

ASX:AXN



SEPTEMBER 2024

# QUARTERLY ACTIVITIES REPORT

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24 October 2024

## QUARTER HIGHLIGHTS

### DEVELOPMENT

- All key workstreams for the NiWest Definitive Feasibility Study completed, approval and release subject to completion of confirmatory testwork and final peer review
- Preparations commenced for seasonal environmental assessments for the design of the water borefield and calcrete quarry

### COMMERCIAL

- Positive discussions continued with potential strategic partner Samsung SDI for future offtake from NiWest, following signing of a non-binding term sheet in February 2024
- Long-term supportive shareholder Zeta Resources provided a \$4 million unsecured loan facility on competitive terms to complete the NiWest Project Definitive Feasibility Study
- NiWest Project site visit with Alliance Board members and Stellantis N.V.

### HEALTH, SAFETY & ESG

- All NiWest activities recorded an incident free period

### ABOUT ALLIANCE NICKEL LTD

- Alliance is an ASX-listed critical minerals development company targeting production of premium high purity, IRA compliant nickel and cobalt sulphate from its 100% owned NiWest Nickel-Cobalt Project (NiWest or the Project)
- NiWest contains one of the highest-grade undeveloped nickel laterite resources in Australia and is located adjacent to Glencore's Murrin Murrin operations
- Globally significant resource of 93.4 million tonnes at 1.04% for 971,000 tonnes contained nickel (see Appendix 1)
- NiWest was awarded Major Project Status in May 2024, becoming the first nickel project to achieve the status since nickel was listed as a Critical Mineral
- Project will utilise simple mining techniques and heap leaching technology, which when compared to alternative High Pressure Acid Leach (HPAL) results in a simpler and safer mining operation with significantly lower capital cost
- In 2023, Alliance announced a strategic partnership with global automaker Stellantis NV, comprising an equity investment and offtake agreement for approximately 40% of future production
- In 2024, the Company announced a non-binding term sheet with Samsung SDI for future Offtake and a potential equity interest in NiWest Project

### CORPORATE SNAPSHOT

Shares in issue	725.84M
Share price	\$0.042
Market capitalisation	\$30.49M
Cash	\$3.19 million

### DIRECTORS

Peter Sullivan	Non-Executive Chairman
Paul Kopejtka	CEO/Managing Director
Klervi Menaheze	Non-Executive Director
James Sullivan	Non-Executive Director

### 30 SEPT 2024

Emerging critical metals producer Alliance Nickel Limited (**Alliance** or the **Company**) (ASX:AXN) is pleased to provide an update on its activities completed during the September 2024 quarter.

## DEVELOPMENT – NIWEST NICKEL-COBALT PROJECT

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### Definitive Feasibility Study

All engineering and technical workstreams including capital and operating costings and preliminary economic analysis have been completed for the Definitive Feasibility Study (DFS). Approval and release of the DFS outcomes is now subject to the completion of final peer review and confirmatory metallurgical testwork.

In the previous quarter, the Company's lead engineer, Ausenco Services Pty Ltd (Ausenco) completed process modelling using a proprietary data suite within a SysCAD model to determine the optimum heap leach operating conditions across each stage of the heap leach life cycle. The outputs from this simulation work were then used to complete the engineering design of the heap leach pads, water balance and downstream (i.e. solvent extraction and crystallisation) refinery design conditions.

During the current quarter, a final column pilot test program commenced at a metallurgical laboratory in Perth. This test program replicates the final engineering design under various practical operating parameters across each stage of the heap leach cycle.

### Environmental baseline assessments

Alliance has commenced preparations for comprehensive seasonal environmental field studies and assessments at the proposed borefield and calcrete quarry sites, which are required as part of the borefield and calcrete quarry design development and environmental approval.

The studies will begin in November 2024 and include subterranean fauna studies and Summer terranean fauna surveys.

### Mine planning

Mine planning is nearing completion and subject to approval by the relevant Competent Persons based on an initial high grade ore processing for the Mt Kilkenny, Hepi, Wanbanna and Eucalyptus deposits followed by low-grade ore processing in the later years of the mine plan. The Company expects to release the mine plan and Ore Reserve Statement alongside the DFS.

### Customer qualification sample

The Company has completed the first phase of a pilot product qualification program at the SGS Lakefield laboratory in Canada. The Company expects, subject to financing, to be able to deliver a premium battery-grade nickel sulphate samples to strategic partners in 2025.

### Hydrogeology

The Company has previously undertaken extensive water quality analysis in areas surrounding Mt Kilkenny including groundwater targets in nearby townships of Sandstone and Laverton to identify groundwater resources to supplement the Project's water supply. A Time Based Electromagnetic (TEM) survey indicated

positive quality and volume results for the water supply at locations selected for the Project's borefields. The tenure applications for the project's water pipeline corridor are well progressed with a number of miscellaneous licences for the extraction of water granted.

## Calcrete

The Project's proposed calcrete supply is immediately adjacent to the Mt Kilkenny site, and a drilling program to commence resource definition is planned for this Quarter. This source is ideally located as it is very close to the proposed refinery and reduces the significant haulage costs that results from other calcrete options in the region.

## Logistics and Infrastructure

The Project's main transport logistics requirements comprise the import of bulk elemental sulphur and magnesia and the export of nickel and cobalt battery grade sulphates. The Company has selected Esperance Port, located approximately 600km from Leonora, as the preferred import port for sulphur and a memorandum of understanding has been signed with Southern Ports Authority as a basis for future contract discussions.

Other process plant reagents will be imported through Fremantle Port and transported in standard shipping containers via rail to site using the regular Fremantle-Kalgoorlie-Malcolm Siding rail service. The Company has held extensive discussions with two rail logistics companies with capacity to support the Project.

It is anticipated that nickel and cobalt sulphate products will be packaged into standard 20-foot containers that will be delivered via the state intermodal rail link at Leonora directly to Fremantle Port approximately 800 kilometers from the Project site.

In terms of major infrastructure, the Project will be supported by a sulphur burning sulphuric acid plant and discussions with global top-tier acid plant vendors in Asia and North America continue to progress.

## COMMERCIAL AND CORPORATE

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### Strategic partner process

The Company expects that negotiations with Samsung SDI for future offtake of battery-grade nickel and cobalt sulphate products will be completed in the current quarter. This follows the non-binding offtake term sheet signed in February 2024 (refer ASX announcement [8 February 2024](#)).

Importantly, Samsung SDI has an existing battery manufacturing joint venture in the US with Stellantis N.V., Alliance's early strategic partner and cornerstone investor. This existing relationship may provide potential for future logistics and purchasing synergies.

In May 2023, Alliance signed a Binding Offtake Agreement with Stellantis for 40% of annual production over an initial five-year period (refer ASX announcement [1 May 2023](#)).

The negotiations with Samsung SDI further validate the strategic significance of NiWest to Tier 1 automakers and battery manufacturers and assists with solidifying Alliance's position as an emerging supplier of high-quality nickel and cobalt sulphate.

Alliance continues to assess additional strategic partner opportunities with Tier 1 automakers.

## Unsecured loan facility

During the quarter, long-term major shareholder Zeta Resources Limited (Zeta Resources) (ASX:ZER) provided the Company an unsecured A\$4 million loan facility to complete the DFS, final metallurgical testwork and working capital (refer ASX announcement [23 July 2024](#)).

On 9 September 2024, following shareholder approval, the Company issued Zeta Resources 22,222,222 unquoted options exercisable at \$0.18 each, a significant premium to the Company's 30-day VWAP of \$0.038 (refer ASX announcement [9 September 2024](#)).

Key terms of the unsecured loan facility are an interest rate of 10% per annum and a maturity date of 28 October 2024 (or such other date as agreed in writing). Discussions with Zeta Resources are underway in relation to potentially refinancing the unsecured loan.

## NiWest site visit

During the quarter, the Alliance team conducted a NiWest site visit with members of the Board and Stellantis management. The visit encompassed the Mt Kilkenny site, which is the location for both the refinery and the first 12 years of mining operations, and other key logistics and infrastructure areas.

Stellantis's Supplier Relationship Management (SRM) Project Manager Jean-Luc Saulnier attended, with non-executive director Klervi Ménahèze, who is Vice President of Sustainability, ESG and Eco Design in the Raw Materials Division at Stellantis (Fig 1).



**Figure 1:** AXN CEO and Managing Director Paul Kopejtka, SRM Project Manager Luc Saulnier and Non-Executive Director Klervi Ménahèze pictured at the NiWest Project site

## Nickel and cobalt market commentary

The Company holds the view that underlying fundamentals for robust long-term growth in nickel demand remain in-tact, driven by increasing demand from the EV and energy storage sector.

This outlook is supported by the International Energy Agency's (IEA) recent nickel forecasts, released subsequent to quarter's end, which indicates that in 2035, a forecast nickel supply of 4.5mt will fall well short of the anticipated demand of 5.3mt of nickel.

The IEA figures come at a crucial time for nickel producers, who have been grappling with global oversupply of the metal in recent months, primarily stemming from Indonesia and China.

The forecast supply and demand shortfall also instil confidence into the local industry, which took a hit when BHP announced a temporary suspension of its Nickel West operations.

Importantly during the quarter, the LME nickel price reached the highest level in three months, reaching US\$18,000, primarily due to US interest rate cuts.

While these prices have retreated slightly since then, there are signs nickel prices are on the rise, driven by narrowing market surplus and increasing demand.

Cobalt prices have also slipped recently due to current oversupply, but the IEA predicts that the forecasted global cobalt supply in 2035 of 0.3mt is broadly in line with the anticipated demand, driven by the growing EV market.

## Expenditure this quarter

In accordance with the reporting requirements of ASX Listing Rule 5.3 the Company spent \$1.66 million on exploration and evaluation activities during the quarter.

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

Expenditure predominantly related to:

- Advancing the DFS;
- Regulatory rents, rates and associated tenement administration holding costs.

In addition, during the current quarter the Company made payments to related parties of \$123,000 that primarily comprised directors' remuneration.

## Health, Safety & ESG

### Health and safety

The NiWest Project continues to be incident free over the development phase.

### Traditional owner engagement and heritage work

The Company acknowledges the Watarra and the Nyalpa Pirniku Traditional Owners as the custodians of the land we work on and respect their continuing connection to culture and country.

**-END-**

This announcement was authorised for release by the Board of Alliance Nickel Limited.

24 October 2024

For further information please contact

## INVESTORS

Paul Kopejtka  
Managing Director / CEO

**E.** [info@alliancenicel.au](mailto:info@alliancenicel.au)

**P.** +61 8 6182 2718

David Edwards  
CFO / Company Secretary

**E.** [info@alliancenicel.au](mailto:info@alliancenicel.au)

**P.** +61 8 6182 2718

## MEDIA

Josh Nyman  
SPOKE

**E.** [Josh@hellospoke.com.au](mailto:Josh@hellospoke.com.au)

**P.** +61 413 243 440

## COMPETENT PERSONS STATEMENT

### NiWest Project

Where Alliance refers to the NiWest Mineral Resource Estimate for Mt Kilkenny, Hepi, Eucalyptus and Wanbanna, as disclosed in an ASX market release on 14 November 2023 and titled “NiWest Nickel-Cobalt Project Mineral Resource Estimate Upgrade”, 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, that all material assumptions and technical parameters underpinning the estimates in the relevant market release continue to apply and have not materially changed

Where Alliance refers to the NiWest Mineral Resource Estimate for Mertondale, Waite Kauri, Murrin North 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 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 for NiWest Project at 0.8% Ni Cut-off Grade**

Resource Category	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Ni Metal (kt)	Co Metal (kt)
<b>Eucalyptus<sup>1</sup></b>	41.68	1.01	0.061	420	25.3
Measured	-	-	-	-	-
Indicated	26.95	1.04	0.064	280	17.2
Inferred	14.73	0.95	0.055	139	8.1
<b>Mt Kilkenny<sup>1</sup></b>	28.07	1.09	0.082	307	23.0
Measured	10.60	1.08	0.070	115	7.4
Indicated	16.58	1.11	0.090	184	14.9
Inferred	0.89	0.91	0.076	8	0.7
<b>Wanbanna<sup>1</sup></b>	10.96	1.07	0.069	117	7.5
Measured	-	-	-	-	-
Indicated	10.75	1.07	0.069	115	7.4
Inferred	0.22	1.19	0.062	3	0.1
<b>Hepi<sup>1</sup></b>	5.33	1.06	0.086	57	4.6
Measured	2.32	1.18	0.079	27	1.8
Indicated	1.41	1.00	0.082	14	1.2
Inferred	1.60	0.94	0.099	15	1.6
<b>Waite Kauri<sup>2</sup></b>	1.83	0.98	0.054	18	1.0
Measured	1.46	1.01	0.062	15	0.9
Indicated	0.34	0.91	0.025	3	0.1
Inferred	0.02	0.09	0.015	-	-
<b>Mertondale<sup>2</sup></b>	1.87	0.98	0.070	18	1.3
Measured	-	-	-	-	-
Indicated	1.87	0.98	0.070	18	1.3
Inferred	-	-	-	-	-
<b>Murrin North<sup>2</sup></b>	3.65	0.97	0.062	35	2.3
Measured	3.38	0.98	0.062	33	2.1
Indicated	0.14	0.88	0.051	1	0.1
Inferred	0.13	0.86	0.083	1	0.1
<b>Total</b>	<b>93.40</b>	<b>1.04</b>	<b>0.069</b>	<b>971</b>	<b>65.2</b>
Measured	17.77	1.07	0.069	190	12.2
Indicated	58.04	1.06	0.073	615	42.4
Inferred	17.59	0.94	0.060	166	10.6

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

**Table 2: Mineral Resource Estimate for NiWest Project at 1.0% Ni Cut-off Grade**

Resource Category	Tonnes (million)	Nickel Grade (%)	Cobalt Grade (%)	Ni Metal (kt)	Co Metal (kt)
<b>Eucalyptus<sup>1</sup></b>	<b>17.63</b>	<b>1.15</b>	<b>0.072</b>	<b>202</b>	<b>12.6</b>
Measured	-	-	-	-	-
Indicated	14.13	1.16	0.074	164	10.4
Inferred	3.50	1.08	0.062	38	2.2
<b>Mt Kilkenny<sup>1</sup></b>	<b>16.76</b>	<b>1.22</b>	<b>0.096</b>	<b>205</b>	<b>16.1</b>
Measured	6.21	1.21	0.079	75	4.9
Indicated	10.41	1.23	0.107	128	11.1
Inferred	0.14	1.08	0.065	2	0.1
<b>Wanbanna<sup>1</sup></b>	<b>6.62</b>	<b>1.18</b>	<b>0.080</b>	<b>78</b>	<b>5.3</b>
Measured	-	-	-	-	-
Indicated	6.44	1.18	0.080	76	5.2
Inferred	0.18	1.26	0.067	2	0.1
<b>Hepi<sup>1</sup></b>	<b>2.68</b>	<b>1.23</b>	<b>0.098</b>	<b>33</b>	<b>2.6</b>
Measured	1.58	1.31	0.087	21	1.4
Indicated	0.64	1.11	0.101	7	0.6
Inferred	0.46	1.10	0.133	5	0.6
<b>Waite Kauri<sup>2</sup></b>	<b>0.58</b>	<b>1.23</b>	<b>0.079</b>	<b>7</b>	<b>0.5</b>
Measured	0.52	1.25	0.087	6	0.5
Indicated	0.06	1.08	0.015	1	0.0
Inferred	0.00	1.07	0.000	0	0.0
<b>Mertondale<sup>2</sup></b>	<b>0.70</b>	<b>1.14</b>	<b>0.070</b>	<b>8</b>	<b>0.5</b>
Measured	-	-	-	-	-
Indicated	0.69	1.14	0.070	8	0.5
Inferred	-	-	-	-	-
<b>Murrin North<sup>2</sup></b>	<b>1.25</b>	<b>1.14</b>	<b>0.070</b>	<b>14</b>	<b>0.9</b>
Measured	1.24	1.14	0.070	14	0.9
Indicated	0.01	1.04	0.070	0	0.0
Inferred	-	-	-	-	-
<b>Total</b>	<b>46.20</b>	<b>1.18</b>	<b>0.083</b>	<b>547</b>	<b>38.5</b>
Measured	9.54	1.22	0.080	116	7.6
Indicated	32.38	1.19	0.086	384	27.9
Inferred	4.28	1.09	0.070	47	3.0

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

1. See ASX announcement 14 November 2023
2. See ASX announcement 2 August 2018

## Appendix 2: Tenement Summary

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.

### 1. Listing of tenements held in Australia at 30 September 2024

Project	Tenements	Tenement Interest
<b>Abednego West</b>	P39/5927	NiWest 100%
<b>Eucalyptus</b>	M39/0744 M39/0289, M39/0313, M39/0344 M39/0430, M39/0568, M39/0666 M39/0674, M39/0802, M39/0803 P39/5962 G39/0016 E39/2428 (Application)	NiWest Ni Co Rights 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 0%
<b>Hepi</b>	M39/0717, M39/0718, M39/0819 M39/1130	NiWest 100% NiWest 100%
<b>Malcolm</b>	E37/1494	NiWest 100%
<b>Mertondale</b>	M37/0591	NiWest 100%
<b>Mt Kilkenny</b>	E39/1784, M39/0878, M39/0879 P39/6225 G39/0017	NiWest 100% NiWest 100% NiWest 100%
<b>Murrin North</b>	M39/0758	NiWest 100%
<b>Waite Kauri</b>	M37/1216, M37/1334	NiWest 100%
<b>Wanbanna</b>	M39/0460	NiWest 80% Wanbanna Pty Ltd 20%
<b>Misc. Licences</b>	L36/0286, L37/0205, L37/0247 L37/0266, L37/0267, L37/0268 L37/0269, L37/0270, L39/0175 L39/0177, L39/0326, L39/0327 L39/0341	NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100%

#### LEGEND

**E:** Exploration Licence | **P:** Prospecting Licence | **M:** Mining Lease | **L:** Miscellaneous Lease | **G:** General Purpose Lease  
All of the above tenements and miscellaneous licenses are in the Eastern Goldfields of Western Australia

### 2. Listing of tenements acquired (directly or indirectly) during the quarter:

Project	Tenements	Tenement Interest
<b>Misc. Licences</b>	L36/0286, L37/0269	NiWest 100%

### 3. Tenements disposed, relinquished, reduced or lapsed (directly or indirectly) during the quarter:

Project	Tenements	Tenement Interest
<b>Mt Kilkenny</b>	L38/0386, L38/0387	NiWest 100%

### 4. Listing of tenements applied for (directly or indirectly) during the quarter:

- Nil -

## 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 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 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	(579)	(579)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	14	14
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – royalty Income	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(565)</b>	<b>(565)</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	-	-
(d) exploration & evaluation	(1,660)	(1,660)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 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 – disposal of subsidiary	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(1,660)</b>	<b>(1,660)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5 Proceeds from borrowings	4,000	4,000
3.6 Repayment of borrowings	-	-
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>4,000</b>	<b>4,000</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	1,411	1,411
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(565)	(565)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,660)	(1,660)

## 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 (3 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,000	4,000
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>3,186</b>	<b>3,186</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	1,519	22
5.2	Call deposits	667	1,389
5.3	Bank overdrafts	-	-
5.4	Other – term deposits	1,000	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,186</b>	<b>1,411</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	123
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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

7. <b>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. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	4,000	4,000
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>4,000</b>	<b>4,000</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.		
As announced on the ASX on 23 July 2024, the Company has agreed to terms with Zeta Resources, a major shareholder of the Company, for an unsecured loan facility of \$4 million. The loan was drawn down in full on 25 July 2024. The key terms of the unsecured loan facility are an interest rate of 10% per annum and a maturity date of 28 October 2024 (or such other date as agreed in writing). Discussions with Zeta Resources are underway in relation to potentially refinancing the unsecured loan.		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(565)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,660)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,225)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,186
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,186
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>1.43</b>
<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: Certain expenditures are discretionary, and based on the current work programs, net operating expenditures are expected to be lower than the previous quarter.	
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: Positive discussions continue with a potential offtake partner on a transaction structure that is expected to include an equity investment into the Company. Further, as announced on the ASX on 22 October 2024, the Company received \$1.37 million from the ATO in relation to its 2023/24 R&D Claim and as noted in 7.6 above discussions with Zeta Resources are underway in relation to potentially refinancing an unsecured loan with a maturity date of 28 October 2024.	

**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 the response 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.

24 October 2024

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.