

WINGELLINA PROJECT

Project Update 3

November 2024



WINGELLINA NICKEL COBALT PROJECT

MAJOR PROJECT STATUS

Nico's Wingellina Nickel Cobalt Project awarded Major Project Status by the Australian Government in November 2024.

"My decision to grant MPS acknowledges the national significance of the Project to the development of Australia's critical mineral sector, in line with the Albanese Government's Critical Minerals Strategy, the National Battery Strategy and the Future Made in Australia agenda." said Hon Ed Husic Federal Minister for Industry and Science.

MPS provides government assistance to develop the Project, with the appointment of a case manager.

"The Cook Government congratulates Nico Resources for being awarded Major Project Status at the Wingellina nickel-cobalt project in Western Australia," commented Hon. David Michael MLA, Western Australian Minister for Mines and Petroleum.

"Nickel and cobalt are recognized as critical minerals in Australia and are key commodities in products essential for global decarbonisation efforts."

"The Western Australian Government championed for nickel to be recognized as a critical mineral in Australia and we welcome the news that Wingellina will receive the benefits of Major Project Status in Australia."

Notwithstanding the current nickel surplus, the medium to long term outlook remains at an annual growth rate in excess of 5% underpinned by strong demand in stainless steel. There is a predicted requirement for an additional 1.5mtpa of nickel by 2030.

Current global supply, dominated by Indonesia, is facing significantly increased political risk.

Nickel has multiple applications in stainless steel, electronics and energy systems with growth expected from increasing use in batteries which will play a key role in the energy transition.

The Government's acknowledgement of Nico's Wingellina Project is on the back of the recent addition of nickel to the [Australian Critical Minerals](#) list.

Critical minerals, which are essential for the functioning of modern technologies, economies and national security, are considered at some risk of supply.

The Critical Minerals Strategy 2023–2030 is a framework to grow Australia's critical minerals sector.

NICO RESOURCES is developing the world class Wingellina Nickel Cobalt Project.

Wingellina is one of very few large-scale nickel development projects outside of Indonesia. It is an iron rich oxide nickel deposit with low magnesium.

Nico Resources completed a Pre-Feasibility Study (PFS) in December 2022 which outlined an economically robust project of large scale, long life and low costs - production of 40kt per annum of contained nickel and 3kt per annum of contained cobalt for 42 years with a capex of A\$2.9 billion.

Part of Nico's Central Musgrave Project which straddles the triple junction point of the NT, WA and SA borders, the Wingellina Project in the Central Desert is 225kms south-west of Uluru.

The Project is based on recovering nickel and cobalt from open pit mining and from processing of iron rich limonite ore over more than 40 years.

The Project will comprise open pit mining. The mined ore will be processed on-site (using proven hydrometallurgical technology), into a Mixed Hydroxide Precipitate (MHP) which will be transported to port for shipping to global customers. The Wingellina Project entails:

- Development of the free dig open pit nickel-cobalt limonite mining operation
- Construction and operation of the high-pressure acid leaching (HPAL) plant
- Construction and operation of associated infrastructure
- Transportation of goods and materials to the mine and of MHP from mine to port for domestic and export customers

STATUS

Recognizing the inherent value in the Project, Nico judiciously continues to progress its development, notwithstanding current conditions, to be shovel ready to meet the projected future demand for nickel. The current work program addresses geology and hydrology; process engineering and metallurgy; non-process engineering (transport, logistics, power, water); environment heritage and culture; and stakeholder engagement.

Recent advancements including the upgrade of transport links, energy solutions, identification of alternative quality water sources, the delineation of the Lewis calcrete resource and its application as a neutralizer and improvements in HPAL (high pressure acid leach) technology have significantly enhanced the Project's economics and path to development.

The Wingellina Project Agreement is in place and registered as an ILUA.

EPA approvals are in place with a s46 extension recently granted.

Wingellina was awarded Major Project Status by the Federal Government in November 2024.

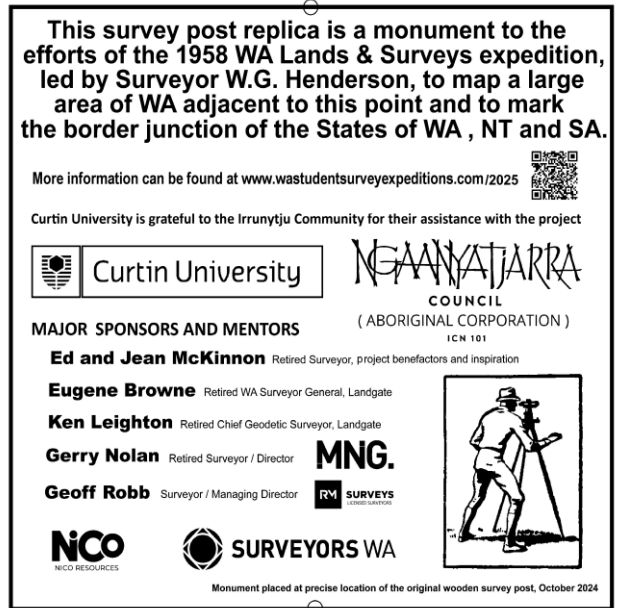
The Project will benefit from the Outback Way road infrastructure development and from improved remote power solutions.

Studies are underway to review an option for a smaller 20-year project at a lower throughput and higher grade with lower capital and operating costs.

Nico remains in discussions and is amenable to strategic partner investment to enable project development on terms that are in the best interests of stakeholders.



Map used with permission of Outback Highway Development Council Inc.



LOGISTICS

Logistics are a key focus during the project development phase, noting that the upgrading and sealing of the Outback Way will be a major benefit to the Project.

With a completion timeline of 2032, the Outback Way from Laverton in WA, through Alice Springs in the NT to Winton in QLD will see 2720 road kms converted “From Bulldust to Bitumen” representing a secure route to keep the country connected during cataclysmic events.

The Project will utilise a logistics route either east to the Central Australian Railway and then north to the Darwin Port, or south-west to Leonora and then south to the Port of Esperance. Both options would utilise the Outback Way. Esperance is the shorter route.

The transport of materials is a key Project cost, and Nico has secured a permit from the NT Government to investigate the suitability of land at Brewer Industrial Estate (south of Alice) as a logistics hub.

Nico is currently undertaking a review of the WA logistics route through to existing facilities at the Port of Esperance via Malcolm siding near Leonora.