



**NICKEL X**  
LIMITED

**ABN 52 631 513 696**

**& Controlled Entities**

## **Interim Financial Report**

**For the year ended 31 December 2022**

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**NickelX Limited  
Corporate Directory**

Directors	Jonathan Downes – Non-Executive Chairman Matthew Gauci – Managing Director and Chief Executive Officer Richard Monti – Non-Executive Director Oliver Kreuzer – Non-Executive Director
Joint Company secretaries	Steven Wood, Sujana Karthik
Principal and Registered office	Level 3, the Read Buildings 16 Milligan Street Perth WA 6000 Email: <a href="mailto:info@nickelxlimited.com">info@nickelxlimited.com</a>
Share register	Automic Group Level 5, 191 St Georges Terrace Perth WA 6000 Phone: 1300 288 664
Auditor	BDO Audit (WA) Pty Ltd Level 9 Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000
Solicitors	Steinepreis Paganin Level 4, 16 Milligan Street Perth WA 6000
Bankers	Westpac Banking Corporation Level 13, 109 St Georges Terrace, Perth WA 6000
Stock exchange listing	Australian Securities Exchange Limited Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000 <b>ASX code: NKL</b>
Website	<a href="http://www.nickelxlimited.com">http://www.nickelxlimited.com</a>

**General information**

The financial statements cover NickelX Limited as a consolidated entity consisting of NickelX Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is NickelX Limited's functional and presentation currency.

NickelX Limited is a listed public company limited by shares, incorporated and domiciled in Australia. A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14 March 2023. The directors have the power to amend and reissue the financial statements.

## DIRECTORS' REPORT

The directors present their half-yearly report on the consolidated entity consisting of NickelX Limited ("NickelX" or "the Company") and the entities it controlled ("the Group") at the end of, or during, the period 1 July 2022 to 31 December 2022.

### Directors

The persons who were Directors of NickelX Limited during the interim reporting period and up to the date of this report are:

Mr Matthew Gauci	Managing Director
Mr Jonathan Downes	Non-Executive Chairman
Mr Kristin Butera	Non-Executive Director (resigned on 24 November 2022)
Mr Oliver Kreuzer	Non-Executive Director
Mr Richard Monti	Non-Executive Director (appointed on 24 November 2022)

### Review of Operations

The loss for the consolidated entity after providing for income tax amounted to \$1,336,465 (31 December 2022: \$2,242,198).

NickelX's principal activities during the period were focused on progressing the Cosmos South Nickel Project, located in the Wiluna Greenstone Belt, the Dalwallinu Nickel Project located in the West Yilgarn and the Biranup Nickel and Gold project, located in the Albany Fraser Orogen, WA. The Company also continued to evaluate a number of potentially value accretive acquisition in the Nickel sector.

At the Cosmos South project a magnetic survey was undertaken at 25 m E/W traverses at a height of 30m over the southern portion (CS2 Target) of M36/580, following the magnetic survey covering the northern portion (CS1 Target) (refer ASX announcement 6 July 2022). Magnetic survey data processing was completed including the integration of data received from previous surveys to better define the magnetic characteristics of the strata and to better map subsurface structure and lithology based on the results.

The processed magnetic data aims to map local variations in the interpreted buried komatiite volcanic lithologies that may represent channelised environments within the larger komatiite sequence, being critical to the formation of nickel sulphide deposits. Permitting to drill test the CS1 Target for an initial ~1,500m diamond drilling program was also completed where the company is targeting very strong EM conductors coincident with Mag anomalies. The drilling program was supported by a WA Government drilling grant. Drilling successfully encountered massive to semi massive sulphides at the on of high priority targets. Subsequent XRF analysis did not meet the Company's criteria of potentially economic nickel-copper mineralisation from the initial drilling, however the Company is evaluating potential next steps, including further drilling.

NickelX also completed the acquisition of the Dalwallinu Nickel Project and immediately commenced exploration, including a review of the existing soil samples, geophysical surveys and geology to identify high priority targets for a drill program, to test for 'Julimar-style' Nickel-Copper mineralisation.

During the reporting period the Company was awarded a \$180,000 Exploration Incentive Scheme (EIS) Grant for a potential drilling program at the Biranup project, where the company is seeking structural gold mineralisation.

**Figure 1. Nickel X Project Locations**



**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.

**Significant changes in the state of affairs**

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 period**

The Company released the following market sensitive ASX Announcements since the end of the financial year.

Date	Details
14 Feb 2023	Ni-Cu-PGE Targets defined at Dalwallinu Project.
21 Feb 2023	Detailed Sampling Commences on High Priority Targets

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

### **Environmental regulation**

The Group operates within the resources sector and conducts its business activities with respect for the environment while continuing to meet the expectations of the shareholders, employees, and suppliers. The Company's exploration activities are currently subject to significant environmental regulation under laws of the Commonwealth and Western Australia. The Group aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation.

As at the date of this report, the Group is not aware of any significant breaches of those environmental requirements.

### **Auditor's Independence Declaration**

The Auditor's Independence Declaration under section 307C of the Corporation Act 2001 is included within this financial report.

This report is signed in accordance with a resolution of the Board of Directors.



**Mr. Matt Gauci**  
Managing Director

Perth, Western Australia, 14 March 2023

## DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF NICKELX LIMITED

As lead auditor for the review of NickelX Limited for the half-year ended 31 December 2022, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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



**Jarrad Prue**

**Director**

**BDO Audit (WA) Pty Ltd**

Perth, 14 March 2023

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# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Note	31 December 2022 \$	31 December 2021 \$
<b>Revenue from continuing operations</b>			
Other income	3	12,554	262
Administration expense		(18,382)	(37,195)
Professional fees		(229,592)	(215,928)
Public company expenses		(145,513)	(160,966)
Marketing expense		(105,495)	(13,227)
Finance costs		(1,345)	(782)
Share based payment expense	10	(137,800)	-
Employee benefit expenses		(298,908)	(290,049)
Exploration expense		(393,377)	(1,503,400)
Depreciation and amortisation expense		(18,563)	(20,276)
Other expense		(44)	(637)
<b>Loss before income tax expense</b>		<b>(1,336,465)</b>	<b>(2,242,198)</b>
Income tax expense		-	-
<b>Loss after income tax for the period</b>		<b>(1,336,465)</b>	<b>(2,242,198)</b>
<b>Other Comprehensive Income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange difference on translation of foreign operations		-	-
Gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		165,000	-
<b>Total comprehensive loss for the period</b>		<b>(1,171,465)</b>	<b>(2,242,198)</b>
<b>Total comprehensive loss is attributable to:</b>			
Owners of NickelX Limited		<b>(1,171,465)</b>	<b>(2,242,198)</b>
		<b>(1,171,465)</b>	<b>(2,242,198)</b>
Basic and diluted loss per share (cents)	15	(1.78)	(3.27)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	31 December 2022 \$	30 June 2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	4,179,915	2,852,047
Trade and other receivables		102,854	199,543
Prepayments		60,173	60,173
<b>Total current assets</b>		<b>4,342,942</b>	<b>3,111,763</b>
<b>Non-current assets</b>			
Exploration and evaluation expense	7	2,280,321	1,460,321
Right of use assets		30,938	49,501
Investment	5	265,000	100,000
<b>Total non-current assets</b>		<b>2,576,259</b>	<b>1,609,822</b>
<b>TOTAL ASSETS</b>		<b>6,919,201</b>	<b>4,721,585</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	8	762,800	231,150
Lease liabilities		9,019	37,743
Provisions		43,216	31,942
<b>Total current liabilities</b>		<b>815,035</b>	<b>300,835</b>
<b>Non-current liabilities</b>			
Provisions		6,698	3,887
Lease liabilities		22,785	12,676
<b>Total non-current liabilities</b>		<b>29,483</b>	<b>16,563</b>
<b>TOTAL LIABILITIES</b>		<b>844,518</b>	<b>317,398</b>
<b>NET ASSETS</b>		<b>6,074,683</b>	<b>4,404,187</b>
<b>EQUITY</b>			
Issued capital	9	10,687,147	8,262,463
Reserves		2,007,746	1,425,469
Accumulated losses		(6,620,210)	(5,283,745)
<b>TOTAL EQUITY</b>		<b>6,074,683</b>	<b>4,404,187</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Issued Capital \$	Option and Performance Rights Reserve \$	Fair Value Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2021	8,238,962	1,425,469	-	(2,234,636)	7,429,796
<b>Total comprehensive loss for the period</b>					
Loss for the period ended	-	-	-	(2,242,200)	(2,242,200)
<b>Total comprehensive loss for the period</b>	-	-	-	<b>(2,242,200)</b>	<b>(2,242,200)</b>
<b>Transactions with owners, recorded directly in equity</b>					
Issue of shares, net of costs	23,500	-	-	-	23,500
<b>Balance at 31 December 2021</b>	<b>8,262,463</b>	<b>1,425,469</b>	<b>-</b>	<b>(4,476,836)</b>	<b>5,211,096</b>
	Issued Capital \$	Option and Performance Rights Reserve \$	Fair Value Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2022	8,262,463	1,425,469	-	(5,283,745)	4,404,187
<b>Total comprehensive loss for the period</b>					
Loss for the period ended	-	-	-	(1,336,465)	(1,336,465)
Other comprehensive income for the year, net of tax	-	-	165,000	-	165,000
<b>Total comprehensive loss for the period</b>	-	-	<b>165,000</b>	<b>(1,336,465)</b>	<b>(1,171,465)</b>
<b>Transactions with owners, recorded directly in equity</b>					
Issue of shares, net of costs	2,424,684	-	-	-	2,424,684
Issue of Options, net of costs	-	227,477	-	-	227,477
Share based payments (refer note 10.)	-	189,800	-	-	189,800
<b>Balance at 31 December 2022</b>	<b>10,687,147</b>	<b>1,842,746</b>	<b>165,000</b>	<b>(6,620,210)</b>	<b>6,074,683</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	31 December 2022 \$	31 December 2021 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(705,061)	(767,167)
Payments for exploration activities	6,717	(953,158)
Interest paid	-	(80)
Interest received	13,292	262
<b>Net cash outflow from operating activities</b>	<b>(685,051)</b>	<b>(1,720,143)</b>
<b>Cash flows from investing activities</b>		
Exploration and evaluation expenditure	(100,000)	(1,500)
<b>Net cash outflow from investing activities</b>	<b>(100,000)</b>	<b>(1,500)</b>
<b>Cash flows from financing activities</b>		
Proceeds from share issue (Net of costs)	1,904,684	-
Proceeds from option issue	227,477	-
Lease payments	(19,240)	(19,240)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>2,112,921</b>	<b>(19,240)</b>
Net increase/(decrease) in cash and cash equivalents	1,327,868	(1,740,883)
Cash and cash equivalents at beginning of the financial period	2,852,047	5,972,476
<b>Cash and cash equivalents at end of the period</b>	<b>4,179,915</b>	<b>4,231,593</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

## 1. Summary of significant accounting policies

### (a) Basis of preparation

These general purpose interim financial statements for the half year reporting period ended 31 December 2022 has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by NickelX Limited during the half year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sales financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

#### *Critical accounting estimates*

In preparing this interim report, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2022.

#### **New and amended standards adopted by the entity**

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### **Statement of Compliance**

The interim financial statements were authorised for issue on 14 March 2023.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

## 2. Segment Information

### Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of its exploration and corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

The Group operates within one segment which is mineral exploration within Australia. The Group is domiciled in Australia.

## 3. Other Income

	31 December 2022 \$	31 December 2021 \$
Interest received	12,554	262
<b>Total Other Income</b>	<b>12,554</b>	<b>262</b>

## 4. Cash and Cash Equivalents

	31 December 2022 \$	30 June 2022 \$
Cash at bank and in hand	4,179,915	2,852,047
<b>Total Cash and Cash Equivalents</b>	<b>4,179,915</b>	<b>2,852,047</b>

## 5. Investments

	31 December 2022 \$	30 June 2022 \$
Listed equity securities - at fair value	265,000	-
Unlisted equity securities - at fair value	-	100,000
<b>Total Investments</b>	<b>265,000</b>	<b>100,000</b>

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

Opening Fair Value	100,000
Additions	-
Disposals	-
Revaluations recognised through other comprehensive income	165,000
Closing fair value of Investments	265,000

## 6. 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

<b>December 2022</b>	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets</b>				
Listed equity securities - at fair value	265,000	-	-	265,000
Unlisted equity securities - at fair value	-	-	-	-
<b>Total assets</b>	<b>265,000</b>	<b>-</b>	<b>-</b>	<b>265,000</b>
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>June 2022</b>				
<b>Assets</b>				
Listed equity securities - at fair value	-	100,000	-	100,000
Unlisted equity securities - at fair value	-	-	-	-
<b>Total assets</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>100,000</b>

## 7. Exploration & Evaluation Expenditure

	31 December 2022 \$	30 June 2022 \$
Opening Balance	1,460,321	1,435,321
Exploration expenditure relating to acquisition*	820,000	25,000
Expenditure capitalised during the period	-	-
<b>Total Exploration &amp; Evaluation Expenditure</b>	<b>2,280,321</b>	<b>1,460,321</b>

\*Acquisition of 80% Dalwallinu Nickel Project on 27 September 2022. Refer ASX announcement dated 28 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):

- 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,
- 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
- 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
- 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
- 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
- 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

## 8. Trade and Other Payables

	31 December 2022 \$	30 June 2022 \$
Trade payables <sup>(1)</sup>	509,066	124,960
Other Liability <sup>(2)</sup>	200,000	-
Accruals & other payables	53,734	106,190
<b>Total Trade and Other Payables</b>	<b>762,800</b>	<b>231,150</b>

(1) Current trade payables are non-interest bearing and are normally settled on 30-day terms

(2) Other Liability includes \$200,000 payable as part of the Sale and Joint Venture agreement for the acquisition of the Dalwallinu Nickel Project.

## 9. Issued Capital

### (a) Issued and fully paid

	31 December 2022		30 June 2022	
	\$	No.	\$	No.
Ordinary shares	10,687,146	86,435,280	8,262,463	68,768,613
	<b>10,687,146</b>	<b>86,435,280</b>	<b>8,262,463</b>	<b>68,768,613</b>

### (b) Movement reconciliation

Ordinary Shares		No. of Shares	\$
<b>Date</b>	<b>Opening Balance at 1 July 2022</b>	68,768,613	8,262,463
18 Oct 2022	Acquisition - Dalwallinu	4,000,000	520,000
24 Oct 2022	Capital Raise - T1	12,192,153	1,828,823
6 Dec 2022	Capital Raise - T2	1,274,516	191,177
6 Dec 2022	Issue of Director Shares as part of Capital raise	199,998	30,000
6 Dec 2022	Cost of Issue	-	(145,316)
	<b>Closing Balance at 31 December 2022</b>	<b>86,435,280</b>	<b>10,687,146</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

## 10. Share Based Payment

Share based payments made during the period ended 31 December 2022 are summarised below.

Set out below are summaries of options granted:

### 2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
06-Jul-22	06-Jul-25	\$0.30	-	1,000,000	-	-	1,000,000
31-Oct-22	31-Oct-25	\$0.25	-	650,000	-	-	650,000
31-Oct-22	31-Oct-25	\$0.30	-	650,000	-	-	650,000
31-Oct-22	31-Oct-25	\$0.40	-	650,000	-	-	650,000
			-	<b>2,950,000</b>	-	-	<b>2,950,000</b>

There were no options on issue as at 30 June 2022.

For the options granted during the current financial year to Key Management Personnel and Consultant, the valuation model inputs used to determine the fair value at the grant date, are as follows:

#### a. Options issued to Richard Monti

	Tranche 1 Options	Tranche 2 Options	Tranche 3 Options
Grant Date	21-Oct-22	21-Oct-22	21-Oct-22
No of Options	650,000	650,000	650,000
Underlying share price	\$0.15	\$0.15	\$0.15
Exercise price	\$0.25	\$0.30	\$0.40
Expected volatility	100%	100%	100%
Expiry date (years)	3	3	3
Expected dividends	Nil	Nil	Nil
Risk free rate	0.775%	0.775%	0.775%
Value per option (rounded)	\$0.0770	\$0.0720	\$0.0630

The options granted to key management personnel during the year vest immediately and therefore, total expense recognised during the period is \$137,800.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

## 10. Share-based payments (continued)

### b. Options issued to Consultant

During the year, a new mandate was signed, and unlisted options were issued to 61 Financial. As part of the mandate, 1,000,000 options were issued for ongoing services.

Refer below for the inputs used to determine the fair value at grant date:

	Options
Grant Date	06-Jul-2022
No of Options	1,000,000
Underlying share price	\$0.12
Exercise price	\$0.30
Expected volatility	100%
Expiry date (years)	3
Expected dividends	Nil
Risk free rate	0.15%
Value per option (rounded)	\$0.0520

The options granted during the year to Consultant vest immediately and therefore, total expense recognised during the period is \$52,000.

## 11. Related Party Transactions

On 24 November 2022, Mr Richard Monti was appointed Non-executive director, with a director fee of \$45,000 excluding superannuation.

Director options granted during the period are disclosed in note 10.

Other than the above, there has been no material changes in related party transactions since 30 June 2022.

## 12. Dividends

No dividends have been paid or declared since the start of the financial period, and none are recommended.

## 13. Commitments

There are no other new commitments, other than the commitments that existed as at 30 June 2022 that the Group has entered into during the period under review.

## 14. Contingent Assets and Liabilities

Under the Sale and Joint venture agreement to acquire Dalwallinu Nickel project, NickelX has committed to pay the vendors 2% gross revenue royalty.

Other than the above, there have been no material changes in contingent liabilities or contingent assets since the last annual reporting date.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

## 15. Earnings Per Share

Basic earnings per share amounts are calculated by dividing net profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	31 December 2022	31 December 2021
<b>Basic and diluted loss per share</b>	<b>\$</b>	<b>\$</b>
Basic and diluted loss per share from continuing operations	(1.78)	(3.27)
<b>Loss</b>		
Loss used in the calculation of basic and diluted earnings per share is as follows:		
Loss for the period from continuing operations	(1,336,465)	(2,242,198)
<b>Weighted average number of ordinary shares</b>		
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted EPS	74,904,843	68,659,892

## 16. Events Subsequent to Reporting Date

DATE	DETAILS
14 Feb 2023	Ni-Cu-PGE Targets defined at Dalwallinu Project.
21 Feb 2023	Detailed Sampling Commences on High Priority Targets

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

# DIRECTOR'S DECLARATION

The directors of the Company declare that:

- (a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
- (i) complying with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional reporting requirements.
  - (ii) giving a true and fair view of the financial position as at 31 December 2022 and the performance for the half year ended 31 December 2022.
- (b) At the date of this statement there are reasonable grounds to believe that NickelX Limited will be able to pay its debts when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



**Mr. Matt Gauci**  
Managing Director

Perth, 14 March 2023

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## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of NickelX Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of NickelX Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, 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 half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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### **Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BDO Audit (WA) Pty Ltd**

BDO

A handwritten signature in black ink, appearing to read 'J Prue', is written over the printed name.

**Jarrad Prue**

**Director**

Perth, 14 March 2023

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