QUARTERLY REPORT JUNE 2026

ASX ANNOUNCEMENT 23 JULY 2026

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

136.79M shares on issue
4.525M unlisted options
2.50M Performance shares

Market Capitalisation

$15.73 million

Enterprise Value

$10.87 million

Cash at Bank (30-June-26)

$4.861 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 30 June 2026.

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.

After rallying to over US$19,000/tonne in May the nickel price has recently retreated to over US$16,000/tonne, trading near its lowest level since late December 2025. The rally in the nickel price in mid-December through to May reflected an announcement by the Indonesian government that it would enforce a reduction in nickel ore supply in 2026 through the reduction in ore mining quotas (RKAB's) to a reported 260Mt in 2026. However, recent reports suggest that the Indonesian Government is considering raising the 2026 mining quota to around 360 million tonnes which would reverse the earlier production cuts and has revived concerns over continuing surpluses. Indonesian Government policy will continue to have a major impact on supply dynamics and future pricing.

The cobalt price remained flat over the quarter and is currently trading around US$56,000/tonne.

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

KEY HIGHLIGHTS

- Final planning and preparation works for the proposed RC infill drilling program were completed during the June quarter. Drilling is scheduled to commence in the September quarter. Consultation with Traditional Owners, drill site clearing work and engagement of an RC drilling contractor were all completed in the June quarter.
- A Memorandum of Understanding was signed with Pure Battery Technologies Ltd ("PBT") to jointly evaluate the establishment of a regional nickel and cobalt refining platform in Australia, the US and Europe which would leverage PBT's patented technology and Nico's potential production of nickel and cobalt from the Wingellina Project.
- A review and interpretation of the metallurgical data from the extensive bench scale testwork conducted at ALS continues to be reviewed with the objective of optimising the proposed flowsheet and maximising project value.

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

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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 30 June 2026.

WINGELLINA MATERIAL TYPE AND GEOMETALLURGICAL MODEL

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
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

Nico has, in collaboration with ERM, continued to progress the development of a geometallurgical model for the Wingellina project. An infill drilling program will commence in the September quarter and will:

- 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 parameters defined from historical and future bench-scale metallurgical testwork. The geometallurgical model will determine the processing characteristics of all material types and will assist in mine planning and scheduling to optimise the development of the orebody and maximise value from the Wingellina Project under various macroeconomic assumptions.

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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_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. 2024 Wingellina Nickel-Cobalt Project MRE comparison by Regolith

Planned Detailed Infill Drilling

Final approvals to commence the planned infill drilling program were received in the June Quarter following receipt of the Native Vegetation Clearing Permit at the end of March and a community meeting to consult with the Traditional Owners in May. In February 2026, the NG Council expressed the view that an archaeological assessment was required prior to the commencement of the infill drilling program. The Company disagreed with the Council's view and the Company's opinion is supported by the terms contained within the Wingellina Project Agreement whereby the area within E69/535 subject to the proposed infill drilling program has been previously cleared. The ethnographic and archaeological surveys supporting the area in question were previously undertaken and approved by the NG Council in consultation with senior Traditional Owners. These heritage clearance surveys were completed after extensive consultation with the Traditional Owners and as a prerequisite ahead of the negotiation and execution of Wingellina Project Agreement. A number of drilling programs have also been undertaken in the area including recent programs completed in 2019 and 2022.

The meeting with the Traditional Owners took place in May at the Irrunytju (Wingellina) Community. The proposed program of works was discussed and included a visit to the area where the location of the drill holes was marked out. The community meeting was held as a requirement of the Wingellina Project Agreement and follows the submission of the work proposal to the Ngaanyatjarra (NG) Council in July 2025.

Attendees at the meeting included three company representatives, six Traditional Owners and one representative from the NG Council. Nico presented detailed maps of the planned drilling to the attendees and discussed the upcoming RC drill program along with the likelihood of additional similar programs in the future. Ongoing consultation with the Traditional Owners will take place preceding any future drilling programs. All the Traditional Owners in attendance were supportive of the planned drilling works presented to them, with no concerns or issues raised. In addition to the community meeting, Nico representatives presented the same information to a number of Traditional Owners in the Community who were not able to attend the meeting. No concerns were raised by any of the additional community members consulted.

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The day following the Community Meeting, Nico organised to transport a group of six traditional owners to the main Wingellina Project tenement. The purpose of this visit was to conduct on-site heritage monitoring and identify the location of the planned drill holes. Planned access tracks and drill sites were visited and explanations provided regarding the clearing required and the nature of the RC drilling works. No objections or concerns were raised by Traditional Owners with respect to any of the specific planned drill sites.

With the positive feedback received from the Community Meeting and on-site heritage monitoring, Nico was able to progress with clearing works for the proposed RC infill drilling. In 2025, the NG Council launched Ngaanyatjarra Civil, a Yarnangu-staffed civil works enterprise that aims to create real, long-term job opportunities for local people to work on country. Nico was happy to support this initiative by utilising the services of Ngaanyatjarra Civil. Site preparation and access tracks were completed during June. All drill access tracks and pads have now been cleared and are awaiting mobilisation of an RC rig to complete the program.

Figure 1. Ngaanyatjarra Civil completing clearing works for RC drilling at Nico's Wingellina Project.

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To execute the planned RC drilling, Nico has engaged the services of Stark Drilling who will undertake the program with a 450 Schramm rig. Stark Drilling has a proven track record completing remote drilling programs safely and to a high standard. It is currently estimated that Stark will mobilise to site around early August.

The Company will undertake the 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. Samples generated will also be subject to additional metallurgical testwork and the data generated used to populate the geo-metallurgical model. The proposed program currently 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.

ERM (formerly CSA) completed a resource update on the Wingellina deposit in 2024 and, as part of that review, completed a gap analysis which recommended that:

- A relative high proportion of older, open-hole drill data has been used in the 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.

Figure 2 shows the location of the existing holes across the orebody and Figure 3 shows the location of existing holes and the planned infill holes in the South domain of the Wingellina orebody.

In preparation for the infill drilling program, 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 and samples for additional metallurgical testwork). 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.

In conjunction with the infill drilling, a program of downhole density holes will be undertaken 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.

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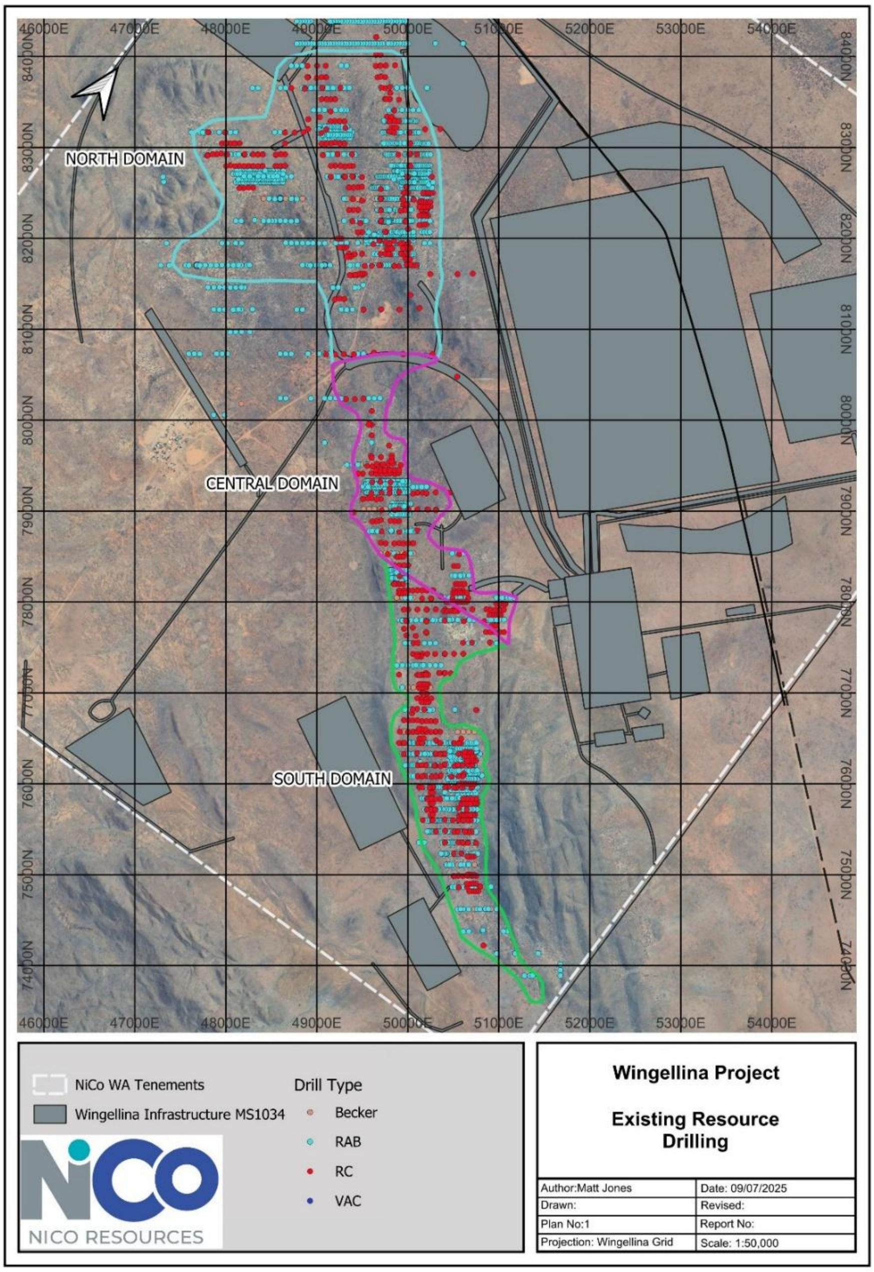

Figure 2. Wingellina Existing Resource Drilling

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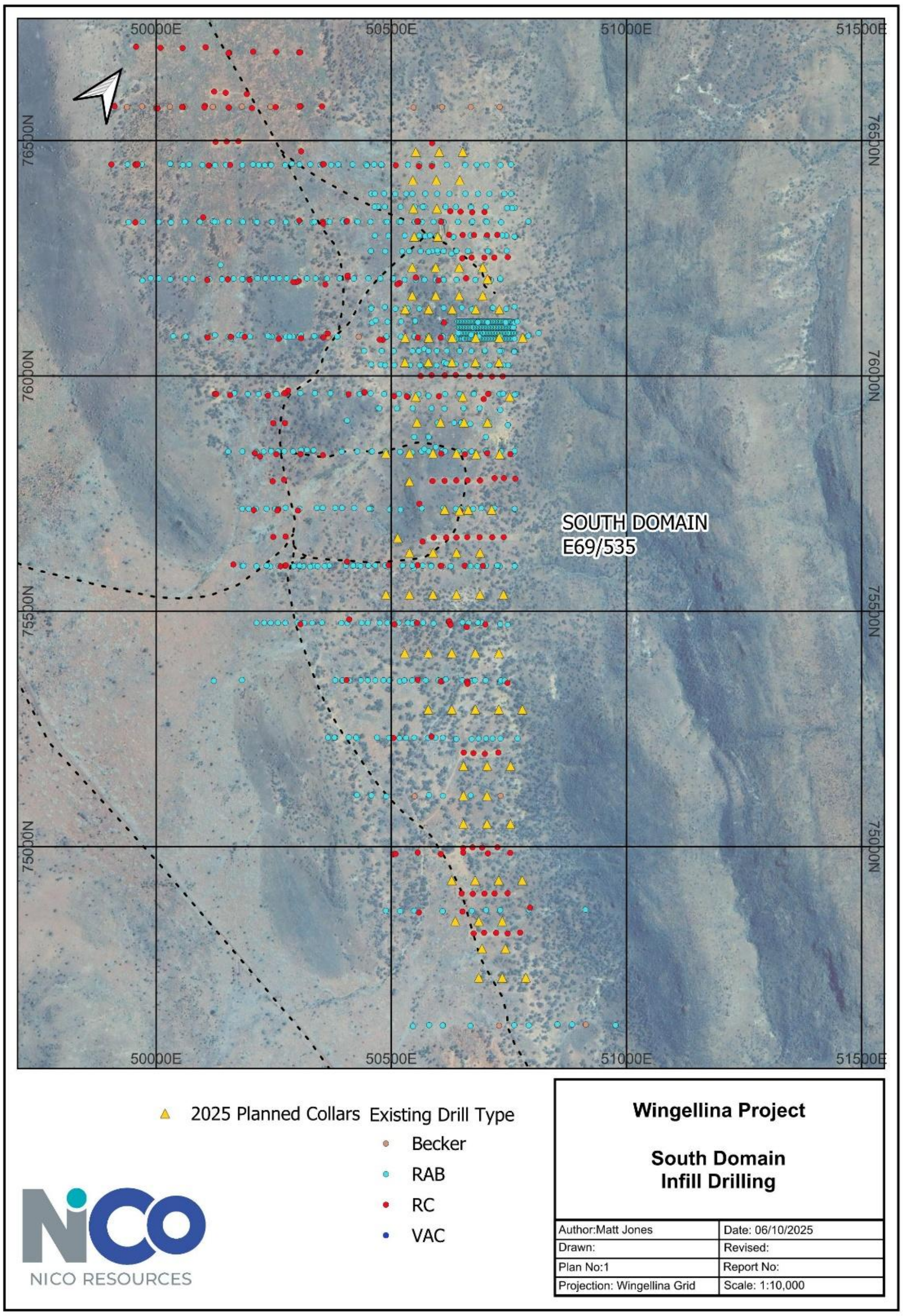

Figure 3. Wingellina South Domain RC Infill Drilling

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Next Steps

The infill program and interpretation of data generated is anticipated to extend for a number of months and will provide samples for metallurgical testwork which will significantly increase the technical knowledge of the orebody in the infill drilling area. This should facilitate the upgrade of current Indicated resources to Measured status. Local scale variability will also better understood for future mine planning and large scale metallurgical testwork results will aim to further refine and simplify the final material types for processing. 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.

AGREEMENT WITH PURE BATTERIES TECHNOLOGY

During the June Quarter, the Company entered into a Memorandum of Understanding ("MOU") with Pure Battery Technologies Ltd ("PBT") to jointly evaluate the establishment and development of a regional nickel and cobalt refining platform in Australia, the United States and Europe. This MOU gives both parties a defined framework to engage private and government funding partners around an integrated, Australian-originated battery supply chain.

Under the MOU, Nico and PBT will cooperate to design and assess an integrated process chain focused on the production of Mixed Hydroxide Precipitate from Nico's nickel-cobalt resources at Wingellina and the subsequent production of nickel-manganese-cobalt ("NMC") precursor cathode active material ("pCAM") using PBT's proprietary hydrometallurgical processing technology.

The collaboration is intended to create a technically credible and commercially competitive route from intermediate nickel-cobalt products to battery-grade materials, anchored on the Wingellina Project and PBT's existing refining expertise. The parties see this integrated platform as a key enabler for the broader critical minerals market in Australia and Europe while also supporting emerging projects in the expanding United States battery materials sector.

PBT is a privately held cleantech company headquartered in Brisbane, Australia, specialising in low-carbon pCAM for lithium-ion batteries, particularly for electric vehicles and stationary storage. PBT owns and operates a commercial refinery in Hagen, Germany, which currently produces nickel-based materials and is being expanded to deliver up to 15,000 tonnes per annum of pCAM, making it one of the few western pCAM producers with an operating plant and permitted expansion pathway.

PBT's patented hydrometallurgical technology, developed in conjunction with the University of Queensland, refines raw intermediate products such as MHP and recycled battery "black mass" into high-quality pCAM with materially lower CO_2 emissions and reduced processing complexity compared with conventional refining routes. PBT is also in discussions with agencies of the United States Government, including the Department of Commerce, Department of Energy and Department of Defense, regarding the potential establishment of a US facility to produce high-purity nickel products and pCAM to strengthen domestic supply resilience and advanced manufacturing capability in critical battery materials.

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Wingellina's scale and long project life - estimated at over 40 years - provide a potential foundation for a secure, traceable supply of intermediate products into downstream refining and battery materials platforms in multiple jurisdictions.

Under the non-binding MOU, Nico and PBT will:

- Undertake joint technical and commercial studies on MHP production at Wingellina and on downstream refining pathways using PBT technology;
- Evaluate locations and permitting requirements for potential refining hubs in Australia, the US and Europe, including integration with PBT's existing Hagen operation and planned expansions; and,
- Engage with government agencies, funding programs and strategic partners to support development of an Australian-anchored, globally connected battery materials supply chain.announcements.

The MOU does not create binding commitments to proceed to a final investment decision but sets a framework for collaborative evaluation and negotiation of definitive agreements in due course.

WINGELLINA METALLURGICAL TESTWORK

The 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. 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.

Further assessment completed during the quarter focussed on ore preparation which previously indicated that an upgrade in nickel head grade of around 10% can be achieved through the rejection of the course fraction in the ore preparation circuit. The rejection of the course fraction also rejects many of the acid consuming elements.

The primary objective of the High-Pressure Acid Leaching (HPAL) front-end ore preparation circuit is to transform raw nickel laterite ore into a finely ground, chemically consistent, high-density slurry. Proper preparation is critical to optimize autoclave volumetric efficiency, minimize sulfuric acid consumption, and mitigate severe equipment erosion downstream.

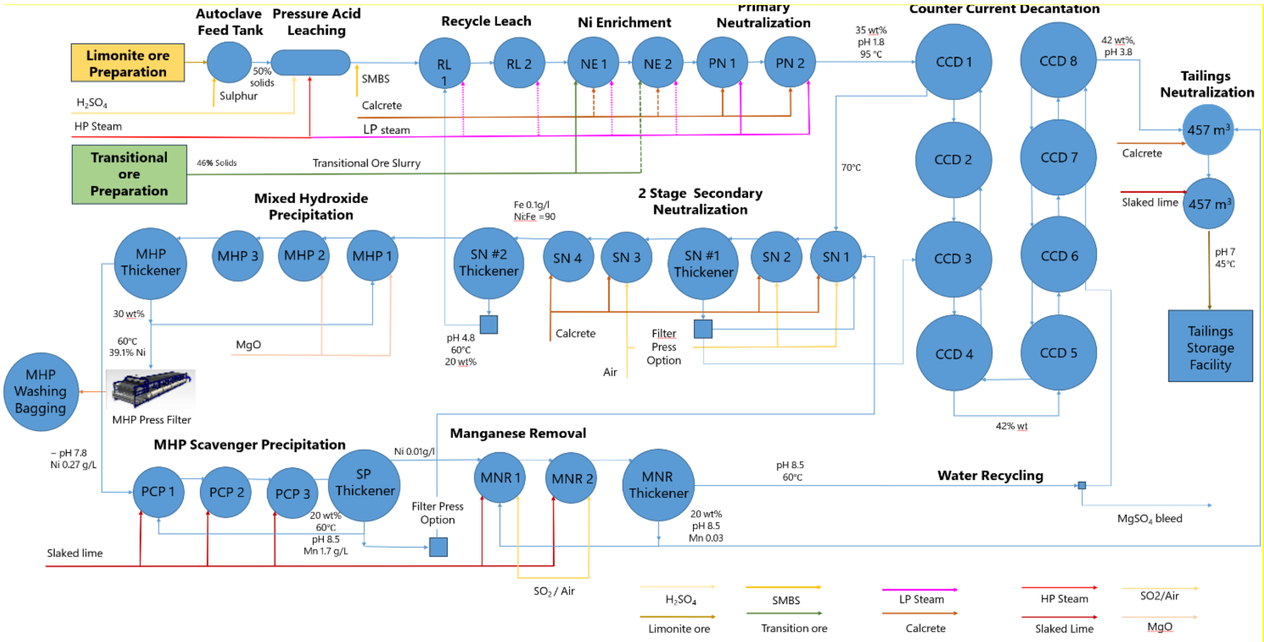

Figure 4. Wingellina HPAL flowsheet

Comments on the Nickel Market

During the June 2026 quarter the nickel market witnessed a rebound in sentiment from concerns regarding possible supply shortfalls and a market deficit to an aggressive pricing correction. What began as a bullish rally quickly unwound, leaving the market to recalibrate in the face of sudden regulatory shifts, rising warehouse inventories and evolving macroeconomic realities.

Indonesian regulatory tightening and the Middle East conflict are the two defining cost pressures impacting on the nickel market thus far this year. A significant reduction in RKAB quotas (which reportedly have subsequently been revised) in Indonesia and a contested HPM pricing reset are driving ore prices higher, while plans to centralise commodity exports under state fund Danantara added a further layer of uncertainty. The Middle East conflict compounds the pressure, significantly increasing the input costs to HPAL operations.

Nickel prices on the London Metal Exchange (LME) told a tale of two halves this quarter. Driven by early-season anxieties over a reduction in ore permits and a potential supply deficit, the price rallied to peak over $19,000/tonne in May. The tightness was severe enough that major assets like the Weda Bay mine completely halted production in May after exhausting their initial 12 million wmt in ore allocations, which forced the operations to aggressively ramp up imports from the Philippines to fill the gap. However, in June the Indonesian Energy and Mineral Resources Ministry (ESDM) signaled a revision and significant expansion of the quota ceiling toward 360 million tonnes. The threat of a sudden increase in supply instantly triggered a major sell-off which reduced prices down to a six-month low of just over $16,000/tonne.

Despite structural deficit fears that dominated early 2026 and significant upward major revisions to price forecasts by a number of investment banks the global market likely closed the first half of the year in a position of relative balance with only a modest surplus. However, that contrasts with projections of an oversupply exceeding 200,000 metric tons early in the year. Physical nickel inventories remain high with combined LME and Shanghai inventories at around 450,000 tonnes, but the market is structurally firmer and expectations for a large surplus have been downgraded. Demand is relatively robust with nickel use in batteries showing strong growth year on year and stainless steel demand also reasonably strong approximately an annual growth of around 5%.

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As the market moves into the third quarter of 2026, the nickel landscape remains highly reactive. With Indonesia actively evaluating supplementary quota applications and downstream demand waiting for a global macroeconomic spark. Volatility is expected to remain the status quo but the broader market picture shifted toward a tighter balance because growth in Indonesian supply has moderated significantly and is expected to be minimal in 2027.

The long-term outlook remains promising, underwritten by continuing strong demand growth and a slowing of production growth from Indonesia. In the short term, the nickel price is expected to remain extremely sensitive to changes in Indonesian Government policy and geo-political events.

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.

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 seeking to work collaboratively with the NGC and the Traditional Owners which reflects a commitment to enhance the Traditional Owners livelihoods and make a positive and lasting difference. A Wingellina community meeting was held during the quarter where the proposed infill drilling program was discussed. An Implementation and Review Committee meeting is anticipated to be held in the September quarter but is subject to finalisation.

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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

Nico has significantly reduced discretionary expenditure and corporate overheads in the last year but will continue to progress the project in a judicious manner. During the June 2026 quarter Nico plans to focus on the following activities:

- Complete the infill drilling program on the Wingellina resource to facilitate the upgrading of the Indicated resource to Measured category.
- Continue to review, analyze and interpret the bench scale testwork results particularly relating to ore feed preparation.
- Advance the geo-metallurgical model for the Wingellina orebody to assist in identification of orebody variability and mine planning and scheduling following the additional information gained from the proposed infill drilling program.
- 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.

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CORPORATE AND FINANCIAL

Financial

Nico closed the quarter with cash and working capital of $4,861,220.

Exploration

ASX listing rule 5.3.1 Exploration and Evaluation expenditure during the quarter was $335,299.

ASX listing rule 5.3.2 Mining Production expenditure during the quarter was Nil.

ASX listing rule 5.3.3 Refer to appendix 1 for Nico Tenement Information. No changes to tenements throughout the period.

Capital Structure as at 30 June 2026

Description	Number
Fully paid ordinary shares	136,794,309
Unlisted Employee options (various)[1]	4,525,000
Unlisted Performance shares	2,500,000

Substantial Shareholders

The current substantial shareholders of the Company (as at 30 June 2026) are:

- Ajava Holdings Pty Ltd (Peter Cook) 10.70%
- Metals X Limited 6.75%

Related Party Transactions

Related party payments for the quarter, are as outlined in the attached Appendix 5B at section 6.1, total $113,666 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 or email info@nicoresources.com.au.

Jonathan Shellabear
Managing Director/CEO

Amanda Burgess
Company Secretary

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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.

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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 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	30 June 2026

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (12 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	(368)	(1,224)
	(e) administration and corporate costs	(165)	(1,210)
1.3	Dividends received (see note 3)		
1.4	Interest received	18	105
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	-	366
1.8	Other (provide details if material) Rent income	289	853
1.9	**Net cash from / (used in) operating activities**	**(226)**	**(1,110)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(62)
	(d) exploration & evaluation	(335)	(1,081)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 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**	(335)	(1,143)

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,731
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	-	(252)
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**	**-**	**3,479**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5,422	3,635
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(226)	(1,110)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(335)	(1,143)

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,479
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**4,861**	**4,861**

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	493	654
5.2	Call deposits	4,368	4,768
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)**	**4,861**	**5,422**

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	115
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)	(226)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(335)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(561)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,861
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,861
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	8.66

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: 23 July 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.