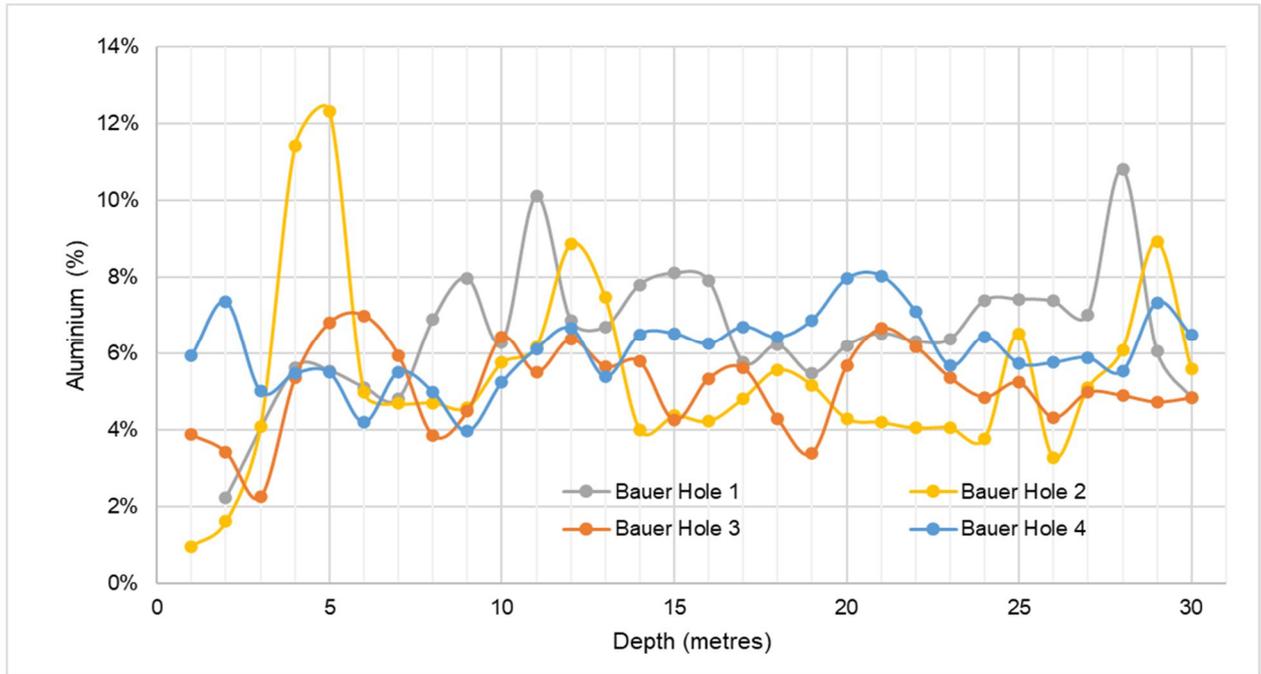


Figure 17. Aluminium vs Depth all Bauer holes

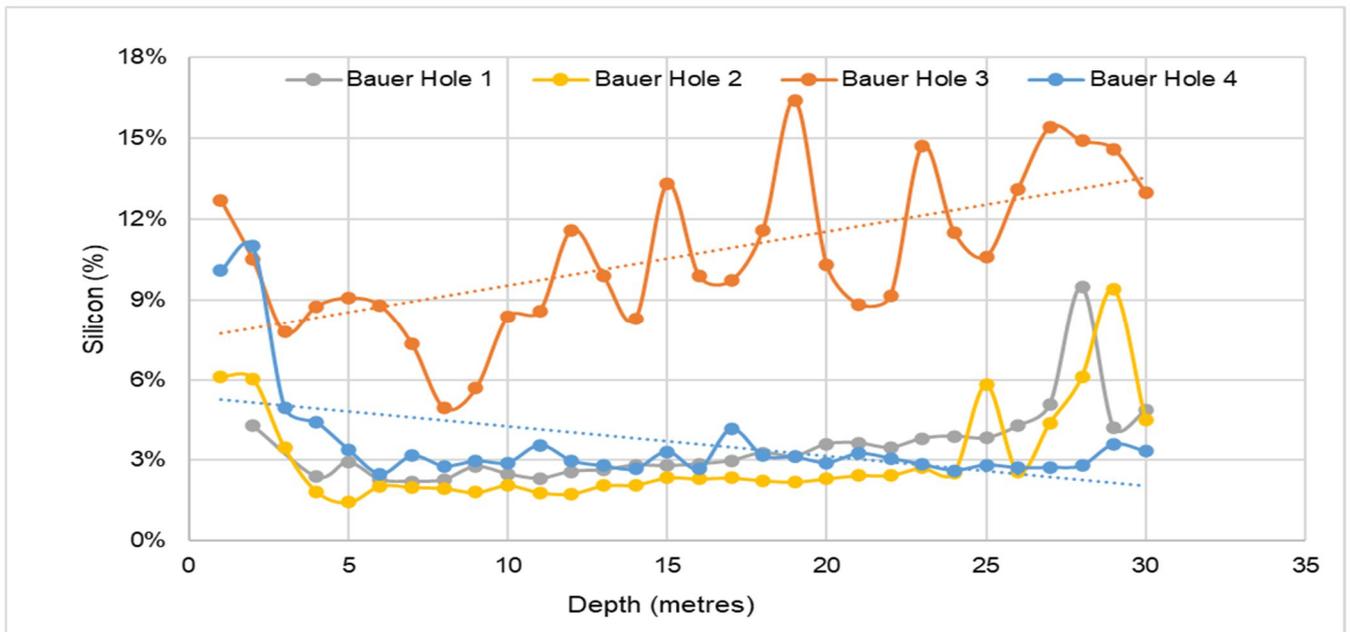
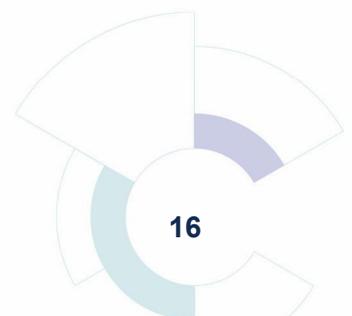


Figure 18. Silicon vs Depth all Bauer holes



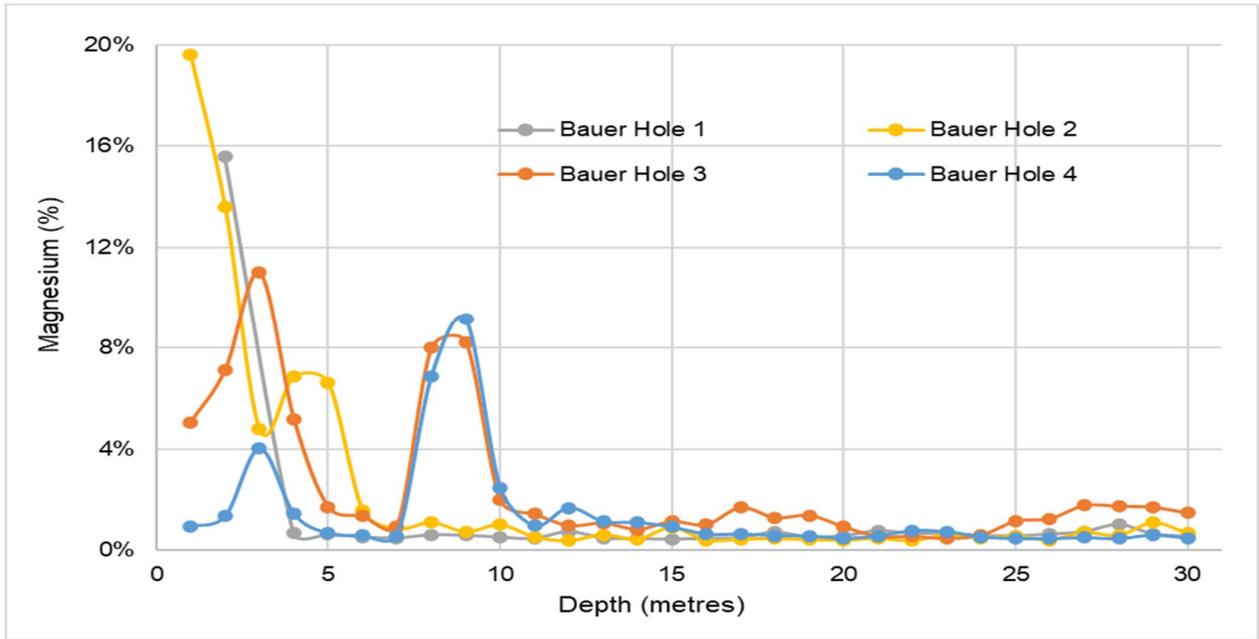


Figure 19. Magnesium vs Depth all Bauer holes

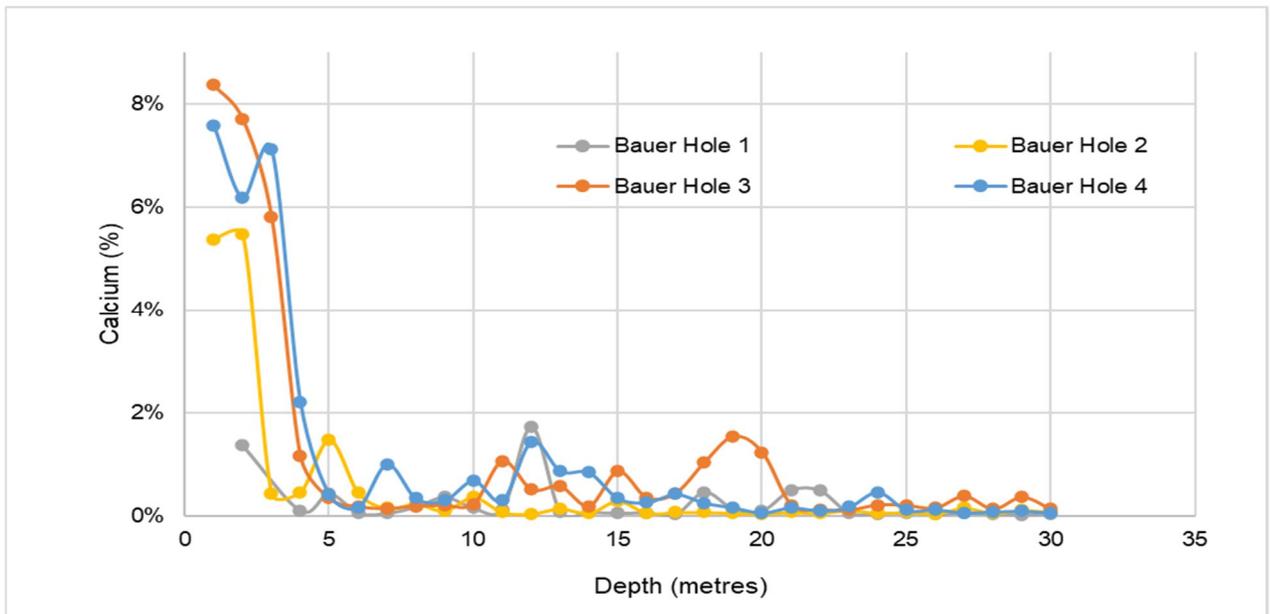
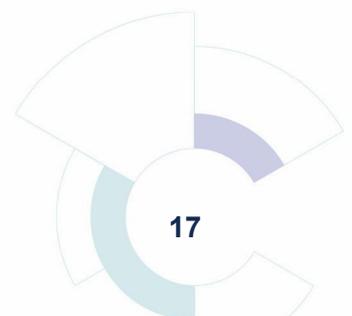


Figure 20. Calcium vs Depth all Bauer holes



ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental and Social Management System

Nico has continued to develop its Environmental and Social Management System (ESMS) to align with international standards (ISO 14001).

Health and Safety

Health and safety remain of paramount importance for the company. Notably, there were no reportable incidents during this quarter, reflecting the effectiveness of the company's health and safety protocols.

Stakeholder Engagement

Nico continues to engage with stakeholders for the Wingellina Project in an open, transparent and collaborative manner.

As previously stated, in November 2024, the Company's Wingellina Project was awarded Major Project Status (MPS) by the Federal Government. This award recognises the national significance of the Wingellina Project in the development of Australia's critical minerals to assist in the global energy transition. The awarding of MPS provides Nico with access to the Major Projects Facilitation Agency, which will provide additional resources, including streamlining of regulatory approvals, to assist in the Project's development. Nico continued its engagement with the Major Projects Facilitation agency during the quarter.

Nico's proactive engagement with various Government departments underscores the company's commitment to securing the necessary approvals and support for the project's successful development.

In late December 2024, the Archaeological report for the Lewis Calcrete area, Cobb Embayment area and the Giles-Mulga Park Road, completed by Maru Consulting in April 2024, was provided to Nico by the Ngaanyatjarra Council ("NGC") for review. The Company has reviewed and provided comments to the NGC on this report. Nico also received a draft of the Heritage report from NGC Land and Culture in late December which related to work programs conducted by Nico in July 2024 on the Cobb Embayment, Lewis Calcrete and Giles-Mulga Park road. During the quarter the Company completed its review of the report and provided comments to the NGC.

The Cultural Heritage Management Plan ("CHMP") was completed during the March 2024 quarter and consultation with and review by Traditional Owners and the NGC is expected to commence shortly.

Throughout the quarter, Nico continued to actively engage with stakeholders at both State and Federal levels of Government to advance and increase the understanding of the Wingellina Project. Nico is also continuously attempting to enhance the relationship with the NGC and the Traditional Owners which reflects a commitment to enhance the Traditional Owners livelihoods and make a positive and lasting difference.

Governance

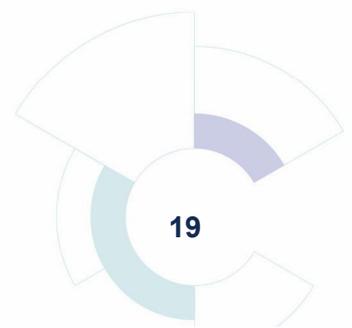
Nico's is focussed on maintaining high standards of governance and transparency and a summary of Nico's sustainable development activities is also provided in its Sustainability Report (<https://nicoresources.com.au/sustainability/>).

Future Work Program

As previously stated, Nico has determined that it is prudent in the current market conditions to reduce discretionary expenditure until market conditions improve. During the June 2025 quarter Nico plans to focus on the following activities:

- Continue to review, analyze and interpret the bench scale testwork results.
- Advance the geo-metallurgical model for the Wingellina orebody to assist in identification of orebody variability and mine planning and scheduling.

- Further planning for exploration and associated work on the Lewis calcrete deposit.
- Further planning for an infill drilling program on the Wingellina resource to facilitate the upgrading of the indicated resource to measured category.
- Continue the required planning on the potential water supply from the Cobb Embayment in preparation for the drilling of additional bores and continue dialogue with APY on the Mann Fault extension in South Australia.
- Progress engagement with other key stakeholders, including State and Federal Governments, the local community and the Ngaanyatjarra Council.
- Continue the scope and definition documentation for the DFS.



CORPORATE AND FINANCIAL

Financial

Nico closed the quarter with cash and working capital of \$3,083,303. Exploration and Evaluation expenditure during the quarter was \$327,550.

Capital Structure² as at 31 March 2025

Description	Number
Fully paid ordinary shares	109,450,575
Unlisted Employee options (various) ¹	5,125,000
Unlisted Performance shares	2,750,000

Expired Options

During the quarter 3,800,000 options expired.

Conversion of Performance shares

Post end of the quarter, on 4 April 2025, 250,000 Performance shares held by the Managing Director converted to 250,000 fully paid ordinary shares.

Major Shareholders

The current major shareholders of the Company (as at 31 March 2024) are:

- Ajava Holdings Pty Ltd (P Cook) 10.86%
- Metals X Limited 8.44%
- Mr Rod Corps 7.86%

Related Party Transactions

Related party payments for the quarter, are as outlined in the attached Appendix 5B at section 6.1, total \$150,750 and includes amounts paid to directors including director's fees and statutory superannuation.

This announcement has been authorised for release by the Board.

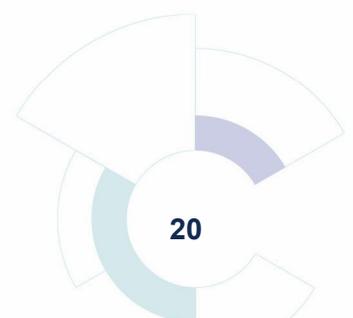
CONTACTS

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

Jonathan Shellabear
Managing Director/CEO

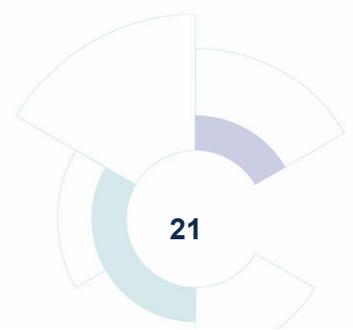
Amanda Burgess
Company Secretary

² See various 3B announcements for details.



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 comprises three main exploration tenements - Wingellina (WA), Claude Hills (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 187.3Mt at 0.91% Ni & 0.06% Co for 1.7Mt of contained nickel and 106Kt 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 is based on information compiled by Felicity Hughes. Ms Hughes is a Principal Consultant of ERM and is a Member of the Australasian Institute of Mining and Metallurgy. She has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which Ms Hughes is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Ms Hughes consents to the disclosure of information in this report 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 form 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")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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	(428)	(1,383)
(e) administration and corporate costs	(208)	(630)
1.3 Dividends received (see note 3)		
1.4 Interest received	28	124
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	1,043	1,043
1.8 Other (provide details if material)	24	70
1.9 Net cash from / (used in) operating activities	459	(776)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(328)	(900)
(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 (9 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	(328)	(900)

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	2,952	4,759
4.2	Net cash from / (used in) operating activities (item 1.9 above)	459	(776)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(328)	(900)

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 (9 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	3,083	3,083

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	215	83
5.2	Call deposits	2,868	2,869
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)	3,083	2,952

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 <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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)	459	
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(328)	
8.3 Total relevant outgoings (item 8.1 + item 8.2)	131	
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,083	
8.5 Unused finance facilities available at quarter end (item 7.5)	-	
8.6 Total available funding (item 8.4 + item 8.5)	3,083	
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	23.53	
<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:		
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:		
<i>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.</i>		

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: 28 April 2025

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.