

## QUARTERLY REPORT MARCH 2022

### ASX code : NC1

#### Board

Rod Corps  
*Managing Director*

Warren Hallam  
*Non-Executive Chairman*

Brett Smith  
*Non-Executive Director*

#### Issued Capital

91.00M shares on issue  
31.02M unlisted options

#### Market Capitalisation

\$145.60 million

#### Enterprise Value

\$132.4 million

#### Cash at Bank (Mar 31)

\$10.74 million

#### Nico Resources Limited

ABN 80 649 871 425

L5, 197 St Georges Terrace  
Perth, WA 6000

GPO Box 2517  
Perth, WA 6831

T (08) 9481 0389  
E [info@nicoresources.com.au](mailto:info@nicoresources.com.au)

W [nicoresources.com.au](http://nicoresources.com.au)

## KEY HIGHLIGHTS

- Commencement of trading on ASX on 19 January 2022.
- Initial Public Offer (IPO) successfully completed oversubscribed with applications well in excess of the maximum \$12.0 million (before costs).
- Completion of the purchase of the nickel asset portfolio pursuant to the share sale subscription agreement (SSA) executed with Metals X Limited (**Metals X**) on 7 December 2021. All conditions precedent satisfied, and the acquisition completed on 7 January 2022.
- Signed a new services agreement with Worley Services Pty Ltd ("**Worley**") to update the capital and operating costs for the PFS for the Wingellina Project.
- Appointment of Mr Fergus Kiley as General Manager of Operations, Nico Resources Limited.

**Nico Resources Limited** (ACN 649 817 425) ("**Nico**" or the "**Company**") is pleased to present a summary of activities for the quarter ended 31 March 2022.

Nico's key areas of focus for the March 2022 quarter was the successful completion of the IPO and purchase of the nickel assets portfolio from Metals X including the Wingellina Nickel-Cobalt Project, part of the Central Musgrave Project, one of the largest undeveloped nickel deposits and now 100% owned by Nico.

Nico received strong support for the IPO with Blackstone Minerals ("**Blackstone**" or "**BSX**") and Metals X Limited ("**Metals X**" or "**MLX**") becoming substantial strategic investors in what was a heavily oversubscribed offering.

**Managing Director of BSX, Mr Scott Williamson** said of the Nico investment-

*"Blackstone has completed a strategic investment into Nico this March 22 quarter. Blackstone views this listed company as being fundamentally undervalued, and with very strong potential to supply nickel to either the Ta Khoa Refinery, or more broadly, downstream processing centres that will be developed over the coming decade."*

## CENTRAL MUSGRAVE PROJECT (CMP)

---

The Central Musgrave Project (**CMP**) tenement portfolio comprises of 3 main exploration licences, known as - Wingellina (WA), Claude Hill (SA) and Mt Davies (SA), an exploration licence covering the Lewis calcrete resource and three miscellaneous licences covering the defined water resources.

The Tenements host a 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 Wingellina deposit hosts a measured, indicated and inferred Mineral Resources of 182.6Mt at 0.92% Ni & 0.07% Co for 1.68Mt of contained nickel and 132Kt of contained cobalt, and hosts probable Ore 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 Inferred Resources of 33.3 Mt at 0.81% Ni and 0.07% Co for 270Kt of contained nickel and 23Kt of contained cobalt.

Both Mineral Resources and Ore Reserves in respect of the CMP Project were declared in 2016.

A Phase 1 Feasibility Study was undertaken in 2008, a land access agreement was signed in 2010 and EPA approval to develop the project was obtained in 2016. Since 2016 additional metallurgical optimisation, processing and infrastructure studies have been undertaken

The Phase 1 Feasibility Study (+/-25%) envisioned HPAL processing with a potential project mine life of 39 years, producing approximately 40,000 tpa of nickel and 3,000tpa cobalt. During the quarter, Nico commenced an update of the PFS study with Worley Services Pty Ltd (ASX release 7/4/22)

Various metallurgical testwork programs have been undertaken providing for the potential commercial production of high-quality cobalt and nickel sulphates, mixed nickel / cobalt sulphides, hydroxides and carbonates, and scandium.

Due to the intense oxidation of the ores, mining is anticipated to account for less than 5% of the AISC cost as the ores can be extracted without the requirement for blasting. Mining studies, completed as part of the Phase 1 Feasibility Study estimated the average waste:ore strip ratio for the first 20 years of mining being only 0.5:1 and for the 39-year project 1:1.

Nico, through its tenure now controls much of the Giles complex layer intrusion defined basal contact. an interpreted ~100km of strike is proposed to exist across the CMP project and there are multiple green and brownfields targets, some with associated mineralisation still to be tested. The Wingellina Deposit extends for approximately 10kms along this defined contact.

Since 2008, comprehensive bench-scale metallurgical test work has been completed, geotechnical diamond drilling, extensive flora and fauna studies, site engineering testing, logistics investigations and feed and waste characteristics in preparation for a bankable feasibility study. Studies have included the production of mixed hydroxides, mixed sulphides, nickel and cobalt sulphates and scandium, process alternatives including PosNep (POSCO proprietary technology). Ammonia leaching, oxide flotation and Ion exchange. Recent studies have reviewed high grade cobalt and nickel start-up options.

On 16 July 2010, Hinckley Range Pty Ltd (a wholly owned subsidiary of Metals Exploration Pty Ltd which is now a wholly owned subsidiary of Nico), the Yarnangu Ngaanyatjarraku Parna Aboriginal Corporation, the Ngaanyatjarra Council (Aboriginal Corporation) and the Ngaanyatjarra Land Council (Aboriginal Corporation) executed the Wingellina Project Agreement which provides for the future grant of mining leases, the construction and operation of the future Wingellina mine and details the associated compensation considerations.

In September 2016 after the submission of a final Public Environmental Review in August 2015, EPA approval was obtained to proceed with the implementation of the Wingellina Nickel Project proposal.

Nico's objective is to move the Wingellina project towards development. A review of all previous works and studies will be undertaken to identify any additional information or programmes required to undertake a comprehensive feasibility study update, including the exploitation of the resources, infrastructure requirements, approvals and local sources of calcrete and water.

These studies will include undertaking various exploration programs to determine how best to mine and process the potential high-grade zones of nickel, cobalt and scandium at both the Wingellina and the Claude Hills deposits.

Further metallurgical testwork and optimisation studies will also be undertaken to maximise the value of minerals extracted from the Projects

### **Calcrete Resources - Lewis Calcrete Project**

In 2013 Exploration Licence E69/3065 located within WA, approximately 25km north-west of the Wingellina township was acquired - known as the Lewis Calcrete Deposit.

The PSF1 had estimated a total of ~800,000t/year of calcrete/limestone would be required over the life of the CMP for acid neutralisation purposes.

Initial drill testing comprising 89 shallow reconnaissance 100 metre spaced RC holes along a 9km access track was completed in 2014 with 579 samples submitted for analysis. Test work subsequently confirmed good quality calcrete with CaO+MgO+LOI exceeding 70% confirmed in 68 of the holes drilled. The calcrete is calcium-rich, with MgO rarely exceeding 2%. The base of the calcrete profile was found to occur at a depth of about 6 metres below surface.

Resource definition drilling commenced in late 2020 with the planned program being approximately 50% completed. The program was postponed due to COVID restrictions and is anticipated that NICO will recommence this program once these restrictions have been lifted. When completed, the results from this program will be used to quantify and ascertain the continuity of the best quality calcrete in the deposit for HPAL process requirements. Additional calcrete deposits also occur elsewhere and on the tenement that may also be utilised as a source for haul road construction materials for the Projects.

### **Additional Processing and Metallurgical Option Studies**

While the P1FS contemplated an ore processing route of HPAL followed by metal precipitation to a mixed nickel-cobalt hydroxide product, subsequent investigations have been undertaken into other metallurgical options, including numerous product options, such as ammonia leach, oxide flotation and iron exchange.

Test work in 2012 showed that Di-(2-ethyl hexyl) phosphoric acid (DE2HPA) was a very effective extractant for scandium with excellent selectivity.

In 2012 precipitated test work using sodium hydrosulphide (NaHS) to produce a mixed nickel and cobalt sulphides product resulted in recoveries of approximately 90% nickel and 96% Cobalt into a product containing 47.6% nickel and 4.05% cobalt, with a sulphur to metal ratio of 1.16. In 2013 a mixed sulphide precipitate product was also achieved through using sulphide hydrogen gas which showed nickel recoveries in the ranged of 95.6 - 99.2% and cobalt in the ranged of 94.8 - 99.8%.

In late 2017 SGS Minerals Metallurgy was engaged to undertake sulphate crystallisation testwork (a product used in batteries) on Wingellina ores. The results of this work were positive and highlighted potential processing refinements warranting further investigation. Importantly, high quality nickel and cobalt sulphates as potential battery feedstock were produced.

In addition, various programs of testwork on the physical properties have also been undertaken to determine the physical, chemical and geochemical characteristics of mine waste materials. In 2014 testwork showed that all waste samples assessed were classed as non-acid forming (**NAF**) and the gabbro and saprock waste materials are physically, chemically and geochemically benign, and are likely to be a valuable source of competent surface armour material for use in rehabilitation of waste landforms.

During the quarter Nico undertook a review of all of the various known metallurgical process and advancements in extractive technology. The study in most has concluded that there does not appear to be any processes sufficiently advanced that would be more superior than those already tested by the company. However, there are several potential value add steps which have been identified such as the production of HPA and Scandium. In addition, there are numerous downstream opportunities to produce battery products.

## High Grade Nickel and Cobalt Start-Up Options - 2017

With the increasing cobalt price throughout 2017 (which peaked at US\$95,000/t in March 2018) Metals X undertook a review of the cobalt inventory of the Wingellina deposit with the aim of investigating higher- grade cobalt domains that could be targeted as a high-grade start-up option. This work resulted in the definition of high-grade cobalt deposits.

Past drilling and mining studies at Wingellina were focused predominantly on optimisation for nickel production. However, within the Wingellina Mineral Resource, which extends over almost 10km, Metals X delineated 15 possible high-grade cobalt-nickel pits which could be incorporated into a high grade start up scenario.

## WINGELLINA NICKEL-COBALT PROJECT

Recently Nico completed an internal global benchmarking study to demonstrate the importance of the Wingellina asset when compared against its global peers. The culmination of the study resulted in the two graphs below outlining the resources strategic opportunity.

On a global comparative basis there are:

- 475 late-stage development or producing Nickel projects globally
- 160 of those projects are at pre-production stage and are located in the Tier 1 investable jurisdictions of North America and Australia
- 31 of those pre-production projects have been completed to some level of study phase (PEA, PFS, DFS etc)
- 3 of those projects have received their critical production approvals eg:
  - Environmental approval,
  - indigenous mining agreement
- Only 1 of those projects has a contained NiEqu resource of greater than 2Mt of metal with a NiEqu grade greater than 1%

This internal benchmarking exercise highlights the strategic importance of the Wingellina Nickel Cobalt project as it demonstrates the project exists in a class of its own. Wingellina represent a long-life substantial metal supply 100% owned by an independent junior development company.

The project is a large, intergenerational, long life, permitted, asset with a globally significant in ground metal inventory. Located in the tier 1 mining jurisdiction of Western Australia with the ability to deliver an alternative transparent, traceable, ESG credentialed metals supply for the growing decarbonisation of our global energy markets. (refer Figure 1 below)

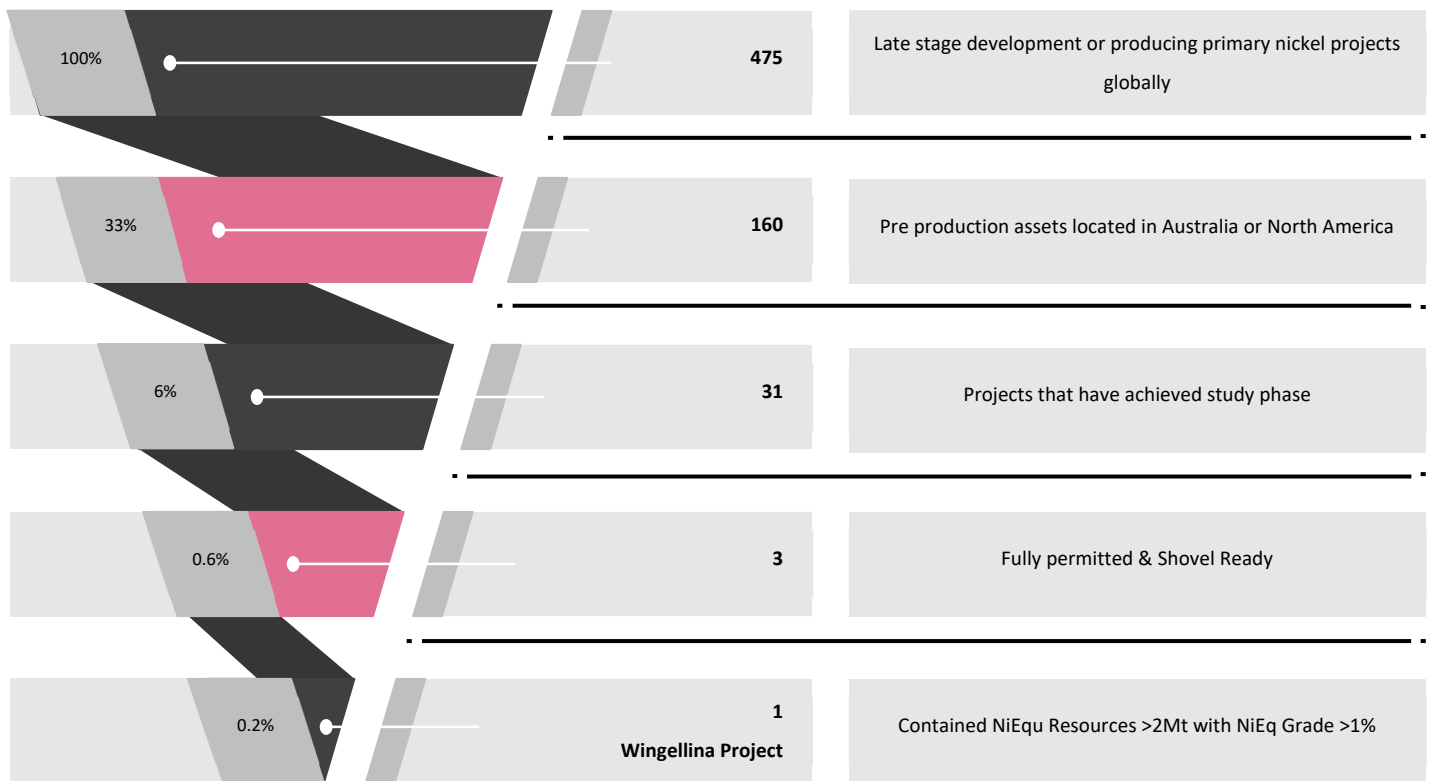
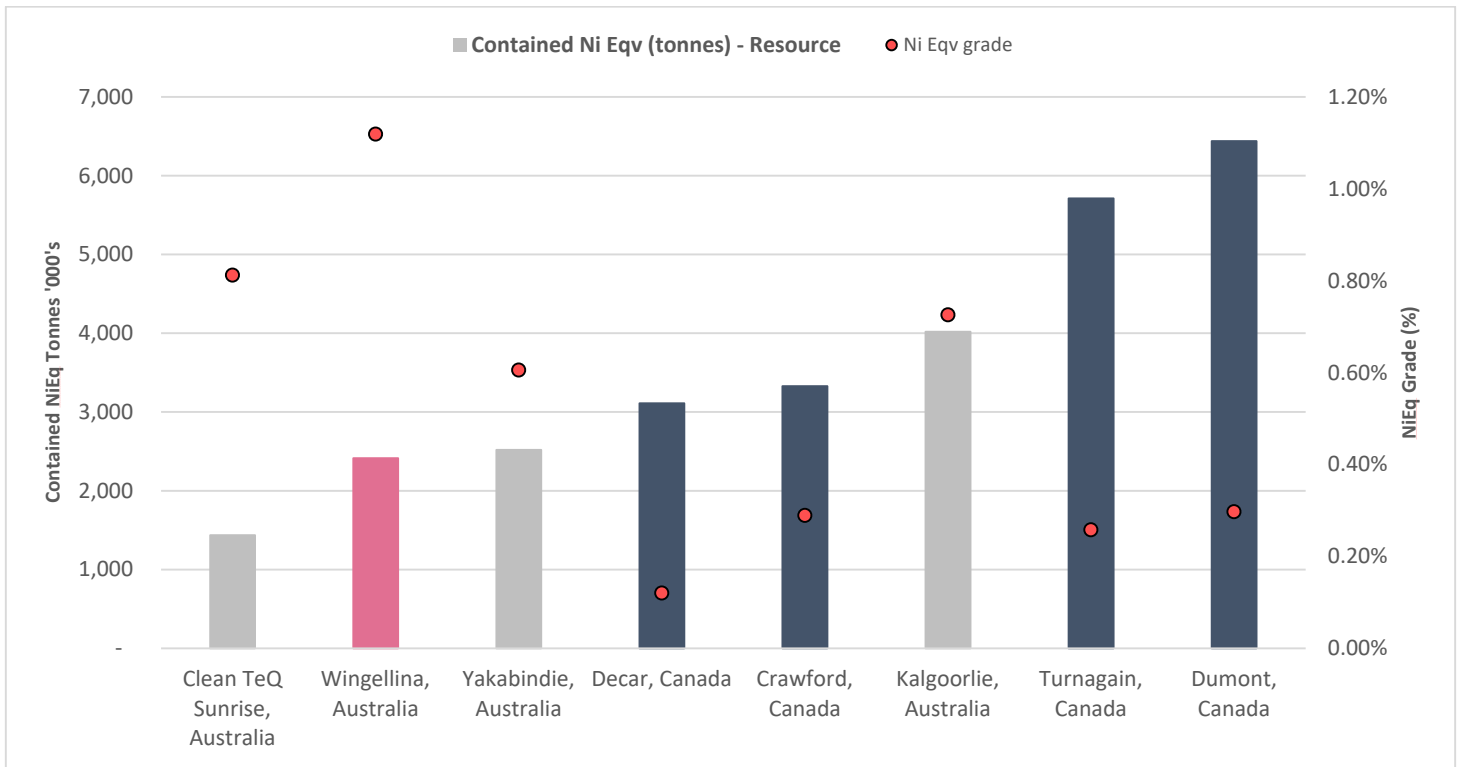


FIGURE 1 AUS/NTH AMERICAN SIGNIFICANT UNDEVELOPED NICKEL DEPOSITS

Note: data sourced from S&P Global Data base 23/3/2022

- 1) Ni Eq calculated with 3:1 Ni:Co values.
- 2) Ni calculated at US\$8.05/lb
- 3) Cobalt calculated at US\$24.07/lb

## PLANNED ACTIVITIES AND EXPLORATION FOR QUARTER ENDING 30 JUNE 2022

---

During the June 22 quarter Nico Resources is expecting to conduct the following activities:

- Nico is currently sourcing suitable drilling options for the June 22 quarter to conduct 10,000 meters of RC drilling primarily to explore an upgrade the high-grade Cobalt resources hosted within the Wingellina system.
- Currently the Company is finalising its project LOM water supply strategy in conjunction with Stantec and Rockwell. This work will support and dovetail into the BFS assessment
- The finalisation of the updated PFS by Worley is expected by the end of the June 22 quarter.
- The Company is continuing to maintain key stakeholder engagement meetings with the Ngaanyatjarra land council and the Wingellina community.
- It is expected Nico will commence re-engaging with previous joint venture interested partners and further discussions with additional canvased groups to ensure the maximum opportunity to move the Wingellina project into the development and production phase.
- Commencement of an extensive investor roadshow within the Australian market which will be followed by the Asian markets in the coming months.
- After positive discussions with the Major Projects Facilitation Agency and relevant government bodies, Nico advises that it will be lodging an application to become awarded major project status.

# CORPORATE

## APPOINTMENT OF GENERAL MANAGER OPERATIONS

Mr Kiley was appointed as General Manager of Operations during the quarter on 1 March 2022.

Mr Kiley is a cross-disciplinary skilled extractive industries professional with a foundation grounded in geosciences. With a career spanning 12 years of experience across the entire project value chain, Mr Kiley commenced his career as an exploration and production geologist with major miner Newmont before transitioning to various small and mid-tier exploration and production companies. Having a wide exposure to various commodities and geological systems coupled with jurisdictional diversification has imparted Mr Kiley with a substantive platform of experience.

In recent years, Mr Kiley has leveraged his operational experience and capital markets exposure to join one of Australia's largest natural resources private investment groups, Wyloo Metals (A Company of Tattarang), as the senior geologist for business development.

## FINANCIAL

Nico Resources Limited closed the quarter with cash and working capital of \$10,738,956 million.

## MAJOR SHAREHOLDERS

The current major shareholders of the Company are:

- Metals X Limited 18.29%
- Blackstone Minerals Limited 15.11%
- Mt Rod Corps 11.25%

Related party payments for the quarter, are as outlined in the attached Appendix 5B at section 6.1, total \$187,476 and includes amounts paid to directors including director's fees and statutory superannuation.

Exploration and Evaluation expenditure during the quarter was \$104,105.

## CAPITAL STRUCTURE AS AT 31 MARCH 2022

Description	Number
Fully paid ordinary shares	91,000,002
Unlisted options exercisable at \$0.25 on or before 3 November 2024	25,000,000
Unlisted options exercisable at \$0.25 on or before 29 July 2024	9,000,000
Unlisted options exercisable at \$0.30 on or before 17 January 2025	800,000

During the quarter 60,000,000 million shares were issued as part of the IPO raising \$12 million (excluding costs) and of the 91,000,002 shares on issue 18,750,000 are in escrow.

800,000 lead manager options were issued to Blue Oceans as part of the IPO capital raise completed during the quarter.

## USE OF FUNDS<sup>1</sup>

Nico provides the following disclosures required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure to date since listing on 19 January 2022 against the 'use of funds' statement in its prospectus dated 23 November 2021.

<b>Expenditure</b>	<b>Funds allocated under Prospectus</b>	<b>Actual to 31 March 2021</b>	<b>Variance</b>
Exploration Expenses	\$4,023,000	\$104,106	(\$3,918,894)
Studies and Reviews	\$622,000	-	(622,000)
Directors Fees	\$800,000	\$187,476	(\$612,524)
Working Capital	\$1,372,000	\$282,115	(\$1,089,885)
Capital Expenditure	24,000	-	(24,000)
Costs of offer	\$1,063,000	\$1,137,739	\$74,739
Future acquisition costs	\$1,350,000	-	(1,350,000)
<b>Total</b>	<b>\$9,254,000</b>	<b>\$1,711,436</b>	<b>(\$7,542,565)</b>

1. The Use of Funds table is a statement of current intentions, investors should note that the allocation of funds set out in the table may change depending on a number of factors including the results of exploration, outcome of development activities, regulatory developments and market and general economic conditions.



## COMPLIANCE STATEMENTS

---

The information in this report that relates to Exploration Results for the Wingellina Nickel-Cobalt Project is compiled by Metals X technical employees and contractors under the supervision of Mr. Jake Russell B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a contractor to the Company and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking 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 Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

***This announcement has been authorised for release by the Board.***

## CONTACTS

For more information, please visit our website [www.nicoresources.com.au](http://www.nicoresources.com.au) or contact:

**Mr Rod Corps**  
*Managing Director*  
[Rod.Corps@nicoresources.com.au](mailto:Rod.Corps@nicoresources.com.au)

**Ms Amanda Burgess**  
*Company Secretary*  
[Amanda.Burgess@nicoresources.com.au](mailto:Amanda.Burgess@nicoresources.com.au)

## 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 REOSURCES 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 comprising of three main exploration tenements - Wingellina (WA), Claude Hill (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 1,469km<sup>2</sup> 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 182.6Mt at 0.92% Ni & 0.07% Co for 1.68Mt of contained nickel and 132Kt 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.

## PREVIOUS DISCLOSURE

The information in this quarterly activities report is based on the Nico Resources Limited Prospectus, which is available from the Nico Resources Limited website [www.nicoresources.com.au](http://www.nicoresources.com.au) and the ASX website [www.asx.com.au](http://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 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(104)	(104)
(b) development		
(c) production		
(d) staff costs	(217)	(217)
(e) administration and corporate costs	(284)	(636)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(605)</b>	<b>(957)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	(221)	(221)
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(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)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(221)</b>	<b>(221)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	12,000	12,382
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	(533)	(533)
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)	(10,185)	-
	Funds received in the prior quarter for capital allotted in the current quarter		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,282</b>	<b>11,849</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	10,283	68
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(605)	(957)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(221)	(221)

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,282	11,849
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>10,739</b>	<b>10,739</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	519	10,283
5.2	Call deposits	10,220	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>10,739</b>	<b>10,283</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	187,476
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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>-</b>	<b>-</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>-</b>
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(605)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(605)
8.4 Cash and cash equivalents at quarter end (item 4.6)	10,739
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	10,739
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>18</b>
<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:	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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:

*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.*

## 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: 29 April 2022

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.