QUARTERLY REPORT JUNE 25

ASX ANNOUNCEMENT 24 OCTOBER 2025

NICO RESOURCES LTD

ASX: NC1

Board

Peter Cook
Non-Executive Chairman

Jonathan Shellabear
Managing Director/CEO

Rod Corps
Non-Executive Director

Stewart Findlay
Non-Executive Director

Brett Smith
Non-Executive Director

Issued Capital

123.45M shares on issue
6.125M unlisted options
2.50M Performance shares

Market Capitalisation

$18.52 million

Enterprise Value

$15.59 million

Cash at Bank (30-Sept-25)

$2.93 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

W: nicoresources.com.au

Nico Resources Limited ("**Nico**" or the "**Company**") is pleased to present a summary of activities for the quarter ended 30 September 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[1] ("**PFS**") completed on the Project in December 2022 confirmed a globally significant Tier 1 asset, characterised by its long life, low cost and high operating margins.

The weak and uncertain market conditions continued to prevail over the September quarter and nickel traded in a narrow band of between US$14,600/tonne and US$15,325/tonne over the quarter. Conversely the cobalt price has rallied strongly from a low of around $33,000/tonne to over $40,000/tonne following the imposition of a quota system by the Democratic Republic of the Congo. Nickel prices are still trading deep into the cost curve (around 50% of global production is cash flow negative at the current price) and the growth in low-cost Indonesian MHP remains relatively high. Notwithstanding strong underlying overall demand and the closure of a substantial amount of non-Indonesian production in the last two years, the nickel market is expected to remain in surplus until 2027. Indonesian Government policy will have a large impact on future pricing and there is the potential for further closures in light of increasing cost pressures, falling ore grades, higher ore prices and ore tightness in Indonesia. As previously stated the weak market conditions have necessitated a significant reduction in discretionary expenditure.

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

KEY HIGHLIGHTS

- Planning and approvals for proposed infill drilling program were progressed in the Quarter as the Company explores the most efficient and cost-effective approach to execute the proposed work. Discussions under the terms of the Wingellina Project Agreement with the Ngaanyatjarra Council will continue into the next Quarter.
- Metallurgical data from extensive bench scale testwork conducted at ALS in 2023 and 2024 continues to be reviewed. The focus during the Quarter was the review of particle size distribution, scrubber and gravity separation data for determination of ore preparation parameters for the Wingellina Project.
- In light of the Chinese Government's sweeping export controls on scandium the Company conducted a review of the scandium content and variability in the Wingellina ore and reviewed possible extraction alternatives following testwork undertaken at ALS.

[1] 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 30 September 2025.

WINGELLINA MATERIAL TYPE AND GEOMETALLURGICAL MODEL - PHASE 2 PROGRESS

Introduction

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

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

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

Table 1. 2024 Wingellina Nickel-Cobalt Project MRE

The MRE update included detailed modelling of the structure, lithology, regolith and geochemistry. To progress this work further towards the goal of creating a working geometallurgical model, Nico in collaboration with ERM continued to interrogate available drilling and metallurgical data.

The ongoing work has been staged into three parts as follows:

- Phase 1 – Material Type definition based on a combination of modelled resource grades, structure, lithology, regolith and geochemistry. Statistical interrogation of multi-element grades will be employed to understand different zones within the Wingellina orebody. Phase 1 was completed in the March Quarter.
- Phase 2 – Development of a drilling and geometallurgical variability sampling programme including an additional drilling and sampling program required to:
  - Providing samples for additional bench scale variability testwork for material types not well-represented in previous testwork, and to substantiate the properties of material types that have already been subject to metallurgical testwork.
  - Understanding of the local variability, particularly of high-grade areas, to support conversion of Indicated resources to Measured.
  - Increasing density data coverage to support conversion of Indicated resources to Measured.

- Phase 3 – Development of a detailed geo-metallurgical model based on the outcome of Phases 1 and 2 including parameters defined from historical and future bench-scale metallurgical testwork. The geometallurgical model will serve to identify knowledge gaps with regards to the processing characteristics of less studied material types. This will drive future bench-scale metallurgical testwork programs, with an aim to further derisk the project. The geometallurgical model will also be used to develop a mine plan and schedule to facilitate scenario planning and optimisation of the orebody to maximise value from the Wingellina Project under various macroeconomic assumptions. Parameters likely to be included are:
  - Cost models;
  - Information on beneficiation (mass rejection, upgrade, nickel recovery);
  - Acid consumption;
  - Leach extractions;
  - Calcrete consumption;
  - Other losses/overall recovery;
  - Magnesia consumption;
  - Lime consumption;
  - Sundry acid consumption (CCD wash water acidification);
  - Flocculant consumption;
  - Solid density; and
  - An estimation of net value per SMU.

Phase 1 – Material Type Definition

The March 2025 Quarter saw the completion of the first phase of the work stream, which used the 2024 Resource model as the basis for the development of material and ore type classifications suitable for processing via a High-Pressure Acid Leach (HPAL) circuit. The aim being:

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

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

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

Phase 2 – Detailed Drill Planning

The framework for the geometallurgical model was finalised during the March 2025 Quarter. 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 September Quarter. During the reporting period Nico rationalised the proposed Phase 1 drilling in the South Domain. Phase 1 aims to create a staggered 50m x 25m grid across the main areas of mineralisation and more tightly define 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.

Approvals to facilitate the execution of the planned drilling were progressed in the September 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 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 infill process.
- 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.

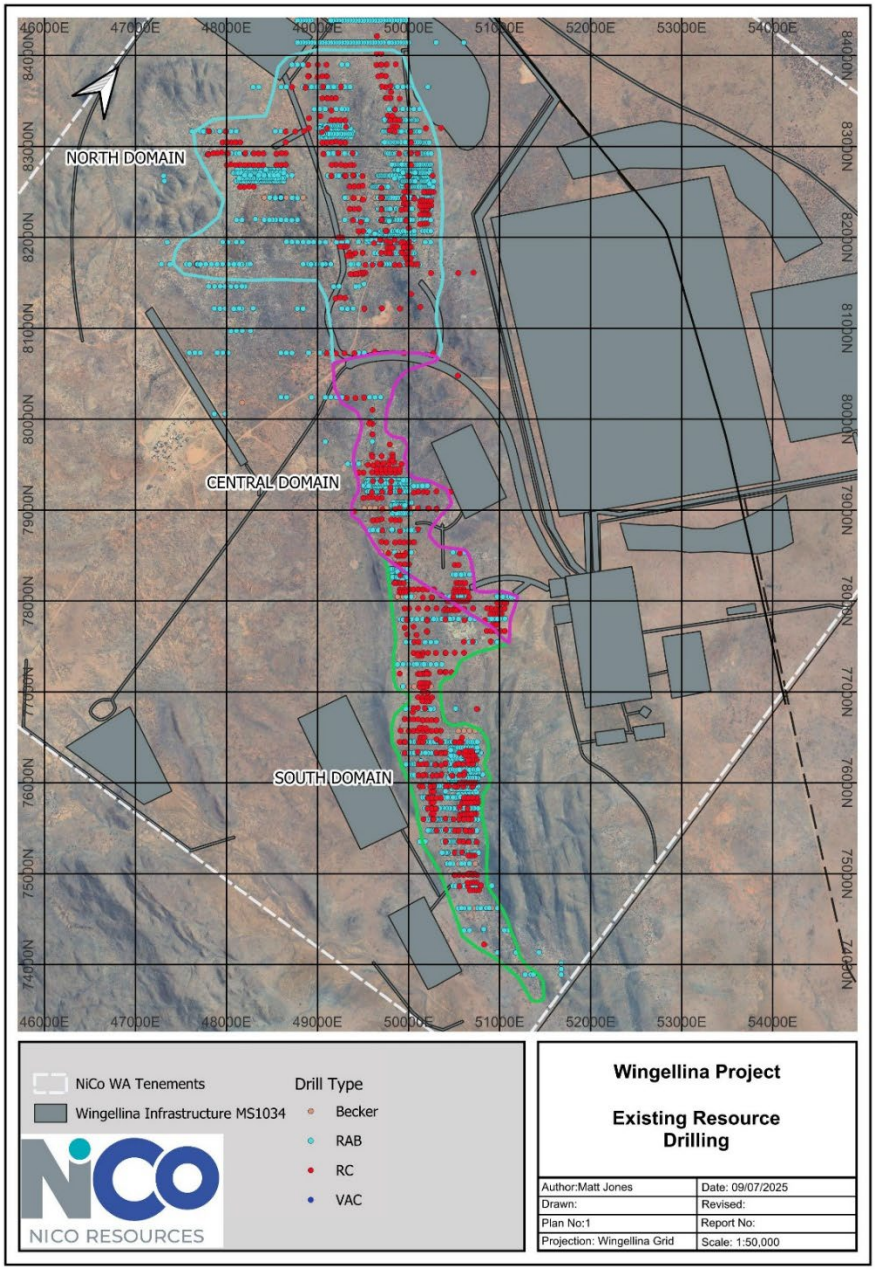

Figure 1. Wingellina Existing Resource Drilling

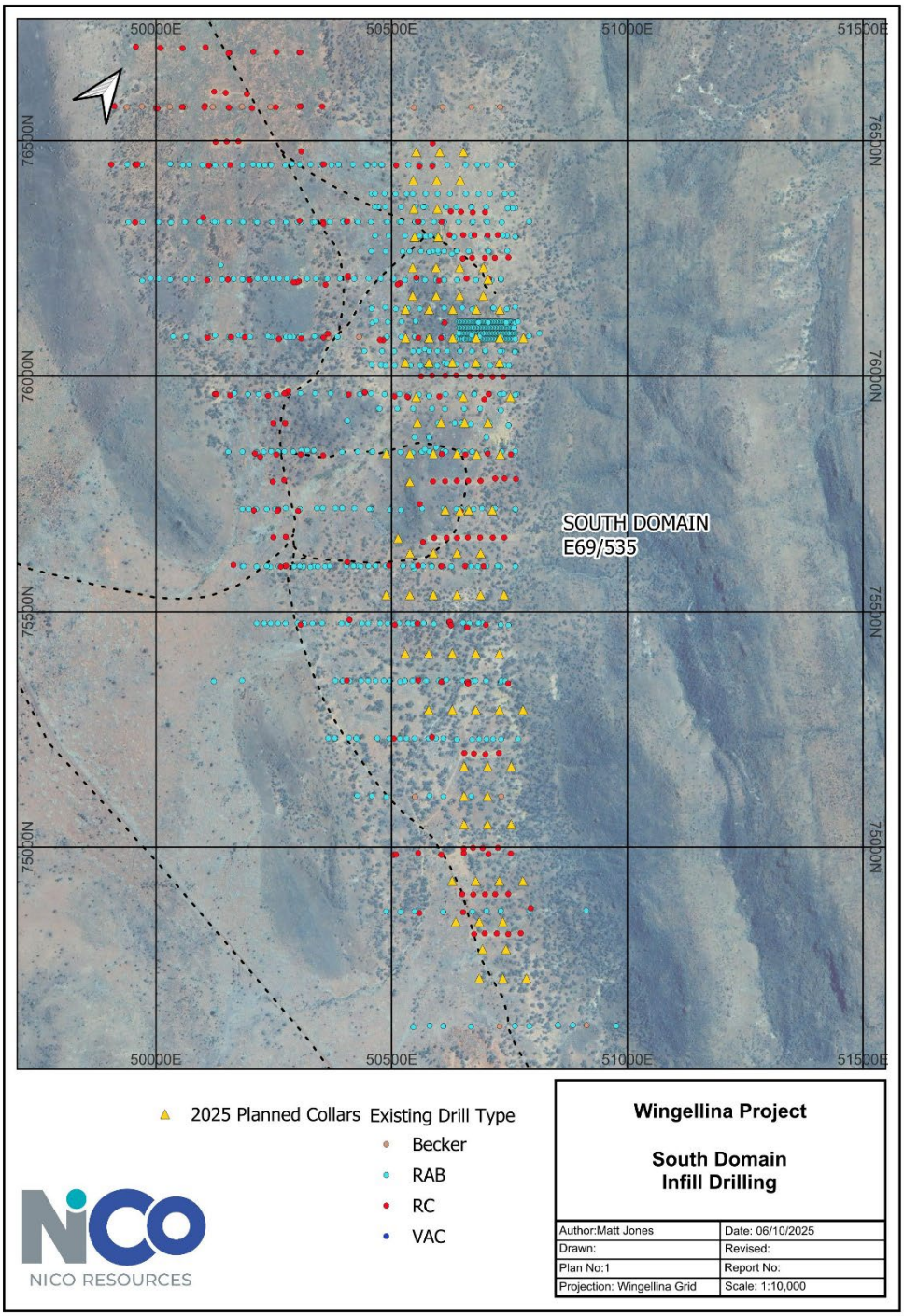

Figure 2. Wingellina South Domain RC Infill Drilling

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 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 3. Testwork has been undertaken to prove DFS level design data which will allow the metallurgical process and the project to proceed to the next phase. 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.

Ore Preparation Review

The main focus during the Quarter was the review of particle size distribution, scrubber and gravity separation data to understand the best ore preparation flow for the Wingellina Project. The critical aim being to maximise nickel and cobalt grade into the autoclave, whilst minimising deleterious acid-consuming elements such as magnesium and aluminium.

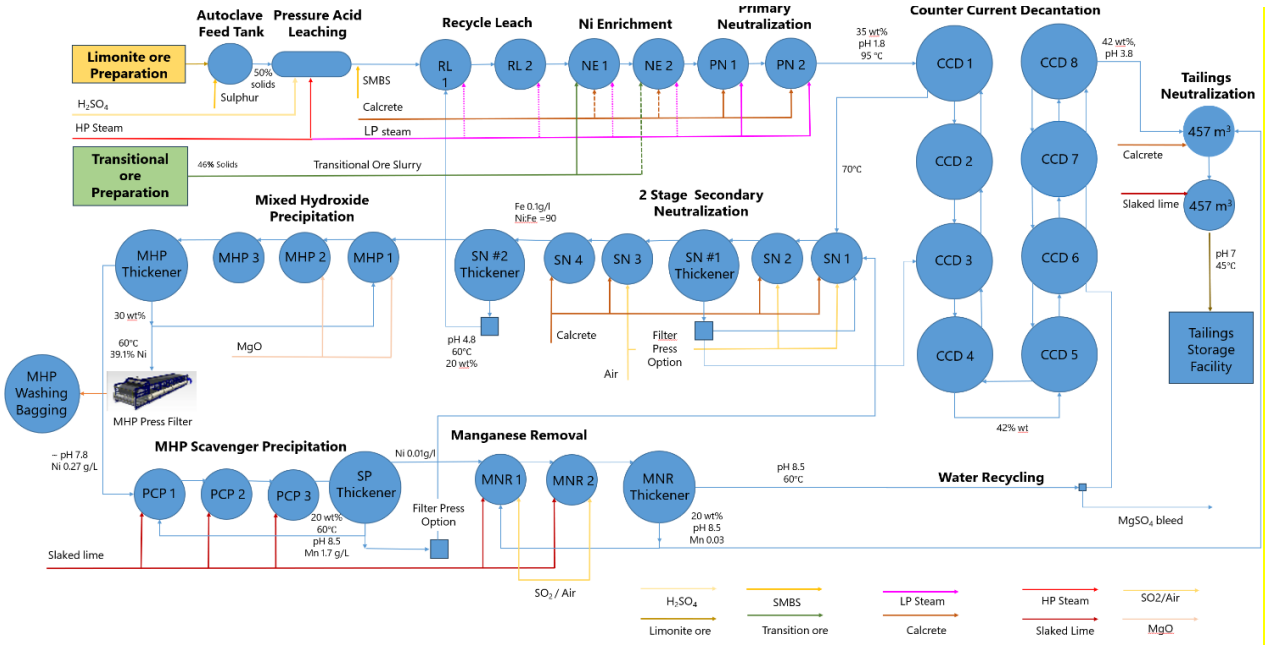

Figure 3. Wingellina HPAL flowsheet

Scrubbing Testwork

To assess the scrubbing characteristics of the Wingellina limonite ore a series of batch scrubbing tests were completed at ALS laboratories. Using material from Bauer holes WPBS003 and WPBS004 a composite sample weighing approximately 305kg was created. The scrubbing tests were conducted on 50 kg sub-samples using a drum scrubber with an internal diameter of 1,000 mm and a width of 500 mm, driven by a 2.2 kW motor (Figure 4).

Figure 4. Drum Scrubber Set up at ALS Laboratory

Scrubbing tests were initially conducted with a "natural" Particle Size Distribution of the scrubber feed ore sample ("natural" PSD means wet screening of the different particle sizes with "no" energy applied to it). These tests failed to break down a significant portion of the agglomerate material present in the Wingellina ore. Additional tests were conducted involving increased energy input, an increase in percentage solids and the addition of hard media (32mm alumina balls and 30-50mm quartz pebbles) to break down agglomerates more completely (Figure 5).

Key findings from the scrubber testwork:

- Nickel deportment follows mass distribution with the majority in the <0.075 mm fraction associated with fine iron oxide minerals;
- Cobalt exhibited a significant presence in the -0.50 +0.075 mm size fraction;
- Acid consuming minerals high in calcium and magnesium tended to upgrade in the coarse +1.0 mm fractions;
- Nickel deportment in the <0.075 mm fraction combined with magnesium and calcium concentrating the +1.0 mm fractions provides clear opportunity to concentrate nickel-bearing minerals whilst rejecting coarse acid consuming minerals rich in magnesium and calcium. Cobalt being present in the coarser size fractions is likely to be manageable due to the large contrast in density between magnesium and calcium-rich minerals compared to cobalt-rich manganese oxides. This will be discussed further in the section considering gravity separation testwork.
- An example of element deportment per size fraction for the natural particle size distribution scrubber testwork is provided in Figure 6.

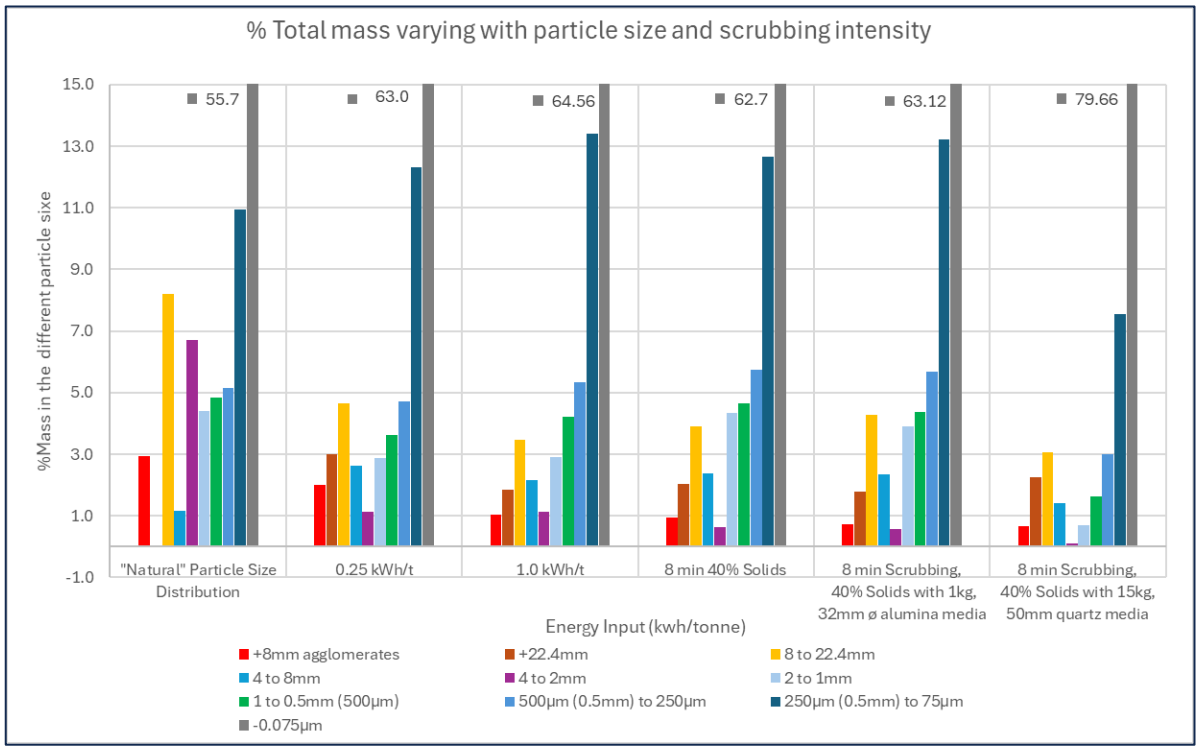

Figure 5. Drum Scrubber Set up at ALS Laboratory

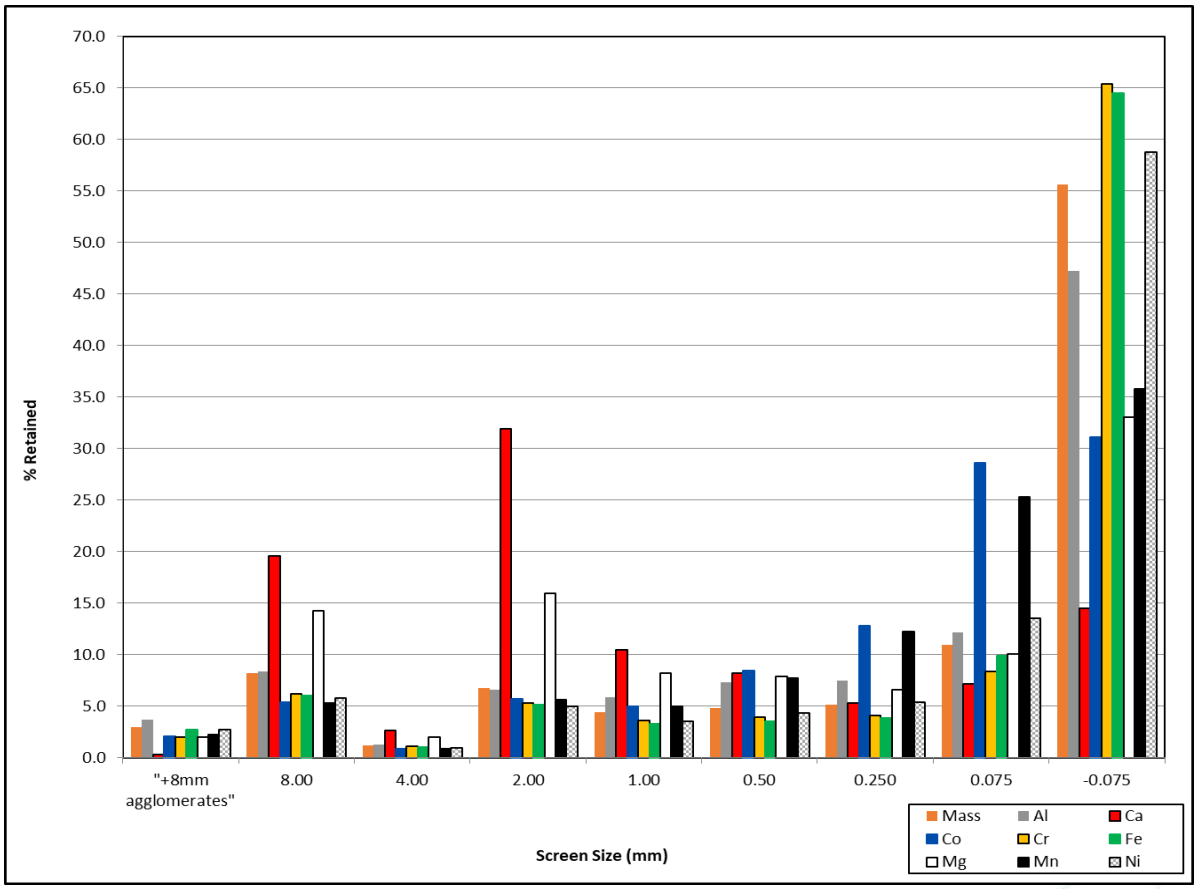

Figure 6. Limonite Batch Scrub Blend – Scrub Feed "Natural" PSD, Mass, and Elemental Distribution

Gravity Separation Testwork

Gravity Separation Testwork was completed at ALS and yielded promising results with regards to the potential upgrade of Wingellina limonite ore. Approximately 25 kg of each of four samples from the large diameter Bauer drill hole WPBS003 and 11 samples from Bauer drill hole WPBS004 were selected to cover a range of ore grades. The testwork involved a "complete" PSD on the samples, followed by fractionation into one of three size ranges for gravity separation. All samples were screened at 0.075 mm, with the <0.075 mm screen fraction being the leach feed. The +0.075 mm screen oversize was further screened at a "reject" size of either 2.0 mm, 1.0 mm or 0.50 mm. The material between 0.075 mm and the nominated "reject" size became the gravity feed. The prepared samples were processed over a Wilfley wet shaking table (Figure 7).

Key findings from gravity separation testwork:

- Chromite appears to be scarce in the Wingellina limonite ore and the chromium present exists within the lattice of fine goethite minerals rather than in coarse chromite. As the chromium distribution is predominantly in the fine fraction it is therefore highly unlikely that chromite will accumulate or cause excessive wear in the autoclave and associated pipework.
- A number of samples exhibited elevated distribution of cobalt and manganese to gravity concentrate. Most notable were samples A54 (20.6% Co and 15.1% Mn) and A60 (12.6% Co and 9.6% Mn). Figure 8 provides mass, Co, Cr, Mn, Ni and Si distribution for sample A54 as an example. Although not the initial aim of the testwork, the results show that there is good potential to separate coarse, dense nickel and cobalt-rich manganese oxide material from unmineralised coarse material rich in magnesium and calcium. Asbolane is the dominant manganese oxide mineral and has a density of nearly 9 g/cm^3. Magnesite is the main coarse magnesium-bearing mineral which has a density of around 3 g/cm^3. The significant contrast in the density of mineralised coarse material compared to unmineralised coarse material rich in deleterious elements highlights the potential to differentiate the minerals via the use of hydrocyclones in the ore preparation circuit. This would provide an additional means to increase nickel and cobalt grades and decrease magnesium and calcium grades before injection into the autoclave. The resulting reduction in acid consumption would have significant cost benefits to the project.

Nico will use the results obtained to date to plan future sampling and testwork as well as quantifying further the potential economic benefits that may be achieved by the scrubbing and gravity separation of Wingellina ore. Understanding this with assist guide and prioritise future testwork and spending.

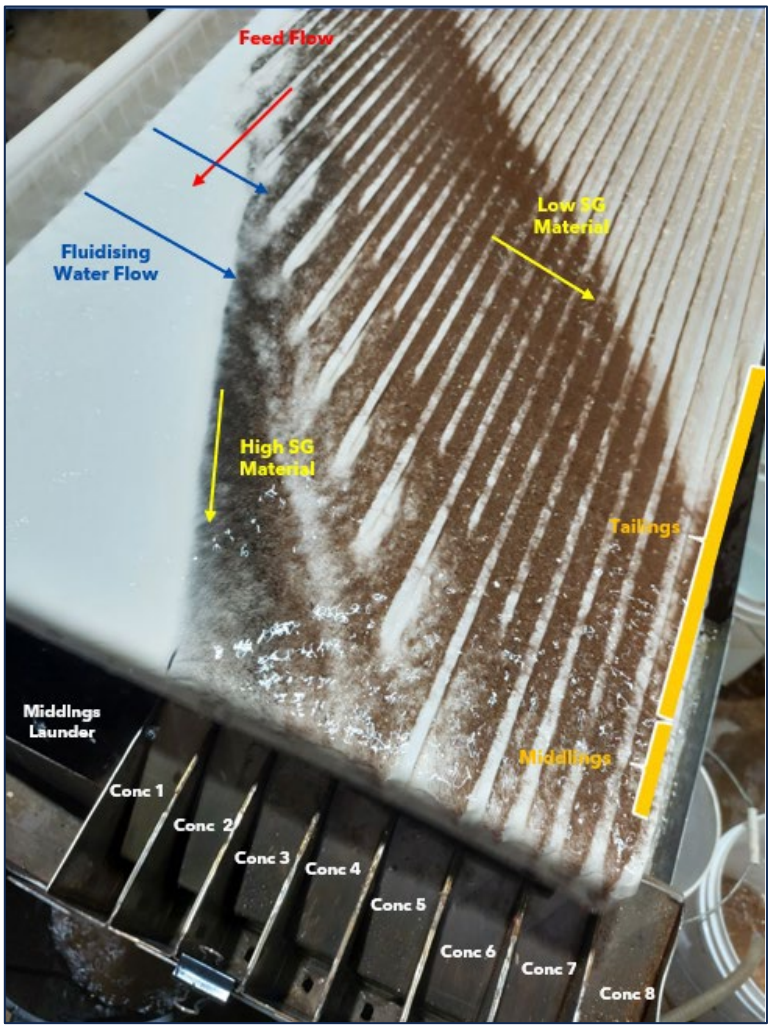

Figure 7. The Wilfley table in operation

By far the most common ore preparation process used ahead of commercial hydrometallurgical processing of nickel oxides is the removal of a coarse fraction from the feed which has a lower nickel content than the finer material. This is certainly the case with Wingellina ore where the vast majority of the nickel is contained within the fine fraction below 0.075 mm. It is anticipated that a trommel will be incorporated into the ore preparation circuit for the rejection of coarser materials followed by attritioning of the courser fraction and the use of hydrocyclones ahead of the leach process. Previously testwork has indicated that an upgrade in nickel head grade of around 10% can be achieved through this simple method whilst rejecting many of the acid consuming elements which are present in the courser size fractions.

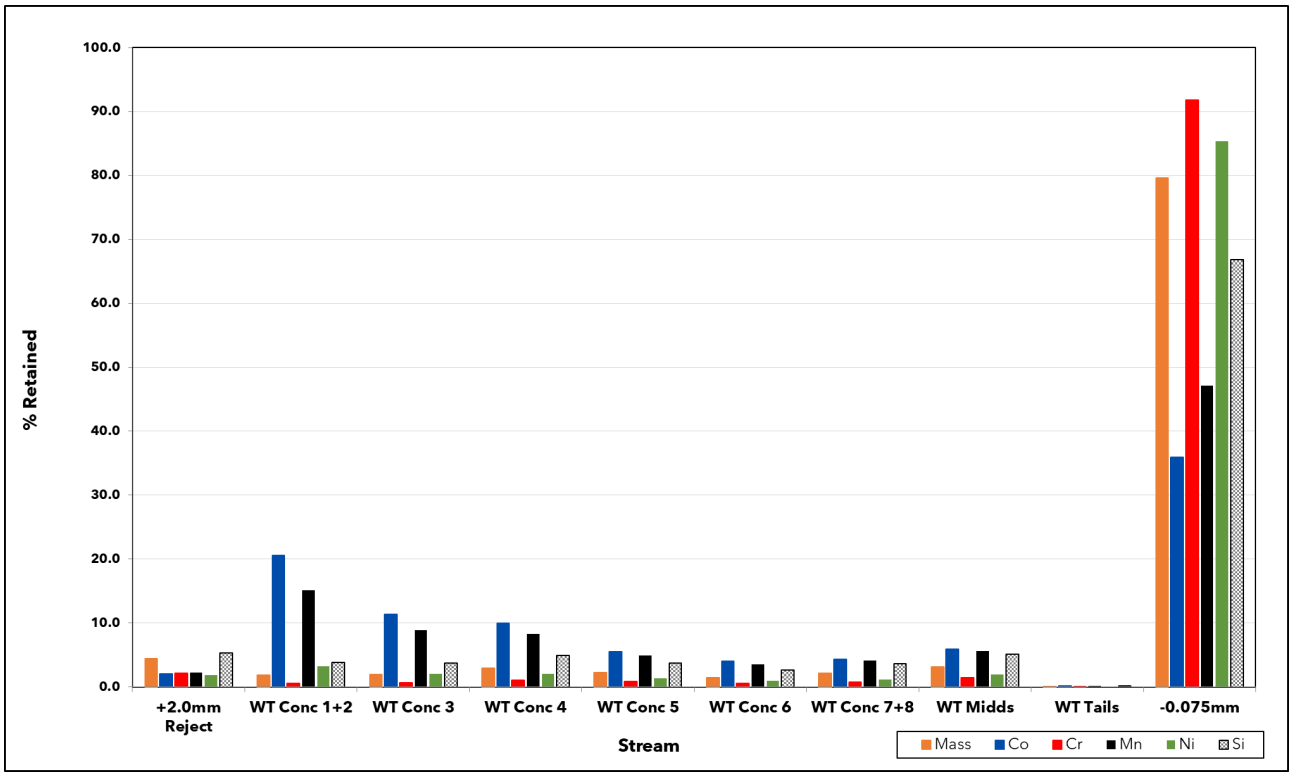

Figure 8. WSPB004 Sample A54 – Mass, Co, Cr, Mn, Ni and Si Distribution

Review of Scandium content

Following the sweeping export controls on scandium imposed by China and its impact on scandium supply and pricing, the Company conducted a review of the scandium content and variability in the Wingellina ore and reviewed possible extraction alternatives. The United States, Canada, Australia and the European Union have listed scandium as a "critical" mineral and current supply is dominated by China and Russia.

Although the current scandium market is small at around US$0.75 billion it is experiencing a growth rate of around 15% per annum driven by accelerating adoption of aluminium-scandium alloys in aerospace and defence applications and scandium-stabilized solid-oxide fuel cells. Scandium is produced primarily as a by-product from the waste streams of rare earths, uranium and titanium dioxide processing and the absence of reliable, secure, stable long-term production has limited the commercial applications.

Wingellina limonite ore has a scandium grade of around 55 ppm (see Table 2) and contains around 9,200 tonnes of Sc or 14,111 tonnes of Sc_2O_3 (Equivalent). The Taganito nickel HPAL operation in the Philippines produces around 7.5 tonnes/year of Sc_2O_3 from the waste streams of the HPAL process and the scandium content of Taganito ore is around 20 to 25 ppm.

With scandium's significance as a critical mineral increasing, Nico continues to explore options to add value to the Wingellina project by evaluating scandium extraction in its process flow. It should be noted that the confidence of the scandium estimate is lower than that of nickel with the majority of scandium assays confined to RC drilling conducted post-2016 which focussed on fifteen proposed high-grade pits.

The behaviour of scandium extraction was also considered in the bench-scale testwork conducted at ALS and scandium varies from less than 10 ppm to 390 ppm in the ore. A positive relationship can be observed between iron content and scandium indicating scandium exists substituted into the goethite lattice. In the bench-scale testwork it was determined that scandium was readily taken into solution during the ore treatment process. The Nico process team have identified four potential points in the existing HPAL process flow where scandium

could be extracted. Progress has been made identifying suppliers of specialised resin to facilitate efficient extraction of scandium from the process liquor. Nico will continue to assess value-adding opportunities such as scandium at the Wingellina Project. Planning of future sampling and testwork will take this into consideration such that the potential for scandium extraction can be effectively evaluated.

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 production 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 current nickel price weakness directly reflects the market's fundamental imbalance between supply and demand and the continued buildup of LME warehouse inventories provides visible evidence of excess material in the market, which is likely to constrain price recovery potential in the short term. 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 50% are currently cash flow negative) and potentially impacts on investment decisions for new projects. We would not be surprised to see further curtailments in production which will have a positive impact on the expected surplus and prices may rebound accordingly earlier than expected.

The Indonesian Government has 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;
- Imposing sanctions on companies with missing reclamation and post-mining guarantees.

Despite these regulatory tightening efforts, Indonesian nickel production has continued its upward trajectory with minimal impact thus far on overall output. Future policy amendments or imposition of new regulatory changes by the Indonesian Government policies are likely to be a major swing factor for nickel prices in the short to medium term.

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 September 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 late December 2024, the Archaeological report for the Lewis Calcrete area, Cobb Embayment area and the Giles-Mulga Park Road, completed by Maru Consulting in April 2024, was provided to Nico by the Ngaanyatjarra Council ("NGC") for review. The Company has reviewed and provided comments to the NGC on this report. Nico also received a draft of the Heritage report from NGC Land and Culture in late December which related to work programs conducted by Nico in July 2024 on the Cobb Embayment, Lewis Calcrete and Giles-Mulga Park road. Nico are awaiting final reports from NGC following our comments provided to the NGC in the March Quarter.

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 anticipated within the next quarter.

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 December 2025 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 the opportunity for scandium production from the Wingellina HPAL plant.
- 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 $2,926,607. Exploration and Evaluation expenditure during the quarter was $455,397.

Capital Structure[2] as at 30 September 2025

Description	Number
Fully paid ordinary shares	123,450,575
Unlisted Employee options (various)[1]	6,125,000
Unlisted Performance shares	2,500,000

Major Shareholders

The current major shareholders of the Company (as at 30 September 2025) are:

- Ajava Holdings Pty Ltd (P Cook) 11.49%
- Metals X Limited 7.48%
- Norfolk Enchants Pty Ltd 5.43%

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 rte or email info@nicoresources.com.au.

Jonathan Shellabear
Managing Director/CEO

Amanda Burgess
Company Secretary

[2] See various 3B announcements for details.

`

NICO RESOURCES LTD

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^2 located within Western Australia and South Australia adjoining the Surveyor Generals Corner (the junction between Western Australia, the Northern Territory and South Australia).

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

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

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

COMPETENT PERSON'S STATEMENT

Exploration

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

Resources

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

Ore Reserves

The information in this report that relates to ore reserves is based on information compiled by Mr Michael Poepjes, who was a previous employee of Metals X in 2016, a member of the AusIMM at the time and a "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 September 2025

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 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	(269)	(269)
	(e) administration and corporate costs	(190)	(190)
1.3	Dividends received (see note 3)		
1.4	Interest received	12	12
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)		
	Rent income	193	193
1.9	**Net cash from / (used in) operating activities**	**(254)**	**(254)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(455)	(455)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 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**	(455)	(455)

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

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,635	3,635
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(254)	(254)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(455)	(455)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,926**	**2,926**

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	58	65
5.2	Call deposits	2,868	3,568
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,926**	**3,635**

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	114
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)	(254)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(455)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(709)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,926
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,926
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	4.13

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: 24 October 2025

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

Notes

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

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

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

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

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