

6 June 2025

SETTLEMENT OF LEGAL DISPUTE, RECAPITALISATION AND CONSOLIDATION

Conico Ltd (**Conico** or **the Company**) is pleased to confirm a resolution of its legal dispute with drilling contractor, Cartwright Drilling Inc ("Cartwright") and the settlement of its liability related to outstanding drilling invoices for the 2022 field season in Greenland as detailed in the previous ASX announcement dated 19 December 2024.

Conico is also pleased to advise that it has placed a total of \$900,000 in converting loans that will convert to ordinary fully paid shares in the capital of the Company following shareholder approval at a general meeting of the Company to be held in July 2025 ("Meeting") ("Converting Loans"). Funds raised will be used to pay the settlement fee with Cartwright and for working capital.

Further, the Company plans to recapitalise by undertaking a fully underwritten non-renounceable entitlement offer, on a 4 for 5 basis, to eligible shareholders to raise approximately \$1.19 million (before expenses) at an offer price of \$0.001 per share (\$0.008 per share post-Consolidation), to be undertaken following the Meeting in July. Further Conico plans to convert related party debts, broker fees and advisory fees to shares in order to conserve available cash, subject to shareholder approval at the Meeting. Further details are provided following.

Legal Dispute Settlement

As previously announced to the ASX, the Company was disputing unpaid invoices with drilling contractor Cartwright. The arbitrator in Newfoundland handed down findings that Longland and Conico were joint and severally liable to Cartwright in the amount of CAD\$951,420.87 related to drilling at Ryberg plus additional contractual interest to the date of payment. Additionally, that Longland is liable to Cartwright in the amount of CAD\$391,247.41 in relation to invoices for drilling and related activities at Mestersvig and a further CAD\$45,865.40 related to Cartwright's costs of the arbitrator ("Cartwright Liability").

Conico has reached agreement with Cartwright through an independent advisor for the extinguishment of the Cartwright Liability in exchange for total consideration of:

- cash payment of CAD\$322,500 (~A\$360,555) which has been paid from proceeds of the converting loans, and a further CAD\$322,500 (~A\$360,555) to be paid on or before 21 November 2025; and
- issue of 34,658,000 fully paid ordinary shares in the Company ("Settlement Shares"). The issue of the Settlement Shares occurred today, utilising the Company's Listing Rule 7.1 placement capacity.

A further 150,000,000 Shares have been agreed to be issued as a fee for services of an independent advisor in negotiating this settlement with Cartwright on behalf of the Company ("Advisor Fee Shares"), subject to receiving shareholder approval at the upcoming Meeting.

Convertible Loan Offer

Conico has entered into a Converting Loans totalling a face value of \$900,000 with sophisticated investors, including with Mr Guy Le Page, a director of the Company for \$43,000. The terms of the Converting Loans are provided in Annexure A to this announcement. The Converting Loans, including accrued interest will convert into Company Shares subject to shareholder approval. A notice of meeting will be dispatched to shareholders in the coming weeks.

Funds raised are to be applied to pay for settlement of the legal dispute liability as detailed above, and for working capital of the Company.

The Company engaged RM Corporate Finance to act as lead manager for this convertible note raising. The Company has agreed to pay RM Corporate Finance a fee of 6% of the amount raised by the issue of the convertible notes (to be converted to Shares at the Rights Offer price subject to shareholder approval at the Meeting) and to issue 400,000,000 unlisted options over shares (pre Consolidation), exercisable at \$0.002 each (pre Consolidation) and expiring 30 November 2029, subject to obtaining shareholder approval.

Entitlement Offer to Shareholders

The Company intends to undertake a fully underwritten non-renounceable pro-rata rights offer to all eligible Conico share-holders of four (4) fully paid ordinary Conico shares for every five (5) shares held, at a price of \$0.001 per share (\$0.008 per share post-Consolidation) to raise approximately \$1.19 million ("the Rights Offer").

RM Corporate Finance Pty Ltd ("RM Corporate") will act as Lead Manager and underwriter to the Rights Offer, with a 6% fee payable on the amount raised under the Rights Offer amount (to be converted to Shares at the Rights Offer price subject to shareholder approval at the Meeting) and the issue of 30,000,000 lead manager fee shares (3,750,000 post-Consolidation) and the issue of 400,000,000 unlisted lead manager fee options (50,000,000 post-Consolidation), exercisable at \$0.002 each (\$0.016 post-Consolidation) and expiring 30 November 2029, subject to obtaining shareholder approval.

Refer to Annexure B for a summary of the material terms of the underwriting agreement with RM Corporate.

Security Consolidation

The Company announces a proposed security consolidation on a one (1) for eight (8) basis, to be undertaken prior to the planned Rights Offer, subject to shareholder approval at the Meeting ("Consolidation").

A anticipated timetable for the Rights Offer and Consideration is as follows:

Event	Date
Announce Consolidation and Appendix 3B provided in respect of Entitlement Offer	6 June 2025
General Meeting – Shareholders approve Consolidation	18 July 2025
Effective date of Consolidation	22 July 2025
Last day for trading in pre-Consolidation Shares	23 July 2025
Post-Consolidation trading starts on a deferred settlement basis	24 July 2025
Record Date and last day for Company to register transfers on a pre-Consolidation basis	25 July 2025
Lodge Entitlement Offer Prospectus	30 July 2025
Ex date of Entitlement Offer	1 August 2025
Record date for Entitlement Offer	4 August 2025
Dispatch of Entitlement Offer Prospectus	7 August 2025
Entitlement Offer opens	7 August 2025
Last day to extend the Entitlement Offer	13 August 2025
Entitlement Offer closes	18 August 2025
Securities quoted on a deferred settlement basis from market open	19 August 2025
Announcement of results of Entitlement Offer and shortfall to ASX	21 August 2025
Issue of new Entitlement Offer securities and lodgement of Appendix 2A	25 August 2025

The above timetable is indicative only and subject to change by the Board of the Company.

Share for Debt Conversion

In order to preserve the cash of the Company, Conico intends to settle outstanding related party debts through the issue of shares at the same price as the Rights Offer, subject to obtaining shareholder approval at the Meeting, comprising the following:

- unpaid Directors' fees from 1 November 2024 to 30 June 2025 totalling \$77,552 (with the PAYG and superannuation on these fees being paid by the Company in cash);
- unpaid advisory fees from 1 November 2024 to 30 June 2025 totalling \$28,000 (ex GST) to RM Corporate, an entity related to Conico Director, Guy Le Page;
- Broker fees from the placement of Converting Loans totalling \$54,000 (ex GST) to RM Corporate Finance, an entity related to Conico Director, Guy Le Page; and

- Lead manager and underwriter fees from the Rights Offer totalling \$101,383 (ex GST) to RM Corporate Finance, an entity related to Conico Director, Guy Le Page.

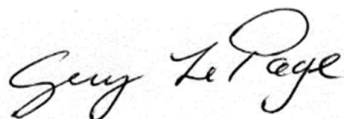
Further details will be provided in a notice of meeting to be dispatched to shareholders in the coming weeks.

Pro Forma Capital Structure

The following table details the pro-forma shares on issue after the issue of the advisory & Settlement Shares, the proposed issue of debt conversion shares (if approved by shareholders), effect of the Consolidation and the planned Rights Offer:

Conico proposed Share issues	Shares
	(ASX:CNJ)
Current shares on issue	237,487,301
Issue of Shares to Cartwright Drilling	34,658,000
Subject to shareholder approval at the Meeting:	
Issue of Shares to RM Corporate Finance	28,000,000
Issue of Shares to Directors	77,552,000
Conversion of Converting Loans: <ul style="list-style-type: none"> - Face value of \$900,000 plus - Estimated accrued interest of approx. \$5,441 to expected date of conversion of Converting Loan to Shares of 18 July 2025, subject to change 	905,440,665
Lead Manager fee shares – Converting Loans	54,000,000
Issue of Advisor Fee Shares	150,000,000
Post Consolidation Shares on issue (subject to rounding)	185,892,246
Rights Offer (4 for 5 basis) (subject to rounding)	148,713,797
Lead Manager and Underwriter fee shares	12,672,828
Total pro-forma shares on issue	347,278,870

Guy Le Page is a director of Conico and authorised the release of this announcement. For any queries regarding this announcement please contact Guy Le Page on +61-8-6380-9200.



Guy T Le Page, MAusIMM, FFIN, GAICD
Director

Annexure A

CONVERTING LOAN TERMS

Convertible Loan	
Amount (\$)	\$900,000
Interest Rate (%)	5% per annum, accrued daily and payable through issue of Shares at deemed price of \$0.008 (post-Consolidation basis), to be issued on conversion or repayment of the Converting Loan, as the case may be
Security	Unsecured
Lead Manager	RM Corporate Finance Pty Ltd (AFSL 315235)
Fees	6% (plus GST) of the amount subscribed to be converted to equity on the same terms as the Converting Loan subject to shareholder approval at a General Meeting of the Company
Conversion Terms	The Converting Loan (and any accrued and outstanding interest) will convert to ordinary fully paid shares ("Shares") in the capital of Conico at a General Meeting of the Company at an issue price of \$0.008 per Share (post-Consolidation basis).
Repayment Date	Unless converted to Shares, the Converting Loan (and any outstanding interest) will be repayable in full on 5pm EST on 14 April 2026.

Annexure B

UNDERWRITING AGREEMENT SUMMARY

Underwriting Agreement Summary

Offer	Non-renounceable 4 for 5 rights offer at an issue price of \$0.008 per Share to eligible shareholders at the Record Date (on a post 1 for 8 consolidation basis) to raise approximately \$1.19 million (before expenses of the Rights Offer).
Underwriting basis (\$)	Fully underwritten to maximum 4 for 5 basis Rights Offer to raise approximately \$1.19 million.
Issuer	Conico Limited (ASX: CNJ; or "the Company")
Lead Manager + Underwriter	RM Corporate Finance Pty Ltd (AFSL 315235)
Timetable	As outlined in the Company ASX Announcement dated 6 June 2025
Fees	<p>Management fee of 1% and an underwriting fee of 5% of the maximum underwritten amount, to be satisfied through issue of Shares at a deemed price of \$0.008 (post Consolidation) subject to shareholder approval.</p> <p>A further fee of \$30,000 payable, to be satisfied through the issue of 3,750,000 Shares (post-Consolidation basis, subject to Company shareholder approval).</p> <p>A further issue of 50 million options (post-Consolidation), exercisable at \$0.016 (post-Consolidation) and expiring 30 November 2029, subject to Company shareholder approval.</p>
Events of Termination	<p>11.1 Notice of termination</p> <p>The Underwriter may terminate this Agreement under clause 11.2 by notice in writing to the Company given on or at any time before the issue of all the Underwritten Securities, without cost or liability to itself.</p> <p>11.2 Termination events</p> <p>The Underwriter may terminate its obligations under this Agreement if:</p> <p>(a) if any of the following occurs in relation to the transaction specific prospectus for the Rights Offer ("Prospectus"):</p> <p>(i) the Underwriter reasonably forms the view</p>

that there is a material omission, it contains a material statement which is misleading or deceptive, or a material statement has become misleading or deceptive;

- (ii) the Underwriter reasonably forms the view that any projection or forecast in the Prospectus becomes, to a material extent, incapable of being met or unlikely to be met in the projected time;
 - (iii) ASIC gives notice of intention to hold a hearing under section 739(2) of the Corporations Act or makes an interim order under section 739(3) of the Corporations Act; or
 - (iv) any person other than the Underwriter who consented to being named in the Prospectus withdraws that consent;
- (b) **Supplementary Prospectus:** the Underwriter reasonably forms the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriter;
- (c) **ASX listing:** ASX does not give approval for the new Shares offered under the Prospectus to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;
- (d) **Index change:** the ASX All Ordinaries Index or the Dow Jones Industrial Average Index as determined at close of trading falls at least 10% below their respective levels at the close of trading on the date of the Underwriting Agreement for a total of three consecutive trading days during the Underwriting Period;
- (e) **Indictable offence:** a director of the Company or any Related Corporation is charged with an indictable offence;
- (f) **return of capital or financial assistance:** the Company or a Related Corporation takes any steps to undertake a proposal contemplated under section 257A or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;

- (g) **banking facilities:** the Company's bankers terminate or issue any demand or penalty notice or amend the terms of any existing facility or claim repayment or accelerated repayment of any facility or require additional security for any existing facility;
- (h) **change in laws:** any of the following changes of law occurs:
 - (i) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia; or
 - (ii) the public announcement of prospective legislation or policy by the Federal Government, or the Government of any State or Territory; or
 - (iii) the adoption by the ASIC, its delegates, ASX, the Reserve Bank of Australia or any other regulatory authority of any regulations or policy,

which does or is likely to prohibit, restrict or regulate the principal business of the Company, the Offer or the operation of stock markets generally;

- (i) **failure to comply:** the Company or any Related Corporation fails to comply with any of the following:
 - (i) a provision of its Constitution;
 - (ii) any statute;
 - (iii) a requirement, order or request, made by or on behalf of the ASIC or any governmental agency; or
 - (iv) any material agreement entered into by it,

which is likely to prohibit or materially restrict the business of the Company or the Offer;

- (j) **alteration of capital structure or constitution:** the Company alters its capital structure or its Constitution without the prior written consent of the Underwriter;
- (k) **extended Force Majeure:** a Force Majeure, which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 2 weeks occurs;
- (l) **default:** the Company is in default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or

covenant given or made by it under the Underwriting Agreement;

- (m) **adverse change:** any adverse change occurs which materially impacts or is likely to materially impact the assets, operational or financial position of the Company or a Related Corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a Related Corporation);
- (n) **investigation:** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a Related Corporation;
- (o) **Due Diligence:** there is a material omission from the Due Diligence Results or those results are false or misleading in a material respect;
- (p) **Prescribed Occurrence:** a Prescribed Occurrence occurs;
- (q) **Suspension of debt payments:** the Company suspends payment of its debts generally;
- (r) **Event of Insolvency:** an Event of Insolvency occurs in respect of the Company or a Related Corporation;
- (s) **Judgment against a Related Corporation:** a judgment in an amount exceeding \$100,000 is obtained against the Company or a Related Corporation and is not set aside or satisfied within 7 days; and
- (t) **Market Conditions:** any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or the international financial markets or any material adverse change occurs in national or international political, financial, economic conditions, in each case the effect of which is that, in the reasonable opinion of the Underwriters, reached in good faith, it is impracticable to enforce contracts to issue and allot or sub-underwrite the securities pursuant to the Prospectus or that the success of the Offer is likely to be adversely affected.

11.3 Material Adverse Effect

The events listed in clause 0 do not entitle the Underwriter to exercise its rights under clause 0 unless, in the reasonable opinion of the Underwriter reached in good faith, it has

or is likely to have, or those events together have, or could reasonably be expected to have, a Material Adverse Effect or could give rise to a liability of the Underwriter under the Corporations Act.