NICO RESOURCES

Nico Commences Infill Drilling at Wingellina Nickel-Cobalt Project

Nico Resources Limited ("**Nico**" or the "**Company**") (ASX: NC1) is pleased to provide an update on its planned reverse circulation ("**RC**") infill drilling program at the Wingellina Nickel-Cobalt Project ("**Wingellina"** or the **"Project**") located in Western Australia. Drilling is now underway with planned infill drilling aiming to increase orebody knowledge to facilitate staged update of Resources from Indicated and Inferred to Measured (Figure 1).

Wingellina is a world-class oxide-type nickel cobalt deposit located in the Musgrave Ranges of WA, approximately 100 kms east of BHP's West Musgrave Project. Wingellina 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 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 Wingellina as a globally significant Tier 1 asset, characterised by its long life, low cost and high operating margins.

Highlights

- A 6,000m (94 hole) RC infill drilling program has commenced at Nico's Wingellina Project.
- Drilling will increase understanding of local variability, particularly of high-grade areas, to support conversion of Indicated Resources to Measured.
- Downhole density data will be collected as a means to support and expand on existing density determinations to support conversion of currently Indicated Resources to Measured.

Managing Director Comment

Nico's Managing Director, Jonathan Shellabear said:

"Nico is very pleased to be on the ground progressing development of the Wingellina project. Wingellina is world class in terms of size, grade, and ore quality, and remains one of last major undeveloped oxide-type nickel-cobalt deposits in the world outside of Indonesia. The RC drilling program in progress is the beginning of a staged approach to infilling the deposit areas which will facilitate the conversion of these areas to Measured Resources and facilitate more effective mine and process planning".

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

Background

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.

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 25 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 and will initially focus on the South Domain of the orebody. Figure 2 shows the location of the existing holes across the orebody and Figure 3 shows the proposed holes.

Figure 1. Drilling commences at the Wingellina Nickel-Cobalt Deposit with Stark Drilling.

Phase 1 aims to create a staggered 50 x 25m grid across the main areas of mineralisation in the South Domain and more tightly define the geological model by identifying the contacts between the mineralised ultramafic and largely unmineralised gabbro. The proposed program consists of 94 RC drillholes for 6062 metres of drilling.

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 - 15% of the RC drill holes have density data collection across the deposit

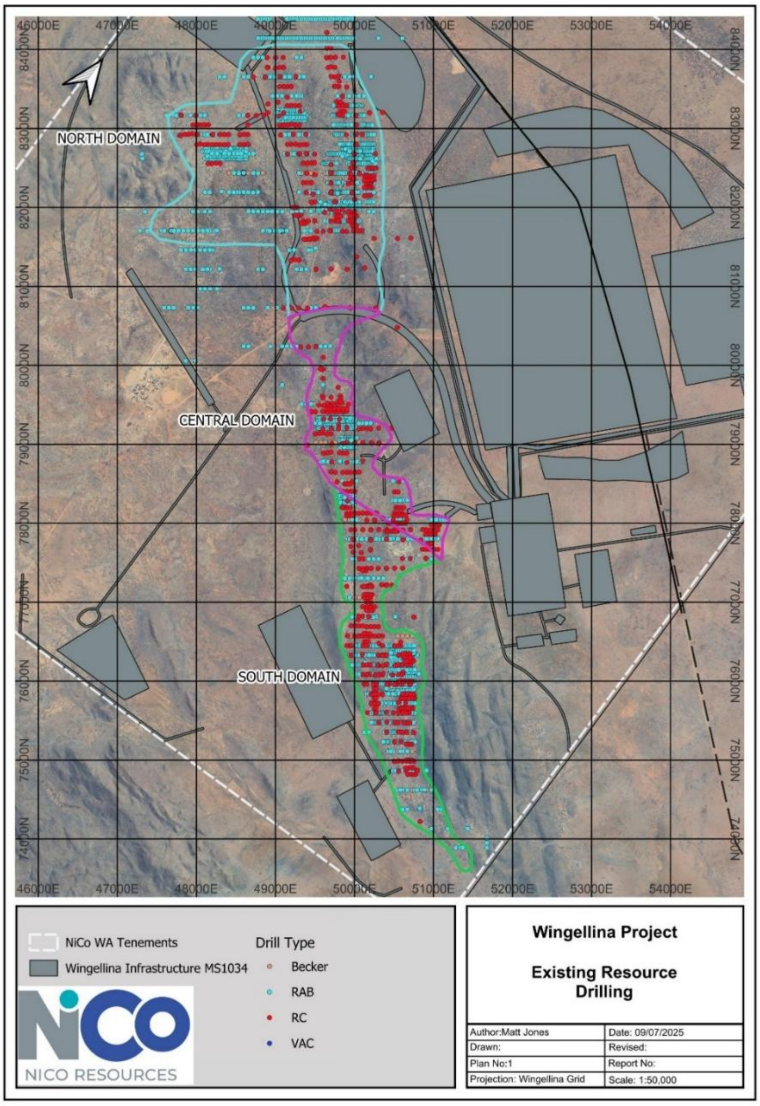

Figure 2. Wingellina Existing Resource Drilling

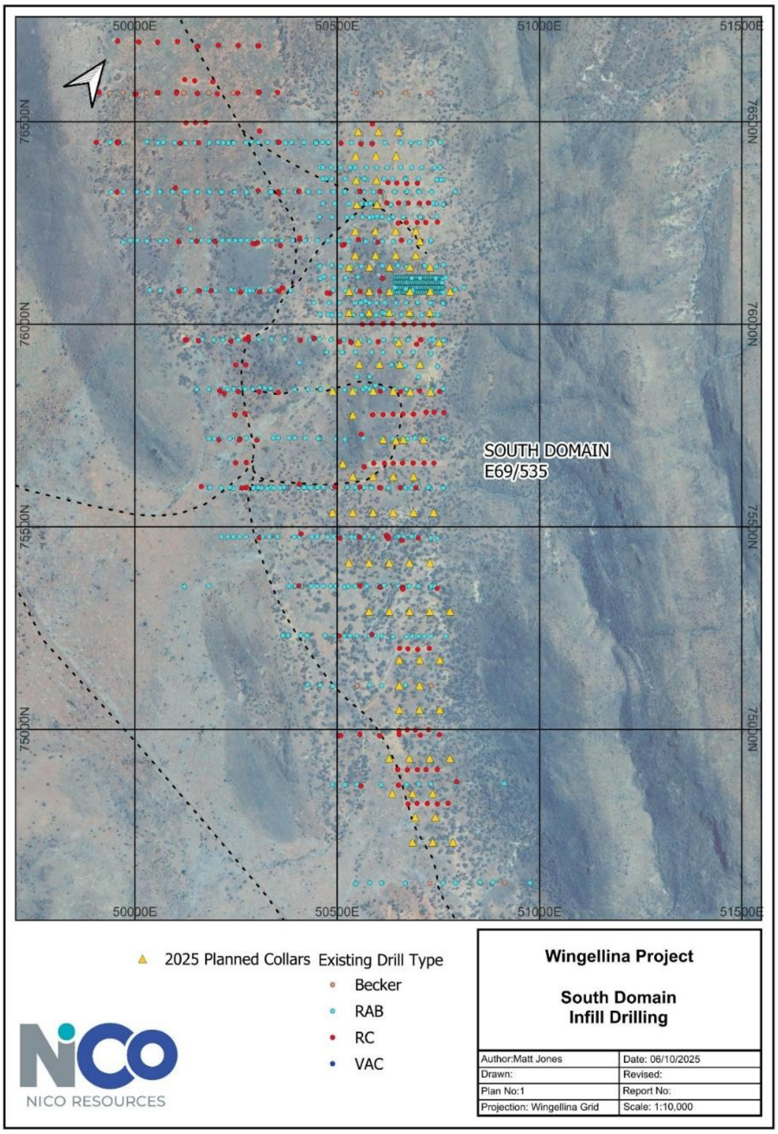

Figure 3. Wingellina South Domain RC Infill Drilling

This announcement has been authorised by the board of directors of the Company.

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

Jonathan Shellabear
Managing Director

Rod Corps
Investor Relations

About Nico Resources

Nico Resources Limited is an Australian company focussed on the development of the Wingellina nickel cobalt project in Western Australia ("**Wingellina**" or the "**Project**").

Wingellina 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[2] ("**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.

Wingellina hosts a JORC (2012) defined Measured, Indicated and Inferred Resource 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 Reserve of 168.4Mt at 0.93% Ni & 0.07% Co for 1.56Mt of contained nickel and 123Kt 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.

This announcement contains references to ore reserve estimates, mineral resource estimates and exploration results, all of which have been extracted from the Company's replacement prospectus dated 23 November 2021 ("Prospectus") released to ASX on 17 January 2022 and the Company's announcements to the ASX on 22nd December 2022 "PFS confirms Wingellina as a Tier 1 Nickel Cobalt Project" (PFS Release) and 28th August 2024 "Wingellina Resource Update" which are available for view at the https://www.nicoresources.com.au/ and the ASX website at https://www2.asx.com.au/markets/trade-our-cash-market/historical-announcements using the ASX code 'NC1'.

The Company confirms that it is not aware of any new information or data that materially affects the information included in this Presentation about the Company's ore reserves, mineral resources and exploration results and that all material assumptions and technical parameters underpinning the ore reserve and mineral resource estimates in the Prospectus and the PFS Release continue to apply and have not materially changed. Nico confirms that in the Presentation, all the material assumptions underpinning the production target or the forecast financial information derived from the production target in the PFS Release continue to apply and have not materially changed.