

# HALF YEAR REPORT

ENDED 31 DECEMBER 2025



**WINGELLINA**  
NICKEL/COBALT PROJECT

ACN: 649 817 425

**NiCo**

NICO RESOURCES LTD

# CONTENTS

	Page
Corporate Directory	2
Directors' Report	3
Auditor's Independence Declaration	12
Condensed Consolidated Statement of Profit or Loss & Other Comprehensive Income	13
Condensed Consolidated Statement of Financial Position	14
Condensed Consolidated Statement of Changes in Equity	15
Condensed Consolidated Statement of Cash Flows	16
Notes to the Condensed Consolidated Financial Statements	17
Directors' Declaration	24
Independent Auditor's Review Report	25

**WINGELLINA**  
NICKEL/COBALT PROJECT

**NiCO**

NICO RESOURCES LTD

# CORPORATE DIRECTORY

## DIRECTORS

### **Non-Executive Chairman**

Mr Peter Cook

### **Managing Director**

Mr Jonathan Shellabear

### **Non-Executive Director**

Mr Roderick Corps

### **Non-Executive Director**

Mr Stewart Findlay

### **Non-Executive Director**

Mr Brett Smith

### **Company Secretary**

Ms Amanda Burgess

## REGISTERED OFFICE

Level 8

216 St Georges Terrace

Perth Western Australia 6000

Website: [www.nicoresources.com.au](http://www.nicoresources.com.au)

## PRINCIPAL OFFICE

Level 6

190 St Gerges Terrace

Perth Western Australia 6000

Telephone: +61 (8) 9481 0389

Facsimile: +61 (8) 9463 6103

## AUDITORS

### **HALL CHADWICK**

283 Rockeby Road

Subiaco Western Australia 6008

## LEGAL ADVISORS

### **Blackwall Legal LLP**

Level 26, 140 St Georges Terrace

Perth Western Australia 6000

## BANKERS

### **National Australia Bank Limited**

Ground Floor, 100 St Georges Terrace

Perth Western Australia 6000

## STOCK EXCHANGE

### **Australian Securities Exchange Limited**

ASX Code: NCI

## SHARE REGISTRY

### **Computershare Investor Services Pty Ltd**

Level 11, 172 St Georges Terrace

Perth Western Australia 6000

Telephone: 1300 787 272



## DIRECTORS REPORT

---

The Directors present their Interim Financial Report of Nico Resources Limited (referred to hereafter as “the Company” or “Nico”) and its subsidiaries for the half-year to 31 December 2025.

### Directors

The name and details of the Company's Directors in office during the half-year and until the date of this report are as follows. Directors were in office for the entire period unless stated otherwise.

Mr Peter Cook - Non-Executive Chairman  
Mr Jonathan Shellabear – Managing Director  
Mr Roderick Corps – Non-Executive Director  
Mr Brett Smith – Non-Executive Director  
Mr Stewart Findlay - Non-Executive Director

### Principal Activities

The principal activity of the Company during the half-year was the exploration of the Central Musgrave Nickel Project (CMP).

### Operating Results for the Period

The operating result of the Company for the half-year was a loss of \$425,130 (Dec 2024 profit of \$83,875).

### Dividends

No dividends were paid during the half-year and no dividend has been declared for the half-year ended 31 December 2025.

### Significant Changes in State of Affairs

Other than those disclosed in this report, no significant changes in the state of affairs of the Company occurred during the half-year.

### Significant Events after Reporting date

On 28 January 2026 the Company completed capital raising to raise \$3.73 million (before costs) by way of an issue of 12.4 million fully paid ordinary shares at a price of \$0.30 per share.

Other than the above the Company has no other matters or circumstances that have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### Review of Operations

Nico Resources Limited (“Nico”) is exploring its flagship Central Musgrave Nickel-Cobalt Project (“CMP”) located in Western Australia. The CMP comprises exploration tenements in Western Australia and South Australia along with Exploration Licences that cover the Wingellina Nickel-Cobalt Project (“Wingellina” or the “Project”) within the CMP, the Lewis calcrete resource and Miscellaneous Licences which cover the defined water resources. The CMP hosts 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 168.4 million tonnes containing 1.56 million tonnes of nickel and 123,000 tonnes of cobalt at Wingellina. A detailed pre-feasibility study<sup>1</sup> (“PFS”) completed on the Project in December 2022 confirmed a globally significant asset, characterised by its long life, low cost and high operating margins.

---

<sup>1</sup> See ASX Announcement 22 December 2022 “PFS confirms Wingellina as a Tier 1 project capable of supplying decades on Nickel and Cobalt”.

## DIRECTORS REPORT

---

Wingellina is a large undeveloped oxide-type nickel-cobalt deposit which hosts an initial probable reserve which, through the use of the High Pressure Acid Leaching (HPAL) process, is capable of producing approximately 40,000t of nickel and 3,000t of cobalt in a Mixed Hydroxide Precipitate ("MHP") for at least 42 years at a globally competitive cost. HPAL is a hydrometallurgical process that has become a critical process for nickel production globally with a number of plants in operation worldwide. As global nickel sulphide deposits decrease, HPAL's importance grows, particularly given that lateritic ores constitute the majority of worldwide nickel and cobalt resources.

During the half-year, the Company has continued to reduce discretionary expenditure to conserve cash resources, whilst continuing to progress the Project in a judicious manner. The operations and results of the Company for the year ended 31 December 2025 are reviewed below.

### Nickel Market

During the half-year financial year the nickel price averaged around US\$14,938/tonne, a decline of around 3% from the first half of calendar 2025. Nickel prices exhibited less volatility than the previous period and generally traded between US\$14,800 and US\$15,300 over the period. However, in mid-December the price rallied strongly from a low of US\$14,110/tonne on December 16 to close at US\$16,480/tonne on December 31, primarily influenced by potential Indonesian Government Policy changes notwithstanding a continued oversupplied market and broader macroeconomic pressures.

The issues driving the nickel market remain unchanged from the previous period, which is continued growth in Indonesian production (which accounts for over 65% of the global market) that has pushed the market into continued surplus. Subsequent to the end of the half year, Tri Winarno, Director General of the Indonesian Ministry of Energy and Mineral Resources, indicated that to regulate supply and support prices, the Indonesian Government planned to reduce nickel ore mining quotas (RKABs) to around 260 million wet tonnes of ore in 2026. There remains an element of uncertainty over actual outcomes but the initial notification to PT Weda Bay Nickel of a 2026 production and sales quota of 12 Mwmt from 42 Mwmt allocated previously in 2025 sends a strong signal on the Government's intention to manage market balance. The net impact of the proposed reduction in RKAB's would be to reduce the projected surplus from around 260 kt to below 100 kt affectively stopping the rise in inventories and supporting prices at higher levels.

Nickel production from Indonesia is forecast to increase further in the current year, albeit at a significantly slower rate than previous periods, and notwithstanding some short-term challenges, the long-term outlook remains promising underwritten by continuing strong demand growth and a slowing of production growth from Indonesia which may be further exacerbated by Indonesian Government intervention. The nickel price is expected to remain extremely sensitive to changes in Indonesian Government policy. Over the long term, the nickel market is forecast to require an additional 1.5 million tonnes per annum of nickel by the early 2030's which will require a significant increase in prices from current levels to incentivise investment in new capacity.

### Wingellina Nickel-Cobalt Project

During the half-year, notwithstanding continued weak market conditions, Nico continued to focus on progressing the Project. Nico recognises the inherent unrealised value in Wingellina and the Company will continue to judiciously advance the development of Wingellina for the benefit of all stakeholders.

## DIRECTORS REPORT

### Mineral Resource Estimate

The updated Wingellina Mineral Resource Estimate (“MRE”) was completed during the 2025 financial year by Independent Consultants ERM Australia Pty Ltd (“ERM”) (formerly CSA Global). The MRE 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. This estimate closely approximates the previous in-house estimate of 182.6 Mt at 0.92% Ni and 0.07% Co completed in 2016 by Metals X Limited which confirms the robustness of the global resource.

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
<b>Total</b>	<b>187.3</b>	<b>0.91</b>	<b>1,698</b>	<b>0.06</b>	<b>106</b>

**Table 1. 2024 Wingellina Nickel-Cobalt Project MRE**

Note:

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

Regolith modelling has confirmed that Wingellina is an oxide dominant laterite deposit with 86% of the MRE modelled as limonite ore or transitional limonite ore which supports the selection of HPAL technology as the preferred processing pathway.

Regolith Zone	Tonnes (Mt)	Ni (%)	Co (%)	MgO (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	MnO <sub>2</sub> (%)	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
<b>Total</b>	<b>187.3</b>	<b>0.91</b>	<b>0.06</b>	<b>4.0</b>	<b>40.3</b>	<b>22.5</b>	<b>11.7</b>	<b>1.0</b>	<b>1.7</b>	<b>14.5</b>	<b>49</b>

**Table 2. 2024 Wingellina Nickel-Cobalt Project MRE by Regolith**

Note:

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

### ***Wingellina Geometallurgical Model***

The framework for the geometallurgical model was completed in the 2025 year and Nico, in collaboration with with ERM (formerly CSA Global), continued to progress the development of the model during the half year. As part of Phase 2, an additional drilling and geometallurgical variability sampling programme is required to:

- Provide 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;
- Gain a greater understanding of the local variability, particularly of high-grade areas, to support conversion of Indicated Resources to Measured Resources; and,
- Increase the density data coverage to support conversion of Indicated Resources to Measured Resources.

This detailed modelling, which is on-going as additional data generated is incorporated into the model (including the results from the extensive bench-scale metallurgical testwork<sup>2</sup> completed at ALS laboratories during 2024 and 2025) will provide the foundation for mine planning and optimisation studies. Detailed lithological modelling and enhanced understanding and modelling of regolith boundaries is a major advancement from the previous Mineral Resource Estimate. A review of all available small-scale and large-scale geometallurgical testwork, together with the resource block model, will form the foundation for developing a predictive ore control development model for mine planning and production, ore preparation and ore delivery and processing.

Modelling and gap analysis of the MRE has identified the opportunity to increase the Wingellina Resource with mineralisation remaining open at depth and along strike in some domains. During the half year, Nico progressed the planning for an infill drilling program in the South Domain. This program will aim to generate additional density measurements and more tightly define the geological model by identifying the contacts between the mineralised ultramafic and largely unmineralised gabbro. The proposed program consists of 94 RC drillholes for around 6,000 metres of drilling.

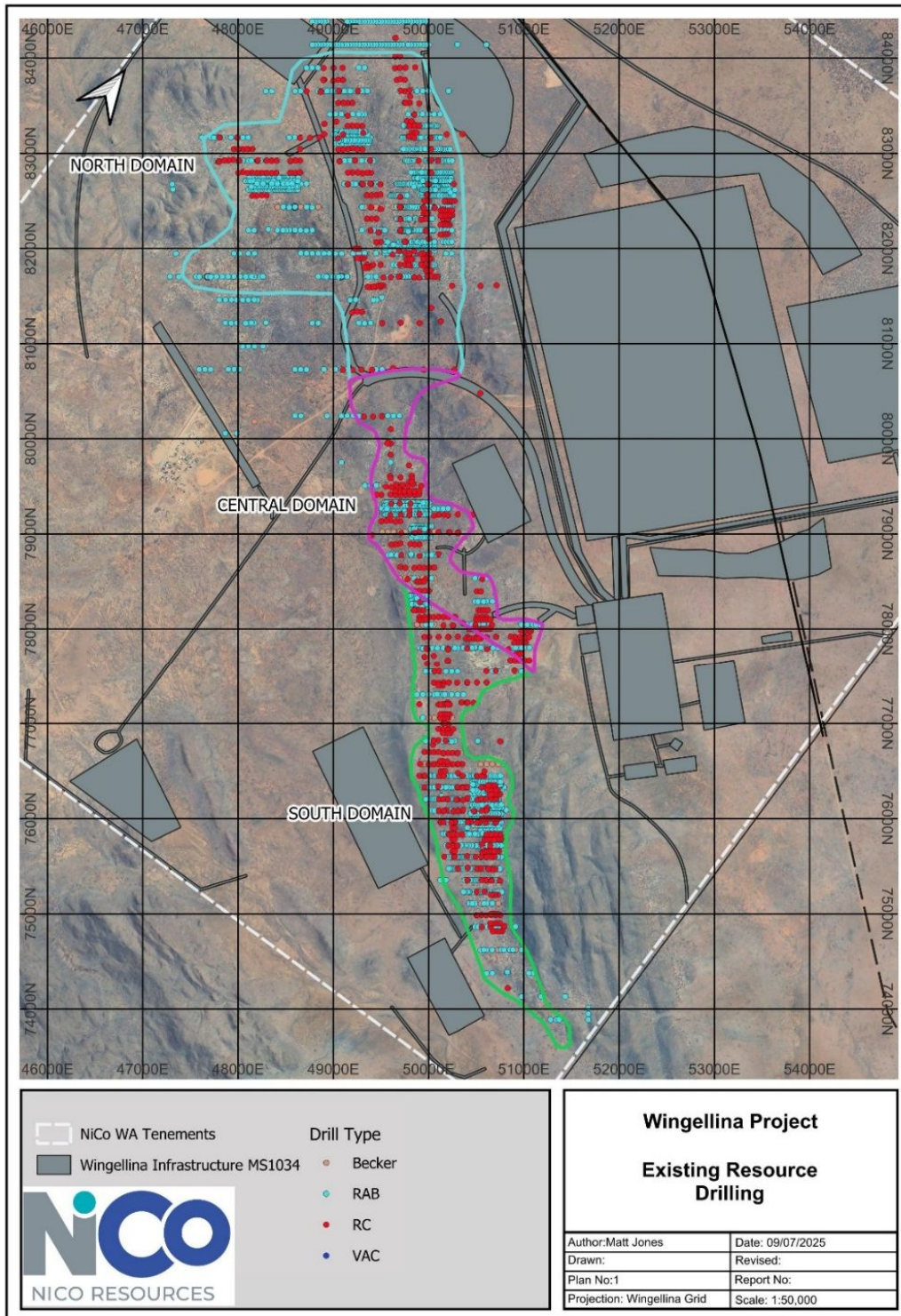
Approvals to facilitate the commencement of the planned drilling were progressed and the Company is awaiting a Native Vegetation Clearing Permit from the Department of Mines, Petroleum and Exploration ("DPME"). The Clearing Permit was submitted in July 2025 and DPME has acknowledged that the current assessment timetables are not in line with past performance and recognises the impacts that extended assessment timeframes has on project planning and industry confidence. We have been informed by DMPE that our Clearing Permit approval is in its final stages and we anticipate receiving the approval shortly. A work proposal was also submitted to the Ngaanyatjarra Council in the half year, preliminary feedback has been received, and a consultation meeting has been requested with the Traditional Owners to progress the work program.

It is anticipated that the infill drilling program will be strategically phased over a number of stages across the orebody and extend existing drilling where required. The initial stages will focus on the South Domain and higher-grade areas of the orebody that are likely to be mined in the first 10 years of the operation. The collection of additional density data will be required to upgrade the resources from Indicated to Measured status and the data generated will be used to upgrade the existing MRE and provide additional data for the geometallurgical model. Figure 1 shows the previous drilling undertaken On the Wingellina deposit and Figure 2 shows the planned RC holes within the South Domain.

---

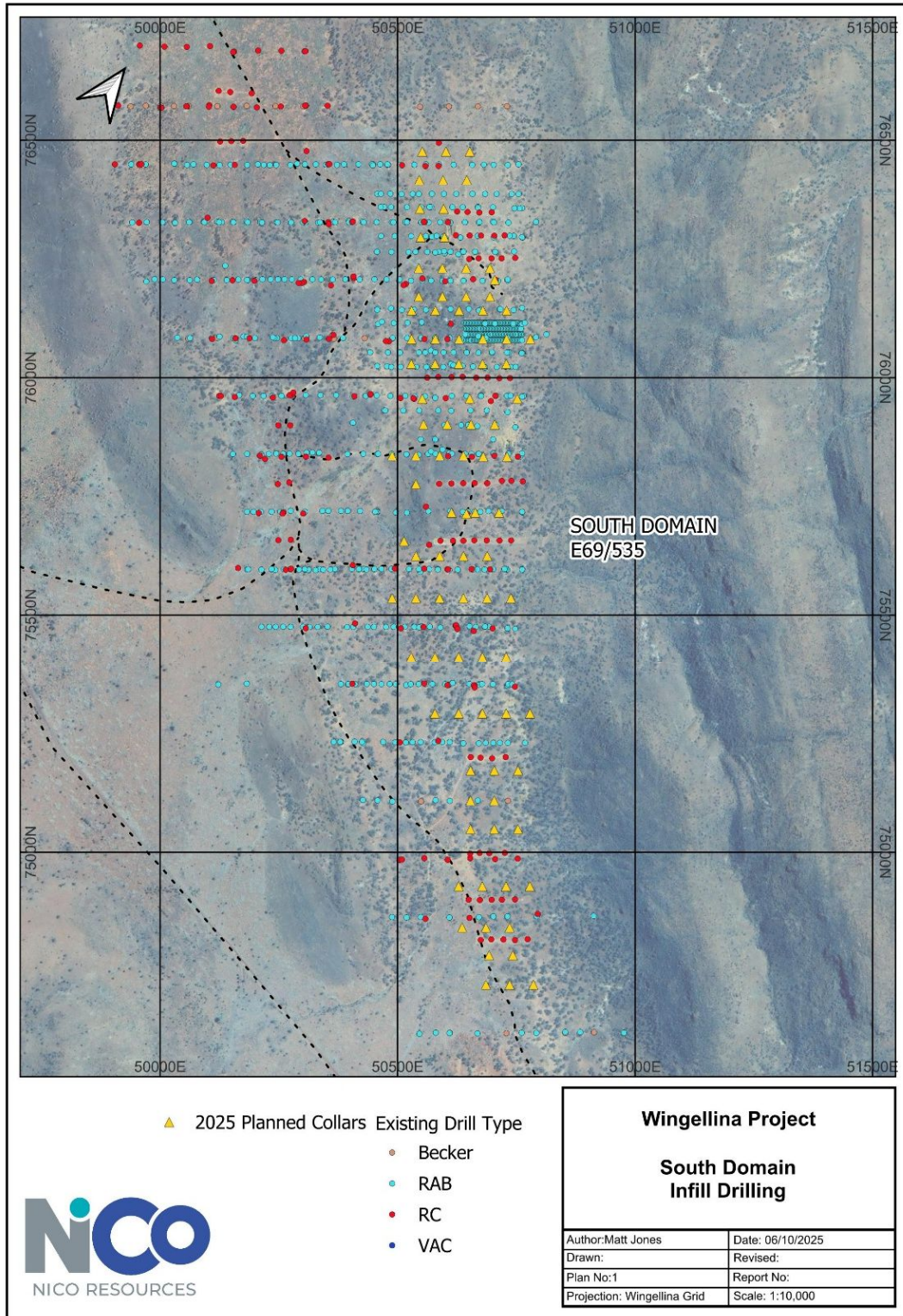
<sup>2</sup> See ASX Announcements 23 January 2024 "Wingellina Metallurgical Testwork Update". 10 April 2024 "Wingellina Advances Metallurgical Testwork" and 27 June 2024 "Metallurgical Engineering delivers improved results for Wingellina".

**DIRECTORS REPORT**



**Figure 1. Wingellina Existing Resource Drilling**

**DIRECTORS REPORT**



**Figure 2. Wingellina South Domain RC Infill Drilling**

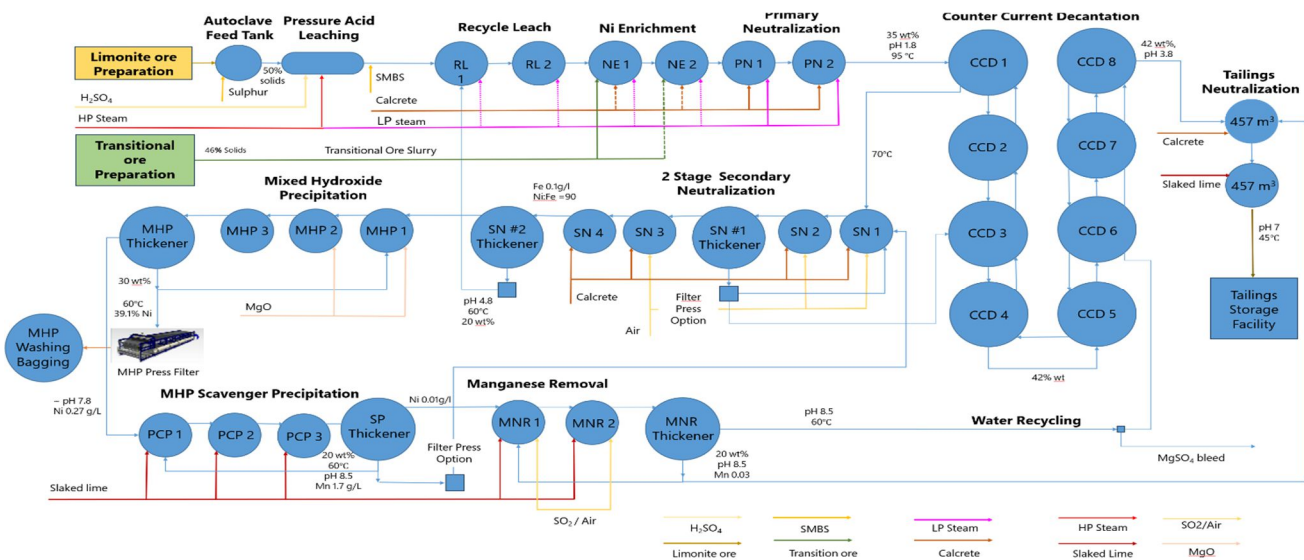
**Processing and Metallurgy**

The metallurgical testwork programs undertaken at ALS Laboratories over the past two years have significantly contributed 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 Company continues to review the data generated and additional metallurgical testwork will be undertaken to ensure an efficient process design, maximise metal recovery, reduce operating costs and enhance value which will mitigate operating risks of the Project. Various ore preparation sizing and scrubbing test work will continue to generate data to develop the process flow sheet design. The metallurgical testwork program undertaken has delivered very encouraging results and culminated in the production of a saleable nickel-cobalt MHP product from Wingellina ore.

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 and is shown diagrammatically in Figure 3.

The metallurgical 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.



**Figure 3. Wingellina HPAL flowsheet**



**Figure 4. Limonite Ore from Wingellina being prepared for testwork**

#### ***Wingellina Camp Maintenance***

During the reporting period Nico implemented upgrades to the twenty-man exploration camp located at the Wingellina Project. Significant works included:

- Replacement of aging power generation infrastructure with two new Perkins diesel 60kVA generators to ensure reliable power supply to the camp and office;
- Electrical review and inspection to ensure the camp meets current Australian standards;
- Fire safety inspection and installation of additional fire extinguishers;
- Resealing of accommodation units where water ingress had caused minor damage; and,
- Painting and resealing of bathrooms in the accommodation units.

The work aims to ensure health and safety standards at the camp are maintained, the camp complies with health-related criteria and safety standards outlined in various Australian Standards and Regulatory Acts and the camp is suitable once the required approvals are granted for planned field activities.

#### ***Environmental, Social and Governance***

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

Nico continues to engage with stakeholders for the Wingellina Project in an open, transparent and collaborative manner. 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 and other Federal and State departments during the half year.

## DIRECTORS REPORT

---

Subsequent to the end of the half year Nico also received the final Heritage Clearance Survey Report from NGC Land and Culture which related to work programs conducted by Nico in July 2024 on the Cobb Embayment, Lewis Calcrete and Giles-Mulga Park road. The draft Cultural Heritage Management Plan ("CHMP") has been completed and submitted to the NG Council. The Company is not in a position to determine when consultation with the NGC and review by Traditional Owners will commence on the CHMP.

Throughout the quarter, Nico actively engaged with stakeholders at both State and Federal levels of Government to advance and increase the understanding of the Project. Meetings with both State and Federal Government representatives addressed project updates, funding opportunities and the economic benefits provided by the Project for all stakeholders. Key discussions included logistics, infrastructure development, economic opportunities for the Traditional Owners and potential government support. Importantly, there was continued bipartisan support for the Project and the importance of the upgrading and sealing of the Outback Way for project logistics. The discussions also underscored the need for careful, considered engagement with all parties to ensure that all stakeholders' concerns are addressed and the recognition that development of the Project would create significant opportunities for all stakeholders.

Effective stakeholder engagement remains a cornerstone of Nico's strategy. Nico is continuously engaging with the NGC and Traditional Owners which reflects a commitment to fostering positive relationships with indigenous communities and making a positive and lasting difference to the Traditional Owners. The Wingellina Project Agreement, which was registered as an Indigenous Land Use Agreement in October 2011, sets out the rights and obligations of all parties in relation to the proposed mining and processing activities. Nico has had an excellent and cooperative relationship with the Traditional Owners and has complied, and will continue to comply, with the Agreement since execution. While a number of payments have already been made under the Wingellina ILUA, further compensation payments will be required under the Agreement and following the announcement of a final investment decision.

### Auditor Independence

A copy of the auditors independence declaration as required under Section 307C of the Corporations Act 2001 is set out on Page 12.

Signed in accordance with a resolution of the directors:



**Jonathan Shellabear**  
**Managing Director**

Dated this 12 March 2026

To the Board of Directors,

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the review of the financial statements of Nico Resources Limited and its controlled entities for the period ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully



**HALL CHADWICK WA AUDIT PTY LTD**



**D M BELL FCA**  
**Director**

Dated this 12<sup>th</sup> day of March 2026  
Perth, Western Australia

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

	Note	31 December 2025 \$	31 December 2024 \$
Other Income	4(a)	775,301	1,381,213
Salary and wages expense		(613,824)	(689,075)
Corporate and administrative expenses	4(b)	(373,304)	(576,108)
Depreciation expense		(9,040)	(10,822)
Finance expenses		-	(2,985)
Share based payments expense	12	(204,263)	(18,348)
<b>Profit/(loss) before income tax</b>		<b>(425,130)</b>	<b>83,875</b>
Income tax expense		-	-
<b>Net profit/(loss) for the period</b>		<b>(425,130)</b>	<b>83,875</b>
Other comprehensive income		-	-
<b>Total comprehensive income/(loss) for the period</b>		<b>(425,130)</b>	<b>83,875</b>
<b>Basic and diluted Earnings/(Loss) per share for the half-year (cents per share)</b>		<b>(0.003)</b>	<b>0.08</b>

The accompanying notes form part of these financial statements

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

	Notes	31 December 2025 \$	30 June 2025 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	2,646,068	2,366,293
Trade and other receivables	6	199,228	144,695
Inventories	7	24,223	30,229
Other financial assets	8	168,337	1,268,337
<b>TOTAL CURRENT ASSETS</b>		<b>3,037,856</b>	3,809,554
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		121,114	80,353
Exploration and evaluation expenditure	16	15,223,267	14,528,759
<b>TOTAL NON-CURRENT ASSETS</b>		<b>15,344,381</b>	14,609,112
<b>TOTAL ASSETS</b>		<b>18,382,237</b>	18,418,666
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	308,625	241,088
Provisions		125,469	103,896
<b>TOTAL CURRENT LIABILITIES</b>		<b>434,094</b>	344,984
<b>TOTAL LIABILITIES</b>		<b>434,094</b>	344,984
<b>NET ASSETS</b>		<b>17,948,143</b>	18,073,682
<b>EQUITY</b>			
Issued capital	11	41,676,154	41,580,826
Reserves	13	1,570,452	1,931,364
Accumulated losses		(25,298,463)	(25,438,508)
<b>TOTAL EQUITY</b>		<b>17,948,143</b>	18,073,682

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	Note	Issued Capital	Reserves	Accumulated Losses	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2025</b>		<b>41,580,826</b>	<b>1,931,364</b>	<b>(25,438,508)</b>	<b>18,073,682</b>
Loss for the period		-	-	(425,130)	(425,130)
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>(425,130)</b>	<b>(425,130)</b>
<b>Transactions with equity holders in their capacity as owners</b>					
Options expired			(565,175)	565,175	-
Share Based Payments	12	-	204,263	-	204,263
Issue of shares (Net of Costs)	11	95,328	-	-	95,328
<b>Balance at 31 Dec 2025</b>		<b>41,676,154</b>	<b>1,570,452</b>	<b>(25,298,463)</b>	<b>17,948,143</b>
<b>Balance at 1 July 2024</b>		<b>40,457,326</b>	<b>2,781,051</b>	<b>(25,622,970)</b>	<b>17,615,407</b>
Loss for the period		-	-	83,875	83,875
Other comprehensive income		-	-	-	-
<b>Total comprehensive loss for the period</b>		<b>-</b>	<b>-</b>	<b>83,875</b>	<b>83,875</b>
<b>Transactions with equity holders in their capacity as owners</b>					
Share Based Payments		-	18,348	-	18,348
<b>Balance at 31 Dec 2024</b>		<b>40,457,326</b>	<b>2,799,399</b>	<b>(25,539,095)</b>	<b>17,717,630</b>

The accompanying notes form part of these financial statements

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	Note	31 December 2025 \$	31 December 2024 \$
<b>Cash flows from operating activities</b>			
Other income – rental and other		348,521	252,411
Interest Received		61,134	97,027
Interest Paid		-	(2,986)
Other Income -R&D rebate		366,174	
Payments to suppliers and employees		(853,442)	(1,248,810)
<b>Net cash flows from/(used in) operating activities</b>		<b>(77,613)</b>	<b>(938,358)</b>
<b>Cash flows from investing activities</b>			
Payments for Plant and Equipment		(49,800)	-
Payments for exploration and evaluation expenditure		(692,812)	(869,549)
Payment for short term investments		1,100,000	(1,000,000)
<b>Net cash flows from/(used in) investing activities</b>		<b>357,388</b>	<b>(1,869,549)</b>
Net increase/(decrease) in cash and cash equivalents		279,775	(2,807,907)
Cash and cash equivalents at the beginning of the period		2,366,293	4,590,815
<b>Cash and cash equivalents at the end of the period</b>		<b>2,646,068</b>	<b>1,782,908</b>

The accompanying notes form part of these financial statements

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

---

### 1. CORPORATE INFORMATION

This Interim Financial Report of Nico Resources Limited (“Company” or “Nico”) was authorised for issue in accordance with a resolution of the directors on 12 March 2026.

Nico is a for profit public listed company, incorporated and domiciled in Australia. The Interim Financial Report is as at and for the half-year ended 31 December 2025 and comprises of the Company and its subsidiaries (together referred to as the Group).

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

#### (a) Basis of Preparation

These condensed consolidated half-year financial statements for the interim reporting period have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value.

These condensed consolidated half year financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these half year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2025 and any public announcements made by Nico during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the Australian Securities Exchange Listing Rules. The accounting policies adopted in the preparation of the interim financial report are consistent with those adopted in the annual financial report for 30 June 2024.

#### (b) Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the period of \$425,130 (Dec 2024: profit of \$83,875) and net cash operating outflows of \$77,613 (Dec 2024 outflows of \$938,358).

As at 31 December 2025, the Company has a working capital surplus of \$2,603,762 (June 2025: \$3,464,570) and a cash balance of \$2,646,068 (June 25: \$2,366,293).

Since period end, as disclosed in note 8, the Company raised \$3.73million (before costs).

Based on the cashflow forecasts prepared, and other factors referred to above the directors are satisfied the Company can continue to pay its debts as and when they fall due for at least the next twelve months.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

---

### (c) New and Amended Accounting Policies Adopted by the Company

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The Directors have determined that there is no material impact from the adoption of the new or amended standards.

### (d) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial period are discussed below.

#### *Share based payments*

Share-based compensation payments are made available to Directors and employees.

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is determined using a Black-Scholes option pricing model for options with a set exercise price, and an enhanced Hull-White Model for those issued with a wwap exercise price, that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option. For the performance rights with a market based vesting condition, a Monte Carlo simulation using the Hoadley's ESO Hybrid- Model Single Share Price Target Consec Days model. Refer to note 12 for further details on estimates used.

#### *Exploration and evaluation assets*

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

### 3. SEGMENT INFORMATION

The Company has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by the Board based on the phase of operation within the mining industry.

The Board considers that it has only operated in one segment, being mineral exploration in Australia.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**4. INCOME AND EXPENSES**

	<b>31 December 2025</b>	<b>31 December 2024</b>
	\$	\$
<b>(a) Income</b>		
Rental Income	348,521	251,722
Interest Income	60,606	87,537
R&D Tax rebate	366,174	1,041,954
	<b>775,301</b>	<b>1,381,213</b>
<b>(b) Expenses</b>		
<b>Corporate and Administrative Expenses</b>		
Accounting Expenses	73,440	97,920
ASX Fees	32,206	34,232
Auditor Fees	18,483	22,500
Consulting Fees	62,493	168,818
Insurance	39,827	45,139
Investor relations	14,253	44,540
Legal Fees	9,175	4,460
Office costs	98,092	97,719
Software expenses	10,410	29,925
Other	14,925	30,855
	<b>373,304</b>	<b>576,108</b>

**5. CASH AND CASH EQUIVALENTS**

	<b>31 December 2025</b>	<b>30 June 2025</b>
	\$	\$
Cash at bank and on hand	2,646,068	2,366,293
	<b>2,646,068</b>	<b>2,366,293</b>

Cash at bank and on hand earns interest at floating rates based on daily at call bank deposit and savings rates. There is additional short-term investments of \$40,000 classified as other financial assets (refer note 8).

**6. TRADE AND OTHER RECEIVABLES**

	<b>31 December 2025</b>	<b>30 June 2024</b>
	\$	\$
<b>Current</b>		
Accounts Receivables	59,536	58,069
GST Receivable	22,995	15,860
Interest Receivable	11,704	11,176
Prepayments	104,993	59,590
	<b>199,228</b>	<b>144,695</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

---

**7. INVENTORIES**

	<b>31 December 2025</b>	<b>30 June 2025</b>
	\$	\$
Stores	24,223	30,229
	<b>24,223</b>	<b>30,229</b>

**8. OTHER FINANCIAL ASSETS**

	<b>31 December 2025</b>	<b>30 June 2025</b>
	\$	\$
Short term investments	40,000	1,140,000
Bank Guarantee	128,337	128,337
	<b>168,337</b>	<b>1,268,337</b>

Short term investments are term deposits that earn interest at fixed rates at various maturity terms. All term deposits have terms and conditions that allow termination within 30 days with immaterial penalties applied.

**9. TRADE AND OTHER PAYABLES**

	<b>31 December 2025</b>	<b>30 June 2025</b>
	\$	\$
Trade Creditors	222,558	97,375
Accrued Expense	22,001	65,003
Payroll Liabilities	62,827	54,808
Credit Card	1,239	5,126
Accumulate Loan	-	18,776
	<b>308,625</b>	<b>241,088</b>

Trade and other payables are non-interest bearing and are normally settled on 30 to 60 day terms.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**10. PROJECT EXPENDITURE COMMITMENTS**

	<b>31 December 2025</b>	<b>30 June 2025</b>
	\$	\$
Planned project expenditure commitments contracted for:		
Exploration Permits*	515,195	475,722
Office Lease**	45,460	44,555
	<b>560,655</b>	<b>520,277</b>
Payable:		
- not later than 12 months	360,460	289,555
- between 12 months and 5 years	200,195	230,722
- more than 5 years	-	-
	<b>560,655</b>	<b>520,277</b>

\* The Company has commercial leases over the tenements in which the mining operations are located. To maintain current rights to explore and mine the tenements, the Company is required to perform minimum exploration work to meet the expenditure requirements specified by the relevant state governing authorities.

\*\* The Company signed a commercial office lease for 6 months on 7 November 2025 commencing on 1 October 2025 and expiring 31 March 2026.

**11. ISSUED CAPITAL**

**31 December  
2025**

**Ordinary shares**

Issued and fully paid 124,358,463

***Movement in ordinary shares on issue***

**No.                      \$**

Opening balance fully paid ordinary shares of at 30 June 2025 123,450,575                      42,630,730

**Movement during half-year:**

Shares issued 907,888                      95,328

Less capital raising costs (1,049,904)

**Closing balance at 31 December 2025** **124,358,463                      41,676,154**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**12. SHARE BASED PAYMENTS**

As at 31 December 2025 7,975,000 unlisted options were on issue. On 27 November 2025 3,000,000 options were issued with an exercise price of \$0.174 with valuation

The fair value of the unquoted options issued during the half-year were calculated using the Black-Scholes valuation model with the following inputs:

<b>Value per Option</b>	0.0468
<b>Expected volatility (%)</b>	84.80%
<b>Risk free interest rate (%)</b>	3.77%
<b>Share price at grant date</b>	0.105
<b>Expiry date</b>	27/11/2028

1,150,000 options were cancelled during the half year period due to conditions not being.

As at 31 December 2025 2,500,000 Performance rights were on issue, no Performance rights were issued during the Half-year

The fair value of the share based payment was based on the value of securities granted as the value of services is not otherwise reliably measurable.

**13. RESERVES**

	<b>31 December 2025</b>	<b>30 June 2025</b>
	\$	\$
Share Based Payments Reserve	1,570,452	1,931,364
<b>Total Reserves</b>	<b>1,570,452</b>	<b>1,931,364</b>
<b>Share Based Payments Reserve</b>		
Opening balance	<b>1,931,364</b>	<b>2,781,051</b>
Share based payments expense	204,263	201,460
Options lapsed	(565,175)	(961,147)
Options/Performance rights exercised		(90,000)
<b>Total Reserves</b>	<b>1,570,452</b>	<b>1,931,364</b>

The share-based payments reserve records items recognised as expenses on valuation of employee share options. Share options are issued for nil consideration. The exercise price of the share options is determined by the Directors in their absolute discretion.

Any options that are not exercised by their expiry date will lapse. Upon exercise, these options will be settled in ordinary fully paid shares of the Company. The Options can be exercised in whole or part at any time up to and including the Expiry Date by lodging an Option Exercise Notice accompanied by the payment of the exercise price.

**14. CONTROLLED ENTITIES**

The consolidated financial statements incorporate the assets, liabilities, and the results of the following subsidiaries:

Controlled Entities	Country of Origin	Percentage owned
Metals Exploration Pty Ltd	Australia	100%
Metex Nickel Pty Ltd (subsidiary of Metals Exploration Pty Ltd)	Australia	100%
Austral Nickel Pty Ltd (subsidiary of Metals Exploration Pty Ltd)	Australia	100%
Hinkley Range Pty Ltd (subsidiary of Metals Exploration Pty Ltd)	Australia	100%

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

---

**15. CONTINGENT LIABILITIES**

There have been no additional contingent liabilities or contingent assets recognised since the end of the previous annual reporting period, 30 June 2025.

**16. EXPLORATION AND EVALUATION EXPENDITURE**

	<b>31 December 2025</b>	<b>30 June 2025</b>
	<b>\$</b>	<b>\$</b>
A reconciliation of the carrying amount of exploration and evaluation expenditure is set out below:		
Carrying amount at the beginning of the period	14,528,759	13,150,405
Exploration and Expenditure during the half-year	694,508	1,378,354
Carrying Value at the end of the period	<b>15,223,267</b>	<b>14,528,759</b>

The use of expenditure during the half-year was a continued focus on progressing Wingellina from PFS to DFS. Several critical components were advanced including Bench scale metallurgical test work, as well as Lewis Calcrete deposit and updating the resources modelling.

**17. RELATED PARTIES**

**Transactions with related parties**

There were no significant changes to transactions with related parties during the half-year period.

**18. EVENTS AFTER BALANCE DATE**

On 28 January 2026 the Company completed capital raising to raise \$3.73 million (before costs) by way of an issue of 12.4 million fully paid ordinary shares at a price of \$0.30 per share.

Other than the above the Company has no other matters or circumstances that have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## DIRECTORS DECLARATION

---

In the opinion of the Directors of Nico Resources Limited:

1. The Interim Financial Report and notes, are in accordance with the Corporations Act 2001 and:
  - a) comply with AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b) give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**Jonathan Shellabear**  
**Managing Director**

Dated 12 March 2026

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF NICO RESOURCES LIMITED

### Conclusion

We have reviewed the accompanying half-year financial report of Nico Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Nico Resources Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

### Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**HALL CHADWICK WA AUDIT PTY LTD**



**D M BELL FCA**  
**Director**

Dated this 12<sup>th</sup> day of March 2026  
Perth, Western Australia

