

ASX ANNOUNCEMENT

1 August 2022

MT THIRSTY DRILLING TO START THIS WEEK

- Target generation and drill planning completed with drilling scheduled to start later this week.
- Phase 1 consists of 20 holes for a total of 5,800 metres of reverse circulation and diamond drilling.
- Phase 1 drilling is expected to be completed within 8-10 weeks, with results to be periodically released.
- Galileo's Callisto discovery only 200 metres from northern tenement boundary held by the MTJV.
- Continuity of the prospective mineralised horizon onto MTJV tenure supported by lithology & geophysics.
- Prospective mineralised horizon remains untested with a further 1.8km extending onto MTJV tenure.

Conico Ltd (**ASX:CNJ**) (**Conico** or the **Company**) is pleased to provide an update on the imminent resumption of exploration activities at the Mt Thirsty Joint Venture (the MTJV) following the recent palladium-platinum-gold-copper-nickel (PGE) discovery by Galileo Mining Ltd (**ASX:GAL**) (Galileo) located less than 200 metres from the northern tenement boundary held by the MTJV. The MTJV is located 16 kilometres North-Northwest of Norseman, Western Australia and is owned by Greenstone Resources (50%) and Conico Limited (**ASX: CNJ**) (50%).

Drilling is scheduled to resume later this week at the MTJV following the completion of a multidisciplinary geological review and the receipt of all necessary approvals. The Phase I drill campaign is targeting mineralisation associated the same geological horizon which hosts Galileo's recent Callisto discovery, importantly the presence of this geological horizon extending onto the MTJV licences is supported by several historical drill holes. Mineralisation at Callisto is associated with disseminated sulphides (<5%) within ultramafic rocks of the Mount Thirsty Sill complex and is hosted 5-10 metres above a gently east dipping sedimentary horizon, this area immediately above the sedimentary horizon forms the principal target zone for the upcoming drill campaign.

While over 700 holes have historically been drilled overtop the prospective horizon, only four

historical drill holes were drilled to depths greater than 100 metres and intersected the target horizon (Figure 1). However, given the limited sulphide mineralisation observed at Callisto (<5%) and that cobalt-nickel mineralisation had historically been the focus at Mt Thirsty, the prospective horizon has remained unsampled for PGE's (Figure 2). Given the historical nature of this drilling, much of the drill core and remaining sample pulps have since been disposed of.

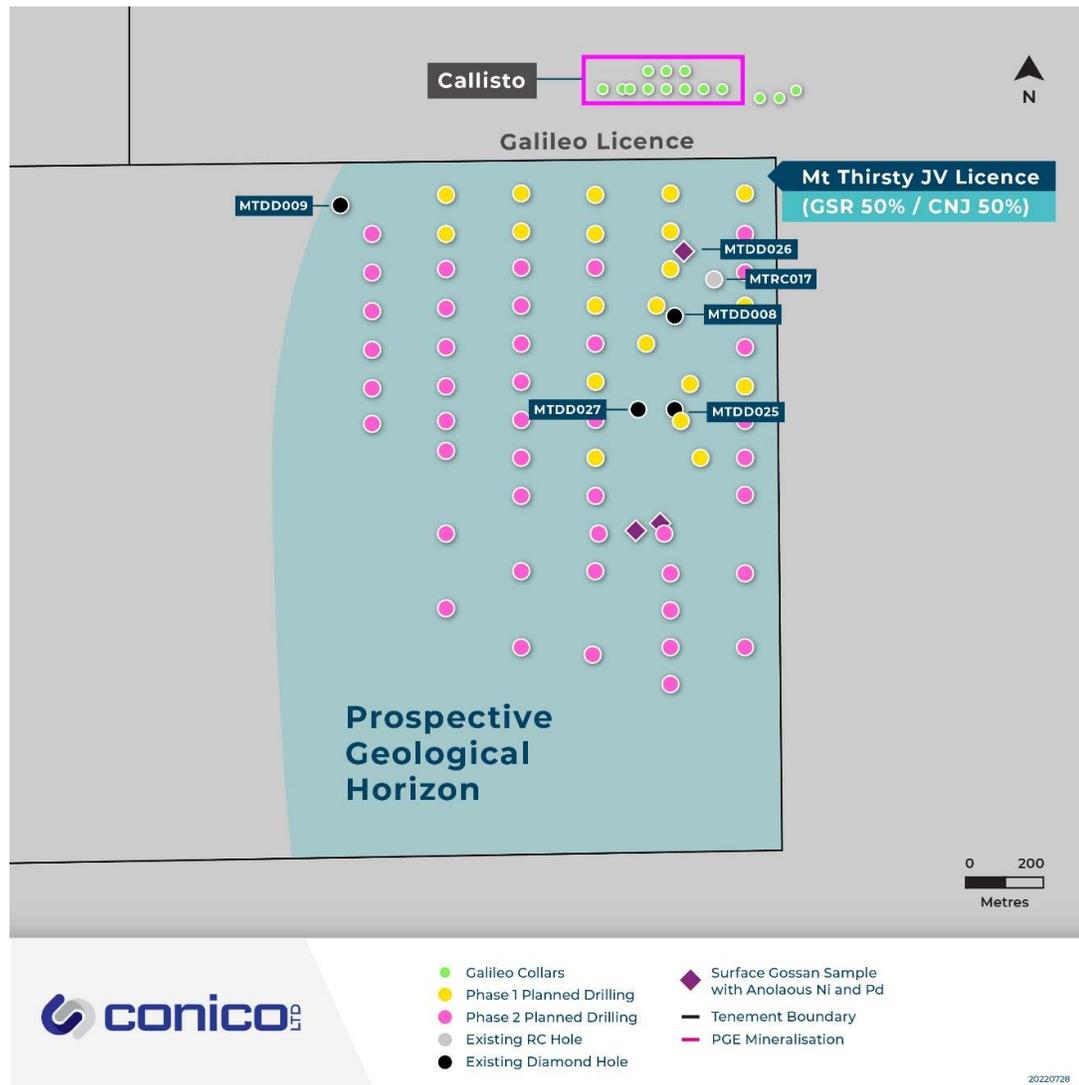


Figure 1: Plan view of planned drill hole collars and prospective geological horizon.

Two success-dependent phases of reverse circulation (RC) and diamond drilling (DD) totalling 20,150 metres have been planned (Figure 1):

- **Phase 1:** 5,800 metres testing the continuity of the target horizon and mineralisation onto the MTJV tenure
- **Phase 2:** 14,350 metres of infill and an increasing focus on several geophysical & structural anomalies

Executive Director, Guy Le Page, commented:

“The recent review by leading technical experts has given a much higher priority to hard rock exploration at Mt Thirsty following the Callisto discovery by Galileo Mining, less than 200 metres from the tenement boundary. This review has identified horizons prospective for PGEs with an apparent strike in excess 1.8kms. Phase 1 drilling will test for southern extensions onto the joint-venture tenement, as well as other geological features of interest.”

BACKGROUND & TECHNICAL DISCUSSION

The Mt Thirsty Project overlies a north-striking sequence of Archaean rocks of the Mount Kirk Formation at the southern end of the Norseman-Wiluna greenstone belt. The Mount Kirk Formation comprises metamorphosed peridotite, pyroxenite, sedimentary rocks and mafic and acid volcanics. Within the area, the Mount Kirk Formation is intruded by two major mafic-ultramafic differentiated sills, the Mount Thirsty Sill and the Mission Sill.

Galileo recently announced (GAL, ASX Announcement, 11 May 2022) the completion of six reverse circulation drillholes at Callisto targeting a mineralised sulphide unit on the contact between an ultramafic sill and a package of sedimentary rocks.

An initial appraisal of the results from Callisto by Galileo indicates similarities in mineralisation style to the Platreef deposits on the northern limb of the Bushveld Complex in South Africa.

The Platreef deposits are very large in nature and have combined indicated resources of >700Mt at a 1 g/t 3PE+Au cut off¹ and contain palladium, platinum, gold, rhodium, copper, and nickel. Significant intercepts from the discovery hole NRC266 drilled by Galileo on their tenure, include²:

¹ Platreef Integrated Development Plan 2020. Ivanhoe Mines Ltd.

² ASX: GAL 12/05/2022

- 33 metres @ 2.00g/t 3E3 (1.64g/t Pd, 0.28g/t Pt, 0.09g/t Au), 0.32% Cu & 0.30% Ni from 144m, including;
 - 6 metres @ 2.69g/t 3E (2.21g/t Pd, 0.37g/t Pt, 0.11g/t Au), 0.41% Cu & 0.36% Ni from 159m; and
 - 1 metre @ 3.21g/t 3E (2.66g/t Pd, 0.41g/t Pt, 0.14g/t Au), 0.48% Cu & 0.46% Ni from 176m.

Importantly for the MTJV, Galileo's recent discovery at Callisto is only 200 metres from the northern tenement boundary held by the MTJV with the extension of the prospective mineralised horizon onto MTJV tenure supported by geophysics & lithology (GSR, ASX Announcement, 16 May 2022). Despite extensive shallow drilling over the Mt Thirsty resource area (JORC Inferred and Indicated Resources of 26.9Mt at 0.126% cobalt, and 0.54% nickel, see Annexure A), the prospective eastern margin remains largely untested (Figure 1) with only 3.5% of all holes drilled at Mt Thirsty penetrating deeper than 100 metres, also noting Galileo's discovery hole was from 144 metres downhole. As such, an initial review indicates that a further 1.5km of the prospective mineralised horizon may extend onto the MTJV tenure.

In addition to the untested PGE potential, the MTJV is undertaking a detailed geological review assessing the western margin of the Mt Thirsty licences for lithium-caesium-tantalum (LCT) potential, with historical drilling and mapping previously documenting pegmatites within the MTJV licence area. Importantly, 150 metres to the west of licences held by the MTJV is the Mt Thirsty pegmatite where Galileo previously reported a series of steeply dipping, north-south trending pegmatites. Six grab samples of micaceous (lepidolite) pegmatite were sampled by Galileo returning an average assay grade of 2.3% Li₂O, 1.87% Rb and 476 ppm Ta₂O₅.

This announcement is authorised by the Board of Directors.

A handwritten signature in black ink that reads "Guy T Le Page".

Guy T Le Page, MAusIMM, FFIN.

Executive Director

3 3E = Palladium (Pd) + Platinum (Pt) + Gold (Au) in g/t

4 www.galileomining.com.au/wp-content/uploads/2018/05/GAL-Prospectus.pdf

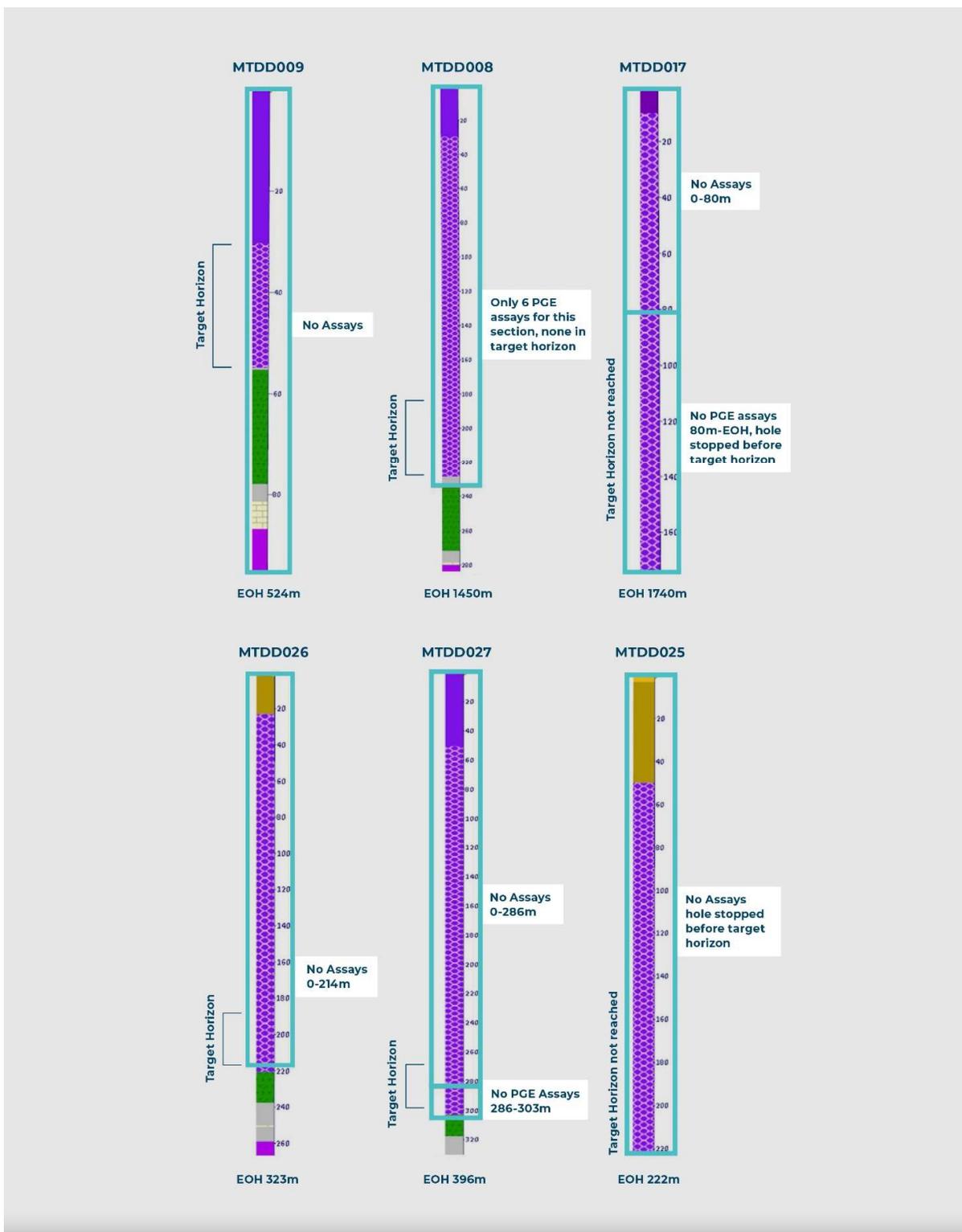


Figure 2: Historic deep drilling showing no PGE assaying within target horizon.

ABOUT MT THIRSTY

The Mt Thirsty Joint Venture (MTJV) is located 16 kilometres North-Northwest of Norseman, Western Australia (50% Greenstone Resources, 50% Conico Limited).

The Project contains the Mt Thirsty cobalt-nickel oxide deposit with a JORC Resource of 26.9Mt at 0.126% cobalt, and 0.54% nickel⁵. A Pre-Feasibility Study (PFS) of the Project was completed and announced to the ASX on 20 February 2020. In addition to the Co-Ni oxide deposit, the Project also hosts nickel sulphide mineralisation potential.

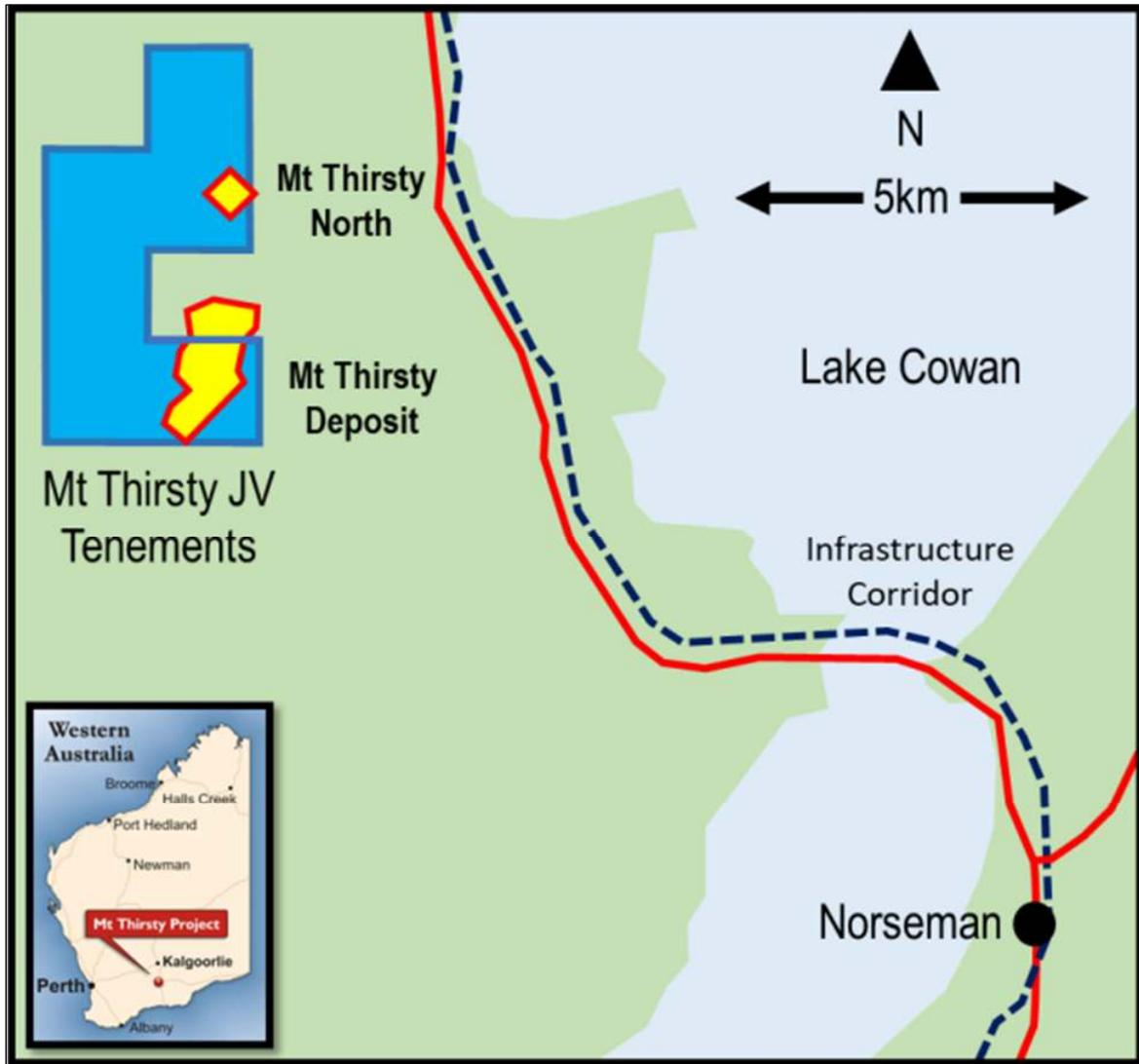


Figure 3: Location of Mt Thirsty project.

⁵ ASX: CNJ 09/09/2019

ANNEXURE A

Mt Thirsty Joint Venture Mineral Resources (50%)

Mineral Resource	Cut-off (Co%)	Wet Tonnes (Mt)	Moisture (% wet t)	Dry Tonnes (Mt)	Co (%)	Ni (%)	Mn (%)	Fe (%)
Mt Thirsty Indicated	0.06	31.20	27%	22.8	0.121	0.53	0.79	21.30
Mt Thirsty Main Inferred	0.06	3.50	27%	2.5	0.103	0.45	0.66	19.10
Mt Thirsty Main Sub Total	0.06	34.70	27%	25.4	0.119	0.52	0.77	21.10
Mt Thirsty North Inferred	0.06	2.00	27%	1.5	0.092	0.55	0.48	19.40
Total	0.06	36.70	27%	26.9	0.117	0.52	0.76	20.90

Refer to ASX Announcement 9/9/2019 for full details of the Mineral Resource Estimate.

Mt Thirsty Joint Venture Ore Reserve (50%)

Mineral Resource	Cut-off (Co%)	Wet Tonnes (Mt)	Moisture (% wet t)	Dry Tonnes (Mt)	Co (%)	Ni (%)	Mn (%)	Fe (%)
Mt Thirsty Probable	Approx. 0.07% Co (Variable)	25.90	27%	18.8	0.126	0.54	0.80	21.60

Refer to ASX Announcement 20/2/2020 for full details of the Ore Reserve Estimate.

Competent Persons for the Mt Thirsty Cobalt Nickel Project

Project and Discipline	JORC Section	Competent Person	Employer	Professional Membership
Mt Thirsty Geology	Exploration Results and Mineral Resources	Michael J Glasson	Tasman Resources Ltd; Consultant to MTJV; holds shares in Conico Ltd	MAIG
Mt Thirsty Resource Estimation	Mineral Resources	David Reid	Golder Associates Pty Ltd	MAusIMM
Mt Thirsty Metallurgy	Exploration Results and Ore Reserves	Peter Nofal	AMEC Foster Wheeler Pty Ltd trading as Wood	FAusIMM
Mt Thirsty Mining	Ore Reserves	Frank Blanchfield	Snowden Mining Industry Consultants Pty Ltd	FAusIMM

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves for the Mt Thirsty Cobalt-Nickel Project is based on and fairly represents information compiled by the Competent Persons listed in the table above. The Competent Persons have sufficient relevant experience to the style of mineralisation and type of deposits under consideration and to the activity for which they are undertaking to qualify as a Competent Person as defined in the JORC Code (2012 Edition). For new information, the Competent Persons consent to the inclusion in the report of the matters based on their information in the form and context in which it appears. Previously announced information is cross referenced to the original announcements. In these cases, the company is not aware of any new information or data that materially affects the information presented and that the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

DISCLAIMER

This report contains forward-looking statements that involve several risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. No obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken based on interpretations or conclusions contained in this report will therefore carry an element of risk.

REFERENCES TO PREVIOUS ANNOUNCEMENTS

In relation to the details of the PFS announced on 20/02/2020, Conico confirms that all material assumptions underpinning the production target and forecast financial information from the production target, as reported on 20/02/2020, continue to apply and have not materially changed. A proportion of the production target uses inferred mineral resources. There is a low level of confidence associated with inferred mineral resources and there is no certainty that further exploration will result in the determination of indicated mineral resources or that the production target itself will be realised.

The mineral resource estimates in this announcement were reported by the Company in accordance with ASX Listing Rule 5.8 on 9/9/2019. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimates in the previous announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The ore reserve estimate in this announcement was reported by the Company in accordance with ASX Listing Rule 5.9 on 20/20/2020. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimate in the previous announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.