

ASX ANNOUNCEMENT

17th October 2023

SCOPING STUDY UPDATE

- In April 2023 The Mt Thirsty Joint Venture partners Conico Ltd (ASX: CNJ) (50%) and Greenstone resources Ltd (ASX: GSR) (50%) appointed a specialist team of independent consultants to undertake an updated Scoping Study for the Mt Thirsty Project (JORC Resource 66.2 Mt @ 0.06% cobalt; 0.43% nickel and 0.45% manganese).
- This Scoping Study is assessing several optimisations, including the adoption of HPAL and production of Precursor Cathode Active Material (pCAM), a high-value product made of cobalt, nickel, and manganese.
- pCAM is an essential constituent used in the manufacturing of high-performance lithium-ion batteries.
- Addition of pCAM and HPAL to the Mt Thirsty project could transform project economics:
 - Comparable HPAL projects typically receive Co and Ni recoveries of 90% and 92%, respectively¹
 - pCAM typically receives a ~50% pricing premium over intermediary products such as MHP and MSP²
- The updated Scoping Study and associated project economics were initially expected for completion in early-mid July 2023 however, high levels of workflows with the key consultants engaged in the project have unfortunately resulted in delays in the completion of the study. The MTJV Partners now anticipate this study to be completed and released to the market by mid-late November 2023.
- The updated MRE and Scoping Study will provide foundation for progressing development options for Mt Thirsty

The current Scoping Study is incorporating a number of previously identified project optimisations, in particular the adoption of High-Pressure Acid Leaching (**HPAL**) and the addition of a cathode precursor plant to produce a Precursor Cathode Active Material (**pCAM**).

The Mt Thirsty Co-Ni-Mn-Sc project is located 16 km north-northwest of Norseman, Western Australia (50% Greenstone Resources, 50% Conico Limited) and is supported by a network of existing infrastructure (road, rail, port, and power). The Project hosts the Mt Thirsty cobalt-nickel-manganese-scandium deposit, with a current JORC Resource of 66.2 million tonnes @ 0.06% cobalt; 0.43% nickel and 0.45% manganese. A Pre-Feasibility Study (**PFS**) was previously completed on the existing resource of 26.9Mt at 0.126% cobalt, and 0.54% nickel (see ASX Announcement: CNJ 20/02/2020).

Drilling in 2022 identified scandium within the resource, of up to 78 metres @ 46.4 g/t Sc from 3 metres, which was previously untested for. Scandium oxide currently attracts a price of A\$1,415,400/t³, and may provide a valuable by-product revenue stream.

The previously released PFS employed atmospheric leaching as the extraction method, resulting in lower metal recoveries and was also completed during a period of subdued commodity prices, which understated the Project's potential to provide a low-cost, ethical and sustainable source of cobalt and nickel outside of the Democratic Republic of the Congo and Russia. Since the completion of the PFS in early 2020, a number of project optimisation opportunities have subsequently been identified which may have a material impact on the Project economics, including the adoption of HPAL and the production of a pCAM product.

¹ Based on comparable projects (ASX:NC1 22/12/2022; ASX:CLQ 25/06/2018)

² See Figure 1

³ Shanghai Metals Market 16/10/2023. AUD:USD 0.63.

SCOPING STUDY

A team of independent consultants has been engaged to undertake a Scoping Study at Mt Thirsty, including Simulus Pty Ltd (**Simulus**) and WSP Australia Pty Limited (**WSP**).

Simulus is a leading hydrometallurgy and mineral processing services group that specialises in metallurgical testwork, process simulation, engineering studies and the development of hydrometallurgical flowsheets. Simulus bring extensive HPAL experience having been involved in the assessment, development, design, commissioning, or operation of 22 nickel projects over the past 19 years.

WSP is a full-service mining consultancy with a global team of over 4,400 dedicated mining professionals covering geology, resource estimation, mining, processing, and environmental. WSP's mining team (formally Golder Associates) have extensive experience with the Mt Thirsty project, having previously undertaken the most recent mineral resource estimates and tailings design. As part of the Scoping Study, WSP will be undertaking an updated mineral resource estimate, mine design, tailings management plan and associated site infrastructure design.

The Scoping Study is already underway and is now expected to be completed by mid-late November 2023 (Figure 1).

INDICATIVE SCOPING STUDY TIMELINE

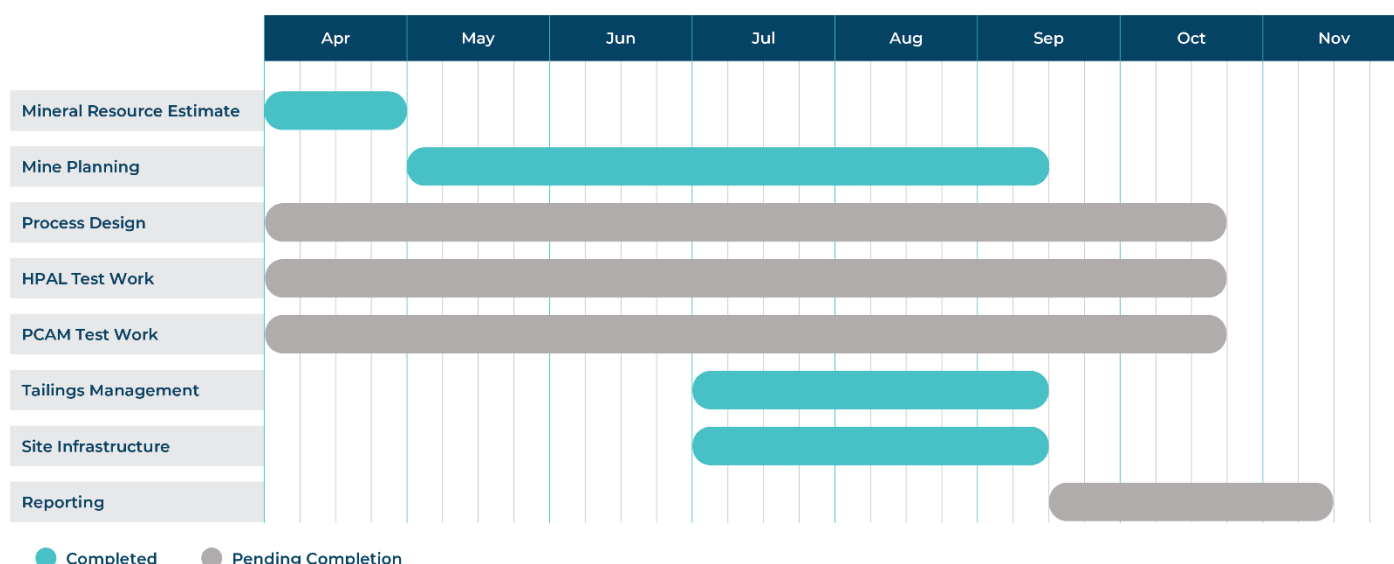


Figure 1: Indicative Scoping Study project timeline to completion.

This announcement is authorised by the Board of Directors.

- END -

Guy T Le Page. GAICD, FFIN, MAusIMM

Executive Director

Conico Limited

RESOURCES & RESERVES

The Mt Thirsty Joint Venture (MTJV) is located 16 km North-Northwest of Norseman, Western Australia (50% Conico, 50% Greenstone Resources Limited).

The Project contains the Mt Thirsty cobalt-nickel oxide deposit with a JORC Resource of 26.9Mt at 0.126% cobalt, and 0.54% nickel. A Pre-Feasibility Study (PFS) of the Project was completed and announced to the ASX on 20 February 2020. In addition to the Co-Ni-Mn oxide deposit, the Project also hosts nickel sulphide mineralisation potential, and scandium has been found within the resource, which was previously untested for.

Mt Thirsty Joint Venture Mineral Resources (50%)

	Cut-off Grade (NiEq%)	Dry Tonnes (Mt)	Grade			Contained Metal		
			Ni (%)	Co (%)	Mn (%)	Ni (kt)	Co (kt)	Mn (kt)
Mt Thirsty Main (MTTM)								
Indicated	0.25	30.2	0.51	0.10	0.69	154.7	29.3	207.8
Inferred	0.25	31.9	0.35	0.03	0.24	110.4	9.3	76.6
Total	0.25	62.1	0.43	0.06	0.46	265.1	38.5	284.4
Mt Thirsty North (MTTN)								
Indicated	0.25	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Inferred	0.25	4.2	0.43	0.05	0.29	17.9	2.0	11.8
Total	0.25	4.2	0.43	0.05	0.29	17.9	2.0	11.8
Total	0.25	66.2	0.43	0.06	0.45	283.0	40.5	296.2

Refer to ASX Announcement 26/04/2023 for full details of the Mineral Resource Estimate.

Competent Persons for the Mt Thirsty Cobalt Nickel Project

Project and Discipline	JORC Section	Competent Person	Employer	Professional Membership
Mt Thirsty Geology	Exploration Results	Glenn Poole	Greenstone Resources	MAusIMM
Mt Thirsty Resource Estimation	Mineral Resources	Richard Gaze	Golder Associates Pty Ltd	MAusIMM
Mt Thirsty Metallurgy	Exploration Results and Ore Reserves	Peter Nofal	AMEC Foster Wheeler Pty Ltd trading as Wood	FAusIMM
Mt Thirsty Mining	Ore Reserves	Frank Blanchfield	Snowden Mining Industry Consultants Pty Ltd	FAusIMM

The information in this announcement which relates to Exploration Results and geological interpretation at Mt Thirsty is based on information compiled by Mr Glenn Poole an employee of Greenstone Resources Limited who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Poole consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.

The information in this announcement which relates to Mineral Resources is based on information provided to and compiled by Mr David Reid, a Competent Person who is a full-time employee of Golder Associates Pty Ltd, and a Member of the Australasian Institute of Mining and Metallurgy. Mr Reid has sufficient relevant experience to the style of mineralisation and type of deposits under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012 Edition). Mr Reid consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The Company is not aware of any new information or data that materially affects the information presented and that the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

DISCLAIMER & CAUTIONARY STATEMENTS

The interpretations and conclusions reached in this announcement are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken based on interpretations or conclusions contained in this report will therefore carry an element of risk. This announcement contains forward-looking statements that involve several risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. No obligation is assumed to update forward-looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.

REFERENCES TO PREVIOUS ANNOUNCEMENTS

In relation to the details of the PFS announced on 20/02/2020, Conico confirms that all material assumptions underpinning the production target and forecast financial information from the production target, as reported on 20/02/2020, continue to apply and have not materially changed. A proportion of the production target uses inferred mineral resources. There is a low level of confidence associated with inferred mineral resources and there is no certainty that further exploration will result in the determination of indicated mineral resources or that the production target itself will be realised.

The mineral resource estimates in this announcement were reported by the Company in accordance with ASX Listing Rule 5.8 on 26/4/2023. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimates in the previous announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The ore reserve estimate in this announcement was reported by the Company in accordance with ASX Listing Rule 5.9 on 20/2/2020. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimate in the previous announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.