

# QUARTERLY REPORT DECEMBER 25

ASX ANNOUNCEMENT 29 JANUARY 2025



## 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

136.79M shares on issue  
7.975M unlisted options  
2.50M Performance shares

### Market Capitalisation

\$43.77 million

### Enterprise Value

\$40.96 million

### Cash at Bank (31-Dec-25)

\$2.814 million

### Nico Resources Limited

ABN 80 649 817 425

Level 6, 190 St Georges Tce

Perth WA 6000

GPO Box 2517

Perth, WA 6831

T: +61 (08) 9481 0389

E: [info@nicoresources.com.au](mailto:info@nicoresources.com.au)

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

Nico Resources Limited ("**Nico**" or the "**Company**") is pleased to present a summary of activities for the quarter ended 31 December 2025.

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<sup>1</sup> ("**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 weak and uncertain market conditions continued to prevail over the majority of the December quarter. However, in mid-December nickel prices rallied strongly from a low of US\$14,110/tonne to US\$16,485/tonne at the end of the quarter. The nickel price has continued to strengthen in January and is currently around US\$18,000/tonne which is the highest level since June 2024. The cobalt price continued to strengthen throughout the quarter from US\$34,000/tonne to US\$52,000/tonne at the end of the December quarter. The rally in nickel prices from mid-December is principally related to policy decisions announced by the Indonesian Government.

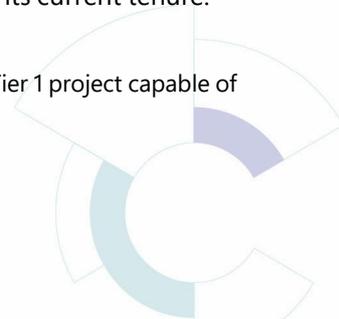
The policy changes are being interpreted as a shift towards active supply management and price support particularly in light of the amended royalty rates announced by the Indonesian Government in April 2025. The recent policy changes included a reduction in the ore mining quotas (RKAB's) from 379Mt issued in 2025 to a reported 250Mt in 2026, a revision of the issuance of RKAB's from three years to one year and tighter environmental and forestry enforcement measures. We expect market prices are likely to remain volatile as the interplay between market surpluses and anticipated supply constraints play out.

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

## KEY HIGHLIGHTS

- Planning and approvals for the proposed infill drilling program were progressed in the Quarter and the Company is awaiting DMPE's approval following delays in their assessment timeframes for Clearing Permits.
- Upgrades to the exploration camp at Wingellina were implemented during the quarter to ensure HSE standards are maintained in readiness for planned field activities.
- Metallurgical data from the extensive bench scale testwork conducted at ALS continues to be reviewed.
- Nico also completed a review of the PGM potential based on historical data as part of its ongoing strategy to explore opportunities that may exist within its current tenure.

<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".



## QUARTERLY ACTIVITIES

Nico Resources Limited ("**Nico**" or the "**Company**") is pleased to present a summary of activities for the quarter ended 31 December 2025.

### WINGELLINA MATERIAL TYPE AND GEOMETALLURGICAL MODEL - PHASE 2 PROGRESS

#### Introduction

The 2024 Wingellina Mineral Resource Estimate (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
<b>Total</b>	<b>187.3</b>	<b>0.91</b>	<b>1,698</b>	<b>0.06</b>	<b>106</b>

Note:

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

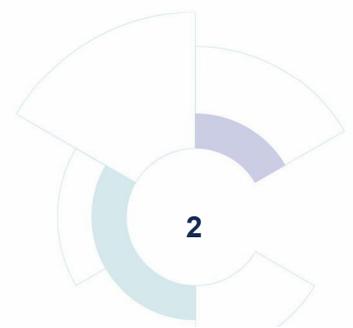
**Table 1. 2024 Wingellina Nickel-Cobalt Project MRE**

Nico has, in collaboration with ERM, continued to progress the development of a geometallurgical model for the Wingellina project. Phase 1 of the work has been completed which has defined the Material Types within the Wingellina orebody based upon modelled resource grades, structure lithology, regolith and geochemistry.

Phase 2 of the work is underway which includes the development and commencement of an additional infill drilling and sampling campaign to:

- Provide additional samples for 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; and
- Increase the density data coverage to support conversion of Indicated resources to Measured.

Phase 3 is the 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 and will drive future bench-scale metallurgical testwork programs, with an aim to further derisk the project and develop a mine plan to optimise the development of the orebody and maximise value from the Wingellina Project under various macroeconomic assumptions.



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

**Classified Resource for Wingellina Nickel-Cobalt Project, 0.4% Ni cut-off, by Regolith Zone**

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>

Note:

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

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

**Planned Detailed Infill Drilling**

The framework for the geometallurgical model was finalised during 2025 and this provided a critical planning tool to facilitate effective design of future infill, density and metallurgical drilling. Work on this drill planning progressed in the December Quarter including a review of the drilling required in the Central and North Domains of the Wingellina orebody. The Company has planned an infill drilling program on a staggered 50m x 25m grid across the main areas of mineralisation in the South Domain with the aim of tightly defining the geological model by identifying the contacts between the mineralised ultramafic and largely unmineralised gabbro. The proposed program now consists of 94 RC drillholes for 6062 metres of drilling in the South Domain. Further infill drilling is also planned in the Central and Northern Domains.

Approvals to facilitate the execution of the planned drilling were progressed in the September and December Quarter. A Clearing Permit has been submitted and is undergoing assessment and a work proposal has been submitted to the Ngaanyatjarra Council. Preliminary feedback has been received from the Ngaanyatjarra Council and a meeting has been requested to progress the required consultation.

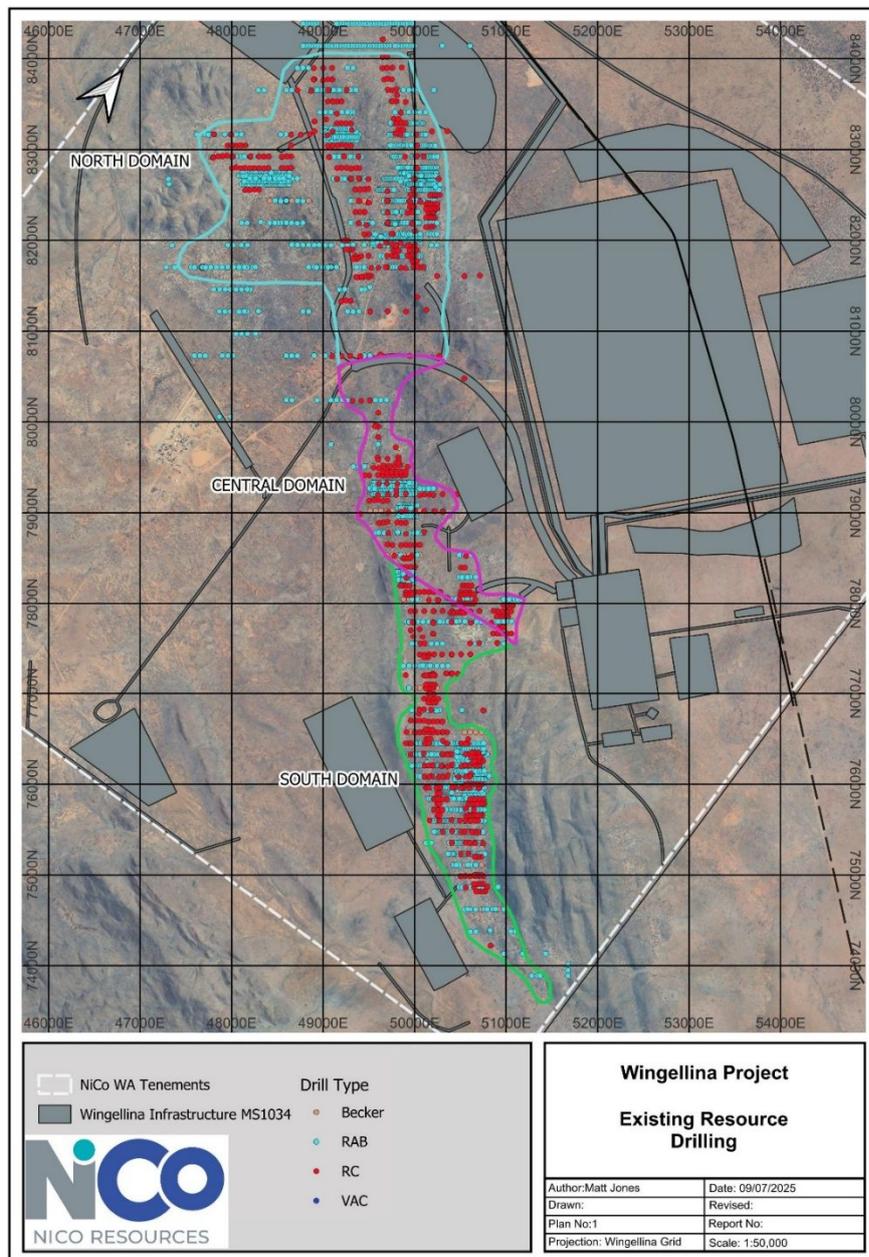
Two key pieces of feedback provided in a gap analysis conducted as part of the resource update process by ERM (formerly CSA) in 2024 were that:

- A relative high proportion of older, open-hole drill data is being used in resource estimation. The validity of RAB drilling has been verified by twinning with more recent RC drilling, however it would be best practice to supersede this drilling during the proposed infill drilling program.
- A lack of density data was identified as the main factor that prevented areas with appropriate drill coverage from being classified as Measured Resources. Regular infill drilling of key parts of the Wingellina orebody will provide the opportunity to fill this knowledge gap via downhole density determinations and update the Resource status from Indicated to Measured.

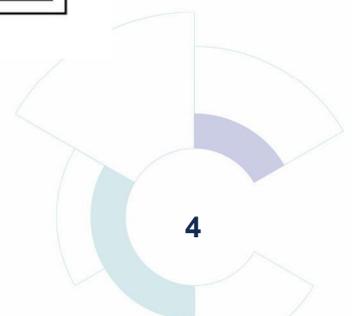
In preparation for drill planning, an infill grid was designed to cover the deposit at approximately 25-30 metre coverage along strike and adjusted where necessary to fit in the variable lines of existing drillholes. A total of approximately 200,000 metres of additional RC drilling would be required to drill the Wingellina Deposit to a nominal 25m x 25m spacing, which would be sufficient to convert all resources to a Measured classification (along

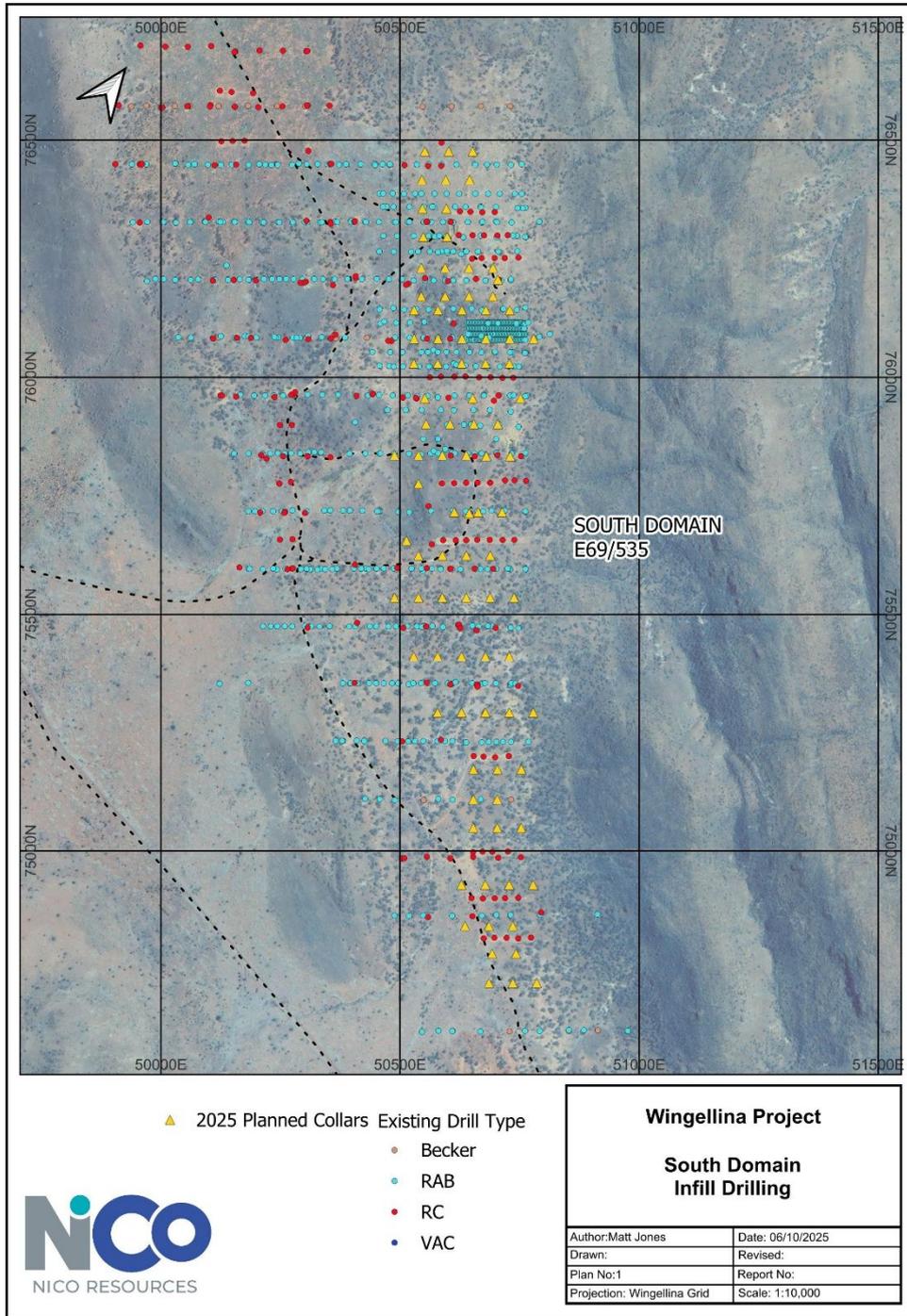
with additional density data collected in the process). Nico is working on strategically phasing this work, focusing on the higher-grade areas of the resource that are likely to fall into the first 10 years of operation. Figure 1 shows the location of the existing holes across the orebody.

In conjunction with the infill drilling, a program of downhole density holes is being scoped out to provide representative coverage of density in the regolith across the Wingellina deposit. This information is required to upgrade a proportion of the Mineral Resource from Indicated to Measured category by providing a better local estimate of tonnes within the regolith. The geology and material type model created will help ensure all lithologies are well represented in the density data collection process. ERM has recommended that at least 10% to 15% of the RC drill holes have density data collection across the deposit.



**Figure 1. Wingellina Existing Resource Drilling**





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

### **Next Steps**

Nico will continue to progress the work streams as outlined above. The next steps will be to progress required approvals and execute drilling safely to a high technical standard. This will provide samples for testwork to determine which material types can be blended and processed, and which will be designated as waste types. Local scale variability and large scale metallurgical testwork results will aim to further refine and simplify the final material types. Final ore types should display similar physical and rheological behaviour during the process flow. With the aim being to optimize the recoverable metal product by considering factors such as:

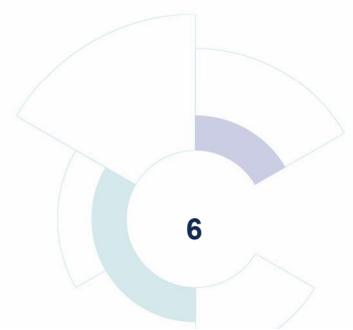
- Recovery;
- Upgrade;
- Geochemical mix (proxy for the mineralogy);
- Hardness and grindability; and
- Acid consumption.

### **WINGELLINA EXPLORATION CAMP MAINTENANCE AND UPGRADES**

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 (Figure 3).
- Electrical review and inspection to ensure the camp meets current standards laid out in AS/NZS 3000 (Wiring Rules). Minor electrical works will continue into the next quarter.
- Fire safety inspection and installation of additional fire extinguishers.
- Resealing of accommodation units where water ingress had caused minor damage.
- 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.





**Figure 3. The arrival to two new Perkins 62 KVa diesel generators.**

### ***Wingellina PGE Potential***

During the December Quarter, Nico continued to explore opportunities that may exist within its existing tenure. This included a preliminary review of PGE potential based historical data and interpretation. The outlook for the Platinum Group Element (PGE) market is strong with industrial demand and supply deficits expected to support prices moving forward.

Exploration at Wingellina has focused on supergene nickel/cobalt-rich limonitic mineralisation developed over laterally extensive basal ultramafic lithologies of the Giles Complex. This has resulted in the definition of a world class nickel laterite resource. As identified by explorers Acclaim and MetalsX who previously held the tenure, the Giles Complex also has potential for economic PGE mineralisation. This potential has had early-stage investigation but remains to be extensively tested. The positive indicators identified to date include;

- A favourable geotectonic setting being located at or proximal to a crustal scale triple point junction indicative of long lived intracratonic extension.
- A large volume of the correct host rock type. The Giles Complex represents the largest surface area of mafic/ultramafic rocks in Australia and includes a gravity-defined thick fossilised magma chamber, evidence of mantle upwelling and interpreted feeders.
- Batch fractionation: Pronounced layering and fractionated cyclic mafic and ultramafic units.
- Identified "equivalent" mineralisation at the West Musgrave Project (Nebo-Babel); and
- Anomalous PGE geochemistry in existing soils, rock chips and drill samples.

Limited drilling to date has tested beyond the nickel and-cobalt mineralised supergene zone. Of particular interest in the review were Acclaim diamond drillholes from 2001 to 2004 which were drilled to a greater depth in an effort to collect stratigraphic information in fresh rock (drillholes WPRCD0020 – 506.6m, WPRCD0048 –

558.1m and WPRCD0083 – 291m). WPRCD0083 was specifically drilled to target an area of anomalous copper, platinum and palladium identified by Acclaim. The objective of the hole was to ascertain whether significant sulphur saturation had occurred late in the cooling history of the Wingellina layered intrusion. A pyroxenite unit was intercepted in this drill hole at around 230 metres depth, returning anomalous PGE grades of 694 ppb Pd and 671 ppb Pt for a drill thickness of four metres. The location of the identified pyroxenite unit, at the top of the first ultramafic unit, before it grades into gabbro, is the classic position for the development of platinum group reefs in layered intrusions. Copper assays were also elevated peaking at 480 ppm at this position, but offset from the peak PGEs.

Nico are committed to developing the Wingellina nickel/cobalt laterite resource but, will continue to identify and assess potential value-add opportunities internal and external to its current tenement holdings such as further cost-effective PGE exploration.

### **WINGELLINA METALLURGICAL TESTWORK**

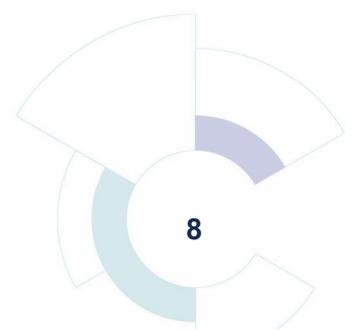
The recent metallurgical testwork programs undertaken have significantly contributed to the ongoing development of the Project and are an important component of the preparatory work required to progress to a Definitive Feasibility Study (“DFS”). The processing flowsheet consists of ore scrubbing and 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:

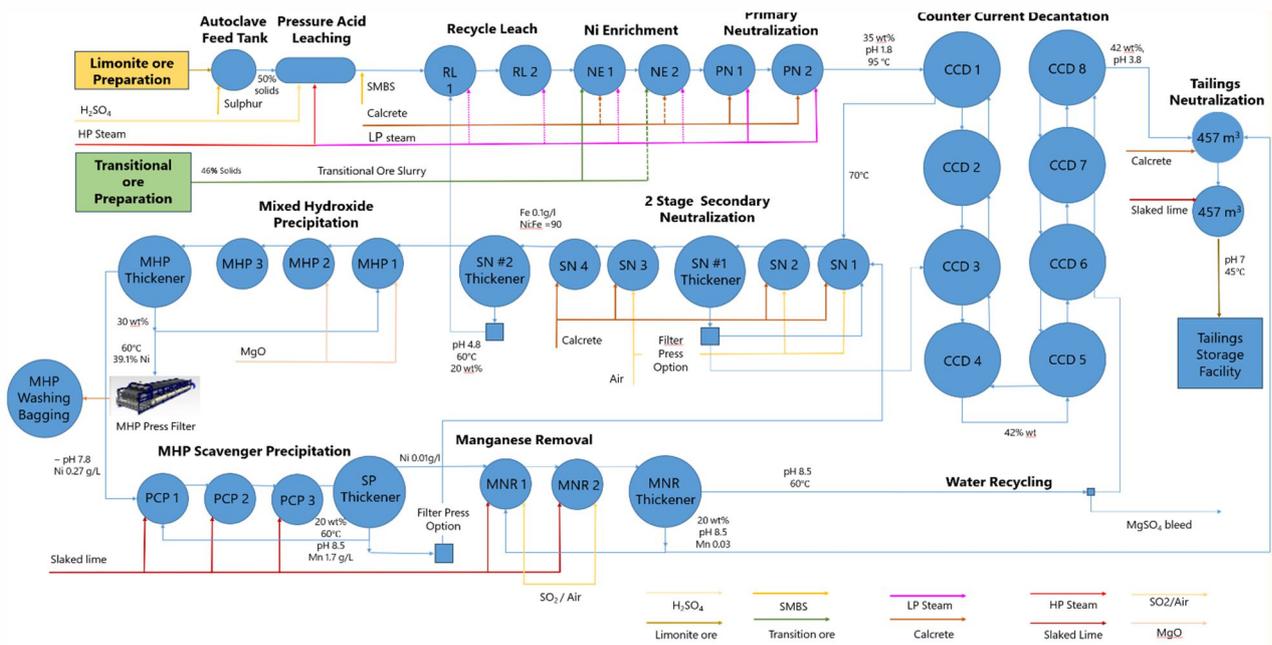
- Metal recovery data;
- Stream composition data and physical property data (including rheology);
- Bulk solids materials handling properties;
- Key equipment sizing data;
- Materials of construction data;
- Reagent consumption and waste composition data; and
- Product specification and purity.

### ***Summary of Activities***

The Wingellina HPAL flowsheet showing major metallurgical processing steps within the nickel extraction process is shown below in Figure 4. 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. Additional metallurgical testwork will be undertaken to ensure an efficient process design, maximisation of metal recovery, reduction of operating costs, enhancement of value leading to a mitigation of risks across the whole of the Wingellina orebody.

Metallurgical testwork completed during the 2025 year has indicated that an upgrade in nickel head grade of around 10% can be achieved through the rejection of the coarse fraction in the ore preparation circuit. The rejection of the coarse fraction also rejects many of the acid consuming elements.





**Figure 4. Wingellina HPAL flowsheet**

**Comments on the Nickel Market**

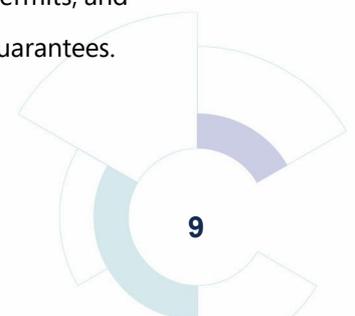
The expansion of nickel production in Indonesia has continued which has outpaced demand growth and created a widening gap between global supply and consumption. According to the International Nickel Study Group (INSG), this production growth trajectory is expected to continue through to 2026 which will further exacerbate market imbalances.

INSG data shows global nickel production is expected to reach 3.8 million tonnes in 2025, rising to 4.1 million tonnes in 2026 which represents a robust year-on-year growth rate of approximately 7.3%. Notwithstanding, a strong consumption growth rate of approximately 6.1%, widening surpluses are expected as global consumption is projected to reach 3.6 million tonnes in 2025, increasing to 3.8 million tons in 2026. INSG forecasts a nickel market surplus of 209,000 tonnes for 2025 expanding further to 261,000 tonnes in 2026 which represents around 5.5% of the total nickel market.

The weakness in the nickel price throughout 2024 and 2025 reflected the market's fundamental imbalance between supply and demand and the continued buildup of LME warehouse inventories. Most market analysts expect the period of price weakness to extend into 2027 based on current production and demand forecasts. However, this extended period will present significant challenges for higher cost producers (noting that around many operations are still cash flow negative) and potentially impacts on investment decisions for new projects.

The Indonesian Government recently increased regulatory measures on the sector intended to exert greater control over the sector including:

- An increase in the royalty rates from 10% to variable rates of between 14% and 19% (dependent on the nickel price);
- Reducing the validity period of its mining permits (RKAB's) from three years to one year and the delay in issuance of some RKAB's. The new regulations are effective from October 2025;
- Seizing lands where nickel ore mining was underway that lack proper forestry permits; and
- Imposing sanctions on companies with missing reclamation and post-mining guarantees.



In mid-December, nickel prices rallied strongly from a low of around US\$14,100/tonne to above US\$18,000/tonne on the back of the Indonesian government's actions to potentially control nickel ore supply, with cuts likely to be forced on Indonesian nickel smelters and refineries in 2026. According to the Shanghai Metal Market the Indonesian government is proposing to cut nickel ore output to around 250 million tonnes in 2026. If the flagged reduction is implemented, it would mark a significant decline from the 379 million tonnes laid out by Indonesia in 2025. Discussions on the final amount are ongoing, and we note that it may be some time before the target is finalized but the reality is that ore suppliers are bracing themselves for cuts in their mining allocations for 2026. If production was only 250 million tonnes of ore this would remove the projected surplus for 2026 and provide support for an increase in prices towards US\$20,000/tonne.

Higher nickel prices around US\$20,000/t will probably not facilitate some of the currently shuttered capacity to reopen unless they are sustained for a significant period of time. We expect market prices are likely to remain volatile as the interplay between market surpluses and anticipated supply constraints play out.

## **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.

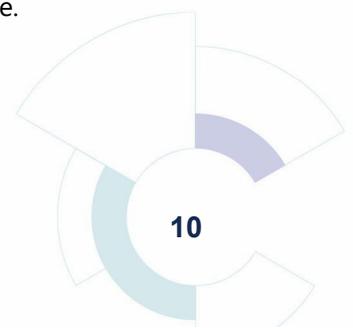
As previously stated, in November 2024, the Company's Wingellina Project was awarded Major Project Status (MPS) by the Federal Government. This award recognises the national significance of the Wingellina Project in the development of Australia's critical minerals to assist in the global energy transition. 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 during the quarter and other Federal and State departments during the December quarter.

Nico's proactive engagement with various Government departments underscores the company's commitment to securing all the necessary approvals and support for the project's successful development.

In early December 2025, Nico received a final Heritage report from NGC Land and Culture following our comments provided to the NGC in the March 2025 Quarter. The report which related to work programs conducted by Nico in July 2024 on the Cobb Embayment, Lewis Calcrete and Giles-Mulga Park road.

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 awaited.

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. Nico is also 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.



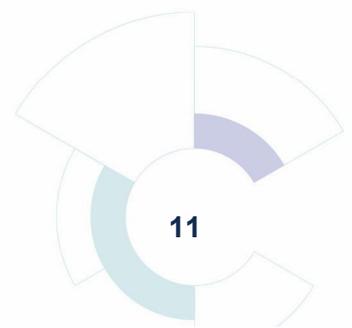
### **Governance**

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 2026 quarter Nico plans to focus on the following activities:

- Continue to review, analyze and interpret 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.
- Commence the infill drilling program on the Wingellina resource to facilitate the upgrading of the indicated resource to measured category.
- Continue to review greenfields exploration opportunities in the Musgraves region.
- Further planning for exploration and associated work on the Lewis calcrete deposit.
- Continue the required planning on the potential water supply from the Cobb Embayment in preparation for the drilling of additional bores.
- 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.



## CORPORATE AND FINANCIAL

### Financial

Nico closed the quarter with cash and working capital of \$2,814,405. Exploration and Evaluation expenditure during the quarter was \$202,571.

### Capital Structure<sup>2</sup> as at 31 December 2025

907,888 shares were issued in lieu of Directors fees in the December 2025 quarter at \$0.131 per share.

3,000,000 unquoted options with an exercise price of \$0.174 and a 3 year expiry were also issued to the Managing Director during the quarter.

Shareholder approval was granted for the issue of the shares and options at the 2025 AGM held on 27 November 2025.

Description	Number
Fully paid ordinary shares	124,358,463
Unlisted Employee options (various) <sup>1</sup>	7,975,000
Unlisted Performance shares	2,500,000

### Major Shareholders

The current major shareholders of the Company (as at 31 December 2025) are:

- Ajava Holdings Pty Ltd (P Cook) 11.77%
- Metals X Limited 7.43%
- Norfolk Enchants Pty Ltd 5.39%

### Related Party Transactions

Related party payments for the quarter, are as outlined in the attached Appendix 5B at section 6.1, total \$93,127 and includes amounts paid to directors including director's fees and statutory superannuation.

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

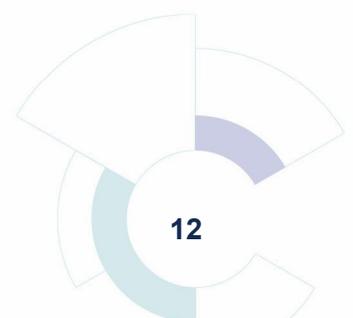
## CONTACTS

For more information, please visit our website [rte](http://rte) or email [info@nicoresources.com.au](mailto:info@nicoresources.com.au).

Jonathan Shellabear  
**Managing Director/CEO**

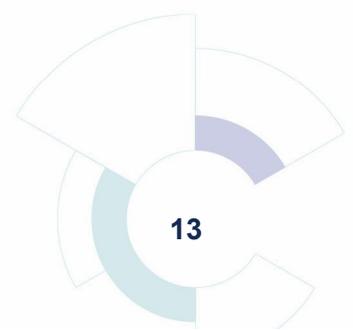
Amanda Burgess  
**Company Secretary**

<sup>2</sup> See various 3B announcements for details.



## 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 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<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 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 "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](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 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development		
(c) production		
(d) staff costs	(260)	(529)
(e) administration and corporate costs	(221)	(411)
1.3 Dividends received (see note 3)		
1.4 Interest received	48	60
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	366	366-
1.8 Other (provide details if material)		
Rent income	213	406
<b>1.9 Net cash from / (used in) operating activities</b>	<b>146</b>	<b>(108)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(55)	(55)
(d) exploration & evaluation	(203)	(659)
(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 (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)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	(258)	(714)

<b>3.</b>	<b>Cash flows from financing activities</b>		
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		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</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	2,926	3,635
4.2	Net cash from / (used in) operating activities (item 1.9 above)	146	(107)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(258)	(714)

## 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 (6 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
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>2,814</b>	<b>2,814</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	446	58
5.2	Call deposits	2,368	2,868
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>2,814</b>	<b>2,926</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	93
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

7. <b>Financing facilities</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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</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)	146	
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(257)	
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(111)	
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,814	
8.5 Unused finance facilities available at quarter end (item 7.5)	-	
8.6 Total available funding (item 8.4 + item 8.5)	2,814	
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	25.29	
<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:		
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:		
<i>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.</i>		

## **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 January 2026

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.