

SUSTAINABILITY REPORT

FY23

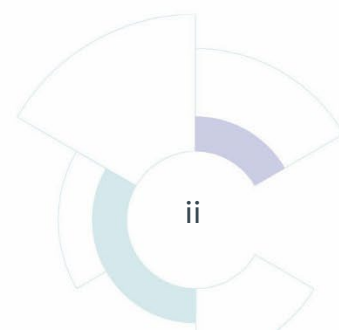
Developing a world-class nickel-cobalt project
for the benefit of all stakeholders



ACKNOWLEDGEMENT TO COUNTRY

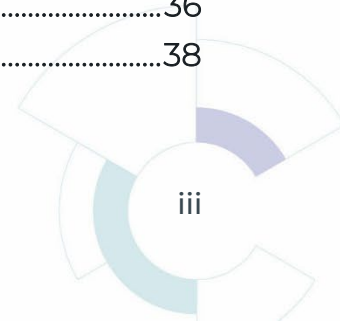
Nico acknowledges the Traditional Custodians of the lands upon which we operate, the Pitjantjatjara People and Ngaanyatjarra People. We recognise their unique cultural heritage, beliefs and connection to these lands, waters and communities. We pay our respects to all members of these Indigenous communities, and to Elders past, present and emerging. We recognise the importance of continued protection of cultural, spiritual and educational practices.

Industry Associations: Nico Resources Ltd is a member of the Association of Mining and Exploration Companies (AMEC), which represents Australia's mineral exploration and mining industry.

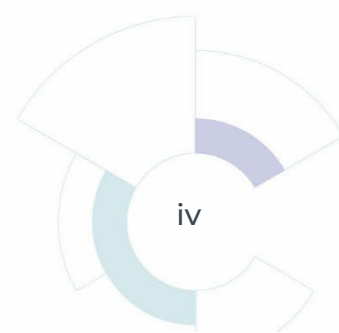


Contents

1	Message from our Managing Director.....	1
2	About NICO.....	3
	Our Projects.....	2
	How are Nickel and Cobalt used?	4
3	Approach to Sustainability.....	6
	About this Report.....	7
	Materiality Assessment.....	7
	Assessing our Impacts	8
	United Nations Sustainable Development Goals.....	10
4	Stakeholders.....	14
	Traditional Owners and the Local Community	14
	Other stakeholders.....	14
5	Socio-Economic Benefits.....	16
	Irrunytju Community.....	16
	Employment Opportunities.....	18
	Education and Training.....	20
6	Cultural Heritage.....	22
6	Environment.....	24
	Biodiversity.....	25
	Water Stewardship.....	27
	Closure and Rehabilitation	27
	Waste	28
7	Climate Change	30
8	Our team.....	34
	Attraction and Retention.....	35
	Diversity and Inclusivity.....	36
	Health, Safety and Well-being.....	38



9	Governance	39
	Governance structure.....	39
	Ethics and conduct	41
	Risk management	41
	Cybersecurity.....	41
	Supply chain.....	42
10	Going Forward – FY24 Sustainability Targets	43



1 Message from our Managing Director

Since inception in early 2021 Nico Resources Ltd has steadfastly focussed on the development of our flagship Wingellina Nickel-Cobalt Project in Western Australia. This work culminated in the release of the pre-feasibility study in December 2022 which was an update of the previous study completed by Metals X Limited in 2008. The pre-feasibility study characterised the Wingellina Project as a globally significant Tier 1 asset with the following attributes:

- A long life: Initially 42 years based on current reserves.
- Large scale production: Approximately 40,000tpa of contained nickel and 3,000tpa of contained cobalt per annum.
- Significant ore reserves: 168.4Mt at 0.93% Ni and 0.07% Co for 1.56Mt of contained nickel and 123Kt of cobalt.
- Low cost: Situated in the 1st - 2nd quartile on the global cost curve.
- High operating margins: around a 50% to 60% EBITDA margin (based on a nickel price of US\$21,500 /tonne).

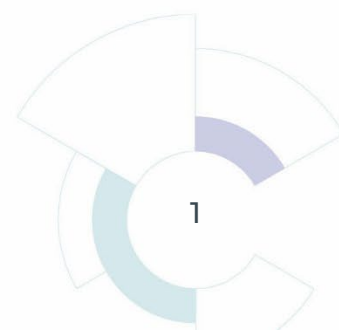
During calendar year 2023 Nico Resources has continued to build the capability of its team to advance the Project through the next steps towards commencing a definitive feasibility study and ultimately construction and operations.

As mentioned by our Chairman in the 2023 Annual Report, *"The Company has attracted an outstanding group of senior industry executives with vast global experience in the development and operations of HPAL nickel/cobalt projects who will work with Nico on various aspects of the project to further de-risk and progress the project's development."*

The work streams currently underway to progress the project toward development include:

- Ongoing Metallurgical testwork and studies to further refine the processing flowsheet.
- Studies on geological resources and reserves and mining studies.
- Environmental and heritage surveys in close collaboration with the traditional owners and the Ngaanyatjarra Land Council.
- Review of Non-Process Infrastructure including review of power, water, and transport options for the project.

Whilst progress towards developing and implementing our sustainability strategy is in its infancy, it is clear that the Ngaanyatjarra Lands people, on whose land we have been granted the privilege to operate, are pivotal to our sustainability strategy. We have developed a strong and constructive relationship with the Traditional Owners and the Ngaanyatjarra Land Council over a long period of time which is based on solid foundations of open and effective communication, honesty, and respect. A Native Title Agreement for the development of the Wingellina Project was signed in July 2010 and registered as an ILUA in October 2011 which details our commitments to the Traditional Owners and the Ngaanyatjarra Council from the Project's implementation.



Key ESG achievements over the past year include:

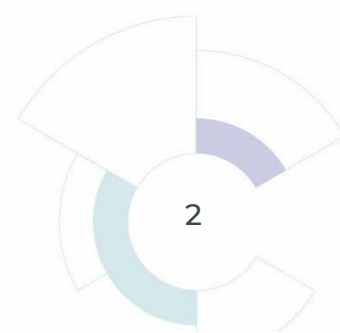
1. Thorough on-going stakeholder engagement, especially with Traditional Owners and the Ngaanyatjarra Council representatives;
2. Initiation of systems development including policies, management plans, and procedures;
3. Outlining our sustainability strategy and establishing our values as an organisation;
4. Building our core team of specialists; and
5. Ensuring community support is integrated into our everyday operations at Wingellina.

This inaugural Sustainability Report begins a transparent approach to our sustainability journey, and we have hit the ground running with some worthy initiatives developed over the past year. I look forward to building on our efforts and reporting our progress in the years to come.

Although we may currently be a small company, we recognise the importance of operating within a framework that strives to achieve impeccable environmental, social and governance credentials. We are committed to achieve positive long-term social, environmental, and economic outcomes for all our stakeholders and the wider community.

Jonathan Shellabear

Managing Director



2 About NICO

Nico Resources Limited (ASX:NC1), an Australian exploration and project development company, is developing the world class Central Musgrave Project.

Nico Resources acquired the tenement packages including the Wingellina deposit, collectively referred to as the Central Musgrave Project, from Metals X Limited in 2021. The Central Musgrave Project tenements contain nickel and cobalt resources which span the Central Ranges Region across Western Australia (WA) and South Australia (SA). Metals X retains an interest in Nico through its 8.5 percent shareholding.

The Wingellina deposit is held by Nico's wholly owned subsidiary, Hinckley Range Pty Ltd. Metals Exploration Pty Ltd, Metex Nickel Pty Ltd, Austral Nickel Pty Ltd are also wholly owned subsidiaries of Nico Resources Limited.

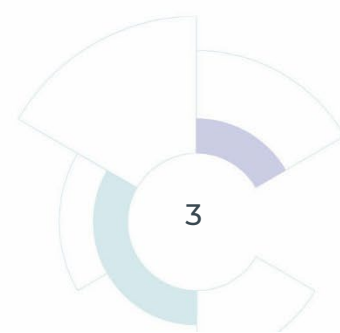
The first deposits of nickel oxides in the Musgrave Block were discovered in the Mt Davies area in 1954 by South Australian Government geologists. International Nickel Company (Inco) discovered the Wingellina deposit in 1956 and commenced focussed exploration in 1957 which continued until 1975 when the area was proclaimed an Aboriginal Reserve. Exploration activities did not re-commence until 2001 when Hinckley Range Pty Ltd entered into an access agreement with the local Traditional Owners.

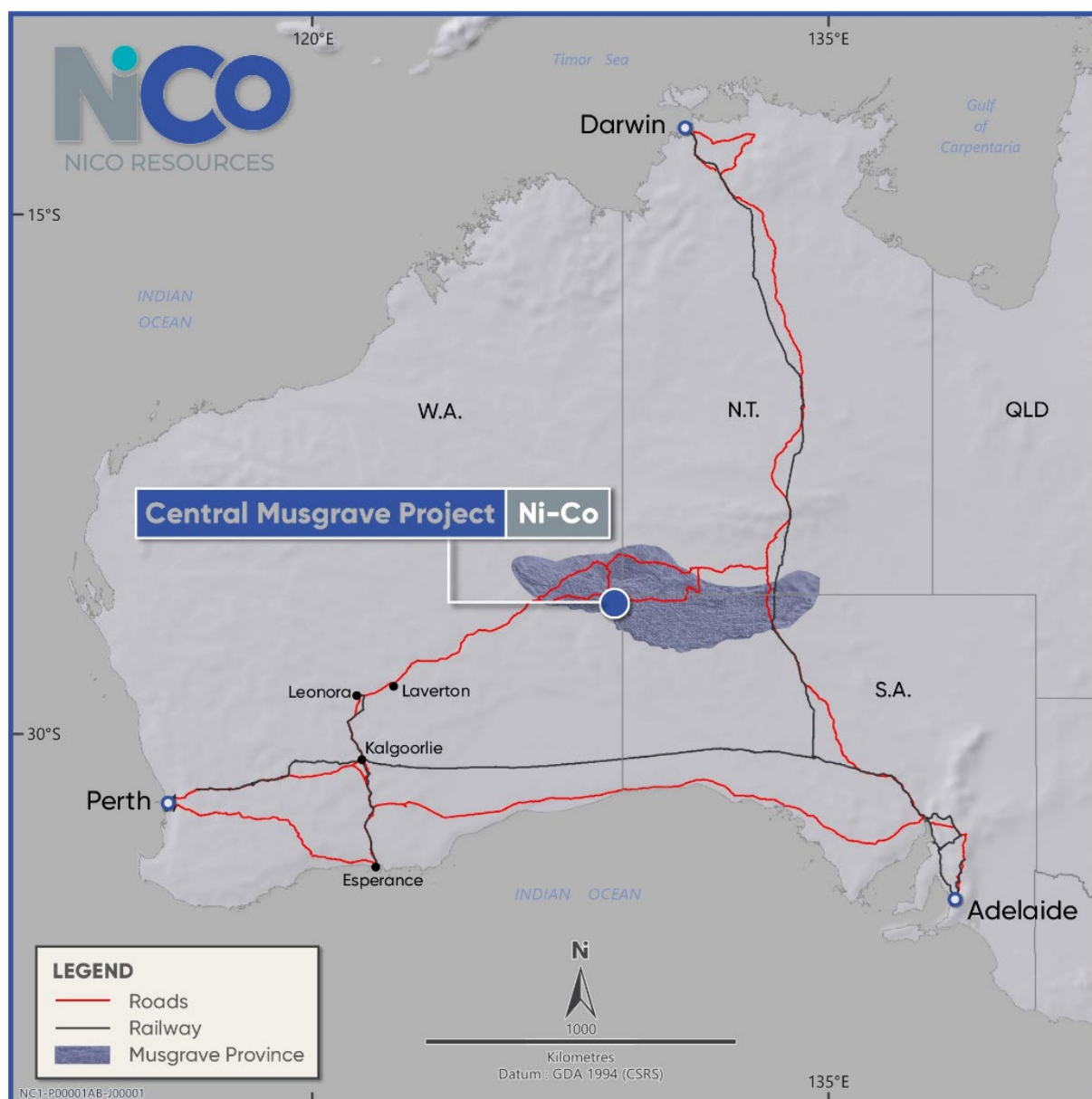
The nickeliferous limonite deposits of Wingellina, have been evaluated for over 40 years. In 2008 Metals X completed ore resource definition drilling that defined a large resource of nickel and cobalt limonite ore and completed a pre-feasibility study.

The development of Wingellina is an important development to assist in the world's energy transformation where significant additional quantities of critical minerals are required to facilitate the transformation currently underway. The development of the Wingellina Nickel Cobalt Project also aligns with worldwide support for the Paris Agreement in reducing global warming by 2030.

Nickel and cobalt are key components in batteries that are used to store and re-release energy, in hybrid and fully electric vehicles, captured from renewable energy sources such as wind and solar.

Nico has an absolute focus on moving beyond the development phase to realise the enormous potential of its flagship Wingellina Nickel Cobalt Project for the benefit of all stakeholders.





Nico Resources, an Australian mining company, is developing Australia's largest (by reserves) undeveloped nickel-cobalt project. The Central Musgrave Project tenements, which include Wingellina, contain nickel and cobalt resources which span the Central Desert Region across Western Australia and South Australia.

Vision Statement

Our vision is to become a leading provider of nickel products by unlocking the full potential of our undeveloped Wingellina Project in Australia through innovative technologies, responsible mining, environmental and heritage practices, and strategic partnerships. We aim to deliver superior value to our stakeholders while fostering economic growth and environmental stewardship.

Mission Statement

At Nico Resources, our mission is to responsibly unlock the full potential of the Wingellina Project in Western Australia while prioritising safety, environmental and social responsibility. We are committed to conducting our operations with the utmost integrity, transparency and respect for the communities and environment in which we operate through strategic partnerships, cutting edge technologies and a highly skilled workforce. We strive to maximise the value of our Project, enhance shareholder returns and contribute to the long-term economic growth and prosperity of the region in which we operate. Together, with our partners, we aim to be a trusted industry leader, creating shared value for all our stakeholders.

RIPPER Values

Our values are defined by the acronym Ripper, an Australian slang word which means awesome, brilliant, excellent. In Nico's case, it is used to describe our Wingellina Project and the people that work diligently every day to seek to make a positive difference to all our stakeholders.

Respect – *We are responsible and respect one another, are dedicated to safety and care for the environment and the people in areas in which we operate.*

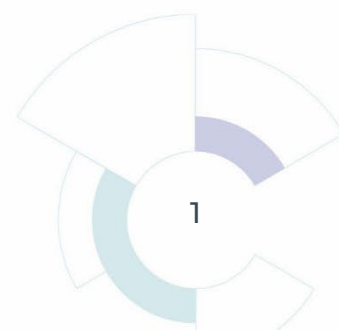
Integrity – *We behave with the highest levels of integrity in all that we do, and this is fundamental to who we are and how we operate.*

Passion – *We are passionate about our people, in the work that we do, and in our goal of making a positive difference to all stakeholders.*

Pride – *We take pride in every aspect of the work we do and the positive impact it has on all stakeholders.*

Energy – *We constantly stretch our thinking, take responsibility for making positive things happen and have fun while doing so.*

Reputation – *We build and strengthen our reputation through trust in alignment with our promises and actions.*



Our Projects

Our flagship project, the Wingellina Nickel-Cobalt Project, is situated in Western Australia at the triple junction point of the WA, SA and Northern Territory borders. The Project occurs on Ngaanyatjarra Lands (Aboriginal Reserve 17614) and is close to the Irrunytju Aboriginal Community.

Conventional low strip open cut mining and high-pressure acid leaching (HPAL) of the ore will be conducted to generate an intermediate mixed nickel-cobalt hydroxide product.

Wingellina Project

- Area of 558.59 km² of mining tenements
- 2-3 km from Wingellina community
- Status: Completed Prefeasibility Study and preparing to start the Definitive Feasibility Study
- Activities: Preparation for water exploration, geotechnical, calcrete exploration drilling, pilot and bench scale laboratory test work, flora and fauna surveys, stakeholder consultation.
- Long-term activities: Open-cut mining, and high-pressure acid leach processing.
- Product: Nickel-cobalt hydroxides and nickel-cobalt sulphides.



Central Musgraves Project

- Area of 909.25 km² of exploration tenements (excluding Wingellina)
- Tenements located in South Australia
- Status: Exploration
- Laterite deposits rich in Nickel

More information about these Projects is available in our FY23 Annual Report



Nico's flagship project, the Wingellina Nickel-Cobalt Project, is situated in Western Australia at the triple junction point of the Western Australia, South Australia, and Northern Territory borders.

How are Nickel and Cobalt used?

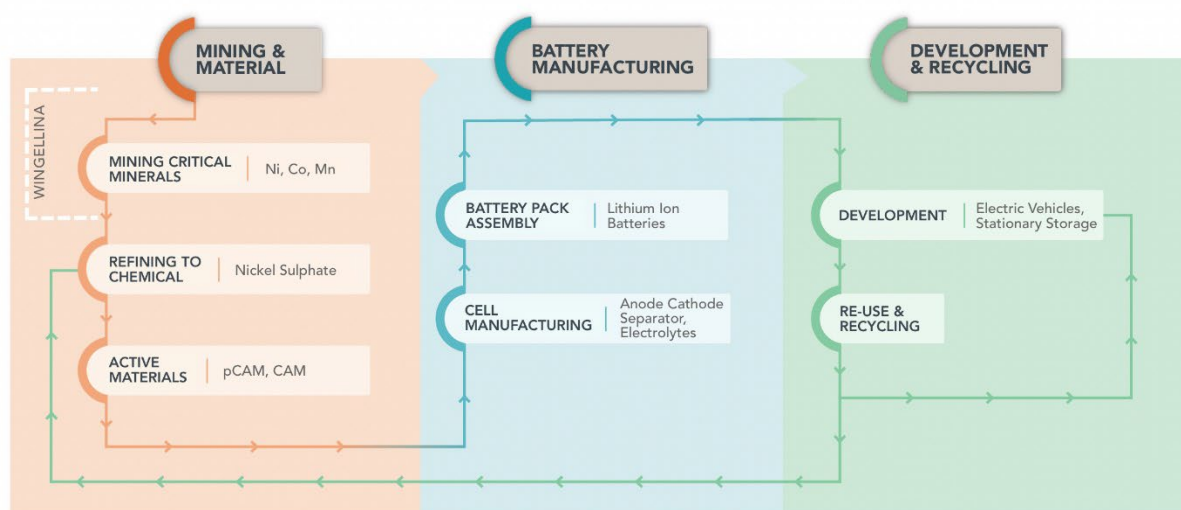
Our supply chain

Our proposed product is a mixed nickel and cobalt hydroxide precipitate (MHP), for ultimate use in supercapacitor and batteries, amongst many other uses for Nickel.

Nickel is an important component in batteries due to its high energy density and ability to store and release electro-chemical energy.

MHP is a preferred material in the production of nickel sulphate which is then used to produce pCAM (precursor cathode activate material), through advanced chemical manufacturing. pCAM is one of the main components of lithium-ion batteries and drives environmentally friendly technology.

pCAM is produced by blending the different battery grade chemicals and applying reagents to create the desired composition and physical and chemical structure. pCAM then undergoes various manufacturing steps to convert it into the final cathode active material. The cathode in a battery stores and releases ions during battery cycling, generating the energy required to power electric vehicles and other electric devices. Precursor materials have different compositions depending on the ultimate battery chemistry. For example, in lithium-ion batteries, common precursor cathode materials are nickel, cobalt, manganese (NCM) or lithium iron phosphate (LFP).



Wingellina Project Supply Chain

Uses of Nickel and Cobalt

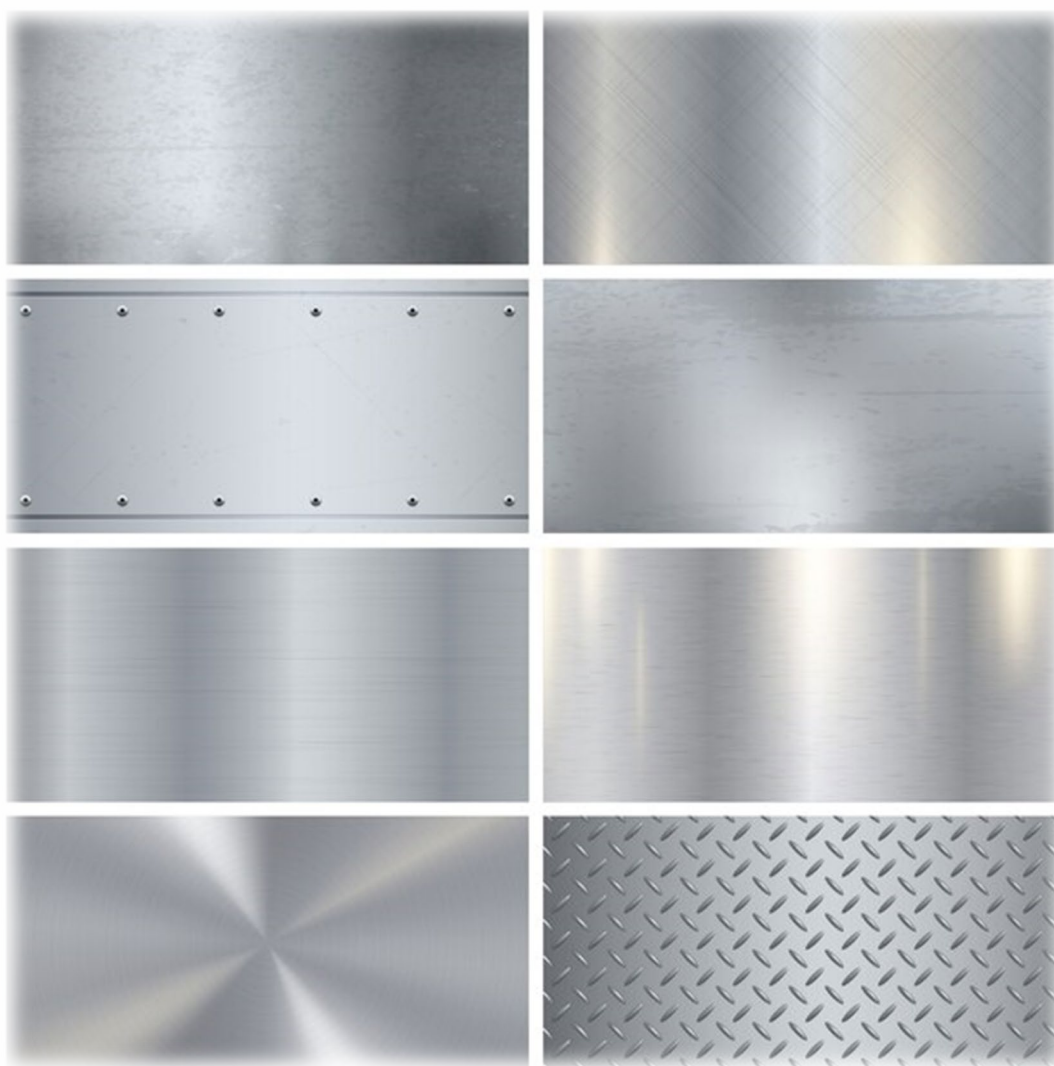
Supercapacitors are commonly used in applications that require rapid charge/discharge cycles such as electric vehicles, renewable energy storage, and consumer electronics, to name a few.

"Nickel in batteries helps deliver higher energy density and greater storage capacity at a lower cost." Nickel Institute, 2023

Nickel is used in several types of batteries, including those that are rechargeable such as Lithium-ion batteries. Up to 80 percent of Nickel, Cobalt, Aluminium (NCA) batteries and new formulations of the Nickel Manganese Cobalt (NMC) batteries are comprised of nickel.

In car batteries, Nickel enables a longer range before the battery needs to be recharged.

Nickel has many other uses as well including its use in coins, wires, stainless steel, and a variety of alloys for armour plating, turbine blades and rocket engines, to name a few.



3 Approach to Sustainability

Our sustainability strategy is centred around the value we can provide to the Traditional Owners, the Ngaanyatjarra People on whose land we operate, as well as the residents of the Irrunytju Community consisting of Ngaanyatjarra People and Pitjantjatjara People.

Key aspects of our sustainability strategy include socio-economic, cultural heritage, environment, renewable energy, our team, health, safety and well-being and governance. Our values permeate our decision-making processes, planning, interactions, and activities to ensure the success of our strategy.



About this Report

We are pleased to present Nico's inaugural Sustainability Report which highlights our progress during the past year (1 July 2022 - 30 June 2023) towards operating in a sustainable manner.

Nico has embarked on a journey to demonstrate our commitment to operating in a responsible manner that meets the expectations of our stakeholders.

Year on year our Sustainability Report will evolve to align with international standards such as the International Sustainability Standards Board (ISSB), Global Reporting Initiative (GRI) and/or Taskforce on Climate-related Financial Disclosures (TCFD).

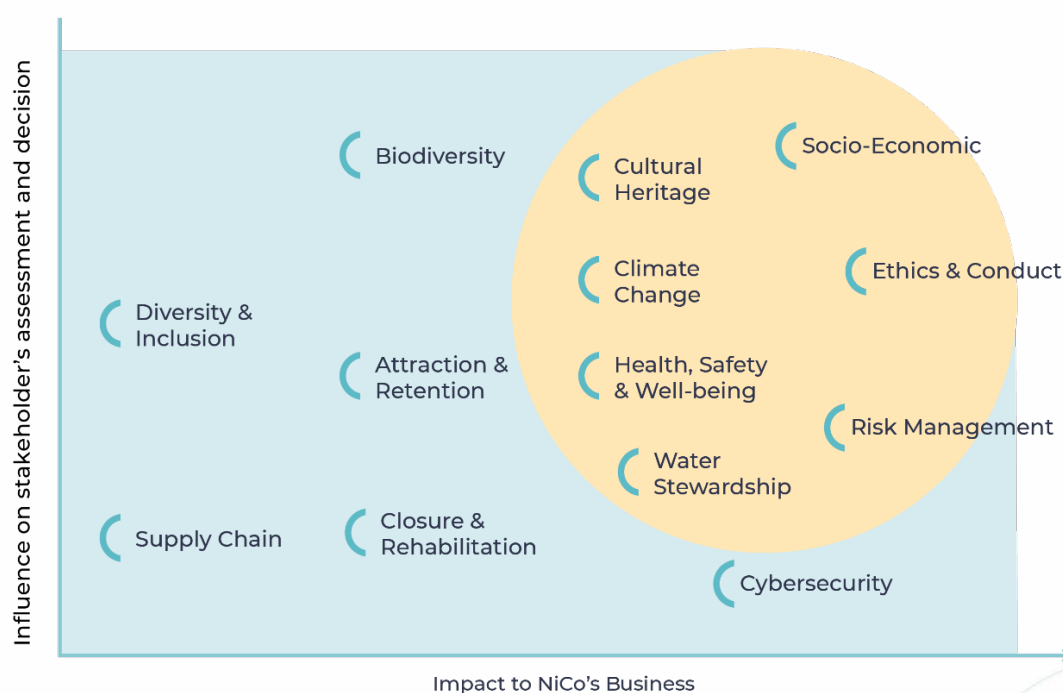
The content of this report has been approved by the Board of Nico Resources Ltd.

Materiality Assessment

Material topics have been identified by Nico via the following process:

1. A list of material topics was identified based on stakeholder consultation records (external stakeholders) and in consultation with internal stakeholders.
2. Each material topic was rated based on:
 - a. Its potential to impact Nico's business.
 - b. Its potential to influence stakeholders' assessment and decision-making.
3. Final review of the materiality assessment by the Managing Director and the Board.

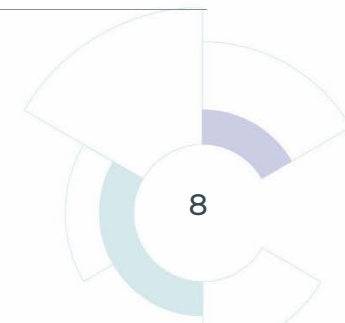
Material topics shall be reviewed by an independent party in the next fiscal year.



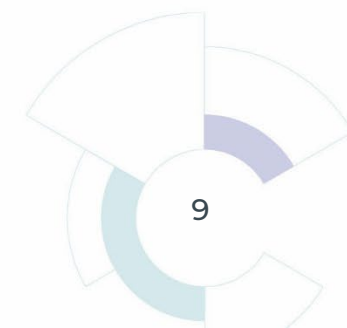
Assessing our Impacts

We have assessed our impacts under each aspect of our sustainability strategy.

Aspect	Material topic	Summary of impacts	Actual/Potential	Positive/Negative
Our team	Attraction and retention	Attracting and retaining specialists in their respective fields is essential to the development of a large mining and processing project.	Actual	Positive
	Diversity and inclusivity	Growing a diverse workforce with an inclusive culture will ensure that we are able to meet the expectations of our stakeholders.	Potential	Positive
Environment	Water stewardship	Sourcing sufficient water in a water-limited environment is positive but is still to be secured.	Potential	Negative
	Biodiversity	Protection of biodiversity values in the Central Desert Region of Australia is inextricably tied to the cultural heritage of the Ngaanyatjarra Lands People.	Actual	Negative
	Climate change	The increasing demand for battery minerals (such as Nickel, Cobalt and Manganese; our product) is required for the world's energy transformation.	Actual	Positive
		Emissions from our operations may contribute to climate change.	Potential	Negative
Cultural heritage	Impacts to tangible and intangible cultural heritage values	Cultural heritage values of the Ngaanyatjarra Lands are being recorded and preserved for future generations.	Actual	Positive
		Our operations will change the local landscape and associated intangible cultural heritage values.	Potential	Negative



Aspect	Material topic	Summary of impacts	Actual/Potential	Positive/Negative
Socio-economic	Socio-economic	The Wingellina Project Agreement provides a legal commitment to provide socio-economic benefits to the traditional owners and Wingellina Community members.	Actual	Positive
		Training and education opportunities and job creation.	Potential	Positive
		Improvement in services i.e., quality of drinking water, sewage utilities and renewable power.	Potential	Positive
		Sudden and significant increases in wealth from compensation payments can result in destructive behaviours.	Potential	Negative
Health, Safety and Well-being	Health, Safety and Well-being	Our activities inherently represent some level of risk to the health, safety, and well-being of our workforce and the Wingellina community.	Potential	Negative
		We can implement programmes, risk management, engineering, leadership, and culture to ensure the health, safety and well-being of our workforce and the Wingellina community.	Actual	Positive
Governance	Ethics and conduct	Our stakeholders' expectations shall be addressed by honouring our commitments, operating in an ethical, respectful, and transparent manner.	Actual	Positive
	Risk management	Implementing risk identification, assessment and mitigation throughout our business is essential to the success of the business.	Actual	Positive
	Supply chain management	Influencing sound governance through our supply chain ensures we meet expectations of our investors, regulators, and society.	Potential	Positive



United Nations Sustainable Development Goals


The United Nations Sustainable Development Goals (SDGs) are an urgent call for action. The SDGs address economic, social, and environmental challenges and are intended to be achieved by the year 2030.






Seventeen SDGs and 169 targets were established and endorsed in 2015 by the United Nations General Assembly.


Nico is yet to become a signatory of the United Nations Global Compact, but our actions and commitments support the Ten Principles of the UN Global Compact on human rights, labour, environment, and anti-corruption by helping to advance the broader Sustainable Development Goals (SDGs).

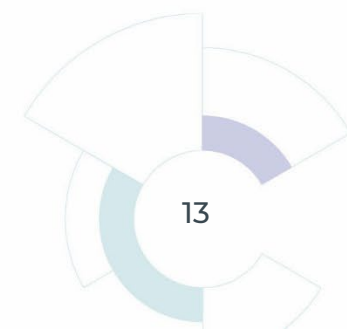
Our actions are planned or representative of the stage of the Project and demonstrate our contribution to the achievement of many of the SDGs, shown below. As the Project moves from development to the construction and then operations phases, our actions will become more significant.



SDG	Target	Nico's progress in contributing to the SDG
	1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions	The Mining Agreement ensures the Ngaanyatjarra Lands People receive royalties and compensation payments and provide employment opportunities for the community.
	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	The Wingellina Project Agreement ensures the Ngaanyatjarra Lands People receive training and education opportunities. Nico has partnered with other organisations and individuals to promote student attendance at the Ngaanyatjarra Lands School, Wingellina campus.
	5.1 End all forms of discrimination against all women and girls everywhere	Nico has a zero tolerance to discrimination of its personnel in the workplace.
	6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all	The development of a water source and implementation of a reverse osmosis plant shall ensure potable water is available for the Wingellina Project and the Wingellina Community. Water exploration activities to assess the capability of the aquifer will occur in 2024.
	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services. 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix	The planned implementation of solar and wind technology to support Nico's decarbonisation strategy will provide affordable, reliable, and modern energy to the Wingellina Community. Nico's nickel and cobalt product will meet the demand for battery minerals and contribute to renewable energy sources.

SDG	Target	Nico's progress in contributing to the SDG
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	<p>The Wingellina Project will create employment opportunities for the Ngaanyatjarra Lands People and Wingellina Community.</p> <p>In the 2022-23 fiscal year, Nico employed Ngaanyatjarra Lands People on a casual basis and initiated the employment of one traditional owner for the position of Aboriginal Liaison Officer.</p>
	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	Nico has progressed discussions with the Ngaanyatjarra Lands People and stakeholders to upgrade a 133km public road to the benefit of both the Wingellina Project and the community.
	10.2 By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Nico promotes inclusive and respectful conduct by its staff and contractors. Nico has a multi-cultural mix of team members.
	11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums	Nico has committed to improvements to basic services for the Wingellina Community as a result of the implementation of the Project.
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse	Nico utilises waste materials to create a 'home away from home' at its Wingellina 22-room camp. Vegetable gardens have been created by re-using waste obtained from the community landfill to build planter boxes and infrastructure. A worm farm converts

SDG	Target	Nico's progress in contributing to the SDG
		food waste to compost. Wingellina community members have benefited from creative efforts by our staff to re-use waste.
	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	The provision of renewable power to the township will ensure the most vulnerable members of the community are protected from temperature extremes.
	17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology, and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries	Nico has partnered with other organisations and individuals to promote student attendance at the Ngaanyatjarra Lands School, Wingellina Campus (SDG 4 Quality Education) through the provision of bicycles to support the school outdoor education program.



4 Stakeholders

The Ngaanyatjarra Lands People are our most important stakeholders.

Traditional Owners and the Local Community

The Wingellina Project is located within the Ngaanyatjarra Native Title Determination (WAD6004/2004), which covers an area of 9.8 million hectares. Native Title is held by the Yarnangu Ngaanyatjarraku Parna Aboriginal Corporation. Ngaanyatjarra Council is the agent for Ngaanyatjarra Land Council and Yarnangu Ngaanyatjarraku Parna Aboriginal Corporation.

The Project area is located entirely within Aboriginal A Class Reserve A17614, Part III which is a 99 year lease granted to the Ngaanyatjarra Land Council in 1982. The area is covered by an Indigenous Land Use Agreement (ILUA).

The Ngaanyatjarra Lands Indigenous Protection Area (IPA; Figure 1) was declared in 2002 and is the largest IPA in Australia. Ngaanyatjarra Council represents the interests of over 1,500 Ngaanyatjarra, Pintupi and Pitjantjatjara people in 11 communities and coordinates IPA activities across the Lands. The interests of the Wingellina community are represented by Irrunytju Community Incorporated.

The Ngaanyatjarra Council is a key stakeholder for the Wingellina Project given their broad governance role in the Lands. Additionally, the Ngaanyatjarra Council is responsible for the management of the Ngaanyatjarra Health Service, Ngaanyatjarra Land and Culture Program, Ngaanyatjarra Community College, Ngaanyatjarra Land Management Unit, and enterprises including Ngaanyatjarra Services, Ngaanyatjarra Air and Ngaanyatjarra Agency and Transport Services.

The Irrunytju Community (consisting of 37 residences and various community buildings) is approximately 3 km from the Project area. Extensive consultation has been undertaken with members of the Irrunytju Community and is ongoing.

Other stakeholders

Other stakeholders have been engaged for the advancement of the Wingellina Project. In addition to Traditional Owners and local community members and their representatives, key stakeholders include the Commonwealth, State and Local governments, shareholders and investors, suppliers and employees, Non-Government Organisations and contractors.

Community meetings

Consultation with the broader community was undertaken in the past year to provide an update of the status of the Project including transfer of tenements from Metals X to Nico Resources. Members of the community offered support, a desire for the township to remain in its current location and expressed their frustration that the Project had not advanced as quickly as they had expected.

Stakeholders	Engagement Activities
Local Communities This includes local residents of the Irrunytju (Wingellina) Community, their representatives, service providers to the community, and not-for-profit groups.	Face-to-face engagement, email, phone calls, community meetings and events.
Traditional Owners The Ngaanyatjarra People are recognised as the Traditional Owners of the land on which the Wingellina Project is located. The TOs have a strong connection to land and continue to practice culture. The landscape is rich in cultural heritage.	Face-to-face engagement, phone calls, implementation committee meetings, consultation at heritage clearance surveys, community meetings and cultural awareness activities.
Employees and Contractors Our team of specialists are essential to the development of the Wingellina Project.	Email, weekly management meetings, face-to-face engagement.
Government This includes commonwealth, state (Western Australia, South Australia, Northern Territory) and local governments. They are responsible for Project approvals and maintenance of local infrastructure.	Briefings, correspondence, direct engagement (meetings and phone calls), and emails.
Suppliers Initial contact with suppliers from Australian businesses and a global supply chain, where Australian suppliers cannot meet our requirements.	Meetings in person or virtually, phone calls and emails.
Shareholders and Investors Shareholders are notified of our activities and business performance.	Website, Australian Stock Exchange announcements, Annual General Meeting, quarterly and annual reports, investor meetings, phone calls and emails.

5 Socio-Economic Benefits

The Wingellina Project Agreement (ratified in 2010) provides for compensation, jobs, contracts, education, and training to improve the socio-economic outcomes for the Ngaanyatjarra Lands People.

Irrunytju Community

There is a commitment in the Agreement to assist in the relocation of the Irrunytju Community.

While there will not be health impacts to the Irrunytju Community in its current location from mining and processing activities, it was the request of some of the Ngaanyatjarra Lands People to have a new community located further away from the mine site. However, many residents in the community have expressed a desire to remain at the current site and not move to a new location.

Nico will work toward honouring its commitment to either assist with the relocation of the community to a new site or assist with upgrading the existing community. While much has been done in the past, more consultation is required to re-engage and ensure the Irrunytju community members are fully informed prior to deciding on whether to relocate.

We have continued to provide support to the community on an informal basis as and when required. This year our team have:

- Provided fuel, food, shelter and bottled water to individuals as and when needed;
- Helped with household cleaning, shopping, gardening, companionship and support for elderly residents;
- Provided clothes and shoes on request;
- Provided transport to and from nearby communities;
- Provided funeral, burial and headstone assistance;
- Conducted small household jobs for people, thereby providing a service to the community (e.g., school teachers);
- Provided cakes and foods for sporting events;
- Purchased art for our families and friends to support the local arts centre;
- Coordinated donations of sports gear from state sports teams (i.e., Fremantle Football Club, Softball WA);
- Sourced and arranged delivery of 30 bicycles to support the school;
- Hosted regular school lunch excursions and community barbeques;
- Granted use of machinery and equipment;
- Made exploration agreement compensation payments via the Ngaanyatjarra Council;
- Participated on the local football team to make up the number of players.

We consider this to be good neighbourly support. Our team members gain a sense of satisfaction from doing their part to help.



Employment Opportunities

Nico provides employment to Traditional Owners, where possible. During FY23, four Traditional Owners were employed to support an exploration drilling program, surveying drill collars and sample collection for metallurgical test work. All employment in the past year has been on the basis of casual employment.

Summary of Traditional Owner employment by Nico

Type of employment	# days	# of Traditional Owners	Activity
FY23			
Casual contract	6.25	1	Pegging planned drill hole locations
Casual contract	2.50	1	Drill rig sampling assistant
Casual contract	3.50	1	Surveyor assistant
Casual contract	1.00	1	Drill sample collection
Casual contract	1.00	1	Drill sample collection
Casual contract	2.00	1	Drill sample collection

Going forward Nico will engage Traditional Owners, via the Ngaanyatjarra Council to participate in heritage clearance surveys, and as cultural heritage monitors.



EMPLOYMENT

Indigenous Liaison Officer

In 2023 Nico re-commenced the process to engage a Traditional Owner as an Indigenous Liaison Officer. This position will be determined and approved at the first Implementation Committee Meeting in Q1, FY24.

Implementation Committee

Traditional Owner representatives are nominated by the community for Implementation Committee positions and are reimbursed for attendance at the Implementation Committee Meetings. The purpose of the Implementation Committee is to:

- Review and report to the Beneficiaries, the Ngaanyatjarra (Ng) Council and the Company
- Consult with the Ng Lands People on:
 - Community or cultural heritage concerns
 - Access to the Agreement area by the People
 - Environmental protection and rehabilitation
 - Cultural awareness training and information
 - Cultural and social needs of Aboriginal employees.
- Act as a forum to identify and review economic opportunities for Ng Lands People:
 - Employment
 - Contracting opportunities
 - Job specific training or initiatives
 - General education and training including “stay at school” initiatives.



Education and Training

Nico is keen to support education initiatives, that will underpin the development of essential life skills.

During the feasibility phase of Project development, our focus is on providing support to the local Ngaanyatjarra Lands School, Wingellina Campus which offers education for children from years one to year nine. Our support includes:

- “Stay at school” initiatives;
- Facilitating school excursions; and
- Mentoring opportunities.



Nico worked with Softball WA who kindly donated kit for the local Wingellina women's softball team who play competition with other communities in the Ngaanyatjarra Lands.

COMMUNITY

Partnering to supply bikes to support education programs.

At the request of the Ngaanyatjarra Lands School – Wingellina Campus, Nico coordinated the provision of 30 second hand bikes. In doing so, Nico partnered with:

- Parents and students of Frederick Irwin Anglican School who donated the bikes;
- Falcon Lion's Club volunteers who serviced the bikes and donated parts;
- Giant Bike Shop (Mandurah), which provided bike parts at cost;
- Ranger Transport Services, which transported the bikes from Mandurah to Perth; and
- Ngaanyatjarra Agency and Transport Service (NATS), which transported the bikes from Perth to Wingellina.

The bikes provide the school with another tool to encourage children to attend school and are used in the outdoor education program, as well as community-based youth activities.



6 Cultural Heritage

The Ngaanyatjarra Lands are rich in cultural heritage values, that are both tangible and intangible.

Sweeping landscapes of inland dune systems, spinifex grasslands, pockets of calcrete outcrops and hilly ranges are characteristic of the Central Ranges biogeographical region, where the Ngaanyatjarra Lands People have resided for many generations.

These sweeping landscapes occur over thousands of hectares and are sparsely populated compared to other areas of Australia. Colourful and interesting storylines cross hundreds of kilometres providing insights into the nomadic past of Traditional Owners and have likely persisted for thousands of years as our ancient lands have evolved.

The landscape is saturated with areas where bush tucker is collected at various times of the year.

The Ngaanyatjarra People continue to speak in language with English being their second language.

Popular storylines are often the inspiration and subject of Aboriginal artists who create traditional dot paintings as well as contemporary works, woven baskets, and carvings.

This desert area where water is sparse, and temperatures soar to over 40°C has mostly remained unaffected by European land uses. For this reason, the area has been designated as an Aboriginal Reserve by the Western Australian government and thus any activity must occur with approval from and to the benefit of the Traditional Owners.

Rock pools, artefacts, sacred sites and other cultural heritage sites continue to be mapped and recorded by anthropologists and archaeologists during heritage clearance surveys. The surveys serve to consult with the Traditional Owners on country and determine the significance of the sites that have been described. The Project has avoided significant cultural heritage sites to-date.

CULTURE

Cultural Awareness: Cooking and tasting kangaroo tail

The Nico team has been welcomed by people of the Irrunytju Community (Wingellina). Two of our team members were treated to a late afternoon excursion where they were instructed on how to prepare a campfire to cook kangaroo tails. Two tails were placed on the fire and removed after a short time. The burnt fur was rubbed off the tail with a stick. The tails and some potatoes were then wrapped in foil and buried under hot coals. Once the sun had sunk, the meal was taken off the fire, and placed on a bed of Acacia branches. The meat was succulent, very tender, and delicious.

“We felt very privileged to have been given this cultural experience.” Lara Jefferson, Head of ESG.



6 Environment

It is imperative that we operate in an environmentally responsible manner that includes on-going consultation with the Ngaanyatjarra Lands People.

We recognise that the Ngaanyatjarra People continue to have a strong connection with the environment including as a source of bush tucker, sacred sites, historical links including birth places and final resting places, water sources, and storylines.

Performance data	FY 22	FY23	Total to-date
Environmental incidents*	0	0	0
Land disturbance (Ha)	0	1.52	54.63
Rehabilitated area (Ha)	0	0	5.70
IUCN listed species**	1	1	1

* Environmental incidents are classed as a non-compliance with the law, a non-conformance with risk mitigation measures

** IUCN species with habitat that may be impacted by our Project activities, Brush Tailed Mulgara (*Dasyercus blythi*) listed as Vulnerable recorded by Outback Ecology (2013).



Biodiversity

Extensive flora and fauna surveys have been undertaken over a long period of time.

No threatened or endangered species have been identified at the Project area to date. Environmental approval by the Environmental Protection Authority was granted on the basis that the Project would not have a significant impact on the environment.

Additional environmental surveys and studies are underway and will extend into FY24 for areas impacted by changes to the Project including:

- A borefield and water pipeline corridor;
- Road upgrades;
- A calcrete quarry and haul road; and
- Renewable energy infrastructure.

One IUCN listed species, a Brush Tailed Mulgara had been found previously in the proposed borefield area.

Biodiversity studies will assess the biomes and ecosystems that interface our proposed activities. The studies will provide an understanding of the nature-related dependencies and impacts of our activities.

Biodiversity surveys also take account of the cultural heritage values and practices in the area. Ngaanyatjarra People are engaged at the start of each survey to discuss their cultural heritage practices, exclusions from significant areas, as well as their traditional and current uses of plants and animals in the area. Due to the very strong connections that the Traditional Owners have with the lands, it's important to take account of cultural heritage practices during environmental impact assessments.

In addition, we undertake a staged approach to consultation by discussing the intended land use from the beginning as well as the upcoming activity, for example, consultation for our proposed borefield includes three key stages of consultation:



- Stage 1 – approval to do flora and fauna surveys taking account of the intended land use of water abstraction and associated infrastructure.
- Stage 2 – approval to do water exploration activities including track and pad clearing, drilling and pump testing and taking account of the intended land use of water abstraction and associated infrastructure.
- Stage 3 – approval to construct and operate a borefield including the outcomes of biodiversity surveys and water exploration as an impact assessment, and the end land use of water abstraction and associated infrastructure.



CULTURE

Cultural Awareness: Learning about the importance of bush tucker

The Ngaanyatjarra Council anthropologists organised for four Traditional Owner ladies to go to the Lewis Calcrete site with their archaeologist and our team. The ladies did not speak fluent English. Three cars departed camp transporting the ladies, the Nico team members, and the archaeologist. Nico's Lara Jefferson recalls her travels with the TO ladies:

"I managed to break the silence by asking about bush tucker - this was a very animated and exciting topic when talking to the ladies. They pointed to tracks and places along the way where bush tucker could be found. We then turned onto the Giles-Mulga Park Road to head north and found the track to the Lewis Calcrete area.

As Max turned onto that track, there was a lot of commotion in our car as the ladies determined that Max was going the wrong way. A beep of the horn stopped Max and he was soon told that we were going to Walyina, an area to the north that was considered an important heritage site. As we backed out of the turnoff to head further north, there was more commotion in our car (no English, just lots of energy) and before I knew it the car door was flung open and one of the ladies had jumped out to crouch over a small shrub. I soon followed and we quickly gathered a bunch of bush tomatoes, which were shared with the other ladies in the car.

We finally headed up the road to Cobb Embayment with the ladies pointing out areas for honey ants, bush turkey and flowers containing sweet nectar. At one significant heritage site there were several rock holes which were used in the past as a water source. The archaeologist walked around and found historical evidence of Traditional Owners. The ladies and I sat down and had lunch.

While I was talking with the ladies, they spoke of the water holes and their significance. People would have sat away from the water holes and waited for animals to come to the holes. This would have informed the TOs where the animal would likely go next so that they could hunt them. One of the ladies told me a story that her father had passed down to her, which described food sources and water and seasons."

Water Stewardship

Water is a precious commodity in the desert.

Cultural heritage storylines often describe connections from one water hole to the next. Water holes were essential to human survival and to that of the animals that Traditional Owners hunted as a food source.

Historically, when mineral exploration companies entered the Ngaanyatjarra Lands and sunk water bores, the Traditional Owners were often quick to capitalise on the new water sources. Stories are told of billy cans being lowered down these holes to obtain fresh water.

The community of Wingellina (Irrunytju) became established when the International Nickel Company (INCO) left behind its exploration camp and associated water bores in the 1970's. Since then, the community has evolved to include a store, art centre, media centre, school, medical centre, airstrip and approximately 37 residences.

Most of the water to be sourced for the Wingellina Nickel-Cobalt Project will come from deep aquifers containing brackish water with the nearest aquifer of this type being 70 km from the community. While this water is fit-for-purpose for the processing facilities, a small amount will be treated, using reverse osmosis, to make it potable. Work is underway to assess impacts of water drawdown on the aquifer and determine any sensitive receptors. In the coming year, passive seismic surveys shall define the geomorphology of the aquifer, and hydrogeological drilling and pump testing shall test the capability of the aquifer to supply 12Gl/annum of water needed to support the Project's operations phase.

Closure and Rehabilitation

Mine closure planning is conducted at every phase of the Project.

Most clearing activities have been minor and occurred during the mineral exploration programmes. Specifically, the clearing of tracks and pads have occurred in the past. Upon the completion of drilling activities, a rehabilitation program is implemented periodically.

Nico employs the Traditional Owners to help to rehabilitate pads used for past mineral exploration and water exploration drilling.

A Preliminary Mine Closure Plan has been developed for the broader Project. This will be updated during the Definitive Feasibility Study (DFS).



Waste

Minimal waste is generated by our current activities on site.

Our waste streams associated with the operations of the 22-person exploration camp and with maintenance of associated equipment and vehicles include:

- Putrescible and inert waste, which is disposed of in the community landfill.
- Vegetable waste, which is used to maintain a small worm farm and applied as mulch in the camp vegetable gardens.
- Hazardous waste including hydrocarbons and cooking oil, which are disposed of by licensed contractors at licensed facilities off-site.

Going forward to the operations phase, our waste generation will be significant, specifically the generation of tailings waste from the process plant.

Waste streams that will be generated during the operations phase include:

- Overburden, which is the top layer of soil that will be removed during land clearing activities. This material will be stored in topsoil storage facilities and used in rehabilitation activities.
- Waste rock is that component of the ore body that doesn't contain the target minerals. This waste material is benign and will be stored in landforms adjacent to the respective pits.
- Tailings are generated from the process plant and will be pumped into a tailings storage facility as a slurry. Excess water shall be recycled back into the process plant or sent to an evaporation pond.



RECYCLING

One person's rubbish is another person's treasure!

Wim Demot (Nico Chef) and Mark Pearson (Site Senior Executive) have found and repurposed all sorts of useful rubbish collected from the community landfill facility.



Visitors to site are often fascinated by the re-purposing of rubbish to create useful items such as an outdoor setting, planter boxes for growing vegetables, new pathways, or a bird nesting box. These small touches to the accommodation camp create a home-away-from-home and a friendly, relaxed atmosphere where employees and visitors can wind down at the end of the day.



7 Climate Change

Nico's Nickel-Cobalt Mixed Hydroxide Precipitate (MHP) product will meet demands for battery metals as a contribution to decarbonization and an important part of the world's energy transformation.

Our product

Our MHP is critical to the development of efficient and environmentally optimised performance of energy storage technologies. MHP is used as a chemical intermediary for catalysts or in the cathode material of a variety of batteries. The lithium nickel cobalt aluminium battery (NCA) has the highest specific energy range, high specific power, and a long-life span. Companies like Tesla prefer this battery type. Lithium nickel manganese cobalt oxide battery (NMC), however, has a longer life span compared to NCA but a lower energy density. This battery type is preferred in the plug-in hybrid electric vehicles (PHEV) and battery electric vehicles (BEV).



NCA batteries are a type of lithium-ion battery that use nickel, cobalt, and aluminium as the primary components in their cathodes.

As the world transitions to electric vehicles and large-scale battery storage systems, the International Energy Agency (IEA)¹ is predicting that demand for Nickel in electric vehicles will increase by around 40 times between 2020 and 2040.

¹ IEA (2021; revised 2022) The Role of Critical Minerals in Clean Energy Transitions

Renewable energy sources

During 2023 Nico developed a Greenhouse Gas Management Plan with a focus on reducing its carbon footprint during the operations phase of the Wingellina Nickel-Cobalt Project.

To reduce our carbon footprint, Nico intends to harness renewable energy via a combination of solar, wind and steam. Energy will be stored using battery storage. A small amount of the power generation will utilise liquified natural gas (LNG).

A co-generation power plant shall consist of:

- Two 22-Mega Watt (MW) extraction steam turbine generators
- One 20-MW gas fired turbine generator with heat recovery steam generation. The estimated gas consumption rate is 5.7 terajoules (TJ) per day under normal operations which will be delivered by road.
- Two 2.5 MW diesel powered generators for emergency power provision.

Initial considerations for renewable energy sources are well underway with a mixed and integrated energy solution being proposed:

- Solar: Wingellina has plenty of sunshine and there is plenty of space to build a field of solar photovoltaic panels.
- Wind: An alternative, viable renewable energy source and with around 12 wind turbines to complement the solar option.
- Substantial quantities of steam generated in the conversion of sulphur to sulphuric acid utilised to generate power in the steam and gas turbines.

A Battery Energy Storage System (BESS) will be used to store and redistribute the renewable energy.

We are currently consulting with the Ngaanyatjarra People to identify suitable locations near the proposed power station.



Solar Farm, Merredin, Western Australia

Life Cycle Assessment

A life cycle assessment (LCA) of the Wingellina Project taking account of the renewable energy sources was undertaken by a consultant.

The LCA is a cradle-to-gate study. It starts with the cradle: extraction of nickel containing limonite ore using open pit mining techniques.

The ore is prepared and processed into nickel-cobalt mixed hydroxide precipitate (MHP) using crushing, grinding, high pressure acid leach and precipitation techniques.

The MHP is then transported from Wingellina to a port which is the end gate.

Four impact categories were evaluated: Climate change, water use, acidification, and ozone depletion.

Impact Category	Kg nickel in MHP	Units
Climate Change	18.0	kg CO ₂ eq.
Water Use	3.7	m ³ world eq.
Acidification	0.13	mol H ⁺ eq.
Ozone Depletion	8.5E-07	kg CFC-11 eq.

The climate change impact for 1 kg of nickel metal is 18.0 kg CO₂ eq. per kg of nickel in MHP (Figure 1; Scope 1, 2 and 3 combined). Changing our electricity generation source to a majority renewable electricity source from a natural gas source reduces climate change impact by 2.3 kg CO₂ eq. (11.3%) per kg nickel in MHP.

The main contribution to climate change comes from the use of calcrete in the neutralisation process. Neutralisation of sulphuric acid by calcrete produces carbon dioxide, which is reflected in the scope 1 emissions (Figure 2).

Scope 1, 2 and 3 Emissions

- Scope 1 – direct GHG (greenhouse gas) emissions released from activities under the operational control of the company, e.g., diesel.
- Scope 2 – GHG emissions released from the company's consumption of purchased energy, e.g., electricity used at the corporate office.
- Scope 3 – indirect GHG emissions generated upstream and downstream in the supply chain from activities that are not under the company's operational control, e.g., Fly-In Fly-Out (FIFO) flight emissions.

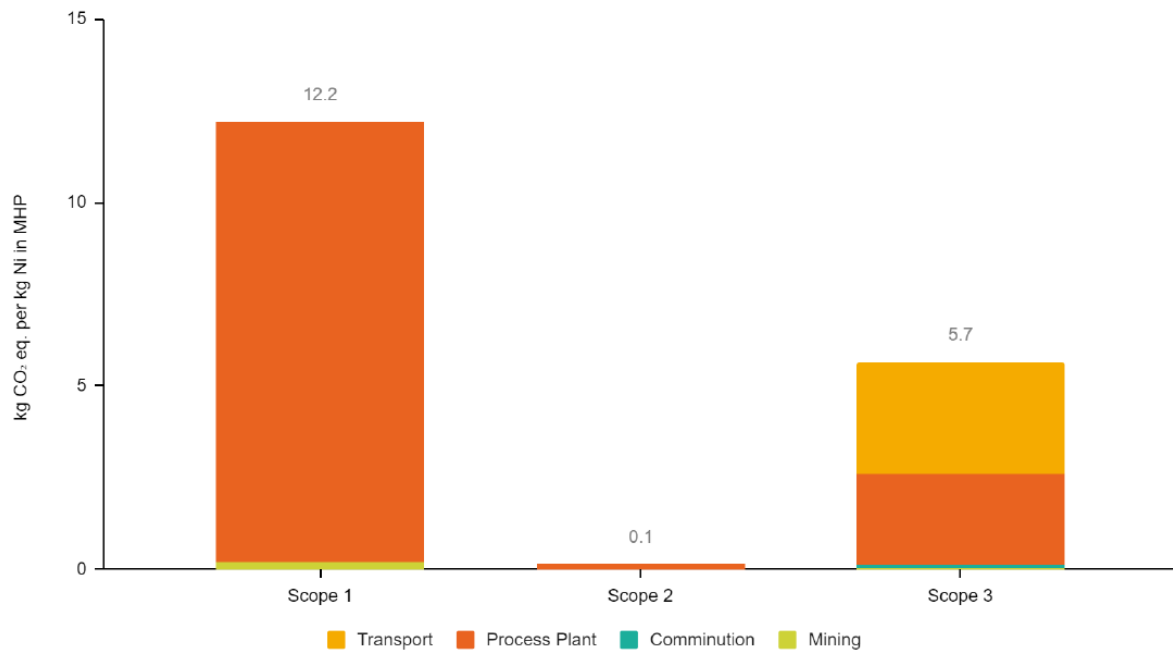


Figure 1: Scope 1, 2 and 3 greenhouse gas emission estimates for the Wingellina Project.

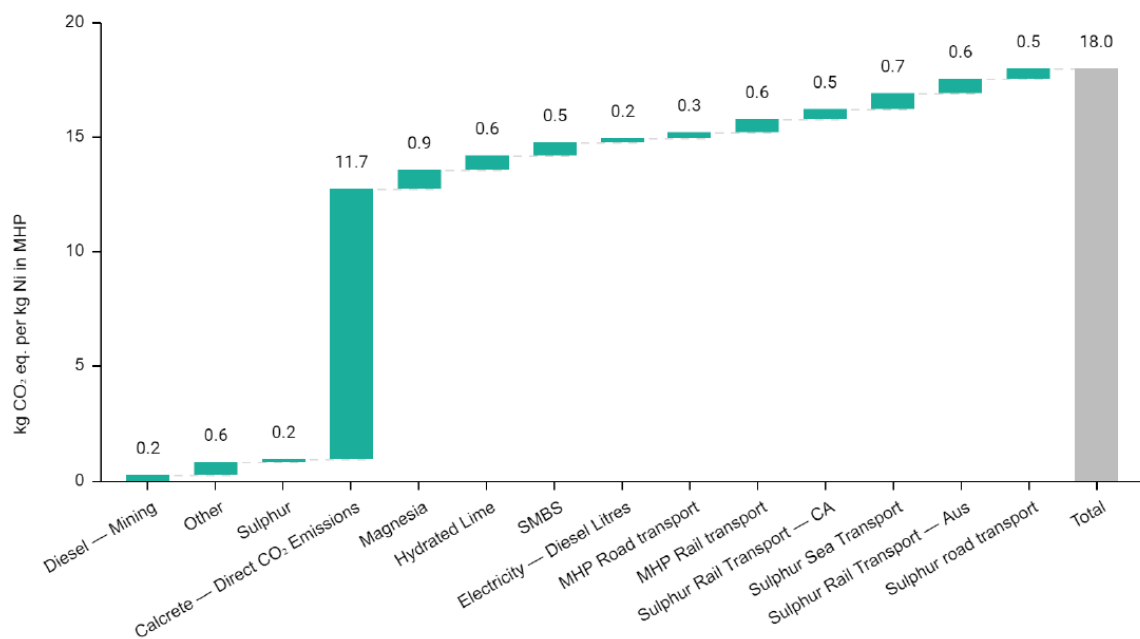


Figure 2: Breakdown of greenhouse gas emissions by activity for the Wingellina Project.

8 Our team

A small, specialised team of experts have been employed to advance the development of the Wingellina Project.

Our site-based team consists of 5 personnel (Fly In/Fly Out employment), who maintain the exploration camp at Wingellina, coordinate site-based activities and host visiting consultants and contractors. All site-based personnel are male.

Our Perth office team consists of managerial level positions in the process engineering, geology, ESG, logistics, and operations disciplines. The eight personnel consist of two females and six males.

Our Chief Executive Officer/Managing Director, with oversight of the Wingellina site-based team and the Perth-based team, is male.

This year, our team grew from 7 to 13 personnel.



Attraction and Retention

It is imperative to the success of the Project that we attract and retain the right people.

As a small close-knit team, we value the skills and expertise each member brings to the Project.

Our team will grow as the Project develops in the coming years. The nickel-cobalt we are seeking to mine and process is crucial to the long-term sustainability of our planet. As a result, our staff are acutely aware of the deeper purpose and role that the company can play to combat diminishing non-renewable energy sources and climate change.

Our values drive our culture and the type of personnel that we seek to attract:

- People that show Respect for one another as well as our stakeholders, especially the Ngaanyatjarra People on whose land we operate;
- People that operate with Integrity in all that they do;
- People that have Passion for their job and for the positive impact on the community;
- People that take Pride in what they do and the company they work for;
- People with the Energy to get the Project off the ground and who support the role the Project plays in the transition to a renewable Energy economy; and
- People that have and want to build upon a positive Reputation.



Diversity and Inclusivity

Nico values the diversity of views, cultures, ages, and gender that our stakeholders and team members bring to the company.

Nico recognises that fostering a diverse workforce will assist in attracting and retaining first-class personnel, promote innovation, and contribute to a positive reputation for the company.

Our Diversity Policy provides commitments to:

- Support inclusion at all levels.
- Maintain structured and transparent recruitment, selection, and advancement procedures to ensure a diverse range of candidates are considered for all roles.
- Prevent potentially discriminatory conscious and unconscious bias from impacting the Company's recruitment, selection, and advancement decisions.
- Implements appropriate training, programs and procedures that will assist in the development of a broad pool of skilled and experienced personnel.
- Where appropriate, adopt flexible work practices to accommodate personnel with diverse needs, including family responsibilities.

As a young company, we have much to do to create systems and processes to support our policies. Nico's Board shows a keen interest in diversity and inclusivity initiatives and participates in programs implemented by the management team. During 2023 we accomplished the following:

- Development of a Diversity and Inclusivity Management Plan to support the Diversity Policy.
- Used key dates to celebrate diversity and inclusivity:
 - International Women's Day (each team member identified and wrote down ways that they could be more inclusive; 67% participation);
 - NAIDOC Week (awareness program; distributed to all staff); and
 - National Reconciliation Week (awareness program; distributed to all staff).
- Flexible work arrangements for staff have included requests for reduced work hours (2 employees) and working from home (2 days per week is optional for corporate office-based personnel).
- Our Company Secretary has been assigned as a diversity champion for the company.
- A Work Health and Safety Risk workshop was held during FY23 with participation from all staff. Risks associated with sexual harassment, bullying and discrimination were identified, assessed, and recorded on the risk register.

In 2024, our workforce will grow to include people that embrace our values. In doing so, we will continue to achieve our objective for a workforce that is diverse, equitable and inclusive.



Health, Safety and Well-being

The health, safety and well-being of our workers and residents of the nearby Irrunytju Community, because of our activities, are our highest priority.

Activities associated with exploration, mine development, construction and operations phases are inherently high risk of impacts to health, safety and well-being of our workforce. This is exacerbated by the remoteness of our location.

It is critical that we engage with our staff, contractors, and visitors, to identify work health and safety risks and the importance of mitigation measures that we have put in place. Health, safety and well-being of ourselves, our co-workers and members of the community must be front-of-mind in all that we do.

Our team accomplished the following activities during 2023:

- Push up Challenge for Mental Health (raised \$600; 30% staff participation);
- Work Health and Safety training (on-line) for statutory positions for 4 personnel (one completed training; three underway);
- Development of a Work Health and Safety System included:
 - Work Health and Safety Policy implemented;
 - Hazard and risk identification, assessment, and mitigation (Risk register; 100% participation by employees);
 - Travel to site guideline;
 - Principle Mine Hazard Management Plan drafted; to be implemented in FY24);
 - Emergency Management Plan (drafted; to be implemented in FY24).

During 2024 our emphasis will be to develop and implement our work health and safety management system and promote a culture of hazard identification and risk mitigation. We will continue to train our staff in work health and safety.



9 Governance

Nico's leadership team places a strong emphasis on the development of a robust corporate governance framework to ensure effective oversight of the company's strategic direction.

Nico's Board has oversight of the company's governance, management, and strategic direction to develop the Wingellina Nickel-Cobalt Project on behalf of its shareholders. The company's performance, legal compliance and risk management is monitored by the Board in accordance with the Constitution, Board Charter and a summary is reported annually in the Corporate Governance Statement.

Two committees support the Board, specifically the Audit and Risk Committee and the Remuneration and Nomination Committee which operate under their respective charters.

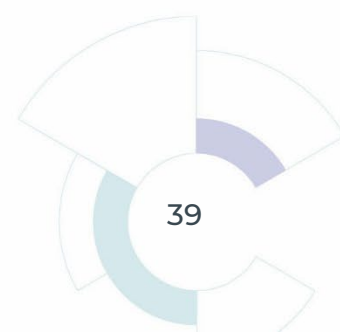
Our policies (as displayed on our website) provide the foundation of our governance structure and include Risk Management Policy, Anti-bribery and anti-Corruption Policy, Code of Conduct, Continuous Disclosure Policy, Whistleblower Policy, and Securities Trading Policy to name a few. This year we developed and implemented a Work Health and Safety Policy and Environment Policy. An Aboriginal Engagement Policy has been developed and will be implemented and refined further in the coming year.

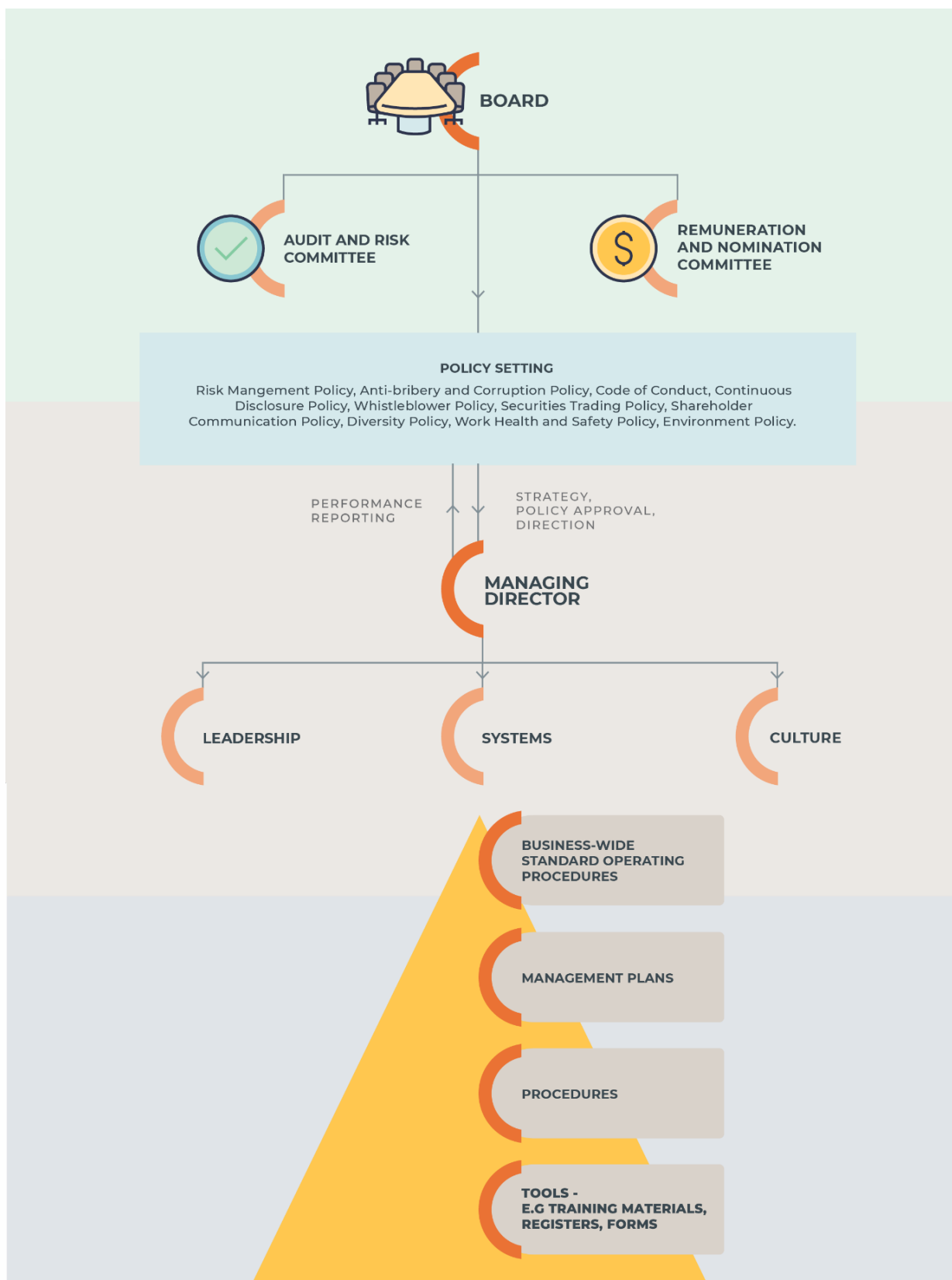
Our focus during 2023 has been to further develop systems including management plans and procedures to support the implementation of these policies and to mitigate risk.

Governance structure

Our five-member Board has direct contact with the senior executive management team and key stakeholders. The Managing Director provides day-to-day oversight of the management team. The Board has extensive experience in the mining and finance industries. All Board members have previously and successfully delivered new mining projects. The Chairman of the Board has won awards for the successful delivery of new projects.

All Board members are male, and the Company Secretary is female. All members of the Audit and Risk Committee are male; and all members of the Remuneration and Nomination Committee are male. All members of the Board are Non-Executive Directors, except for the Managing Director.





Ethics and conduct

Nico aims to conduct its business ethically, transparently, with integrity.

We have established policies to ensure our expectations are clear to our team, our contractors and any person working for or on behalf of Nico. These policies include the Code of Conduct, Anti-bribery and Corruption Policy, and Whistleblower Policy. As we continue to grow our team, we will develop programs, training, and awareness to ensure our expectations and commitments are embedded within our workplace culture.

Risk management

Risk management is an essential business tool.

Risk management identifies, assesses, and mitigates risks and opportunities across the business including work health and safety, well-being, environmental, social, financial, reputational, and operational. The quality of the risk management approach is maximised by broad scale workforce participation and by embracing a diversity of life and professional experiences using an inclusive approach. Our Risk Management Policy details our commitment to risk management. During 2023 we conducted a risk workshop to address key work health and safety risks and a materiality assessment to identify key sustainability risks to our business.

Cybersecurity

The worth of Nico is measured by the information that we hold about the potential of the Wingellina Nickel-Cobalt Project.

Nico's strategic objectives and value are underpinned by its information content, which exists in many forms, both electronic and physical. Information is stored and transmitted in a variety of ways using Nico's owned systems as well as those owned by other organisations. Information should always be protected appropriately regardless of the form of that information or the way it is shared or stored. Nico supports its employees, contractors and visitors with access to the information required to perform their work and recognises that information security is required.

Cyber-attacks are widely considered a significant threat to every business. As a result, the Australian Government's Australian Signals Directorate has developed the Essential Eight Maturity Model which describes a strategy to mitigate threats posed by an adversary, depending on a maturity level. Nico has developed an Information Technology (IT) Security Management Plan to describe the management of our information in accordance with our maturity level and international and national standards including:

- ISO/IEC 27001 (2022) Information Security, cybersecurity and privacy protection;
- Australian Signals Directorate; and
- Australian Institute of Company Directors (AICD) Cyber security governance principles (October 2022).

Supply chain

Our supply chain reflects our business practices.

Nico engages local contractors to undertake works at our Wingellina Project site, and where possible engages regional contractors thereby improving socio-economic conditions in the region. However, many contractors are Perth-based consultancies engaged to provide specialist advice to further advance the Project. It is important that our contractors' business practices are aligned with our own.

Nico's Terms and Conditions (T&Cs) were drafted during 2023 and will be implemented in the coming years by incorporating them into every new contract. These T&Cs provide a formal mechanism to incorporate ESG requirements into our supply chain including:

- Environmental protection
- Health and safety
- Cultural Heritage
- Indigenous relations
- Human rights
- Hazardous materials management
- Ethical business behaviour



10 Going Forward – FY24 Sustainability Targets

We have set short-term targets for FY24 and will develop medium-long term targets during FY24.

Target
Develop medium-long term targets
Socio-Economic Benefits
Employ an Aboriginal Liaison Officer to facilitate communications
Implement 3 programs to support the Wingellina School
Cultural heritage
Complete cultural heritage surveys over new Project development areas
Environment
Initiate the development of an ISO 14001 aligned Environmental & Social Management System
Conduct biodiversity surveys over new Project development areas
Conduct a hydrogeological assessment of the northern bore field
Establish a location for the solar PV field and wind turbines
Attraction and Retention
Create an induction pack for new employees to support a smooth on-boarding process
Work Health, Safety and Well-being
Complete the development of our WHS system reflective of the current stage of the Project
Training completed and mandatory exam completed by all statutory positions
Undertake first aid training by all site-based staff
Diversity and Inclusivity
Nico has all documentation in place to support the Diversity and Inclusivity Management Plan and associated Policy
Maternity/paternity leave and flexible work arrangements to be communicated in the new employee induction pack
Initiate the Implementation Committee with the Ngaanyatjarra Lands People
Governance
Develop and implement business-wide standard operating procedures
Review Project-wide risk register
3 rd party review of materiality assessment
Prepare and roll out information security guidelines
Grievance procedure and whistleblower procedure displayed in Perth and site office
Develop a supplier code of conduct



Nico Resources Limited
Level 6, 190 St Goerges Tce Perth WA 6000
[ACN 649 817 425](https://www.nicoresources.com.au)

For more information contact:

Lara Jefferson, Head of ESG
E: lara.jefferson@nicoresources.com.au
M: +61 477 340 613

Kim Pervan, Stakeholder Manager
E: kim.pervan@nicoresources.com.au
M: +61 407 083 832

Published December 2023

