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NICKEL X LIMITED

**ABN 52 631 513 696**

# Annual Report

**30 June 2024**

**NickelX Limited**
**Corporate Directory**
**30 June 2024**

| | |
|---|---|
| Directors | Jonathan Downes – Non-Executive Chairman<br>Peter Woods – Managing Director<br>Oliver Kreuzer – Non-Executive Director<br>Richard Monti – Non-Executive Director |
| Company Secretary | Steven Wood<br>Tom O'Rourke |
| Principal and Registered office | Level 5, 191 St Georges Terrace<br>Perth WA 6000<br>Email: info@nickelxlimited.com |
| Share Register | Automic Group<br>Level 5, 191 St Georges Terrace<br>Perth WA 6000<br>Phone: 1300 288 664 |
| Auditor | BDO Audit Pty Ltd<br>Level 9, Mia Yellagonga Tower 2<br>5 Spring St,<br>Perth WA 6000 |
| Solicitors | Steinepreis Paganin<br>Level 4, The Read Buildings<br>16 Milligan Street<br>PERTH, WA 6000 |
| Bankers | Westpac Banking Corporation<br>Level 13, 109 St Georges Terrace,<br>Perth WA 6000 |
| Stock Exchange Listing | Australian Securities Exchange Limited<br>Level 40, Central Park<br>152-158 St Georges Terrace<br>Perth WA 6000<br>**ASX code: NKL** |
| Website | http://www.nickelxlimited.com |

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**NickelX Limited**
**Chairman's Letter**
**30 June 2024**

## Chairman's Letter to Shareholders

On behalf of the Directors of NickelX, I am pleased to present the Annual Report of the Company for the year ended 30 June 2024.

As I write to you today it is with renewed optimism as to the future of our company, which will soon be renamed Strata Minerals Limited.

In what has been a challenging year for markets with sustained low nickel prices, the assessment of the commodity markets saw the Company increase its exposure to uranium and gold, with both commodities seeing strong price movements and general consensus suggesting both commodity prices to remain strong.

The appointment of Mr Peter Woods as Managing Director further enhances the transformation and repositioning of the Company as it focusses on strategic growth opportunities.

The subsequent and recently announced acquisition of the Penny South Gold Project (E57/1045) offers us an exciting addition to our Western Australian portfolio to take advantage of the burgeoning gold market. The Penny South Project was a compelling acquisition for the Company, and we are very pleased to shortly begin actively exploring in a highly prized region surrounded by industry leaders like Ramelius Resources Limited, who are currently mining one of Australia's highest grade gold mines ("Penny Mine") less than 600m to the north of the project.

The Penny West Shear continues south into the Penny South Project with ~ 2.5km of strike contained within the Penny South Project area. Historical drilling at the Penny South Project has encountered various, significantly anomalous intersections of gold mineralization but the average drillhole depth has been only ~42m, with no record of any diamond drilling. The Company believes there may be substantial value to be unlocked at depths greater than 80m below surface, a search space largely neglected by previous explorers.

The second opportunity identified during the year and secured by the Company is the Elliot Lake Uranium Project in Ontario, Canada. The Prolific Elliot Lake uranium district historically produced 362 Mlbs $U_3O_8$ @ 0.106% (1,060 ppm) and the Company managed to secure claims covering ~180km$^2$ across five prospects along strike and surrounding the historical mining district, which are highly prospective for large-scale uranium and rare earth elements deposits. The project is close to infrastructure and services centres, and near the world's largest commercial uranium refinery at Blind River, operated by uranium major Cameco Corporation. Multiple high priority uranium targets have been identified at the Elliot Lake Uranium Project areas and initial field work has commenced.

After the recent capital raise the Company is well funded to consolidate its focus on these new projects whilst continuing to carry out a strategic review of the project portfolio across the Company. We hope to see a significant rerating of the Company and value for shareholders through exploration and discovery, and other potential strategic opportunities.

We are looking forward to the year ahead and would like to thank our shareholders for their continued support.

Yours sincerely,



Jonathan Downes

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**NickelX Limited**
**Director's Report**
**30 June 2024**

The directors present their report, together with the consolidated financial statements of the Group comprising of the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of NickelX Limited (referred to hereafter as 'NickelX' or the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

## Directors

The following persons were directors of NickelX Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Jonathan Downes
Peter Woods - Appointed 28 May 2024
Oliver Kreuzer
Richard Monti
Matthew Gauci - Resigned 1 May 2024

## Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of exploration activities at the consolidated entity's mining projects.

## Dividends

No dividends have been paid or declared since the start of the financial period and the Directors do not recommend the payment of a dividend in respect of the financial period.

## Review of Operations

The loss for the consolidated entity after providing for income tax amounted to $2,114,095 (30 June 2023: $2,776,343).

The Company is an Australian, ASX listed, exploration company exploring for uranium, gold and nickel across the SE and SW Yilgarn, WA, as well as the Elliot Lake district in Ontario, Canada. The Company is focussed on creating shareholder value via the acquisition, discovery and development, primarily in the uranium and gold sectors.

**Appointment of New Managing Director**

Mr Peter Woods was appointed into the role of Managing Director as NickelX following the resignation of Mr Matt Gauci. The appointment supports and enhances NickelX as it consolidates focus on its current uranium and gold exploration projects, whilst carrying out a strategic review across the company and assessing other potential opportunities.

**The Elliot Lake Uranium Project, Ontaria, Canada**

The Elliot Lake Uranium Project was staked and expanded during the reporting period. The Project comprises 41 multi-cell mining claims covering 180km$^2$ in the Elliot Lake district in Ontario, Canada. The Prolific Elliot Lake uranium district historically produced 362 Mlbs $U_3O_8$ @ 0.1060% (1,060 ppm) $U_3O_8$.

Magnetic and radiometric data re-processing combined with the Company's recent geological review defined multiple high priority uranium targets.

Sparse historical drilling within NickelX's tenure and immediate surrounds intersected prospective, mineralised conglomerates that returned average equivalent uranium values (e $U_3O_8$)[2] of:

- c. 9.0 m @ 0.010% (100 ppm) e$U_3O_8$ from the Inspiration occurrence;
- c. 1.8 m @ 0.023% (230 ppm) e$U_3O_8$ from the Crazy Lake occurrence;
- c. 0.8 m @ 0.090% (900 ppm) e$U_3O_8$ from the Mattaini occurrence; and
- c. 0.8 m @ 0.020% (200 ppm) e$U_3O_8$ from the Rawhide occurrence.

A field reconnaissance program, including mapping, sampling and potential drill hole siting commenced where the Company is targeting conglomerate hosted uranium and rare earth mineralisation along the underexplored interested extensions to the historic, major uranium mining centre at Elliot Lake. The first batch of samples are currently awaiting analysis at the laboratory. The targeted uranium mineralisation style is stratabound and consequently relatively continuous and predictable. The known deposits typically have excellent lateral and down-dip grade and thickness continuity, providing potential for large-scale deposits.

The project is accessible by road from Toronto (a ~6hr drive), close to infrastructure and services centres, and nearby the world's largest commercial uranium refinery at Blind River, operated by uranium major Cameco Corporation. Stakeholder and First Nation engagement has commenced with letters of engagement forwarded to local community stakeholders in anticipation of any future drill programs.

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***Figure 1.*** *Location of the Elliot Lake Uranium Project in south-central Ontario, Canada. The Project is situated next to the historic Elliot Lake uranium production centre where 362 Mlbs $U_3O_8$ were mined in the 1950s to 1990s. Also shown is the location of Cameco Corporation's Blind River uranium refinery, which is 12 km SW of the Project.*

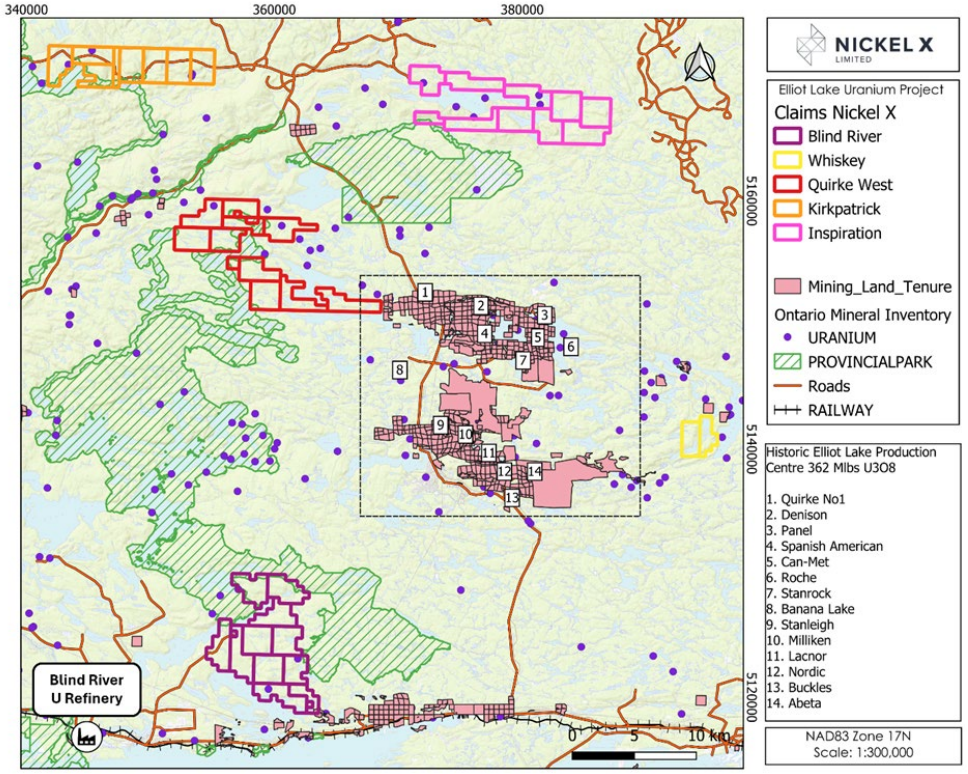



***Figure 2.*** *Map of the Elliot Lake Uranium Project and surrounds, also showing the historic Elliot Lake uranium production centre where 362 Mlbs $U_3O_8$ were mined in the 1950s to 1990s. The Elliot Lake Uranium Project is comprised of five subprojects or claim blocks, known as Blind River, Kilpatrick, Inspiration, Quirke West and Whiskey.*

**The Biranup Project, WA**

No on-ground activity was carried out at the Project during the period. In light of the current strong gold market and in line with the new direction of the company, management are carrying out a strategic review for potential opportunities with regard to the Biranup Project given the company previously focussed on the nickel prospectivity.

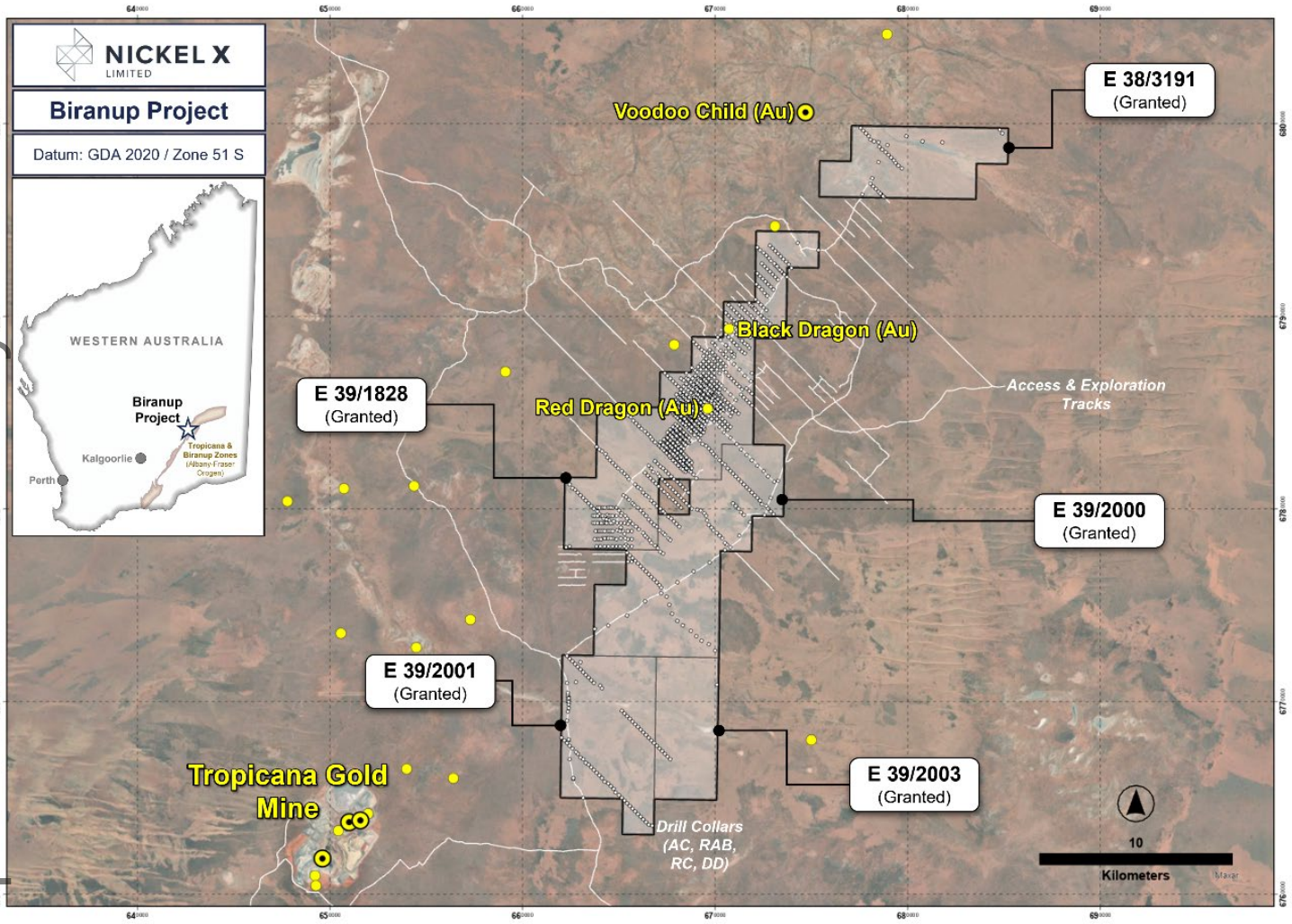



***Figure 3.*** *Map of the Biranup Project, also showing the proximity to the Tropicana Gold Mine.*

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**The Dalwallinu Nickel Project, West Yilgarn, WA.**
The Dalwallinu Nickel Project (E70/5398) covers 86km$^2$ of the underexplored Barra Barra Greenstone belt in the emerging West Yilgarn, which is host to a number of recent nickel-copper-PGE discoveries including the world class Julimar nickel-copper-PGE discovery.

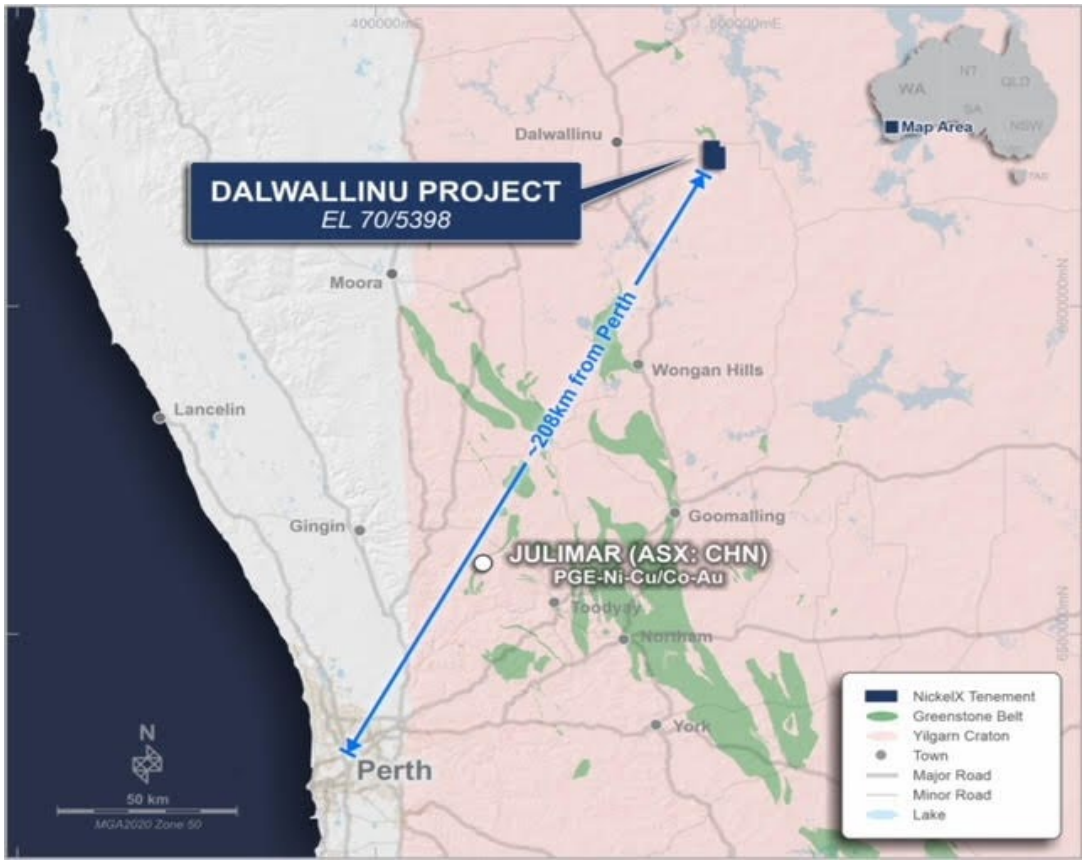



***Figure 4:*** *Location of Dalwallinu Nickel Project in The West Yilgarn, 150km NE of Julimar and 208km NE of Perth.*

A c 1,700m RC drilling program was completed at the Project in early 2024 targeting nickel-copper-PGE mineralisation and high priority targets, prospective for Julimar type nickel-copper-PGE mineralisation. The samples from the drill program that were submitted to the laboratory for analysis did not return any significant nickel, copper or PGE values The Company is currently evaluating further opportunities for the Project.

**Cosmos South**
The Company was party to an agreement with MG Resources Pty Ltd, which, the Vendor granted an option to the Company to acquire a 100% legal and beneficial interest in tenements. The Company has opted to terminate the Option Agreement prior to exercising the option during the period.

In consideration for the termination of the Option Agreement, the Company agreed to issue the Vendor $100,000 worth of shares, and the Vendor has agreed to irrevocably and unconditionally release the Company in respect to any future milestone payments and claims pertaining to the Option Agreement.

**The Central European option**
The Euro Option Agreement for advanced nickel and lithium projects in Central Europe lapsed unexercised during the reporting period and the Company executed a Finder's Fee agreement with Eyre Metals Limited (renamed to Resilience Metals Limited) to provide all the data and intellectual property in respect of the Euro option to Eyre Metals in return for consideration of 1,000,000 shares in Eyres Metals. Eyres Metals is a public unlisted company that proposes to pursue the nickel and lithium projects, the subject of the Euro Option, via its own agreement with the project vendors and undertake an IPO on the ASX. The finder's fee will lapse if Eyre Metals is not listed by September 2024.

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**Compliance Statement**
The information in this report that relates to prior Exploration Results are extracted from the ASX Announcement listed below which is available on the Company website http://www.nickelxlimited.com and the ASX website (ASX code: NKL)

| Date | Announcement Title |
|---|---|
| 30 August 2024 | Acquisition of Penny South Gold Project, WA |
| 30 May 2024 | Elliot Lake Uranium Project Expanded, Exploration commenced |
| 21 February 2024 | Significant Uranium Identified at Elliot Lake |
| 14 February 2024 | Prospective Uranium Project Staked in Canada |
| 2 February 2024 | Dalwallinu Ni-Cu-PGE Drilling Commences |

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the market announcements continue to apply and have not materially changed. The Company confirm that form and context in which the Competent Person's finding are presented have not been materially modified from the original market announcements.

## Significant changes in the state of affairs
The Company executed an option agreement to acquire 100% interest in Ransko Nickel- Copper- Cobalt Project and The Otov Hard Rock Lithium Project. The Option Agreement lapsed unexercised.

The Company acquired uranium and rare earth mining claims in the Elliot Lake Uranium Project in Ontario, Canada via low-cost staking.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

## Matters subsequent to the end of the financial year
The Company entered a binding tenement sale agreement to acquire 100% of the Penny South Gold Project (E57/1045).

The key terms of the acquisition are

- The Company will pay $60,000 in cash and issue 3,000,000 shares at a deemed price of $0.02 to acquire 100% of the project.
- A deferred cash consideration of $500,000 is to be paid upon the achievement of at least 50,000oz Au resource with a grade of at least 1 g/t or more, and a further $500,000 to be paid for every additional 50,000oz Au resource with a grade of at least 1 g/t or more, within 5 years following completion of the acquisition.
- Completion of the acquisition and the issue of the 3,000,000 shares was approved at a shareholder meeting on 12 September 2024.

The Company has received firm commitment to raise $2,000,000 via an equity placement of 100,000,000 new fully paid ordinary shares at an issue price of $0.02 per share to sophisticated and institutional investors.

- Tranche 1 was issued on 24 July 2024. 14,453,790 ordinary shares were issued at $0.02, raising $289,076.
- Tranche 2 was approved at a shareholder meeting on 12 September 2024. 85,546,210 ordinary shares will be issued at $0.02, raising $1,710,924.
- The Lead Manager and Broker will receive 10,000,000 unlisted options exercisable at $0.03 and expiring 3 years from date of issue. The options were approved at a shareholder meeting on 12 September 2024.
- The Company proposes to change its name to Strata Minerals Limited to further align with the strategic direction of the company. The change of name was approved at a shareholder meeting on 12 September 2024.

Other than noted above, no other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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## Likely developments and expected results of operations

The consolidated entity intends to continue its exploration activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

## Environmental regulation

The consolidated entity is subject to and is compliant with all aspects of environmental regulation of its exploration activities. The directors are not aware of any environmental law that is not being complied with.

All environmental performance obligations are monitored by the Board of Directors and subjected from time to time to Government agency audits and site inspections. There have been no material breaches of the Group's licenses, and all exploration activities have been undertaken in compliance with the relevant environmental regulations.

## Material Risks and Uncertainties

The Group considers the following to be the key material business risks:

***Additional requirements for capital***

The Company's capital requirements depend on numerous factors. The Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programs as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

***Overseas Business Activities and Country Risk (Geopolitical Risk)***

The Group engages in exploration activities outside of Australia, in Canada. The success of the Group's operation depends on the political stability in this country and the availability of qualified and skilled workforce to support operations. While the operations of the Group in this country are currently stable, a change in the government may result in changes to the foreign investment laws and these assets could have an adverse effect on the Group's operational results.

To manage this risk, the Group ensures that all significant transactions in these countries are supported by robust contracts between the company and third parties. We have a system in place for the parent company level to continuously check the country's risk management before any significant investment is made. Furthermore, we have developed a mechanism to counter legal risk, where foreign subsidiaries and management can receive appropriate legal guidance regarding matters such as important agreements and lawsuits in foreign locations.

***Exploration and operating***

The Projects are early-stage exploration, and mineral exploration and development are high-risk undertakings.

There can be no assurance that future exploration of the Claims, or any other mineral claims that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, flooding, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, labour disputes and shortages, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title claims, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the Claims and obtaining all required approvals for their contemplated activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the Claims.

***No Known Mineral Reserves or Mineral Resources***

There are no known bodies of commercial minerals on the Company's Claims.

There can be no assurance that the Company will be successful in its search for mineral resources and mineral reserves or in its more advanced programs.

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***Title to Properties***

The acquisition of title to mineral properties is a very detailed and time-consuming process. The Company's Claims may be affected by undetected defects in title, such as the reduction in size of the Claims and other third-party claims affecting the Company's interests. Mineral claims sometimes contain claims or transfer histories that examiners cannot verify.

A successful claim that the Company does not have title to any one of its mineral properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property, or the Company might be required to compensate other persons. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and development programs. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to its properties will not be challenged or impaired.

Maintenance of the Company's interests in its Claims is subject to ongoing compliance with the terms governing its Claims.

The Claims do not grant a right to enter upon or use the surface of the mineral properties. Additional amounts may have to be paid to surface rights owners in connection with any development of mining activity.

***Exploration permits***

The Company's field activities, and exploration and drilling program on its Projects, will require licenses and permits from various governmental and non-governmental authorities. The Company has obtained, or will obtain, all necessary licenses and permits required to carry on with activities which it is currently conducting or which it proposes to conduct under applicable laws and regulations. However, such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no assurance that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations on its Projects.

The required licenses and permits may not be received until after the required start date to commence the exploration and drilling season, in which case the Company will only be able to carry out non-field activities in this season.

***Renewal of Claims***

The Claims are subject to periodic renewal. The renewal of the term of the Claims is subject to compliance with applicable mining legislation and regulations and the discretion of the relevant mining authority.

Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Claims. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

***Environmental***

The operations and proposed activities of the Company are subject to Provincial laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs.

Events, such as unpredictable rainfall, overly heavy snowfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous, making the Company's operations more expensive.

In undertaking exploration activities, the Company intends to comply with all environmental laws.

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***Climate risk***

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavor to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

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## Information on directors

| **Name:** | **Jonathan Downes** |
|---|---|
| Title: | Non-Executive Chairman |
| Appointment date: | 8 February 2021 |
| Qualifications: | BSc Geol, MAIG |
| Experience and expertise: | Mr Downes has more than 25 years' experience in the mining industry and has worked in various geological and corporate capacities. Mr Downes has experience with nickel, gold and base metals and has also been intimately involved with numerous private and public capital raisings. |
| Other current directorships: | Non-Executive Director of Cazaly Resources Limited (ASX: CAZ)<br>Managing Director of Kaiser Reef Limited (ASX: KAU)<br>Non-Executive Director of Brightstar Resources Limited (ASX: BTR) |
| Former directorships (last 3 years): | None |
| Interests in shares: | 1,216,666 ordinary shares |
| Interests in options: | 1,950,000 Unlisted Options in the following tranches:<br>• 650,000 unlisted options with an exercise price of $0.25;<br>• 650,000 unlisted options with an exercise price of $0.30; and<br>• 650,000 unlisted options with an exercise price of $0.40.<br>Each Option has a 5-year expiry and vested immediately upon grant.<br>33,333 Listed Options with an exercise price of $0.15 with an expiry of 2 years from date of grant |
| Contractual rights to shares: | None |

| **Name:** | **Peter Woods** |
|---|---|
| Title: | Managing Director |
| Appointment date: | 28 May 2024 |
| Qualifications: | B.Com (Accounting & Finance), GradDipAppFin |
| Experience and expertise: | Mr Peter Woods has extensive ASX board level experience across various industries and geographies, including significant resources exposure. He has over 15 years' experience in the financial services industry specialising in corporate finance, capital markets, and project generation. He has successfully managed and raised capital for both unlisted and listed companies, having recently listed a North American uranium focussed exploration company he founded, and has strong capabilities in generating strategic opportunities, business development and driving growth for early-stage companies. |
| Other current directorships: | Non-Executive Director of Corella Resources Ltd (ASX:CR9)<br>Non-Executive Director of Uvre Limited (ASX: UVA). |
| Former directorships (last 3 years): | None |
| Interests in shares: | None |
| Interests in options: | 7,500,000 Unlisted Options in the following tranches:<br>• 2,500,000 unlisted options with an exercise price of $0.03;<br>• 2,500,000 unlisted options with an exercise price of $0.04; and<br>• 2,500,000 unlisted options with an exercise price of $0.06.<br>Each Option has a 5-year expiry and vested immediately upon grant. |
| Contractual rights to shares: | None |

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| **Name:** | **Oliver Kreuzer** |
|---|---|
| Title: | Non-Executive Director |
| Appointment date: | 7 February 2019 |
| Qualifications: | Dipl-Geol (University of Freiburg), PhD Economic Geology (James Cook University) |
| Experience and expertise: | Dr Kreuzer is a registered professional geoscientist (AIG RPGeo) with 20+ years experience. He is a world recognised project generator and explorer having been involved in the generation and exploration of significant uranium, gold, base and battery metals projects globally. |
| Other current directorships: | None |
| Former directorships (last 3 years): | Non-Executive Director, 92 Energy Limited (ASX: 92E)<br>Non-Executive Director, Eclipse Metals Limited (ASX: EPM)<br>Non-Executive Director, Patriot Lithium Limited (ASX: PAT) |
| Interests in shares: | 1,066,667 ordinary shares |
| Interests in options: | 900,000 Options in the following tranches:<br>• 300,000 unlisted options with an exercise price of $0.25;<br>• 300,000 unlisted options with an exercise price of $0.30; and<br>• 300,000 unlisted options with an exercise price of $0.40.<br>Each Option has a 5-year expiry and vested immediately upon grant.<br>533,333 Listed Options with an exercise price of $0.15 with an expiry of 2 years from date of grant |
| Contractual rights to shares: | None |

| **Name:** | **Richard Monti** |
|---|---|
| Title: | Non-Executive Director |
| Appointment date: | 24 November 2022 |
| Qualifications: | Bsc (Hons), Grad Dip Applied Finance and Investment |
| Experience and expertise: | Mr Monti has thirty-seven years' experience in the international mineral resource industry resulting in broad knowledge and strategic planning capabilities. First-hand working knowledge of all aspects of the industry from acquisition and project generation through exploration, resource definition, feasibility, construction, operations, finance, product marketing and project divestment. Sixty-three director-years of experience on the Boards of sixteen ASX and TSX listed companies covering exploration and mining activities. Directorships include seven as Chairman and sitting on numerous sub-committees. Proven experience and understanding of equity capital markets and debt funding and strong relationships with broking and banking houses in Australia and Canada |
| Other current directorships: | Non-Executive Director of Alto Metals Ltd (ASX: AME)<br>Non-Executive Director of Caravel Minerals Ltd (ASX: CVV)<br>Non-Executive Director of Boab Metals Ltd (ASX: BML) |
| Former directorships (last 3 years): | None |
| Interests in shares: | 333,334 ordinary shares |
| Interests in options: | 1,950,000 Unlisted Options in the following tranches:<br>• 650,000 unlisted options with an exercise price of $0.25;<br>• 650,000 unlisted options with an exercise price of $0.30; and<br>• 650,000 unlisted options with an exercise price of $0.40.<br>Each Option has a 3-year expiry and vested immediately upon grant.<br>166,667 Listed Options with an exercise price of $0.15 with an expiry of 2 years from date of grant |
| Contractual rights to shares: | None |

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| **Name:** | **Matthew Gauci** |
|---|---|
| Title: | Managing Director and Chief Executive Officer |
| Appointment date: | 7 February 2019<br>Subsequently appointed as Managing Director and CEO on 1 January 2021 |
| Resignation date: | 1 May 2024 |
| Qualifications: | BSc, MBA |
| Experience and expertise: | Mr Gauci is an experienced mining executive with more than 20 years' experience in strategic management and corporate finance in the mining industry having successfully financed and managed private and public mining exploration companies operating in Australia, Africa and South America. Mr Gauci has managed teams in the exploration, development and feasibility of a number of mining exploration projects in precious metals, base metals and bulk commodities. Mr Gauci has a BSc. and an MBA from the University of Western Australia. |
| Other current directorships: | None |
| Former directorships (last 3 years): | Non-Executive Director for 92 Energy Limited (ASX: 92E) |
| Interests in shares: | 1,766,667 ordinary shares |
| Interests in options: | 3,000,000 Options in the following tranches:<br>• 1,000,000 unlisted options with an exercise price of $0.25;<br>• 1,000,000 unlisted options with an exercise price of $0.30; and<br>• 1,000,000 unlisted options with an exercise price of $0.40.<br>Each Option has a 5-year expiry and vested immediately upon grant.<br>33,333 Listed Options with an exercise price of $0.15 with an expiry of 2 years from date of grant |
| Contractual rights to shares: | None |

## Company Secretary

Steven Wood (B.Com, CA) has held the role of Company Secretary since 14 May 2019. Mr Wood is a Chartered Accountant. Mr Wood has extensive experience in private and seed capital raisings as well as successful ASX listings, whilst also providing company secretarial and financial management services to both ASX and unlisted public and private companies.

Tom O'Rourke was appointed as Joint Company Secretary on 9 January 2024. specialises in corporate advisory, company secretarial and financial management services. He is a CA as well as having a Master's degree in Project Management. Previously Mr O'Rourke spent a number of years in the audit division of a leading international Audit, Tax & Advisory firm, focused on engagements across the natural resources, technology and industrial sectors.

Sujana Karthik was appointed as Joint Company Secretary from 17 November 2022 to 9 January 2024.

## Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

| | **Full board** | |
|---|---|---|
| **Director** | **Attended** | **Held** |
| Jonathan Downes | 4 | 4 |
| Peter Woods | - | - |
| Oliver Kreuzer | 4 | 4 |
| Richard Monti | 4 | 4 |
| Matthew Gauci | 1 | 1 |

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

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## Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

***Principles used to determine the nature and amount of remuneration***

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

*Non-executive directors' remuneration*

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

The total remuneration of non-executive directors is not to exceed $350,000 per annum.

*Executive remuneration*

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

*Voting and comments made at the company's 2024 Annual General Meeting ('AGM')*

At the 2024 AGM, 99% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

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***Details of remuneration***

*Amounts of remuneration*

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the Group during the year included:

- Jonathan Downes - Non-Executive Chairman - appointed 1 January 2021
- Oliver Kreuzer - Non-Executive Director - appointed 1 January 2021
- Richard Monti - Non-Executive Director - appointed 24 November 2022
- Peter Woods - Managing Director - appointed 28 May 2024
- Matthew Gauci - Managing Director and Chief Executive Officer - resigned 1 May 2024

| | Short-term benefits | Post-employment benefits | Share-based payments | | |
|---|---|---|---|---|---|
| | Cash salary and fees | Superannuation | Equity-settled options | Termination | Total |
| **2024** | **$** | **$** | **$** | **$** | **$** |
| **Non-Executive Directors:** | | | | | |
| Jonathan Downes (Chairman) | 75,000 | 8,250 | - | - | **83,250** |
| Oliver Kreuzer | 40,000 | 4,400 | - | - | **44,400** |
| Richard Monti | 45,000 | 4,950 | - | - | **49,950** |
| **Executive Directors:** | | | | | |
| Peter Woods | 18,817 | 2,070 | 105,156 | - | **126,043** |
| Matthew Gauci | 230,448 | 29,707 | - | 62,500 | **322,655** |
| **Grand Total** | **409,265** | **49,377** | **105,156** | **62,500** | **626,298** |

| | Short-term benefits | Post-employment benefits | Share-based payments | | |
|---|---|---|---|---|---|
| | Cash salary and fees | Superannuation | Equity-settled options | Termination | Total |
| **2023** | **$** | **$** | **$** | **$** | **$** |
| **Non-Executive Directors:** | | | | | |
| Jonathan Downes (Chairman) | 75,000 | 7,875 | - | - | **82,875** |
| Oliver Kreuzer | 40,000 | 4,200 | - | - | **44,200** |
| Kristin Butera | 16,667 | 1,750 | - | - | **18,417** |
| Richard Monti | 27,125 | 2,848 | 137,800 | - | **167,773** |
| **Executive Directors:** | | | | | |
| Matthew Gauci | 250,000 | 25,292 | - | - | **275,292** |
| **Grand Total** | **408,792** | **41,965** | **137,800** | **-** | **588,557** |

The proportion of remuneration linked to performance and the fixed proportion are as follows:

| | Fixed remuneration | | Performance based remuneration | |
|---|---|---|---|---|
| **Name** | **2024** | **2023** | **2024** | **2023** |
| **Non-Executive Directors:** | | | | |
| Jonathan Downes (Chairman) | 100% | 100% | - | - |
| Oliver Kreuzer | 100% | 100% | - | - |
| Kristin Butera | - | 100% | - | - |
| Richard Monti | 100% | 18% | - | 82% |
| **Executive Directors:** | | | | |
| Peter Woods | 100% | - | - | - |
| Matthew Gauci | 100% | 100% | - | - |

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***Service agreements***
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

| **Name:** | **Peter Woods** |
|---|---|
| Title: | Managing Director |
| Agreement commenced: | 28 May 2024 |
| Term of agreement: | Until terminated in accordance with agreement, 3 months notice for employer and employee. |
| Details: | Base salary of $200,000 per annum plus superannuation, to be reviewed yearly or in accordance with its policies and procedures, whichever is the later.<br>Non-cash benefits include 7,500,000 unlisted Options exercisable into fully paid ordinary shares with a 5-year expiry from commencement date. These options were granted on appointment and have been fully expensed. Options are broken down per the following tranches:<br>• 2,500,000 unlisted options with an exercise price of $0.03;<br>• 2,500,000 unlisted options with an exercise price of $0.04; and<br>• 2,500,000 unlisted options with an exercise price of $0.06. |

| **Name:** | **Matthew Gauci** |
|---|---|
| Title: | Managing Director and Chief Executive Officer |
| Agreement commenced: | Appointed as Non-Executive Director on 7 February 2019 and appointment as Managing Director and Chief Executive Officer commenced on 1 January 2021 |
| Agreement terminated | 1 May 2024 |
| Term of agreement: | 3 years |
| Details: | Base salary of $250,000 per annum plus superannuation, to be reviewed on 1 July of each year following the Commencement Date or in accordance with its policies and procedures, whichever is the later.<br>Non-cash benefits include 3,000,000 unlisted Options exercisable into fully paid ordinary shares with a 5-year expiry from NKL's official quotation on ASX. These options were granted on appointment and have been fully expensed in prior periods. Options are broken down per the following tranches:<br>• 1,000,000 unlisted options with an exercise price of $0.25;<br>• 1,000,000 unlisted options with an exercise price of $0.30; and<br>• 1,000,000 unlisted options with an exercise price of $0.40. |

| **Name:** | **Jonathan Downes** |
|---|---|
| Title: | Non-Executive Chairman |
| Agreement commenced: | 8 February 2021 |
| Term of agreement: | No set term and the agreement will continue until the Chairman is no longer re-elected |
| Details: | Base salary of $75,000 per annum plus superannuation. In addition, a fee of up to $10,000 per annum plus superannuation for service on each separately constituted and operating outside of the full Board sub-committee of the Board. |

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| **Name:** | **Oliver Kreuzer** |
|---|---|
| Title: | Non-Executive Director |
| Agreement commenced: | 7 February 2019 |
| Term of agreement: | No set term and the agreement will continue until the Director is no longer re-elected |
| Details: | Base salary of $40,000 plus superannuation. In addition, a fee of up to $10,000 per annum plus superannuation for service on each separately constituted and operating outside of the full Board sub-committee of the Board. |

| **Name:** | **Richard Monti** |
|---|---|
| Title: | Non-Executive Director |
| Agreement commenced: | 24 November 2022 |
| Term of agreement: | No set term and the agreement will continue until the Director is no longer re-elected |
| Details: | Base salary of $45,000 plus superannuation. In addition, a fee of up to $10,000 per annum plus superannuation for service on each separately constituted and operating outside of the full Board sub-committee of the Board. |

Key management personnel have no entitlement to termination payments in the event of removal for misconduct

***Share-based compensation***

*Options*

The following Options were granted to the managing director during the year ended 30 June 2024 and were valued using a Black-Scholes option pricing model with the following inputs:

| | **Tranche 1 Options** | **Tranche 2 Options** | **Tranche 3 Options** |
|---|---|---|---|
| Name | Peter Woods | Peter Woods | Peter Woods |
| Grant Date | 28-May-2024 | 28-May-2024 | 28-May-2024 |
| No of Options | 2,500,000 | 2,500,000 | 2,500,000 |
| Underlying share price | $0.02 | $0.02 | $0.02 |
| Exercise price | $0.03 | $0.04 | $0.06 |
| Expected volatility | 100% | 100% | 100% |
| Expiry date (years) | 5 | 5 | 5 |
| Expected dividends | Nil | Nil | Nil |
| Risk free rate | 3.99% | 3.99% | 3.99% |
| Value per option (rounded) | $0.015 | $0.014 | $0.013 |

Options granted carry no dividend or voting rights.

The options granted to key management personnel during the year vest immediately. The purpose of the issue of the Options is to align the interests of the option holders with those of Shareholders, and to motivate and reward the performance of the option holders.

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***Additional information***
The earning of the consolidated entity are summarised below along with key performance indicators of the group for the five years to 30 June 2024:

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Loss for the Year ($) | (2,114,095) | (2,776,343) | (3,049,109) | (2,051,473) | (64,815) |
| Share price at financial year end ($) | 0.024 | 0.067 | 0.125 | 0.175 | n/a |
| Total dividends declared (cents per share) | nil | nil | nil | nil | nil |
| Basic Earnings Per Share (cents per share | (2.42) | (3.44) | (4.44) | (6.61) | (0.33) |

**Other transactions with Director and key management personnel**
*Options*
The numbers of Options in the Group held during the period by each director of NickelX and other key management personnel of the Group, including their personally related parties are set out below.

| 2024 | Balance at the start of the year | Granted during the reporting year | Exercised during the reporting year | Balance at resignation/ joining date | Balance at the end of the year | Vested and Exercisable | Unvested |
|---|---|---|---|---|---|---|---|
| Jonathan Downes | 1,950,000 | - | - | - | 1,950,000 | 1,950,000 | - |
| Oliver Kreuzer | 900,000 | - | - | - | 900,000 | 900,000 | - |
| Richard Monti | 1,950,000 | - | - | - | 1,950,000 | 1,950,000 | - |
| Peter Woods | - | 7,500,000 | - | - | 7,500,000 | 7,500,000 | - |
| Matthew Gauci | 3,000,000 | - | - | 3,000,000 | - | 3,000,000 | - |
| **Total** | **7,800,000** | **7,500,000** | - | **3,000,000** | **12,300,000** | **15,300,000** | - |

*Shareholdings*
The numbers of shares in the Group held during the period by each director of NickelX and other key management personnel of the Group, including their personally related parties are set out below. There were no shares granted during the reporting period as compensation.

| 2024 | Balance at the start of the year | Capital Raising shares subscribed for | Exercise of options | Net Changes Other* | Balance at resignation/ joining date | Balance at the end of the year |
|---|---|---|---|---|---|---|
| Jonathan Downes | 166,666 | - | - | 1,050,000 | - | 1,216,666 |
| Oliver Kreuzer | 1,066,667 | - | - | - | - | 1,066,667 |
| Richard Monti | 333,334 | - | - | - | - | 333,334 |
| Peter Woods | - | - | - | - | - | - |
| Matthew Gauci | 1,766,667 | - | - | - | (1,766,667) | - |
| **Total** | **3,333,334** | - | **-** | **1,050,000** | **(1,766,667)** | **2,616,667** |

*On-market purchase

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*Listed Options*
The numbers of Listed Options in the Group held during the period by each director of NickelX and other key management personnel of the Group, including their personally related parties are set out below. These free attaching options were acquired as part of the capital raising on 11 October 2022.

| 2024 | Balance at the start of the year | Granted during the reporting year | Exercised during the reporting year | Balance at resignation/ joining date | Balance at the end of the year | Vested and Exercisable |
|---|---|---|---|---|---|---|
| Jonathan Downes | 33,333 | - | - | - | 33,333 | 33,333 |
| Oliver Kreuzer | 533,333 | - | - | - | 533,333 | 533,333 |
| Richard Monti | 166,667 | - | - | - | 166,667 | 166,667 |
| Matthew Gauci | 33,333 | - | - | (33,333) | - | 33,333 |
| **Total** | **766,666** | - | **-** | **(33,333)** | **733,333** | **766,666** |

There were no other transactions with Director and key management personnel during the financial year ended 30 June 2024.

**This concludes the remuneration report, which has been audited.**

## Shares under option
Unissued ordinary shares of the Company under option at the date of this report are as follows:

| Security Code | Grant date | Expiry date | Exercise price | Number under option |
|---|---|---|---|---|
| NKLOPT1 | 6 May 2021 | 6 May 2026 | $0.25 | 2,250,000 |
| NKLOPT2 | 6 May 2021 | 6 May 2026 | $0.30 | 2,250,000 |
| NKLOPT3 | 6 May 2021 | 6 May 2026 | $0.40 | 2,250,000 |
| NKLOPT4 | 14 June 2021 | 18 June 2025 | $0.25 | 2,000,000 |
| NKLOPT5 | 6 July 2022 | 8 August 2025 | $0.30 | 1,000,000 |
| NKLOPT7 | 31 October 2022 | 31 October 2025 | $0.25 | 650,000 |
| NKLOPT8 | 31 October 2022 | 31 October 2025 | $0.30 | 650,000 |
| NKLOPT9 | 31 October 2022 | 31 October 2025 | $0.40 | 650,000 |
| NKLOPT10 | 28 May 2024 | 28 May 2029 | $0.03 | 2,500,000 |
| NKLOPT11 | 28 May 2024 | 28 May 2029 | $0.04 | 2,500,000 |
| NKLOPT12 | 28 May 2024 | 28 May 2029 | $0.06 | 2,500,000 |
| NKLBOPT | 6 May 2021 | 6 May 2025 | $0.25 | 2,400,000 |
| NKLO | 11 October 2022 | 30 November 2024 | $0.20 | 45,495,284 |
| **Total** | | | | **67,095,284** |

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

## Shares issued on the exercise of options
No ordinary shares were issued during the year ended 30 June 2024 and up to the date of this report on the exercise of options.

## Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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## Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

## Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

## Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 17 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.*

The directors are of the opinion that the services as disclosed in note 17 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

## Officers of the company who are former partners of BDO Audit Pty Ltd

There are no officers of the company who are former partners of BDO Audit Pty Ltd.

## Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

## Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

## Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Peter Woods
Managing Director

16 September 2024
Perth

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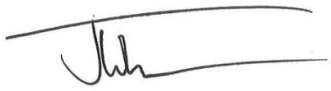
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

**DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF NICKELX LIMITED**

As lead auditor of NickelX Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of NickelX Limited and the entities it controlled during the period.



**Jackson Wheeler**

**Director**

**BDO Audit Pty Ltd**

Perth

16 September 2024

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**NickelX Limited**
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**30 June 2024**


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**NickelX Limited**
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**
**30 June 2024**

| | Note | 2024 $ | 2023 $ |
|---|---|---|---|
| **Revenue and other income** | | | |
| Other income | 4 | 67,502 | 39,227 |
| | | | |
| **Expenses** | | | |
| Administration | | (47,817) | (73,266) |
| Professional fees | | (235,995) | (529,858) |
| Public company expenses | | (196,706) | (231,400) |
| Marketing | | (27,500) | (76,495) |
| Finance costs | | (332) | (2,125) |
| Share based payment expense | 27 | (204,508) | (189,800) |
| Employee benefit expenses | | (638,698) | (570,323) |
| Exploration expense | | (569,802) | (682,530) |
| Depreciation and amortisation expense | | (12,375) | (37,126) |
| Impairment expense | 8 | (246,292) | (422,603) |
| Other expenses | | (1,572) | (44) |
| | | | |
| **Loss before income tax expense** | | **(2,114,095)** | **(2,776,343)** |
| | | | |
| Income tax expense | 5 | - | - |
| | | | |
| **Loss after income tax expense for the year** | | **(2,114,095)** | **(2,776,343)** |
| | | | |
| **Other comprehensive income/(loss)** | | | |
| | | | |
| *Items that may be reclassified subsequently to profit or loss* | | | |
| | | | |
| Fair value movement in investments | | (216,000) | 170,000 |
| **Other comprehensive income/(loss) for the year, net of tax** | | **(216,000)** | **170,000** |
| | | | |
| **Total comprehensive loss attributable to members of NickelX Limited** | | **(2,330,095)** | **(2,606,343)** |
| | | | |
| **Loss per share for the year attributable to the owners of the group** | | | |
| Basic and diluted loss per share (cents per share) | 26 | (2.42) | (3.44) |

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*The above Consolidated Statement of Profit or Loss and Other Comprehensive income should be read in conjunction with the accompanying notes*

**NickelX Limited**
**Consolidated Statement of Financial Position**
**30 June 2024**

| | Note | 2024 $ | 2023 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 6 | 840,932 | 3,058,610 |
| Trade and other receivables | 7 | 118,227 | 84,494 |
| Prepayments | | 60,173 | 60,173 |
| **Total current assets** | | **1,019,332** | **3,203,277** |
| **Non-current assets** | | | |
| Right-of-use assets | | - | 12,375 |
| Exploration and evaluation | 8 | 1,758,126 | 1,857,718 |
| Investments | 9 | 54,000 | 270,000 |
| **Total non-current assets** | | **1,812,126** | **2,140,093** |
| **Total assets** | | **2,831,458** | **5,343,370** |
| ***Liabilities*** | | | |
| ***Current liabilities*** | | | |
| *Trade and other payables* | *10* | *315,330* | *666,623* |
| *Lease liabilities* | | *-* | *12,677* |
| *Provisions* | | *1,719* | *15,031* |
| ***Total current liabilities*** | | ***317,049*** | ***694,331*** |
| ***Non-current liabilities*** | | | |
| *Provisions* | | *191* | *9,235* |
| ***Total non-current liabilities*** | | ***191*** | ***9,235*** |
| ***Total liabilities*** | | ***317,240*** | ***703,566*** |
| **Net assets** | | **2,514,218** | **4,639,804** |
| **Equity** | | | |
| Issued capital | 11 | 10,786,499 | 10,687,146 |
| Reserves | 12 | 1,901,902 | 2,012,746 |
| Accumulated losses | 13 | (10,174,183) | (8,060,088) |
| **Total equity** | | **2,514,218** | **4,639,804** |

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*The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes*

**NickelX Limited**
**Consolidated Statement of Changes in Equity**
**30 June 2024**

| Consolidated | Issued capital $ | Share based payments and Options Reserves $ | Fair Value Reserve | Accumulated Losses $ | Total equity $ |
|---|---|---|---|---|---|
| **Balance at 1 July 2023** | **10,687,146** | **1,842,746** | **170,000** | **(8,060,088)** | **4,639,804** |
| Loss after income tax expense for the year | - | - | - | (2,114,095) | (2,114,095) |
| Other comprehensive income for the year, net of tax | - | - | (216,000) | - | (216,000) |
| **Total comprehensive loss for the year** | **-** | **-** | **(216,000)** | **(2,114,095)** | **(2,330,095)** |
| *Transactions with owners in their capacity as owners:* | | | | | |
| Share based payment (note 27) | 99,352 | 105,156 | - | - | 204,508 |
| **Total transactions with owners in their capacity as owners** | **99,352** | **105,156** | **-** | **-** | **204,508** |
| **Balance at 30 June 2024** | **10,786,499** | **1,947,902** | **(46,000)** | **(10,174,183)** | **2,514,218** |

| Consolidated | Issued capital $ | Share based payments and Options Reserves $ | Fair Value Reserve | Accumulated Losses $ | Total equity $ |
|---|---|---|---|---|---|
| **Balance at 1 July 2022** | **8,262,463** | **1,425,469** | **-** | **(5,283,745)** | **4,404,187** |
| Loss after income tax expense for the year | - | - | - | (2,776,343) | (2,776,343) |
| Other comprehensive income for the year, net of tax | - | - | 170,000 | - | 170,000 |
| **Total comprehensive loss for the year** | **-** | **-** | **170,000** | **(2,776,343)** | **(2,606,343)** |
| *Transactions with owners in their capacity as owners:* | | | | | |
| Contributions of equity, net of transaction costs (note 11) | 2,424,683 | 227,477 | - | - | 2,652,160 |
| Share based payment (note 27) | - | 189,800 | - | - | 189,800 |
| **Total transactions with owners in their capacity as owners** | **2,424,683** | **417,277** | **-** | **-** | **2,841,960** |
| **Balance at 30 June 2023** | **10,687,146** | **1,842,746** | **170,000** | **(8,060,088)** | **4,639,804** |

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*The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes*

**NickelX Limited**
**Consolidated Statement of Cashflows**
**30 June 2024**

| | Note | 2024 $ | 2023 $ |
|---|---|---|---|
| **Cash flows related to operating activities** | | | |
| Payments for exploration activities | | (619,115) | (327,044) |
| Payments to suppliers and employees | | (1,339,592) | (1,499,914) |
| Interest received | | 67,502 | 39,227 |
| **Net cash used in operating activities** | **25** | **(1,891,205)** | **(1,787,731)** |
| **Cash flows from investing activities** | | | |
| Payments for exploration and evaluation | | (296,701) | (150,000) |
| **Net cash used in investing activities** | | **(296,701)** | **(150,000)** |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | | - | 2,329,477 |
| Payment for cost of equity issues | | - | (145,316) |
| Repayment of lease liabilities | | (29,772) | (39,867) |
| **Net cash provided/(used in) by financing activities** | | **(29,772)** | **2,144,294** |
| **Net increase/(decrease) in cash and cash equivalents** | | **(2,217,678)** | **206,563** |
| Cash and cash equivalents at the beginning of the financial year | | 3,058,610 | 2,852,047 |
| **Cash and cash equivalents at the end of the financial year** | **6** | **840,932** | **3,058,610** |

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*The above Consolidated Statement of Cashflows should be read in conjunction with the accompanying notes*

## Note 1. Material accounting policies

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Going concern
The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As at 30 June 2024, the Group had cash and cash equivalents of $840,932 and had net working capital of $702,283. The Group incurred a loss for the year ended 30 June 2024 of $2,114,095 (30 June 2023: loss of $2,776,343) and net cash outflows used in operating activities and investing activities totaling $2,187,906 (30 June 2023: cash outflows of $1,937,731).

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- As disclosed in Note 24 the Group announced on 17 July 2024 that it had secured firm commitments to raise $2 million via a two-tranche placement at an issue price of $0.02 per share to sophisticated and institutional. Tranche 1, 14,453,790 fully paid ordinary shares were issued on 24 July 2024. Tranche 2, 85,546,210 fully paid ordinary shares were issued on 16 September 2024.
- The Group has the ability to issue additional equity securities under the *Corporations Act 2001* to raise further working capital; and
- The Group has the ability to curtail administrative, discretionary exploration and overhead cash outflows as and when required.

**Parent entity information**
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 22.

**Foreign currency translation**
The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

**Income tax**
NickelX Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

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**Exploration and evaluation assets**
Exploration and evaluation expenditure is expensed to the profit and loss as incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current, and when existence of a commercially viable mineral reserve has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

**Investments**
Investments are initially measured at fair value. Transaction costs are included as part of the initial measurement.

*Financial assets at fair value through other comprehensive income*
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

**Impairment of non-financial assets**
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**Employee benefits**
*Share-based payments*
Equity-settled share-based compensation benefits are provided to directors and employees. Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

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## Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Share-based payment transactions*
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 27 for further information.

*Exploration and evaluation costs*
Acquired exploration and evaluation assets are carried at acquisition value less any subsequent impairment for each identifiable area of interest. All ongoing exploration and evaluation expenditure, subsequent to initial acquisition, is expensed and recognised in the Statement of Profit or Loss. These costs are only carried forward to the extent that the consolidated entity's rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made. Each area of interest is also reviewed annually, and acquisition costs written off to the extent that they will not be recoverable in the future.

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## Note 3. Operating segments

*Identification of reportable operating segments*
The consolidated entity is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The information reported to the CODM is on a monthly basis.

## Note 4. Revenue and Other Income

| | 2024 $ | 2023 $ |
|---|---|---|
| Interest revenue | 67,502 | 39,227 |
| | **67,502** | **39,227** |

## Note 5. Income tax expense

| **(a) Components of income tax expense:** | 2024 $ | 2023 $ |
|---|---|---|
| Current tax | - | - |
| Deferred tax | - | - |
| **Total income tax expense** | - | - |
| | | |
| **(b) Prima facie tax payable:** | | |
| Loss Before Income Tax | (2,114,095) | (2,353,739) |
| *The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:* | | |
| Tax at the statutory tax rate of 30% | (634,229) | (706,122) |
| *Add tax effect of:* | | |
| Share based payments | 61,352 | 41,340 |
| Other | 408 | 94 |
| Exploration and Evaluation outside Australia | 48,356 | - |
| Tax losses and temporary differences not recognised | 524,113 | 664,688 |
| Income tax expense attributable to profit | - | - |
| | | |
| **(c) Deferred tax asset** | | |
| Deferred tax asset balance comprises: | | |
| Investments | 13,800 | - |
| Tax losses | 2,786,111 | 2,001,783 |
| Provisions and Accruals | 6,743 | 15,532 |
| ROU Lease Liability | - | 3,619 |
| Capital and business related costs | 90,761 | 161,507 |
| Exploration and evaluation | - | 20,736 |
| | 2,897,415 | 2,203,177 |
| | | |
| Offset against deferred tax liability | (47,888) | (51,000) |
| Net deferred tax assets unrecognised | 2,849,527 | 2,152,177 |
| | | |
| **(d) Deferred tax liability:** | | |
| Deferred tax asset balance comprises: | | |
| Investment | - | 51,000 |
| Exploration and evaluation | 47,888 | - |
| Offset against unrecognised deferred tax asset | (47,888) | (51,000) |
| | - | - |

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## Note 6. Current assets - cash and cash equivalents

| | 2024 $ | 2023 $ |
|---|---|---|
| Cash at bank | 840,932 | 3,058,610 |
| | **840,932** | **3,058,610** |

## Note 7. Current assets - trade and other receivables

| | 2024 $ | 2023 $ |
|---|---|---|
| Other Receivables | 116,424 | 82,691 |
| Loan - receivable | 1,803 | 1,803 |
| | **118,227** | **84,494** |

## Note 8. Non-current assets - exploration and evaluation

| Exploration and evaluation - at cost | 2024 $ | 2023 $ |
|---|---|---|
| Elliot Lake Project | 64,395 | - |
| Biranup Project | 873,731 | 873,731 |
| Dalwallinu Project | 820,000 | 820,000 |
| Cosmos South Project | - | 25,000 |
| Ponton Project | - | 138,987 |
| | **1,758,126** | **1,857,718** |

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| | 2024 $ | 2023 $ |
|---|---|---|
| Carrying amount at the beginning of the year | 1,857,718 | 1,460,321 |
| Costs capitalised during the period, net of refunds | 146,700 | 820,000[(1)] |
| Costs impaired during the year | (246,292) | (422,603) |
| **Carrying amount at the end of the year** | **1,758,126** | **1,857,718** |

1. Acquisition of 80% of the Dalwallinu Nickel Project on 27 September 2022. Pursuant to the terms of the Sale Agreement and Joint Venture (SAJV), the Company has agreed the following terms with the unrelated vendors Blue Ribbon Mines Pty Ltd and Keops Group Pty Ltd (Vendors):

   i. Pay the Vendors $50,000, the first instalment of the Cash Consideration, in immediately available funds upon signing and to issue 4 million fully paid ordinary shares in the Company **(Consideration Shares)** valued at $0.13cents as at date of the agreement,

   ii. On or before 27 December 2022, the Buyer must pay the Vendors $50,000, the second instalment of the Cash Consideration, in immediately available funds; and

   iii. On or before 27 March 2023, the Buyer must pay the Vendors $50,000, the third instalment of the Cash Consideration, in immediately available funds; and

   iv. On or before 27 June 2023, the Buyer must pay the Vendors $50,000, of the fourth instalment of the Cash Consideration, in immediately available funds; and

   v. On or before 27 September 2023, the Buyer must pay the Vendors $50,000, the fifth instalment of the Cash Consideration, in immediately available funds; and

   vi. On or before 27 December 2023, the Buyer must pay the Vendors $50,000, of the sixth and final instalment of the Cash Consideration, in immediately available funds.

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## Note 8. Non-current assets - exploration and evaluation (continued)

During the period, the Company assessed each area of interest for impairment in accordance with AASB 6 -Exploration and Evaluation of Mineral Resources to ensure that it is appropriate to carry forward the capitalised values as assets of the Company.

The Company recognised a total impairment expense of $246,292 (30 June 2023: $422,603 Biranup) for various tenements that have been relinquished or surrendered. During the financial year ended 30 June 2024 the following projects were impaired, $138,986 Ponton Project, $25,000 Cosmos South Project, $82,306 Czech Project (30 June 2023: $422,603 Biranup Project)

As a result, all previously capitalised expenditure of the tenements has been recorded as an impairment in the statement of profit or loss.

Management have assessed the status of tenements on a tenement-by-tenement basis.

The balance carried forward represents projects in the exploration and evaluation phase. Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

## Note 9. Investments

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Listed equity securities – at fair value | 54,000 | 270,000 |
| | **54,000** | **270,000** |

*Reconciliations*
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Carrying amount at the beginning of the year | 270,000 | 100,000 |
| Revaluations recognised through other comprehensive income | (216,000) | 170,000 |
| **Carrying amount at the end of the year** | **54,000** | **270,000** |

## Note 10. Current liabilities - trade and other payables

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Trade payables [1] | 285,346 | 477,965 |
| Accruals & other payables | 29,984 | 188,658 |
| | **315,330** | **666,623** |

[1] *Current trade payables are non-interest bearing and are normally settled on 30-day terms*

## Note 11. Equity - issued capital

| | 2024<br>Shares | 2023<br>Shares | 2024<br>$ | 2023<br>$ |
|---|---|---|---|---|
| Ordinary shares - fully paid | 87,815,169 | 86,435,280 | 10,786,499 | 10,687,146 |

*Movements in ordinary share capital*

| Details | Date | Shares | Issue price | $ |
|---|---|---|---|---|
| Opening Balance | 1 Jul 2022 | 68,768,613 | | 8,262,463 |
| Acquisition - Dalwallinu | 18 Oct 2022 | 4,000,000 | $0.13 | 520,000 |
| Capital Raise - T1 | 24 Oct 2022 | 12,192,153 | $0.15 | 1,828,823 |
| Capital Raise - T2 | 6 Dec 2022 | 1,274,516 | $0.15 | 191,177 |
| Issue of Director Shares as part of Capital raise | 6 Dec 2022 | 199,998 | $0.15 | 30,000 |
| Cost of Issue | 6 Dec 2022 | - | | (145,317) |
| Closing Balance | 30 Jun 2023 | **86,435,280** | | **10,687,146** |
| | | | | |
| Opening Balance | 1 Jul 2023 | 86,435,280 | | 10,687,146 |
| Issue of Shares for release from Option Agreement | 11 Oct 2023 | 1,379,889 | $0.07 | 99,353 |
| Closing Balance | 30 Jun 2024 | **87,815,169** | | **10,786,499** |

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## Note 11. Equity - issued capital (continued)

*Ordinary shares*
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

Upon a poll every member present at a meeting in person or by proxy shall have one vote per share.

*Share buy-back*
There is no current on-market share buy-back.

*Capital risk management*
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.

The capital risk management policy remains unchanged from the 30 June 2023 Annual Report.

## Note 12. Equity - reserves

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Share Based Payments and Options Reserve | 1,947,902 | 1,842,746 |
| Fair Value Reserve | (46,000) | 170,000 |
| Total Reserves | **1,901,902** | **2,012,746** |

| **Unlisted Options** | Number of Options | Value<br>$ |
|---|---|---|
| Opening Balance - 1 July 2023 | 14,100,000 | 1,615,269 |
| Options issued to the managing director (Note 27) | 7,500,000 | 105,156 |
| Closing Balance – 30 June 2024 | **21,600,000** | **1,720,425** |
| | | |
| Opening Balance - 1 July 2022 | 11,150,000 | 1,425,469 |
| Options issued to Directors and key management personnel | 1,950,000 | 137,800 |
| Issue of options to 61 Financial | 1,000,000 | 52,000 |
| Closing Balance – 30 June 2023 | **14,100,000** | **1,615,269** |

| **Listed Options** | Number of Options | Value<br>$ |
|---|---|---|
| Opening Balance - 1 July 2023 | 45,495,284 | 227,477 |
| Options issued as part of capital raise | - | - |
| Closing Balance – 30 June 2024 | **45,495,284** | **227,477** |
| | | |
| Opening Balance - 1 July 2022 | - | - |
| Options issued as part of capital raise | 45,495,284 | 227,477 |
| Closing Balance – 30 June 2023 | **45,495,284** | **227,477** |

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## Note 12. Equity – reserves (continued)

**Unlisted Options outstanding at 30 June 2024**

| Tranche | Grant Date | Expiry Date | Exercise Price | Balance at start of year | Granted During the year | Exercised during the year | Forfeited/ lapsed during the year | Balance at year end | Vested and exercisable at year end |
|---|---|---|---|---|---|---|---|---|---|
| Tranche1 | 6/05/2021 | 6/05/2026 | $0.25 | 2,250,000 | - | - | - | 2,250,000 | 2,250,000 |
| Tranche2 | 6/05/2021 | 6/05/2026 | $0.30 | 2,250,000 | - | - | - | 2,250,000 | 2,250,000 |
| Tranche3 | 6/05/2021 | 6/05/2026 | $0.40 | 2,250,000 | - | - | - | 2,250,000 | 2,250,000 |
| Lead Manager | 6/05/2021 | 6/05/2025 | $0.40 | 2,000,000 | - | - | - | 2,000,000 | 2,000,000 |
| Celtic Capital | 6/05/2021 | 6/05/2025 | $0.40 | 1,680,000 | - | - | - | 1,680,000 | 1,680,000 |
| CPS Capital | 6/05/2021 | 6/05/2025 | $0.40 | 720,000 | - | - | - | 720,000 | 720,000 |
| 61 Financial | 6/07/2022 | 8/08/2025 | $0.30 | 1,000,000 | - | - | - | 1,000,000 | 1,000,000 |
| Director Options | 21/10/2022 | 31/10/2025 | $0.25 | 650,000 | - | - | - | 650,000 | 650,000 |
| Director Options | 21/10/2022 | 31/10/2025 | $0.30 | 650,000 | - | - | - | 650,000 | 650,000 |
| Director Options | 21/10/2022 | 31/10/2025 | $0.40 | 650,000 | - | - | - | 650,000 | 650,000 |
| Director Options | 28/05/2024 | 28/05/2029 | $0.03 | - | 2,500,000 | - | - | 2,500,000 | 2,500,000 |
| Director Options | 28/05/2024 | 28/05/2029 | $0.04 | - | 2,500,000 | - | - | 2,500,000 | 2,500,000 |
| Director Options | 28/05/2024 | 28/05/2029 | $0.06 | - | 2,500,000 | - | - | 2,500,000 | 2,500,000 |
| **Total** | | | | **14,100,000** | **7,500,000** | **-** | **-** | **21,600,000** | **21,600,000** |

**Listed Options outstanding at 30 June 2024**

| Tranche | Grant Date | Expiry Date | Exercise Price | Balance at start of Period | Granted During the Period | Exercised during the Period | Forfeited/lapsed during the Period | Balance at Period end | Vested and exercisable at Period end |
|---|---|---|---|---|---|---|---|---|---|
| NKLO | 30/11/2022 | 30/11/2024 | $0.20 | 45,495,284 | - | - | - | 45,495,284 | 45,495,284 |
| **Total** | | | | **45,495,284** | **-** | **-** | **-** | **45,495,284** | **45,495,284** |

*Share Based Payments, Options and Performance Rights reserves*
The reserve is used to record the value of equity benefits provided for the issue of equity instruments.

*Fair Value Reserve*
The fair value reserve comprises the cumulative net change in the fair value of equity securities until the assets are derecognised or reclassified.

## Note 13. Equity – Accumulated losses

| | 2024 $ | 2023 $ |
|---|---|---|
| Accumulated losses at the beginning of the financial year | (8,060,088) | (5,283,745) |
| Loss after income tax expense for the year | (2,114,095) | (2,776,343) |
| Accumulated losses at the end of the financial year | **(10,174,183)** | **(8,060,088)** |

## Note 14. Fair value measurement

*Fair value hierarchy*
The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

*Level 1:*
Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

*Level 2:*
Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

*Level 3:*
Unobservable inputs for the asset or liability

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**Note 14. Fair value measurement (continued)**

| 2024 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| *Assets* | | | | |
| Ordinary shares at fair value through profit or loss | 54,000 | - | - | 54,000 |
| Total assets | 54,000 | - | - | 54,000 |
| *Liabilities* | | | | |
| Total liabilities | - | - | - | - |

| 2023 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| *Assets* | | | | |
| Ordinary shares at fair value through profit or loss | 270,000 | - | - | 270,000 |
| Total assets | 270,000 | - | - | 270,000 |
| *Liabilities* | | | | |
| Total liabilities | - | - | - | - |

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

*Valuation techniques for fair value measurements categorised within level 2 and level 3*
The fair value of financial instruments that are not traded in an active market (for example unlisted shares) are determined using valuation techniques. These valuation techniques maximise the use of use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable data, the instrument is included in level 3.

**Note 15. Financial instruments**

***Financial risk management objectives***
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

***Price risk***
The consolidated entity is not exposed to any significant price risk.

***Interest rate risk***
The consolidated entity is not exposed to any significant interest rate risk at reporting period.

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**Note 15. Financial instruments (continued)**

***Credit risk***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year. There are no trade receivables as at 30 June 2024 (2023: $nil).

***Liquidity risk***

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

*Remaining contractual maturities*

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

| 2024 | Weighted average interest rate % | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | - | 285,346 | - | - | - | 285,346 |
| Other payables | - | 29,984 | - | - | - | 29,984 |
| *Interest-bearing - fixed rate* | | | | | | |
| Lease liability | - | - | - | - | - | - |
| Total non-derivatives | | **315,330** | **-** | **-** | **-** | **315,330** |

| 2023 | Weighted average interest rate % | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| *Non-interest bearing* | | | | | | |
| Trade payables | - | 477,965 | - | - | - | 477,965 |
| Other payables | - | 188,658 | - | - | - | 188,658 |
| *Interest-bearing - fixed rate* | | | | | | |
| Lease liability | 7.26% | 12,677 | - | - | - | 12,677 |
| Total non-derivatives | | **679,300** | **-** | **-** | **-** | **679,300** |

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

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## Note 16. Key management personnel disclosures

### (a) Compensation of Key Management Personnel

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

| | 2024 $ | 2023 $ |
|---|---|---|
| Short-term employee benefits | 409,265 | 408,792 |
| Post-employment benefits | 49,377 | 41,965 |
| Share-based payments | 105,156 | 137,800 |
| Termination | 62,500 | - |
| **Total** | **626,298** | **588,557** |

### (b) Other Transactions with Key Management Personnel

*CGSG Corporate Geoscience Group*

Mr Oliver Kreuzer, Non-Executive Director, is also a Managing Partner and Principal Consultant of CGSG Corporate Geoscience Group.

A summary of the total fees paid to CGSG Corporate Geoscience Group for the year ended 30 June 2024 and 30 June 2023 is as follows:

| | 2024 $ | 2023 $ |
|---|---|---|
| Geoscience services | 18,030 | - |
| **Total** | **18,030** | **-** |

## Note 17. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd (BDO), the auditor of the company, its network firms and unrelated firms:

| | 2024 $ | 2023 $ |
|---|---|---|
| Audit services | | |
| BDO for audit or review of the financial statements | 46,975 | 45,230 |
| **Total** | **46,975** | **45,230** |

The BDO entity performing the audit of the group transitioned from BDO Audit (WA) to BDO Audit Pty Ltd on 15 May 2024. The disclosures include amounts received or due and receivable by BDO Audit (WA) Pty Ltd. BDO Audit Pty Ltd and their respective related entities.

## Note 18. Contingent assets

There were no contingent assets as at 30 June 2024, or since that date and the date of this report.

## Note 19. Contingent liabilities

Other than those noted below, there were no other contingent liabilities as at 30 June 2024, or since that date and the date of this report.

*Binding Term Sheet with MG Resources Pty Ltd*

The Company executed a binding term sheet on 25 November 2021 with MG Resources Pty Ltd ("MG Resources") where the Company agreed to acquire 100% of the Vendor's right, title and interest in tenement licence M36/580.

Other contingent consideration payable includes:

- Undertaking exploration expenditure of not less than $500,000 on the Tenement over a period of 24 months (Earn-in Period); and
- Making the following milestones payments to MG Resources:
  - issuing to the Vendor NickelX Shares to the value of $150,000 on the date that is 12 months from the date of the Terms Sheet (calculated based on the volume weighted average price (**VWAP**) of NickelX Shares traded on the Australian Securities Exchange (**ASX**) in the 5 days prior to the date of issue (**Tranche 1 Shares**); and

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**Note 19. Contingent liabilities (continued)**

- issuing to the Vendor NickelX Shares to the value of $150,000 on the date that is 24 months from the date of the Terms Sheet (calculated based on the volume weighted average price (**VWAP**) of NickelX Shares traded on the Australian Securities Exchange (**ASX**) in the 5 days prior to the date of issue (**Tranche 2 Shares**).

On 11 October 2023 the Company issued 1,379,889 shares to release from option agreement.

*Sale Agreement and Joint Venture with Blue Ribbon Mines Pty Ltd and Keops Group Pty Ltd*

The Company executed a Sale Agreement and Joint Venture on 27 September 2022 with Blue Ribbon Mines Pty Ltd and Keops Group Pty Ltd ("Vendors") where the Company agreed to acquire 80% of the Dalwallinu Nickel Project.

Under the terms of the agreement the Other contingent consideration payable includes a royalty at 2% gross revenue.

**Note 20. Commitments**

**Exploration expenditure commitments**

In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the relevant authorities. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report. The actual expenditures to date on tenements have exceeded the minimum expenditure requirements specified by the relevant authorities during the current tenement grant periods.

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Not Longer than 12 months | 623,208 | 123,100 |
| Between 12 months and 5 years | 806,444 | 1,061,185 |
| Longer than 5 years | - | 221,575 |
| | **1,429,652** | **1,405,860** |

If the Company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations. The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

**Note 21. Related party transactions**

*Parent entity*
NickelX Limited is the parent entity.

*Subsidiaries*
Interests in subsidiaries are set out in note 23.

*Key management personnel*
Disclosures relating to key management personnel are set out in note 16 and the remuneration report included in the directors' report.

*Transactions with related parties*
Disclosures relating to related parties are set out in note 16.

*Receivable from and payable to related parties*
There were no receivables from or payable to related parties at the current and previous reporting date.

*Loans to/from related parties*
There were no loans to or from related parties at the current and previous reporting date.

*Terms and conditions*
All transactions were made on normal commercial terms and conditions and at market rates.

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## Note 22. Parent entity information

Set out below is the supplementary information about the parent entity.

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| **Assets** | | |
| Current assets | 1,019,332 | 3,203,277 |
| Non-current assets | 1,812,126 | 2,140,093 |
| **Total Assets** | **2,831,458** | **5,343,370** |
| | | |
| **Liabilities** | | |
| Current liabilities | 317,049 | 694,330 |
| Non-current liabilities | 191 | 9,235 |
| **Total Liabilities** | **317,240** | **703,565** |
| | | |
| **Net Assets** | **2,514,218** | **4,639,805** |
| | | |
| **Equity** | | |
| Issued Capital | 10,786,499 | 10,687,147 |
| Reserves | 1,901,902 | 2,012,746 |
| Accumulated losses | (10,174,183) | (8,060,088) |
| **Total Equity** | **2,514,218** | **4,639,805** |
| | | |
| Loss for the year | **(2,114,095)** | **(2,776,343)** |
| Total comprehensive loss | **(2,114,095)** | **(2,776,343)** |

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*
There are no guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

*Contingent liabilities*
The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023 other than those disclosed at Note 19.

*Capital commitments - Property, plant and equipment*
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

*Material accounting policies*
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1.

## Note 23. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

| | | Ownership interest | |
|---|---|---|---|
| **Name** | **Principal place of business / Country of incorporation** | **2024<br>%** | **2023<br>%** |
| Ventnor Gold Pty Ltd | Australia | 100 | 100 |
| NKL Canada Limited | Canada | 100 | - |

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## Note 24. Events after the reporting period

The Company entered a binding tenement sale agreement to acquire 100% of the Penny South Gold Project (E57/1045). The key terms of the acquisition are

- The Company will pay $60,000 in cash and issue 3,000,000 shares at a deemed price of $0.02 to acquire 100% of the project.
- A deferred cash consideration of $500,000 is to be paid upon the achievement of at least 50,000oz Au resource with a grade of at least 1 g/t or more, and a further $500,000 to be paid for every additional 50,000oz Au resource with a grade of at least 1 g/t or more, within 5 years following completion of the acquisition.
- Completion of the acquisition and the issue of the 3,000,000 shares was approved at a shareholder meeting on 12 September 2024.

The Company has received firm commitment to raise $2,000,000 via an equity placement of 100,000,000 new fully paid ordinary shares at an issue price of $0.02 per share to sophisticated and institutional investors.

- Tranche 1 was issued on 24 July 2024. 14,453,790 ordinary shares were issued at $0.02, raising $289,076.
- Tranche 2 was approved at a shareholder meeting on 12 September 2024. 85,546,210 ordinary shares will be issued at $0.02, raising $1,710,924.
- The Lead Manager and Broker will receive 10,000,000 unlisted options exercisable at $0.03 and expiring 3 years from date of issue. The options were approved at a shareholder meeting on 12 September 2024.
- The Company proposes to change its name to Strata Minerals Limited to further align with the strategic direction of the company. The change of name was approved at a shareholder meeting on 12 September 2024.

Other than noted above, no other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

## Note 25. Reconciliation of profit after income tax to net cash from operating activities

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Loss after income tax expense for the year | (2,114,095) | (2,776,343) |
| *Adjustments for:* | | |
| Depreciation and amortisation | 12,375 | 37,126 |
| Share-based payments | 204,508 | 137,800 |
| AASB 16 adjustment | 17,095 | 2,125 |
| Impairment expense | 246,292 | 422,603 |
| *Change in operating assets and liabilities:* | | |
| Increase / (Decrease) in Trade and Other Payables | (351,291) | 285,472 |
| (Increase)/ Decrease in Trade and Other Receivables | (33,733) | 115,049 |
| Increase in Other Assets | 150,000 | - |
| Decrease in Provisions | (22,356) | (11,563) |
| Net cash outflows from operating activities | (1,891,205) | (1,787,731) |

## Note 26. Earnings per share

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Loss after income tax | (2,114,095) | (2,776,343) |
| | **Cents** | **Cents** |
| Basic and diluted loss per share | (2.42) | (3.44) |
| | **Number** | **Number** |
| Weighted average number of ordinary shares used in calculating basic and diluted loss per share | 87,430,610 | 80,761,113 |

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## Note 27. Share-based payments

Share based payments made during the period ended 30 June 2024 are summarised below.

### (a) Recognised share-based payment expense

| | 2024 $ | 2023 $ |
|---|---|---|
| Expense arriving from equity share-based payment transactions | 204,508 | 189,800 |

### (b) Securities granted during the year

Options granted during the year as share based payment are as follows:

| Item | Class of Securities | Grant Date | Number of Securities | Exercise Price | Expiry Date | Vesting Date |
|---|---|---|---|---|---|---|
| 1 | Directors Incentive Options | 28-May-2024 | 2,500,000 | $0.03 | 5 years from grant date | Vested immediately |
| 2 | Directors Incentive Options | 28-May-2024 | 2,500,000 | $0.04 | 5 years from grant date | Vested immediately |
| 3 | Directors Incentive Options | 28-May-2024 | 2,500,000 | $0.06 | 5 years from grant date | Vested immediately |

Shares granted during the year as share based payment are as follows:

| Item | Class of Securities | Issue Date | Number of Securities | Exercise Price |
|---|---|---|---|---|
| 1 | Ordinary Shares | 11-Oct-2023 | 1,379,889 | $0.07 |

For the options granted during the financial year to the managing direction, they were valued using a Black-Scholes option pricing model with the following inputs:

| | Tranche 1 Options | Tranche 2 Options | Tranche 3 Options |
|---|---|---|---|
| Grant Date | 28-May-2024 | 28-May-2024 | 28-May-2024 |
| No of Options | 2,500,000 | 2,500,000 | 2,500,000 |
| Underlying share price | $0.02 | $0.02 | $0.02 |
| Exercise price | $0.03 | $0.04 | $0.06 |
| Expected volatility | 100% | 100% | 100% |
| Expiry date (years) | 5 | 5 | 5 |
| Expected dividends | Nil | Nil | Nil |
| Risk free rate | 3.99% | 3.99% | 3.99% |
| Value per option (rounded) | $0.015 | $0.014 | $0.013 |

The options granted to key management personnel during the year vest immediately.

### (c) Securities granted during the prior year

There were no shares, options or performance rights granted during the prior year

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**NickelX Limited**
**Consolidated Entity Disclosure Statement**
**for year ended 30 June 2024**

**Consolidated Entity Disclosure Statement**

| Entity Name | Entity Type | Place formed / Country of incorporation | Ownership Interest % | Tax residency |
|---|---|---|---|---|
| Nickel X Limited | Body corporate | Australia | N/A | Australia |
| Ventnor Gold Pty Ltd | Body corporate | Australia | 100 | Australia |
| NKL Canada Limited | Body corporate | Canada | 100 | Australia |

Nickel X Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

NKL Canada Limited is also a tax resident of Canada under Canadian tax law.

**Basis of Preparation**
This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

**Determination of Tax Residency**
Section 295 (3A) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of 'Australian resident' and 'foreign resident' in the *Income Tax Assessment Act 1997* are mutually exclusive. This means that if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of disclosure in the CEDS.

**Australian Tax Residency**
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/15

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**NickelX Limited**
**Directors' Declaration**
**30 June 2024**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Peter Woods
Managing Director

16 September 2024
Perth

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Australia

# INDEPENDENT AUDITOR'S REPORT

To the members of NickelX Limited

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of NickelX Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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| *Key audit matter* | *How the matter was addressed in our audit* |
|---|---|
| The carrying value of the capitalised exploration and evaluation asset as at 30 June 2024 is disclosed in Note 8 of the financial report.<br><br>As the carrying value of the capitalised exploration and evaluation asset represents a significant asset of the Group and the assessment of whether indicators of impairment exist is judgemental, we considered this to be a key audit matter.<br><br>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular:<br>• Whether the conditions for capitalisation are satisfied;<br>• Which elements of exploration and evaluation expenditures qualify for recognition;<br>• Recognition and valuation of purchase consideration for tenement acquisitions; and<br>• Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. | Our procedures included, but were not limited to:<br>• Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date;<br>• Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes;<br>• Considering whether any area of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;<br>• Evaluating management's basis for the impairment recognised and considering whether any facts or circumstances existed to suggest impairment testing was required for any other area of interest; and<br>• Assessing the adequacy of the related disclosures in Notes 1 and 8 to the Financial Report. |

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**Other information**

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the directors for the Financial Report**

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

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## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 19 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of NickelX Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

**Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**BDO Audit Pty Ltd**

BDO

**Jackson Wheeler**

**Director**

Perth, 16 September 2024

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**NickelX Limited**
**Shareholder Information**
**30 June 2024**

The shareholder information set out below was applicable as at 02 September 2024.

**Distribution of equitable securities**
Analysis of number of equitable security holders by size of holding:

| | | Ordinary shares | |
|---|---|---|---|
| | **Total units** | **Number of holders** | **% of total shares issued** |
| 1 to 1,000 | 1,377 | 19 | 0.00 |
| 1,001 to 5,000 | 376,826 | 103 | 0.37 |
| 5,001 to 10,000 | 1,160,194 | 136 | 1.13 |
| 10,001 to 100,000 | 16,757,942 | 404 | 16.39 |
| 100,001 and over | 83,972,620 | 201 | 82.11 |
| **TOTAL** | **102,268,959** | **863** | **100.00** |
| Holding less than a marketable parcel | **2,967,937** | **358** | **0.29** |

**Equity security holders**
*Twenty largest quoted equity security holders*
The names of the twenty largest security holders of quoted equity securities are listed below:

| **Ordinary shares** | **Number held** | **% of total shares issued** |
|---|---|---|
| Sunset Capital Management Pty Ltd | 7,460,050 | 7.29 |
| VRX Silica Limited | 6,250,000 | 6.11 |
| Celtic Finance Corp Pty Ltd | 3,521,450 | 3.44 |
| M & K Korkidas Pty Ltd | 2,361,125 | 2.31 |
| Mr Gavin Jeremy Dunhill | 2,100,000 | 2.05 |
| Mrs Charlotte Mary Hood & Mr Ashley Keith Hood | 2,000,000 | 1.96 |
| Finclear Services Nominees Pty Limited | 1,936,484 | 1.89 |
| Australian Trade Access Pty Ltd | 1,550,000 | 1.52 |
| MG Resources Pty Ltd | 1,548,498 | 1.51 |
| Malahide Management Pty Ltd | 1,133,333 | 1.11 |
| Dr Oliver Pierre Kreuzer | 1,000,001 | 0.98 |
| Avania Nominees Pty Ltd | 1,000,000 | 0.98 |
| Pager Partners Corporate Advisory Pty Ltd | 1,000,000 | 0.98 |
| Mr Didier Bamwanya Mbaya | 1,000,000 | 0.98 |
| Dimensional Holdings Pty Ltd | 1,000,000 | 0.98 |
| Mr Benjamin Mathew Vallerine & Ms Samantha Leigh Blount | 771,241 | 0.75 |
| Comsec Nominees Pty Limited | 704,560 | 0.69 |
| One Managed Investment Funds Limited | 666,667 | 0.65 |
| Mr Ryan John Ray Vitali | 644,538 | 0.63 |
| BNP Paribas Nominees Pty Ltd | 626,824 | 0.61 |
| Icader Nominees Pty Ltd | 621,716 | 0.61 |
| Plutus Ventures Pty Ltd | 608,581 | 0.60 |
| Lindal Holdings Pty Ltd | 608,581 | 0.60 |
| Mr Shane Timothy Ball | 604,290 | 0.59 |
| **Total Top 20** | **40,717,939** | **39.81** |
| Other Holders | 61,551,020 | 60.19 |
| | **102,268,959** | **100.00** |

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**NickelX Limited**
**Shareholder Information**
**30 June 2024**

**Listed Option holders**

*Twenty largest quoted option holders*

The names of the twenty largest holders of quoted listed options are listed below:

| Listed Options | Number held | % of total options issued |
|---|---|---|
| M & K Korkidas Pty Ltd | 5,438,455 | 11.95 |
| Sunset Capital Management Pty Ltd | 3,732,043 | 8.20 |
| VRX Silica Limited | 3,125,000 | 6.87 |
| Celtic Finance Corp Pty Ltd | 1,962,899 | 4.31 |
| Celtic Capital Pty Ltd | 1,797,778 | 3.95 |
| Mr Andrew Kenneth Bruce Mortimer | 1,309,999 | 2.88 |
| Nysha Investments Pty Ltd | 1,200,000 | 2.64 |
| Cityscape Asset Pty Ltd | 1,000,000 | 2.20 |
| Mrs Andrea Rae Murray | 856,667 | 1.88 |
| Nardie Group Pty Ltd | 806,646 | 1.77 |
| Celtic Capital Foundation Pty Ltd | 750,000 | 1.65 |
| Pentin Pty Ltd | 700,000 | 1.54 |
| CPS Capital No 5 Pty Ltd | 683,333 | 1.50 |
| Mrs Charlotte Mary Hood & Mr Ashley Keith Hood | 666,666 | 1.47 |
| Malahide Management Pty Ltd | 627,067 | 1.38 |
| Danteen Pty Ltd | 527,500 | 1.16 |
| RNR Blok Holdings Pty Ltd | 502,200 | 1.10 |
| Dr Oliver Pierre Kreuzer | 500,000 | 1.10 |
| Pager Partners Corporate Advisory Pty Ltd | 500,000 | 1.10 |
| Dimensional Holdings Pty Ltd | 500,000 | 1.10 |
| Champagne Capital Pty Ltd | 431,250 | 0.95 |
| Mr Shane Timothy Ball | 400,000 | 0.88 |
| **Total Top 20** | **28,017,503** | **61.58** |
| Other Holders | 17,477,781 | 38.42 |
| | **45,495,284** | **100.00** |

The above quoted listed options have an exercise price of $0.20 with an expiry date of 30 November 2024

*Unquoted equity securities*

| Security Type | Expiry Date | Exercise Price | Number of Options |
|---|---|---|---|
| Unlisted Option 1 (ULO) | 6 May 2026 | $0.25 | 2,250,000 |
| Unlisted Option 2 (ULO) | 6 May 2026 | $0.30 | 2,250,000 |
| Unlisted Option 3 (ULO) | 6 May 2026 | $0.40 | 2,250,000 |
| Unlisted Option B (ULO) | 6 May 2025 | $0.25 | 2,400,000 |
| Unlisted Option 4 (ULO) | 18 June 2025 | $0.25 | 2,000,000 |
| Unlisted Option 5 (ULO) | 8 August 2025 | $0.30 | 1,000,000 |
| Unlisted Option 7 (ULO) | 31 Oct 2025 | $0.25 | 650,000 |
| Unlisted Option 8 (ULO) | 31 Oct 2025 | $0.30 | 650,000 |
| Unlisted Option 9 (ULO) | 31 Oct 2025 | $0.40 | 650,000 |
| Unlisted Option 10 (ULO) | 28 May 2029 | $0.03 | 2,500,000 |
| Unlisted Option 11 (ULO) | 28 May 2029 | $0.04 | 2,500,000 |
| Unlisted Option 12 (ULO) | 28 May 2029 | $0.06 | 2,500,000 |
| | | **Total** | **21,600,000** |

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The names of the security holders with more than 20% of an unlisted class of security as at the date of this report are listed below:

| Holder | ULO $0.25 6 May 2026 | ULO $0.30 6 May 2026 | ULO $0.40 6 May 2026 | ULO $0.25 6 May 2025 | ULO $0.25 18 Jun 2025 | ULO $0.25 8 Aug 2025 |
|---|---|---|---|---|---|---|
| Celtic Capital Pty Ltd | - | - | - | 1,680,000 | 1,400,000 | - |
| CPS Capital No 4 Pty Ltd | - | - | - | 720,000 | 600,000 | - |
| Matthew Gauci | 1,000,000 | 1,000,000 | 1,000,000 | - | - | - |
| Jonathan Downes | 650,000 | 650,000 | 650,000 | - | - | - |
| 61 Financial Information Technology Pty Ltd | - | - | - | - | - | 1,000,000 |
| **Total number of holders** | 5 | 5 | 5 | 2 | 2 | 1 |
| **Total holdings over 20%** | **1,650,000** | **1,650,000** | **1,650,000** | **2,400,000** | **2,000,000** | **1,000,000** |
| Other holders | 600,000 | 600,000 | 600,000 | - | - | - |
| **Total** | **2,250,000** | **2,250,000** | **2,250,000** | **2,400,000** | **2,000,000** | **1,000,000** |

| Holder | ULO $0.25 31 Oct 2025 | ULO $0.30 31 Oct 2025 | ULO $0.40 31 Oct 2025 | ULO $0.03 28 May 2029 | ULO $0.04 28 May 2029 | ULO $0.06 28 May 2029 |
|---|---|---|---|---|---|---|
| Peter Woods | - | - | - | 2,500,000 | 2,500,000 | 2,500,000 |
| Richard Monti | 650,000 | 650,000 | 650,000 | - | - | - |
| **Total number of holders** | 1 | 1 | 1 | 1 | 1 | 1 |
| **Total holdings over 20%** | **650,000** | **650,000** | **650,000** | **2,500,000** | **2,500,000** | **2,500,000** |
| Other holders | - | - | - | - | - | - |
| **Total** | **650,000** | **650,000** | **650,000** | **2,500,000** | **2,500,000** | **2,500,000** |

**Substantial holders**

Substantial holders in the company are set out below:

| | Ordinary shares | |
|---|---|---|
| | Number held | % of total shares issued |
| Mr Jason Peterson | 13,590,146 | 13.29 |
| VRX Silica Ltd | 6,250,000 | 6.11 |

**Voting rights**
The voting rights attached to ordinary shares are set out below:

*Ordinary shares*
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

**Buy-Back**
There was no on-market buy back during the period

**Use of funds**
Since the time of listing on ASX, the entity has used its cash and assets in a form readily converted to cash that it had at the time of admission to the official list of ASX in a manner which is consistent with its business objectives.

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**Shareholder Information**
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**Tenements**

| Description | Tenement number | Interest owned % |
|---|---|---|
| Biranup Project | E38/3191 | 100 |
| Biranup Project | E39/1828 | 100 |
| Biranup Project | E39/2000 | 100 |
| Biranup Project | E39/2001 | 100 |
| Biranup Project | E39/2003 | 100 |
| Dalwallinu Project | E70/5398 | 80 |
| Elliot Lake Project | 879754 | 100 |
| Elliot Lake Project | 879755 | 100 |
| Elliot Lake Project | 879756 | 100 |
| Elliot Lake Project | 879757 | 100 |
| Elliot Lake Project | 879758 | 100 |
| Elliot Lake Project | 879759 | 100 |
| Elliot Lake Project | 879760 | 100 |
| Elliot Lake Project | 879761 | 100 |
| Elliot Lake Project | 879762 | 100 |
| Elliot Lake Project | 879763 | 100 |
| Elliot Lake Project | 879764 | 100 |
| Elliot Lake Project | 879765 | 100 |
| Elliot Lake Project | 879766 | 100 |
| Elliot Lake Project | 879767 | 100 |
| Elliot Lake Project | 879768 | 100 |
| Elliot Lake Project | 879769 | 100 |
| Elliot Lake Project | 879770 | 100 |
| Elliot Lake Project | 879771 | 100 |
| Elliot Lake Project | 879772 | 100 |
| Elliot Lake Project | 879773 | 100 |
| Elliot Lake Project | 879774 | 100 |
| Elliot Lake Project | 879775 | 100 |
| Elliot Lake Project | 879776 | 100 |
| Elliot Lake Project | 879777 | 100 |
| Elliot Lake Project | 879778 | 100 |
| Elliot Lake Project | 879779 | 100 |
| Elliot Lake Project | 879780 | 100 |
| Elliot Lake Project | 879781 | 100 |
| Elliot Lake Project | 879782 | 100 |
| Elliot Lake Project | 879783 | 100 |
| Elliot Lake Project | 883146 | 100 |
| Elliot Lake Project | 883148 | 100 |
| Elliot Lake Project | 883149 | 100 |
| Elliot Lake Project | 883150 | 100 |
| Elliot Lake Project | 883152 | 100 |
| Elliot Lake Project | 883153 | 100 |
| Elliot Lake Project | 883154 | 100 |
| Elliot Lake Project | 883157 | 100 |
| Elliot Lake Project | 883158 | 100 |
| Elliot Lake Project | 883159 | 100 |
| Elliot Lake Project | 883160 | 100 |

**Restricted Securities**
The Company confirms there are no restricted securities on issue as at the date of this report.

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**Corporate Governance**

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of NickelX Limited support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council and considers that the Company is compliant with many of those guidelines which are of importance to the commercial operation of the Company. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Company. Details of NickelX's current corporate governance practices is set out in the Company's corporate governance statement which can be viewed on the Company website at https://nickelxlimited.com/corporate/corporate-governance/

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