

Wingellina Project

Project Update 1

September 2023



Wingellina Nickel Cobalt Project

NICO RESOURCES (ASX:NC1), an Australian mining company, is developing Australia's largest (by reserves) undeveloped nickel-cobalt project.

Nico released the results of the Wingellina Pre-Feasibility Study (PFS) in December 2022 confirming Wingellina to be a globally significant critical mineral asset with a 42-year life of mine and production of approximately 40,000tpa of nickel and 3,000tpa of cobalt. The Wingellina Project is characterised by its long life, low cost and high operating margins.

When operational, Wingellina will produce nickel and cobalt (in an intermediate product) for the electric vehicle and energy storage industries, in alignment with WA's battery strategy and the Federal Government's critical minerals strategy.

Status Q4 2023

Nico is currently conducting studies in preparation for the next stage of development. They include sourcing calccrete locally, sourcing a water source closer to the Project and initiating pilot plant studies; as well as engineering, metallurgical, geotechnical, logistics and environmental studies.

Heritage surveys, are conducted before on-country work including archaeological and anthropological investigations.

Whilst the task to source a strategic partner to invest in this circa A\$3B project continues, so does Nico's drill planning and resource modeling, as Nico seeks to further refine the resource and understanding of the ore body.

A major focus for Q4 2023 is further study to determine the optimal logistics and transport routes and outcomes.

Wingellina Aboriginal Community near the triple junction of the NT, SA and WA borders is 1100kms from Kalgoorlie, 160 kms from Warakurna and 8 kms from the SA border.

Project Overview

THE WINGELLINA PROJECT comprises a high-grade deposit with proposed integrated mining and processing of ore to produce nickel and cobalt.

The Project will involve traditional open pit mining. The mined ore will be crushed, screened and processed on-site into a Mixed Hydroxide Precipitant (MHP) which will be transported to port for shipping to global customers.

Wingellina is close to being development ready. The Wingellina Project involves:

- Production of the nickel-cobalt limonite mining operation.
- Construction and operation of the proposed process plant.
- Construction and operation of the proposed infrastructure associated with the mining operation.
- Transportation of goods to the mine and of MHP from mine to port for export to customers; or to a value adding facility.

Contact us to get more information or to request a meeting.

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Next Steps 2024

Key planned activities during 2024 are to:

- Commence the Bankable Feasibility Study, based on the outcomes of extensive metallurgical test work, engineering and logistics studies.
- Progress all required approvals.
- Determine the optimal logistics and transport routes; port, rail, road and air; inbound and outbound.
- Develop alignment options for Irrunytju Road upgrade to RAV10, a 40km calcrete haul road; and water pipeline from Cobb Embayment to the Wingellina site.
- Design engineering of the mine and processing plant.
- Progress strategic partner discussions to invest in the Wingellina Project.

Benefits

- ✓ A\$100B - \$150B in revenue over 42 years.
- ✓ Approximately 1250 construction jobs and 400 operational jobs for life of mine.
- ✓ Regional development, business opportunities, training, jobs, shared infrastructure, services and community upgrades.
- ✓ Renewable energy will power up to 95% of the operation, whilst producing a commodity that would contribute to decarbonisation.
- ✓ Estimated (Sept 23) total tax payable over life of operations is more than \$4.2B; and State royalties more than \$1B.

2023 Logistics

A combination of sea, rail and road transport provides the best option for inbound and outbound freight for the Wingellina Project.

Current studies support the use of the Central Australian Railway to haul freight and sulphur from Darwin south to an existing siding (where it would be offloaded, stored, reloaded to quad road trains,) and hauled on the upgraded Lasseter Highway to the Irrunytju Road and on to Wingellina. The haulage distance from a rail siding to Wingellina will be around 800kms.

Export of the final product, mixed nickel and cobalt hydroxide (MHP) is by the same routes as inbound materials and reagents.

- The *Irrunytju Road* forms part of the Gunbarrel Highway and needs to be upgraded from RAV4 to RAV10 to accommodate quad road trains.
- The *Cobb Embayment*, about 70kms north of Wingellina and adjacent to Irrunytju Road, is the preferred project water supply source. A pipeline connecting this bore field to the mine is planned to run adjacent to the Irrunytju Road to site.
- *Calcrete* is required for the neutralisation process in nickel concentrate production. A suitable deposit is located 30kms north of Wingellina. A *private haul road* will be constructed.

Nico is undertaking alignment studies to inform road designs and both environmental studies and community consultations, during Q4 2023.

The studies will develop alignment options for the Irrunytju Road upgrade to RAV10; Irrunytju Road deviation; the calcrete haul road; and a water pipeline.

In 2024, during the Definitive Feasibility Study, Nico will progress road designs.

Following a successful project funding campaign, and during the pre-construction phase of project development, Nico will upgrade the Irrunytju Road to RAV10 and construct a private road connecting the calcrete deposit to the mine site.