

## QUARTERLY ACTIVITIES REPORT

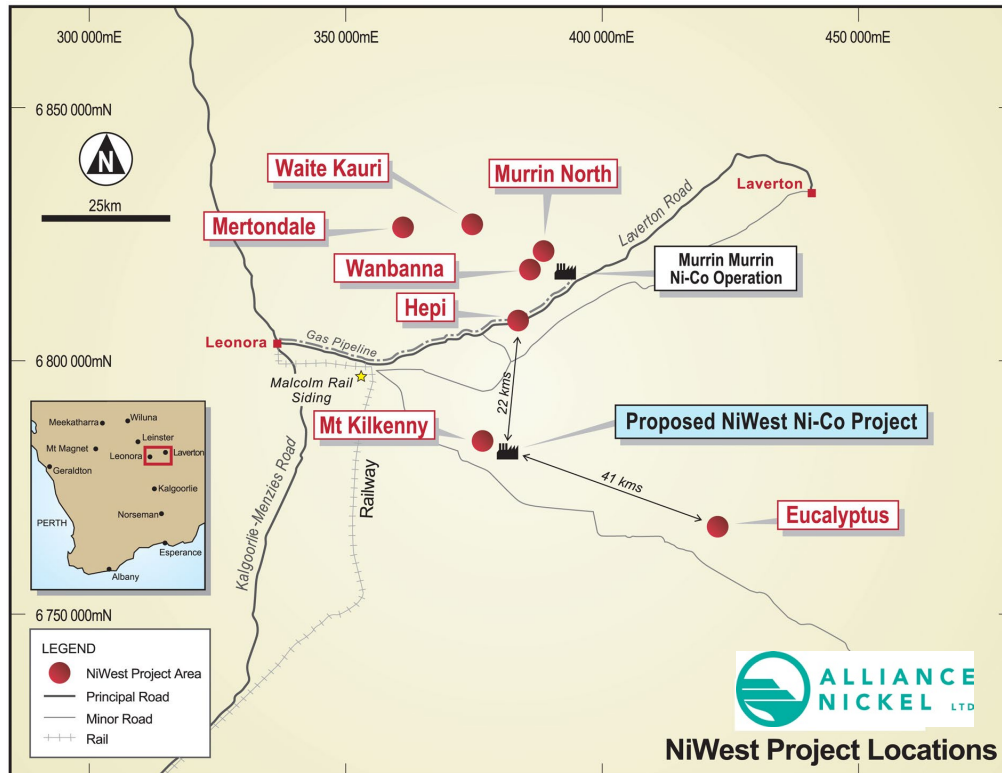
June 2023

28 July 2023

Alliance Nickel Limited (“**Alliance**” or the “**Company**”) (ASX:AXN) is pleased to provide an update on its activities completed during the June 2023 quarter as it advances its 100%-owned NiWest Nickel Cobalt Project in Western Australia (“**NiWest**” or the “**Project**”).

### Highlights

- Entered into a binding offtake agreement and share subscription agreement with Stellantis N.V. (**Stellantis**) in relation to future offtake from the NiWest Nickel Cobalt Project.
- Tranche 1 of Strategic Placement (**the Placement**) completed with Stellantis subscribing for A\$15 million in new equity for 70.6 million shares at a subscription price of A\$0.18 per share representing a 90% premium to the 30 day VWAP trading at that time.
- Engagement continues with a range of other Tier 1 OEM and EV battery supply chain manufacturers regarding potential future offtake and strategic investment(s).
- Blackbird Partners (**Blackbird**) appointed as financial advisor to assist with Alliance’s project financing strategy for the NiWest Nickel Cobalt Project.
- The Company is considering a range of debt financing options, including traditional bank debt, government debt, strategic partner financing and export credit agency funding.
- Key Definitive Feasibility Study (**DFS**) work programs progressing to plan and on budget with expected delivery of the NiWest DFS in Q4 2023.
- Geotechnical assessment drilling completed for the Mt Kilkenny mine pit as well as planned infrastructure construction sites around the refinery, heap leach pads and evaporation ponds.
- Infill drilling at Mt Kilkenny completed with results being used to define final mine pit designs and defining additional Ore Reserve tonnage.
- Water Search drilling commenced, looking for ground water at the Mt Kilkenny site and on other licenced areas.
- Six tonnes of NiWest ore shipped to SGS in Canada for pilot plant processing into premium battery grade product as part of the offtake customer qualification process.
- A metallurgical testwork program commenced, to assess the Acid Digestion Variability of the NiWest ores to further refine the operating costs associated with Heap Leaching activities.
- Strong interest from mining contractors regards contracting of the NiWest mining operations. A Request for Quotation (RFQ) process was undertaken to determine the DFS mining costs, which included a site visit to the NiWest tenements.
- Discussions continue to advance with rail logistics providers Qube and Aurizon, for the import and transport of sulphur through the Port of Esperance.



**Figure 1: NiWest Project location showing individual deposit areas and proximity to infrastructure.**

## NIWEST (NICKEL-COBALT) PROJECT

### Execution of binding offtake agreement and equity investment with Stellantis N.V.

On 1 May 2023, Alliance announced it had entered into a binding offtake agreement and binding share subscription agreement with Stellantis in relation to future offtake from the NiWest Nickel Cobalt Project.

The Binding Agreements solidify the partnership between Stellantis and Alliance, inaugurated in October 2022 with a non-binding memorandum of understanding for the supply of electric vehicle battery materials (see ASX announcement dated 10 October 2022).

The finalisation of the agreement included the completion of technical due diligence on NiWest by Arethuse Geology, which involved a site visit and comprehensive review of all technical data relating to the proposed heap leach development. Corporate and sustainability due diligence was conducted by international accounting firm, PwC, evaluating environmental and social responsibility and potential greenhouse gas emissions during the NiWest operations phase.

The Binding Offtake Agreement for battery grade materials is for the first five years of operations for the NiWest Project, during which Alliance will supply in total approximately 170,000t of nickel sulphate (~40,000 tonnes nickel metal) and 12,000t of cobalt sulphate (~3,000 tonnes cobalt metal) to Stellantis. This is roughly equivalent to 40% of future annual forecast production from NiWest over the initial term of five years.

Conditions precedent include successful start-up of commercial production, product qualification and other clauses customary for an agreement of this nature. Pricing will be linked to index pricing on a take-or-pay basis.

As part of the agreement, Stellantis subscribed for A\$15 million in new equity in Alliance at a subscription price of A\$0.18 per share. Funding from the Placement is being applied towards the completion of the NiWest DFS and engineering design works.

The Placement is structured in two tranches. The placement of the first tranche of 70.6 million shares was completed during the quarter. Issue of the second tranche of approximately 12.73 million shares is subject to Australian Foreign Investment Review Board approval which is expected in the second half of 2023. The share issue for both Placement tranches will be made pursuant to the Company's Listing Rule 7.1 capacity.

Completion under the Share Subscription Agreement is conditional upon the Binding Offtake Agreement having not been terminated by Alliance and other customary provisions for an agreement of this nature. The completion of the Placement will provide Stellantis an 11.5% shareholding in Alliance as well as an ongoing right to appoint a nominee director provided its Alliance shareholding is maintained above 9% of the Company.

### **Customer Sample Program**

During the quarter, a shipment of six tonnes of NiWest ore was sent to the SGS Canada (Lakefield) laboratory facility for pilot scale processing using the proposed NiWest flowsheet.

The pilot program is expected to produce a bulk sample of premium battery-grade nickel sulphate, some of which will be provided to Stellantis as part of the product qualification program.

Alliance is in discussions with several other leading tier one global automakers and equity investors regarding product offtake and the bulk sample process will support these discussions. Further announcements are anticipated in the second half of 2023.

### **NiWest Definitive Feasibility Update**

Alliance continues to progress several key DFS workstreams with current focus on the finalisation of optimisation studies, process flow sheets, mass balances and preliminary engineering designs. Cost estimates are well advanced with pricing for most major equipment packages having been received.

There has been a strong response from the market with six contractor groups engaging in the Request for Quotation (RFQ) process for contract mining works at NiWest. All groups have visited the proposed Mt Kilkenny mine and infrastructure sites, as well as the Hepi and Wanbanna tenements. RFQ responses are expected in Q3 2023 and will be incorporated into the DFS.

An international budget pricing exercise for the supply of the acid plant is well advanced. The acid plant will provide a reliable on-site supply of acid for the heap leach process and is a key capital item.

Discussions with logistics providers also continue to advance. Alliance is currently progressing negotiations with Qube and Aurizon in relation to the transport of sulphur and other key process reagents from the Port of Esperance via rail to the Project site, and for transport of battery grade nickel and cobalt products to the Fremantle port for export to overseas customers. In addition, discussions are underway with several global suppliers of sulphur.

Geotechnical assessment drilling was completed for the Mt Kilkenny mine pit as well as for the planned infrastructure construction sites around the refinery, heap leach pads and evaporation ponds. This drilling detail will be incorporated into pit and plant designs for the project.

Infill drilling results from a recent campaign at Mt Kilkenny will be used to add additional Ore Reserve tonnage.

A metallurgical testwork program has commenced to characterise the Acid Digestion Variability of the NiWest ores. This will help to further refine the operating costs associated with Heap Leaching activities in the DFS. The testwork regime includes geo-metallurgical ore characterisation, which will enable Alliance to further understand the nickel recovery and acid digestion characteristics of the various ore domains within the Mt Kilkenny orebody.

Calcrete drilling was also completed at Sturt Meadows and will deliver a calcrete JORC resource, required for the neutralisation stage of the refining process.

In addition to the Mt Kilkenny, Eucalyptus and Hepi deposits, which were included in the Pre-Feasibility Study mine plan (see ASX announcements dated 2 August 2018 and 21 July 2022), the Wanbanna deposit will now also be incorporated into the final DFS mine plan which may provide an opportunity to extend the mine life beyond 25 years.

The Company remains on schedule to complete the NiWest DFS in the December quarter of 2023.

## CORPORATE

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### First Tranche of Strategic Placement to Stellantis

Following the completion of the binding agreement with Stellantis, Alliance announced on 3 May 2023 that it had received the Tranche 1 funds of \$12.7 million from a strategic placement.

The Company has issued 70,600,000 fully paid ordinary shares to Stellantis at \$0.18 per share pursuant to the Company's Listing Rule 7.1 capacity.

### Appointment of Debt Advisor

In May 2023, Alliance appointed Blackbird Partners as Financial Advisor for the NiWest Project's project financing strategy.

Blackbird is a specialised natural resources financial advisor with an extensive track record advising companies on financing strategies for mining and resources projects. Blackbird has offices in Perth, Sydney, and London.

Debt financing alternatives for the NiWest Nickel Cobalt Project will be evaluated and advanced in parallel with the Definitive Feasibility Study for the Project. The Company is targeting completion of the debt financing process in the first half of 2024.

## Appointment of Company Secretary

On 19 May 2023, Alliance announced that Mr David Edwards, Alliance’s Chief Financial Officer, has been appointed Company Secretary following the resignation of Mr Mark Pitts, effective 18 May 2023.

## Expenditure this quarter

In accordance with the reporting requirements of ASX Listing Rule 5.3 the Company spent \$4.3 million on exploration and evaluation activities during the quarter.

There was no mining development or production activities conducted during the quarter.

Expenditure predominantly related to:

- Advancing the DFS;
- General site activities including drilling associated with water exploration, mineral resource definition and geotechnical analysis;
- Regulatory rents, rates and associated tenement administration holding costs.

In addition, during the current quarter the Company made payments to related parties of \$247,000 being Directors Remuneration.

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#### **About Alliance Nickel**

*Alliance Nickel Limited is an ASX-listed nickel and Critical Minerals development company with its principal asset being its flagship 100% owned NiWest Nickel Cobalt Project containing one of the highest-grade undeveloped nickel laterite resources in Australia. The Project has access to existing primary mining infrastructure such as an established network of roads, a railway and gas pipeline and is strategically situated adjacent to Glencore’s Murrin Murrin Operations. The Company has completed a Pre-Feasibility Study which has confirmed the technical and economic viability of a heap leach and direct solvent extraction operation where it aims to manufacture low-cost, high-quality Class 1 nickel and cobalt sulphate for battery manufacturers and automakers in the Electric Vehicle (EV) sector.*

**More information is available on the Alliance website at [www.alliancenicel.com.au](http://www.alliancenicel.com.au)**

## COMPETENT PERSON STATEMENTS

### **NiWest Project**

Where Alliance refers to the NiWest Mineral Resource Estimate and the NiWest Ore Reserve Estimate, as disclosed in an ASX market release on 2 August 2018 and titled “Pre-Feasibility Study Delivers Outstanding Results” and updated pursuant to an ASX market release on 21 July 2022

and entitled “Updated PFS Outcomes for NiWest Nickel Cobalt Project”, it confirms that it is not aware of any new information or data that materially affects the information included in the relevant market releases and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market release continue to apply and have not materially changed.

### **Forward Looking Statement**

*This announcement contains statements related to our future business and financial performance and future events or developments involving Alliance Nickel Limited (Alliance) that may constitute forward-looking statements. These statements may be identified by words such as “potential”, “exploitable”, “proposed open pit”, “evaluation”, “expect”, “future,” “further,” “operation, “development, “plan,” “permitting”, “approvals”, “processing agreement” or words of similar meaning. Such statements are based on the current expectations and certain assumptions of Alliance management & consultants, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond Alliance’s control, affect our operations, performance, business strategy and results and could cause the actual results, performance or achievements of Alliance to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.*

## APPENDIX 1: NiWest Mineral Resources and Reserves Statement

The Company's Mineral Resource Statement (Table 1 and Table 2) has been compiled in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 Edition) and Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31.

*Table 1: Mineral Resource Estimate<sup>1,2</sup> for NiWest Project at 0.8% Ni Cut-off Grade*

Deposit	JORC Classification	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Nickel Metal (kt)	Cobalt Metal (kt)
<b>Mt Kilkenny<sup>1</sup></b>	Measured	8.8	1.11	0.063	98	5.6
	Indicated	12.7	1.09	0.079	138	10.0
	Inferred	4.5	0.98	0.051	44	2.3
	<b>Total*</b>	<b>26.0</b>	<b>1.08</b>	<b>0.069</b>	<b>279</b>	<b>17.9</b>
<b>Eucalyptus<sup>1</sup></b>	Indicated	23.7	1.04	0.064	247	15.3
	Inferred	12.8	0.95	0.056	121	7.1
	<b>Total*</b>	<b>36.5</b>	<b>1.01</b>	<b>0.061</b>	<b>368</b>	<b>22.4</b>
<b>Hepi<sup>1</sup></b>	Measured	1.6	1.20	0.078	19	1.2
	Indicated	1.5	1.01	0.073	15	1.1
	Inferred	1.4	0.95	0.074	14	1.1
	<b>Total*</b>	<b>4.5</b>	<b>1.06</b>	<b>0.075</b>	<b>48</b>	<b>3.4</b>
<b>Mertondale<sup>2</sup></b>	Indicated	1.9	0.98	0.070	18	1.3
	<b>Total*</b>	<b>1.9</b>	<b>0.98</b>	<b>0.070</b>	<b>18</b>	<b>1.3</b>
<b>Waite Kauri<sup>2</sup></b>	Measured	1.5	1.01	0.062	15	0.9
	Indicated	0.3	0.91	0.025	3	0.1
	Inferred	0.0	0.09	0.015	0	0.0
	<b>Total*</b>	<b>1.8</b>	<b>0.98</b>	<b>0.054</b>	<b>18</b>	<b>1.0</b>
<b>Murrin North<sup>2</sup></b>	Measured	3.4	0.98	0.062	33	2.1
	Indicated	0.1	0.88	0.051	1	0.1
	Inferred	0.1	0.86	0.083	1	0.1
	<b>Total*</b>	<b>3.7</b>	<b>0.97</b>	<b>0.062</b>	<b>35</b>	<b>2.3</b>
<b>Wanbanna<sup>2</sup></b>	Indicated	10.1	1.03	0.066	104	6.7
	Inferred	0.7	0.99	0.070	7	0.5
	<b>Total*</b>	<b>10.8</b>	<b>1.03</b>	<b>0.066</b>	<b>111</b>	<b>7.2</b>
<b>NiWest Project</b>	Measured	15.2	1.08	0.064	165	9.8
	Indicated	50.4	1.04	0.068	527	34.5
	Inferred	19.5	0.95	0.057	186	11.0
	<b>TOTAL*</b>	<b>85.2</b>	<b>1.03</b>	<b>0.065</b>	<b>878</b>	<b>55.4</b>

\* Columns may not total exactly due to rounding errors. Tonnages are reported as dry tonnage

1 ASX Release 2 August 2018

2 ASX Release 21 February 2017

**Table 2: Mineral Resource Estimate<sup>1,2</sup> for NiWest Project at 1.0% Ni Cut-off Grade**

Deposit	JORC Classification	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Nickel Metal (kt)	Cobalt Metal (kt)
<b>Mt Kilkenny<sup>1</sup></b>	Measured	5.7	1.22	0.072	70	4.1
	Indicated	7.8	1.20	0.094	93	7.3
	Inferred	1.7	1.11	0.060	19	1.1
	<b>Total*</b>	<b>15.2</b>	<b>1.20</b>	<b>0.082</b>	<b>182</b>	<b>12.4</b>
<b>Eucalyptus<sup>1</sup></b>	Indicated	12.5	1.16	0.074	145	9.2
	Inferred	3.1	1.08	0.062	34	1.9
	<b>Total*</b>	<b>15.6</b>	<b>1.15</b>	<b>0.072</b>	<b>178</b>	<b>11.2</b>
<b>Hepi<sup>1</sup></b>	Measured	1.1	1.34	0.088	14	0.9
	Indicated	0.7	1.12	0.086	8	0.6
	Inferred	0.4	1.07	0.104	5	0.5
	<b>Total*</b>	<b>2.2</b>	<b>1.21</b>	<b>0.090</b>	<b>27</b>	<b>2.0</b>
<b>Mertondale<sup>2</sup></b>	Indicated	0.7	1.14	0.070	8	0.5
	<b>Total*</b>	<b>0.7</b>	<b>1.14</b>	<b>0.070</b>	<b>8</b>	<b>0.5</b>
<b>Waite Kauri<sup>2</sup></b>	Measured	0.5	1.25	0.087	6	0.5
	Indicated	0.1	1.08	0.015	1	0.0
	Inferred	0.0	1.07	0.000	0	0.0
	<b>Total*</b>	<b>0.6</b>	<b>1.23</b>	<b>0.079</b>	<b>7</b>	<b>0.5</b>
<b>Murrin North<sup>2</sup></b>	Measured	1.2	1.14	0.070	14	0.9
	Indicated	0.0	1.04	0.070	0	0.0
	Inferred	0.0	0.00	0.000	0	0.0
	<b>Total*</b>	<b>1.3</b>	<b>1.14</b>	<b>0.070</b>	<b>14</b>	<b>0.9</b>
<b>Wanbanna<sup>2</sup></b>	Indicated	4.7	1.19	0.080	56	3.8
	Inferred	0.3	1.16	0.080	3	0.2
	<b>Total*</b>	<b>5.0</b>	<b>1.19</b>	<b>0.080</b>	<b>59</b>	<b>4.0</b>
<b>NiWest Project</b>	Measured	8.5	1.22	0.074	104	6.4
	Indicated	26.5	1.18	0.081	311	21.4
	Inferred	5.6	1.09	0.066	61	3.7
	<b>TOTAL*</b>	<b>40.6</b>	<b>1.17</b>	<b>0.077</b>	<b>476</b>	<b>31.4</b>

\* Columns may not total exactly due to rounding errors. Tonnages are reported as dry tonnage

1 ASX Release 2 August 2018

2 ASX Release 21 February 2017



## NiWest Ore Reserve Statement

The Company's Ore Reserve Statement (Table 3) has been compiled in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012 Edition) and Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31.

*Table 3: NiWest Ore Reserve Estimate<sup>1</sup> at 0.5% Ni cut-off*

Orebody	JORC Classification	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)
Mt Kilkenny	Probable	27.9	0.96	0.06
Eucalyptus	Probable	32.2	0.87	0.05
Hepi	Probable	4.7	0.91	0.06
<b>Total*</b>	<b>Probable</b>	<b>64.9</b>	<b>0.91</b>	<b>0.06</b>

\* Columns may not total exactly due to rounding errors. Tonnages are reported as dry tonnage

<sup>1</sup> ASX Release 2 August 2018

## APPENDIX 2: Tenement Summary

Table 4: Tenement Summary as at 30 June 2023

Project	Tenements	Interest Beginning Period	Interest End Period
<b>Abednego West</b>	M39/427, M39/0825 PL's 39/6225- 6231 P39/5927 Applications E39/2326 P37/9632-36 P39/6306 - 09	Golden Cliffs 100% Golden Cliffs 0% NiWest 100%  Golden Cliffs NL 0%	Golden Cliffs 100% Golden Cliffs 100% NiWest 100%  Golden Cliffs NL 0%
<b>Eucalyptus</b>	M39/744 M39/289, M39/430, M39/344 M39/666, M39/674 M39/313, M39/568 M39/802 - 803 P39/5459 PL39/5962 Application GPA 39/016	NiWest Ni Co Rights 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100%  NiWest 0%	NiWest Ni Co Rights 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100%  NiWest 0%
<b>Hawks Nest</b>	M38/218	Golden Cliffs 100%	Golden Cliffs 100%
<b>Hepi</b>	M39/717 - 718, M39/819, P39/6032	NiWest 100% NiWest 100%	NiWest 100% 0%
<b>Laverton Downs</b>	M38/1266 L38/340	Golden Cliffs 100% Golden Cliffs 100%	Golden Cliffs 100% Golden Cliffs 100%
<b>Mertondale</b>	M37/591	NiWest 100%	NiWest 100%
<b>Mt Kilkenny</b>	M39/878 – 879, E39/1784 E39/1794, EL39/2072	NiWest 100% NiWest 100% NiWest 100%	NiWest 100% NiWest 100% NiWest 100%
<b>Murrin Murrin</b>	M39/426, M39/456, M39/552, M39/553, M39/569	GlenMurrin 100% Nickel & Cobalt Golden Cliffs 100% gold and other minerals	GlenMurrin 100% Nickel & Cobalt Golden Cliffs 100% gold and other minerals
<b>Murrin North</b>	M39/758	NiWest 100%	NiWest 100%
<b>Waite Kauri</b>	M37/1216 M 37/1334	NiWest 100% NiWest 100%	NiWest 100% NiWest 100%
<b>Wanbanna</b>	M39/460	NiWest 80% Wanbanna Pty Ltd 20%	NiWest 80% Wanbanna Pty Ltd 20%
<b>Misc. Licences (Haul Roads and Water)</b>	L37/175, L39/293 L37/247, L39/177, L37/205 L39/0326 (Application) L39/0327 (Application)	NiWest 100% NiWest 100% NiWest 0% NiWest 0%	NiWest 100% NiWest 100% NiWest 0% NiWest 0%

### LEGEND

**E:** Exploration Licence | **P:** Prospecting Licence | **PLA:** Prospecting Licence Application | **M:** Mining Lease | **ELA:** Exploration Licence Application | **L:** Miscellaneous Lease | **MLA:** Mining Lease Application | **IGP:** General Purpose Lease  
All of the above tenements and miscellaneous licences are in the Eastern Goldfields of Western Australia.



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ALLIANCE NICKEL LIMITED

ABN

62 009 260 315

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(683)	(1,660)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	19	30
1.5 Interest and other costs of finance paid	(11)	(11)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	28	28
1.8 Other – royalty Income	100	200
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(547)</b>	<b>(1,413)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(10)	(28)
(d) exploration & evaluation	(4,284)	(8,154)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	(25)	(25)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(4,319)</b>	<b>(8,207)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	12,708	17,208
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(140)	(396)
3.5 Proceeds from borrowings	800	1,500
3.6 Repayment of borrowings	(1,500)	(1,500)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>11,868</b>	<b>16,812</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	765	575
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(547)	(1,413)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(4,319)	(8,207)

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	11,868	16,812
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>7,767</b>	<b>7,767</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	30	129
5.2	Call deposits	7,737	636
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>7,767</b>	<b>765</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	111
6.2	Aggregate amount of payments to related parties and their associates included in item 2	136
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(547)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(4,319)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(4,866)
8.4 Cash and cash equivalents at quarter end (item 4.6)	7,767
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	7,767
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.60
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Expenditure is largely discretionary; however the entity expects that it will have similar net operating cash flows for the time being.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The entity is expecting to receive \$2.3 million in the coming weeks, subject to FIRB approval, in relation to its binding offtake and share subscription agreements with its strategic partner Stellantis NV. Further, the entity enjoys the support of its Board and shareholders but is yet to finalise further steps to continue to fund its operations. The board expects that once resolved it will be successful in raising further capital.	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The entity expects that it will be able to continue to meet its business objectives based on based on the steps being taken under 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

28 July 2023

Date: .....

The Board of Alliance Nickel Limited

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.