QUARTERLY REPORT DECEMBER 24

ASX ANNOUNCEMENT 21 JANUARY 2025

NICO RESOURCES LTD

ASX: NC1

Board

Peter Cook
Non-Executive Chairman

Jonathan Shellabear
Managing Director/CEO

Rod Corps
Non-Executive Director

Stewart Findlay
Non-Executive Director

Brett Smith
Non-Executive Director

Issued Capital

109.20M shares on issue
8.125M unlisted options
2.75M Performance shares

Market Capitalisation

$10.06million

Enterprise Value

$7.108 million

Cash at Bank (31-Dec-24)

$2.952 million

Nico Resources Limited

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Nico Resources Limited ("**Nico**" or the "**Company**") is pleased to present a summary of activities for the quarter ended 31 December 2024.

The Wingellina nickel-cobalt project in Western Australia ("**Wingellina**" or the "**Project**") is a world-class oxide-type nickel cobalt deposit which hosts an initial reserve of 1.56 million tonnes of contained nickel capable of producing approximately 40,000t of nickel and 3,000t of cobalt annually in a Mixed Hydroxide Precipitate ("**MHP**") for at least 42 years. A detailed pre-feasibility study[1] ("**PFS**") completed on the Project in December 2022 confirmed a globally significant Tier 1 asset, characterised by its long life, low cost and high operating margins.

The December 2024 quarter was a period of continued progress for the Company notwithstanding a reduction in expenditure in light of the continued weak market conditions which are expected to prevail in the short term. Advancements in the project continue to be achieved with the completion of the updated Mineral Resource Estimate[2] and geometallurgical modelling, metallurgical testwork and continued engagement with key stakeholders that reinforced the strategic direction and potential of the Wingellina Project.

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

KEY HIGHLIGHTS

- High Pressure acid Leach ("**HPAL**") bench scale metallurgical testwork was completed in the September quarter and the final reports from ALS Laboratories were received during the December quarter. Further review and analysis of the results of the metallurgical testwork was undertaken during the quarter. The metallurgical testwork has delivered improved results and the production of a saleable nickel-cobalt product from Wingellina ore.
- The Wingellina project was awarded Major Project Status by the Federal Government which recognises its national significance and importance in the energy transition.
- Nico has received a tax refund of $1.04 million relating to the Company's Research and Development activities for the 2024 financial year.
- Following the completion of the upgraded Independent Mineral Resource Estimate for the Wingellina Project, Nico commenced the development of a geometallurgical model for the project during the quarter. It is anticipated this model will be complete before the end of the current quarter.
- The company continued to reduce discretionary expenditure during the quarter in light of the current metals price environment and short term outlook. The Company remains confident that nickel prices will strengthen in the medium term.

[1] See ASX Announcement 22 December 2022 "PFS confirms Wingellina as a Tier 1 project capable of supplying decades on Nickel and Cobalt".
[2] See ASX Announcement 28 August 2024 "

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QUARTERLY ACTIVITIES

Nico Resources Limited ("**Nico**" or the "**Company**") is pleased to present a summary of activities for the quarter ended 31 December 2024.

WINGELLINA MATERIAL TYPE AND GEOMETALLURGICAL MODEL

Introduction

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

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

Note:
1. Heritage Exclusion areas have been excluded from the MRE.
2. Minor discrepancies may occur due to rounding of appropriate significant figures**.**

Table 1. 2024 Wingellina Nickel-Cobalt Project MRE

The MRE update included detailed modelling of the structure, lithology, regolith and geochemistry. In the December Quarter Nico, in collaboration with ERM, progressed the next phase of the work stream, which is to use the 2024 model as the basis for the development of material and ore type classifications suitable for processing via HPAL. The aim being:

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

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

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Regolith Zone	Tonnes (Mt)	Ni (%)	Co (%)	MgO (%)	Fe_2O_3 (%)	SiO_2 (%)	Al_2O_3 (%)	MnO_2 (%)	CaO (%)	LOI (%)	Sc (ppm)
Limonite	142.6	0.96	0.06	2.1	47.1	17.2	12.6	1.2	0.7	14.2	55
Transitional Limonite	18.6	0.77	0.04	7.1	21.6	42	8.9	0.6	3.2	13.4	29
Saprolite	26.1	0.68	0.02	11.8	16.6	37.5	8.4	0.4	6.1	17	31
Total	**187.3**	**0.91**	**0.06**	**4.0**	**40.3**	**22.5**	**11.7**	**1.0**	**1.7**	**14.5**	**49**

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

Table 2. Classified Resource for Wingellina Nickel-Cobalt Project, 0.4% Ni cut-off, by Regolith

Scope of Work

The work will be staged in three parts as follows:

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

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

Progress

Phase 1 is largely complete. The statistical interrogation of economic elements, as well as elements that may have an impact on the processing of the ore is complete. Elements considered were Ni, Co, Fe, Si, Al, Mg Ca and LOI. The coding of the model into material types based on geology, structure, regolith and geochemistry is in progress. Figure 1 shows the use of the geological and structural domains under consideration, Figure 2 represents an example of the regolith domains in cross section and Table 3 details the codes being employed in the model to represent different material type domains. This work will continue into the next quarter and provide the basis for effective drill planning that will increase orebody knowledge.

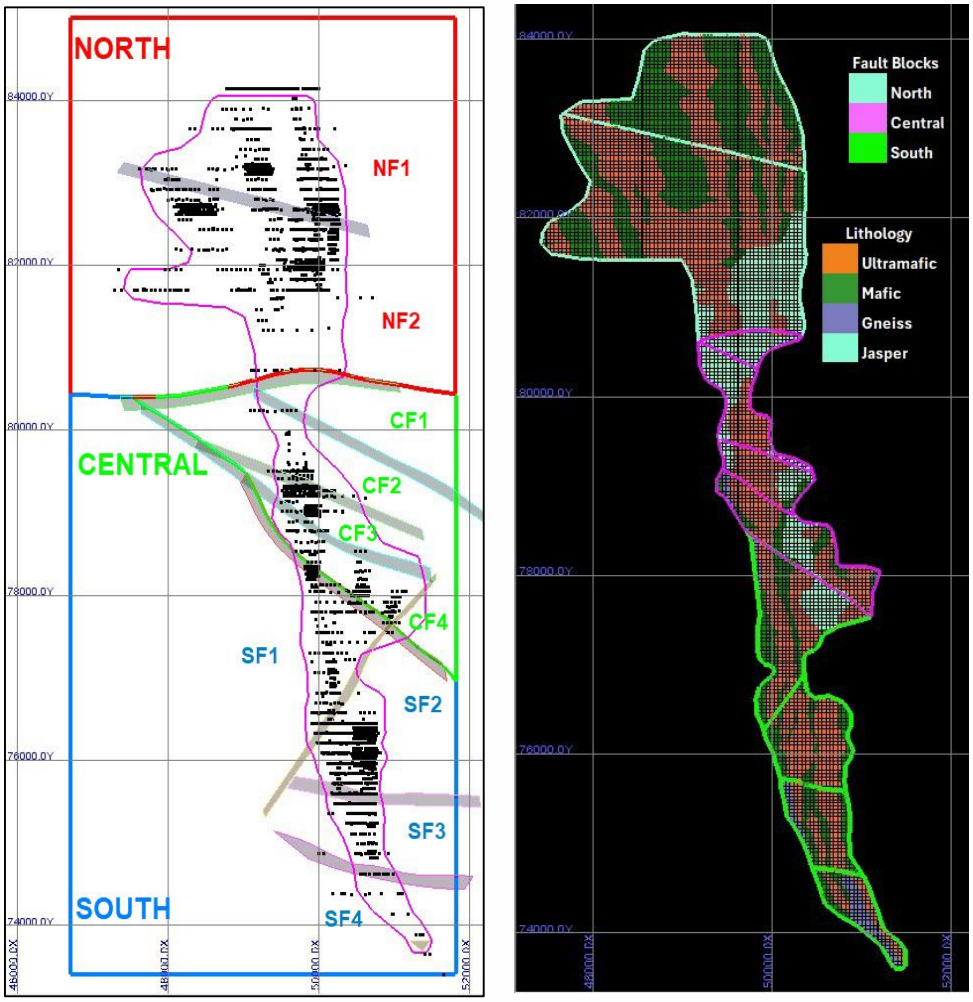

Figure 1. Geographical location based on structure and lithology

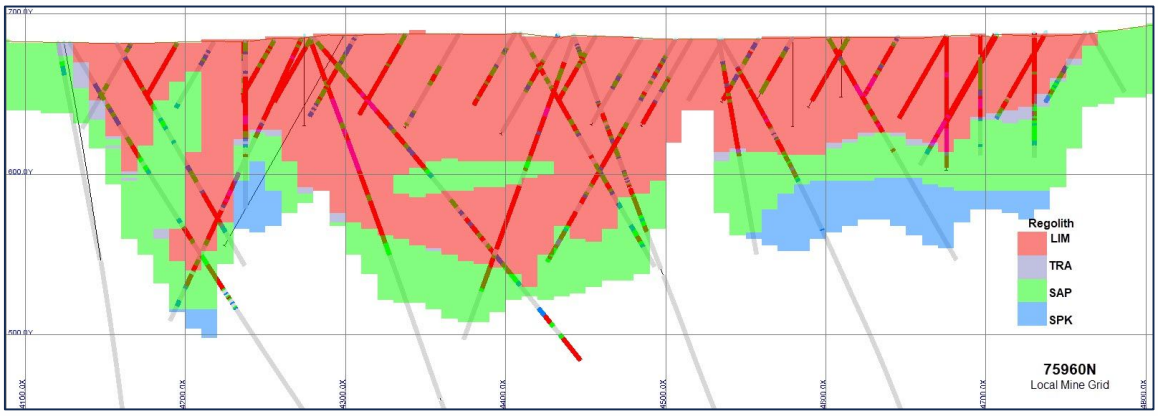

Figure 2. Cross section showing an example of regolith domains

Domain	Fault Block		Lithology		Regolith	
North	NF1	11000	**Ultramafic**	1000	**Limonite**	100
	NF2	12000	**Mafic**	2000	**Transitional**	200
Central	CF1	21000	**Gneiss**	3000	**Saprolite**	300
	CF2	22000	**Jasper**	4000	**Saprock**	400
	CF3	23000				
	CF4	24000				
South	SF1	31000				
	SF2	32000				
	SF3	33000				
	SF4	34000				

Table 3. Material Type Model codes

WINGELLINA METALLURGICAL TESTWORK

During the September 2024 quarter, ALS Laboratories finalised the bench scale metallurgical testwork program which commenced in the September 2023 quarter. Reports detailing ore preparation, hydrometallurgical testwork and transition ore have been received, reviewed and comments provided. These metallurgical programs will significantly contribute to the ongoing development of the Project and are an important component of the preparatory work required to progress to a Definitive Feasibility Study ("DFS"). The processing flowsheet consists of ore scrubbing and beneficiation, HPAL, neutralization, CCD, two-stage secondary neutralisation for iron and aluminium impurity removal, MHP precipitation, tailings neutralization and storage. The testwork generated the following relevant information for the DFS:

- Metal recovery data;
- Stream composition data and physical property data (including rheology);
- Bulk solids materials handling properties;
- Key equipment sizing data;
- Materials of construction data;
- Reagent consumption and waste composition data; and
- Product specification and purity.

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Summary of Activities

The Wingellina HPAL flowsheet showing major metallurgical processing steps within the nickel extraction process is shown below in Figure 3. Testwork has been undertaken to prove DFS level design data which will allow the metallurgical process and the project to proceed to the next phase.

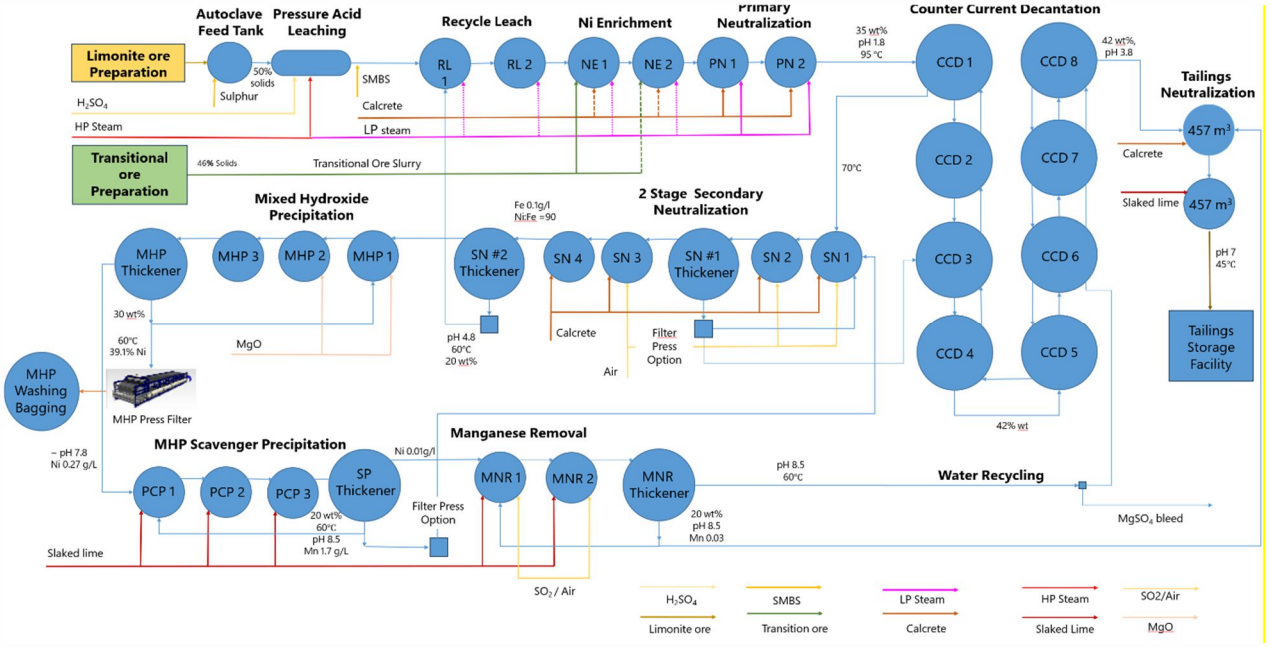

Figure 3. Wingellina HPAL flowsheet

The Wingellina Project PFS assumed an extraction of 95.2% nickel and 94.2% cobalt in the leach circuit which corresponds to an overall recovery of 92.15 nickel and 89.1% cobalt. The more sulphuric acid that is injected into the HPAL autoclave, generally the more nickel and cobalt extraction can be achieved. Sulphuric acid, which would be produced on site by the proposed acid plant, is the most significant operating cost.

Recent metallurgical testwork from Wingellina ore has determined that the optimum acid injection for high Fe limonitic ore is between 240kg of H_2SO_4/tonne ore and 270kg of H_2SO_4/tonne ore. In the event that the operating temperature conditions are increased from 255ºC to 270ºC, the acid usage would decrease as the leaching kinetics are enhanced. Notwithstanding, the enhanced kinetics at higher autoclave temperatures result in higher material costs of construction.

The nickel extraction results with varying acid doses are shown in Figure 4 and the cobalt extraction results are shown in Figure 5. The two main drivers of nickel and cobalt extraction and leaching kinetics are free acid in solution and temperature (see Figure 6).

However, another driver of higher nickel and cobalt extractions is the Oxidation Reduction Potential ("**ORP**"). The principal driver of ORP is the concentration of chromate and therefore the concentration of chromate in solution is a good representation of the ORP. Figure 7 shows different chromate concentrations with the varying acid doses. A study was conducted during the quarter to determine the optimum ORP or chromate concentration to enhance higher nickel and cobalt extraction.

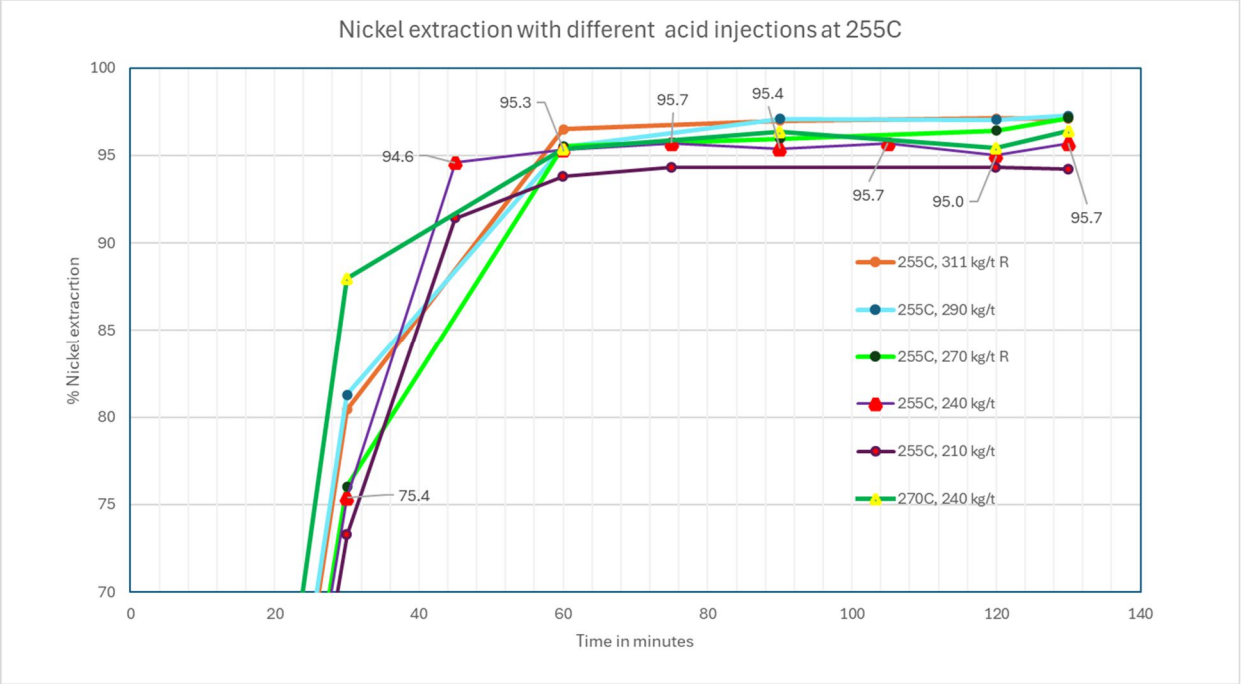

Figure 4. Nickel extractions at various acid doses

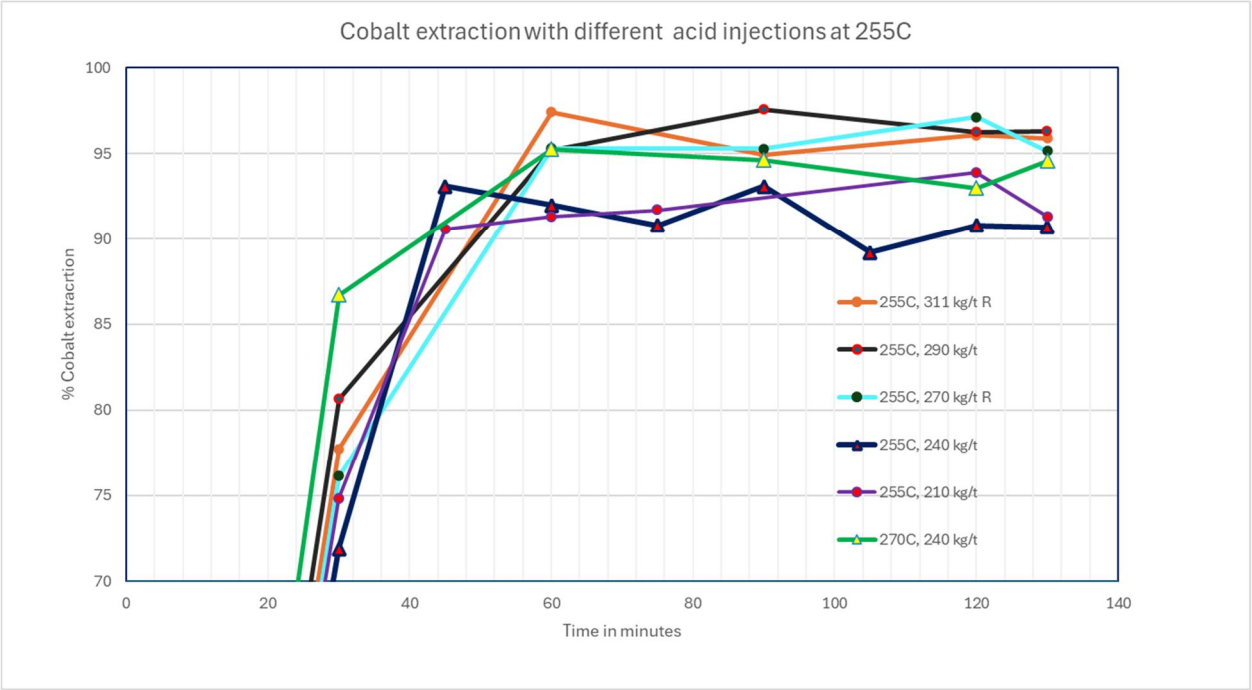

Figure 5. Cobalt extractions at various acid doses

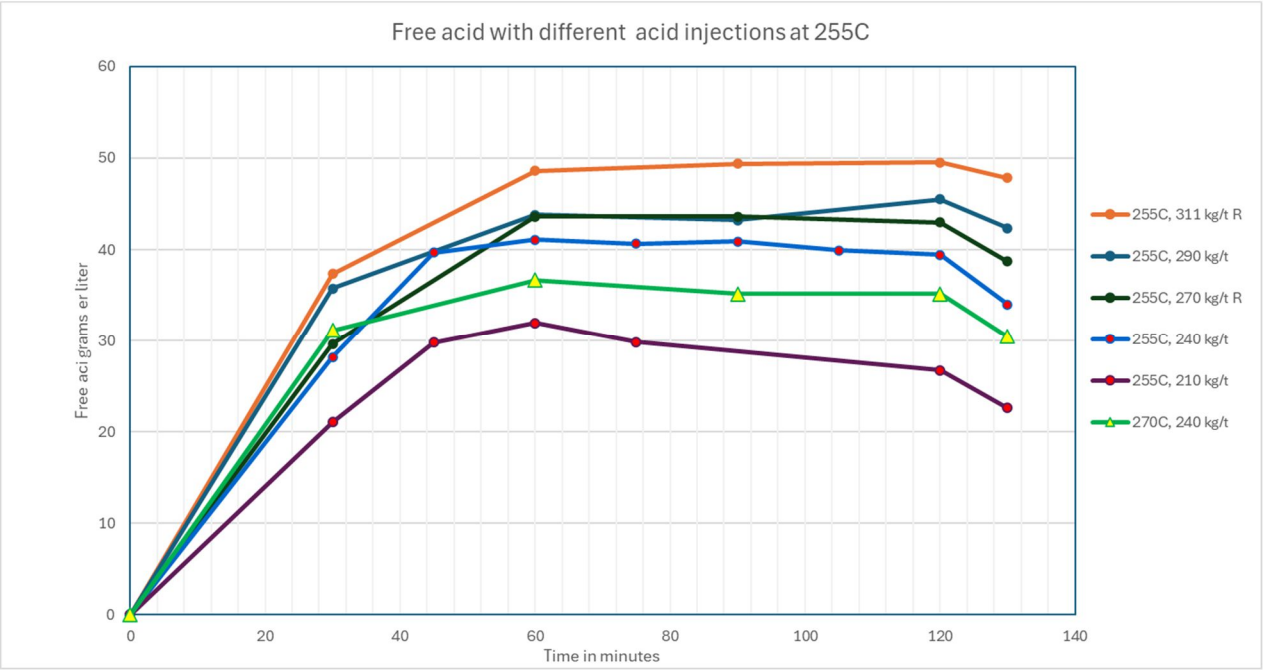

Figure 6. Free acid at varying acid doses

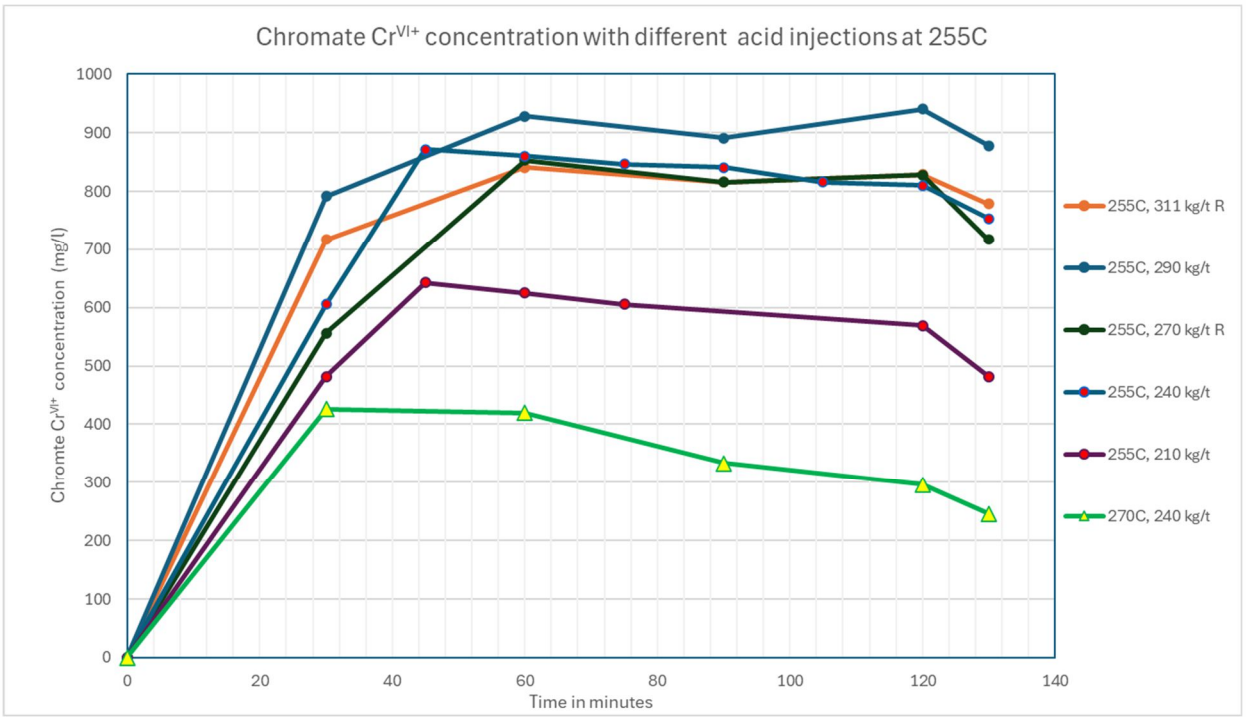

Figure 7. Chromate concentration at varying acid doses

Wingellina ore has a natural concentration of around 800 mg/l of chromate at the discharge of the autoclave (refer to Figure 7 above).

The ORP and chromate concentrations did vary with doses of elemental sulphur into the autoclave. Sulphur was injected between 0 kg per tonne of ore to 1.5 kg per tonne of ore to determine the optimum nickel extraction rate and its impact on ORP. It was determined that addition of elemental sulphur reduced the ORP (and chromate concentration) and a decrease in nickel extraction below 750 mg/l and above 1250 mg/l of chromate.

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The optimum nickel extraction was achieved with a chromate concentration of around 1000 mg/l (+/-250 mg/l) (see Figure 8 below). This concentration of chromate would usually be achieved with an ore concentration of around 0.7% manganese and 1.5% chrome. In the Wingellina flowsheet, at the discharge of the HPAL autoclave, chromate would be immediately reduced into Chromium (Cr3+) with the injection of sodium metabisulphite $Na_2S_2O_5$ ("**SMBS**").

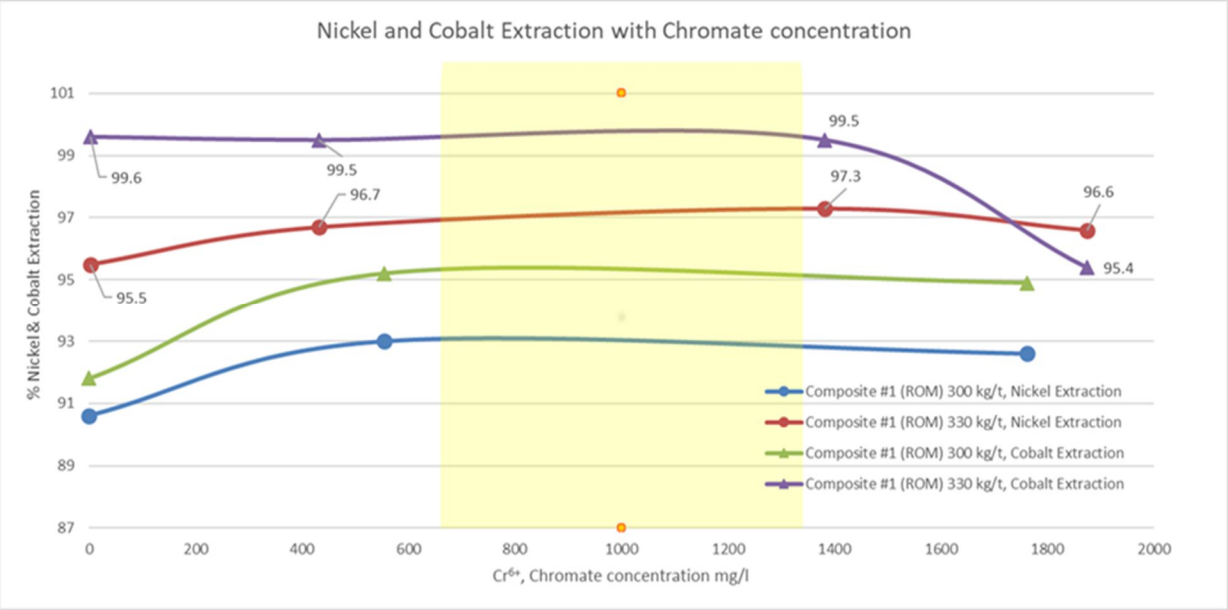

Figure 8. Chromate concentration at varying acid doses

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental and Social Management System

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

Health and Safety

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

Stakeholder Engagement

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

Throughout the quarter, Nico continued to actively engage with stakeholders at both State and Federal levels of Government to advance and increase the understanding of the Wingellina Project. In November, 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's proactive engagement with various Government departments underscores the company's commitment to securing the necessary approvals and support for the project's successful development.

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

The Cultural Heritage Management Plan ("**CHMP**") was completed during the March 2024 quarter and consultation with and review by Traditional Owners and the NGC is expected to commence shortly. Nico is continuously attempting to enhance the relationship with the NGC and the Traditional Owners which reflects a commitment to enhance the Traditional Owners livelihoods and make a positive and lasting difference. 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 following the announcement of a final investment decision.

Governance

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

Future Work Program

As previously stated, Nico has determined that it is prudent in the current market conditions to reduce discretionary expenditure until market conditions improve. During the March 2024 quarter Nico plans to focus on the following activities:

- Continue the review and analysis of the bench scale testwork results.
- Advance the geo-metallurgical model for the Wingellina orebody to assist in identification of orebody variability and mine planning and scheduling.
- Further planning for exploration and associated work on the Lewis calcrete deposit.
- Planning for an infill drilling program on the Wingellina resource to facilitate the upgrading of the Indicated resource to Measured category.
- Continue the required planning on the potential water supply from the Cobb Embayment in preparation for the drilling of additional bores and continue dialogue with APY on the Mann Fault extension in South Australia.
- Progress engagement with other key stakeholders, including State and Federal Governments, the local community and the Ngaanyatjarra Council.
- Continue the scope and definition documentation for the DFS.

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CORPORATE AND FINANCIAL

Financial

Nico closed the quarter with cash and working capital of $2,951,522. Exploration and Evaluation expenditure during the quarter was $214,679. In addition to the cash position at 31 December 2024, a refund of $1,041,044 was received on 09 January 2025 from the company's Research and Development activities for the 2024 financial year, the refund is part of the Australian Government's R&D incentive scheme administered by the Australian Taxation Office and AusIndustry under which companies can receive up to a 48.5% refundable tax offset of eligible expenses. This provides a significant boost to the cash position of the Company going into 2025.

Capital Structure[3] as at 31 December 2024

Description	Number
Fully paid ordinary shares	109,450,575
Unlisted options Lead Manager Options exercisable at $0.30 on or before 17 January 2025	800,000
Unlisted Director options exercisable at $0.644 on or before 23 March 2026	3,000,000
Unlisted Employee options (various)	5,125,000
Unlisted Performance shares	2,750,000

Expired Options

During the quarter 25,175,000 options expired.

Post end of the quarter, on 17 January 2025, 800,000 Options expired.

Major Shareholders

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

- Mr Peter Cook 10.86%
- Metals X Limited 8.44%
- Mr Rod Corps 8.41%

Related Party Transactions

Related party payments for the quarter, are as outlined in the attached Appendix 5B at section 6.1, total $139,600 and includes amounts paid to directors including director's fees and statutory superannuation.

This announcement has been authorised for release by the Board.

CONTACTS

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

Jonathan Shellabear
Managing Director/CEO

Amanda Burgess
Company Secretary

[3] See various 3B announcements for details.

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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

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ABOUT NICO RESOURCES LIMITED

Nico Resources Limited is an Australian company focusing on Australian nickel projects.

Nico owns a 100% legal and beneficial interest in nickel assets consisting of the Wingellina (WA) and Claude Hills (SA) nickel projects.

Central Musgrave Project (CMP)

The CMP comprises three main exploration tenements - Wingellina (WA), Claude Hills (SA) and Mt Davies (SA) along with an Exploration Licence covering the Lewis calcrete resource and three Miscellaneous Licences covering the defined water resources.

The CMP consists of a package of tenements hosting nickel-cobalt-scandium lateritic Mineral Resources in excess of 200 million tonnes, containing 1.95 million tonnes of Nickel and 150 thousand tonnes of Cobalt along with a Probable Ore Reserve of 164.8 million tonnes containing 1.56 million tonnes of Nickel and 123,000 tonnes of cobalt.

The project tenure is approximately 1,469km^2 located within Western Australia and South Australia adjoining the Surveyor Generals Corner (the junction between Western Australia, the Northern Territory and South Australia).

Wingellina is one of the largest undeveloped nickel resources / reserves globally to underpin an independent Australian nickel producer.

The Wingellina deposit hosts a JORC (2012) defined Measured, Indicated and Inferred Resources of 187.3Mt at 0.91% Ni & 0.06% Co for 1.7Mt of contained nickel and 106Kt of contained cobalt and hosts a JORC (2012) defined Probable Reserves of 168.4Mt at 0.93% Ni & 0.07% Co for 1.56Mt of contained nickel and 123Kt of contained cobalt).

The Claude Hills deposit located less than 20km from Wingellina hosts a JORC (2004) defined Inferred Resources of 33.3 Mt at 0.81% Ni and 0.07% Co for 270Kt of contained nickel and 23Kt of contained cobalt.

COMPETENT PERSON'S STATEMENT

Exploration
The information in the report to which this statement is attached relates to Exploration Targets or Exploration Results is based on information compiled by Mr. M Jones, who is full time Employee of the company and also a Member of The Australian Institute of Mining and Metallurgy, with 20 years' experience in the mining industry. Mr. Jones has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Resources
The information in this report that relates to Mineral Resources is based on information compiled by Felicity Hughes. Ms Hughes is a Principal Consultant of ERM and is a Member of the Australasian Institute of Mining and Metallurgy. She has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which Ms Hughes is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Ms Hughes consents to the disclosure of information in this report in the form and context in which it appears.

Ore Reserves
The information in this report that relates to ore reserves is based on information compiled by Mr Michael Poepjes, who was a previous employee of Metals X in 2016, a member of the AusIMM at the time and a

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"Competent Person". Mr Poepjes has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to Qualify as a "Competent Person" as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Poepjes consents to the inclusion in this announcement of the matters based on his information and in the form and context in which it appears.

PFS CAUTIONARY STATEMENT

The production target and forecast financial information derived from the production target referred to is based on 100% of the material form probable ore reserves. This includes all material modelled for the current mining schedule for Wingellina. There has been no modifying factors applied to the estimation as all of the material included in the study resides in the probable ore reserve category. The material assumptions used in the estimation of the production target and associated forecast financial information are set out in Table 2: Ore Reserve estimation for the Wingellina Project of the "Nico Resources Limited Technical Assessment Report of the Central Musgraves Nickel-Cobalt Project" prepared by CSA Global Mining Industry Consultants as part of the "Nico Resources Replacement Prospectus Initial Public Offer" dated 23 November as at 2021. The mineral resource and ore reserve estimates underpinning the production target were prepared by Competent Persons in accordance with the JORC Code 2012.

FORWARD-LOOKING STATEMENTS:

This announcement contains certain forward-looking statements. Forward-looking statements are statements that are not historical and consist primarily of projections — statements regarding future plans, expectations and developments. Words such as "expects", "intends", "plans", "may", "could", "potential", "should", "anticipates", "likely", and "believes" and words of similar import tend to identify forward-looking statements. All statements other than those of historical facts included in this announcement are forward-looking statements, including, without limitation, statements regarding plans, strategies and objectives, anticipated production and expected costs and projections and estimates of ore reserves and mineral resources. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also forward-looking statements. Forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, exploration, development and operational risks. No independent third party has reviewed the reasonableness of any such statements or assumptions. None of the Company, their related bodies corporate and their respective officers, directors, employees, or advisers represent or warrant that such forward statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any forward statement contained in this release. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Recipients should form their own views as to these matters and any assumptions on which any of the forward statements are based and not place undue reliance on such statements.

PREVIOUS DISCLOSURE

The information in this quarterly activities report is based on the Nico Resources Limited Prospectus and Pre-feasibility study, which are available from the Nico Resources Limited website www.nicoresources.com.au and the ASX website www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus and that all material assumptions and technical parameters underpinning the Prospectus continue to apply and have not materially changed.

Appendix 5B

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

Name of entity

Nico Resources Limited

ABN	Quarter ended ("current quarter")
80 649 817 425	31 Dec 2024

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development		
	(c) production		
	(d) staff costs	(468)	(955)
	(e) administration and corporate costs	(143)	(422)
1.3	Dividends received (see note 3)		
1.4	Interest received	40	96
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)	24	47
1.9	**Net cash from / (used in) operating activities**	**(547)**	**(1,234)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(215)	(573)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**(215)**	**(573)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) Funds received in the prior quarter for capital allotted in the current quarter	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3714	4,759
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(547)	(1,234)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(215)	(573)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,952**	**2,952**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	83	246
5.2	Call deposits	2,869	3,468
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,952**	**3,714**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	150
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.

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(547)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(215)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(762)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,952
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,952
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.87

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.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

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: 21 January 2025

Authorised by: **The Board of Nico Resources Limited**

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.