

## HIGHLIGHTS

### Greenland Projects:

- Field activities were successfully conducted at the Company's two Greenland Projects.
- **Ryberg Licence**
  - o Miki Cu-Ni-Co-Pd-Au magmatic sulphide prospect - Electromagnetic (EM) conductor identified, interpreted to represent a 'chonolith' magma feeder conduit with sulphides accumulated at its base.
  - o Sortekap Au-Ni prospect - Induced Polarisation (IP) survey identifies highly chargeable anomalies that are likely to represent >5% sulphides.
- **Mestersvig Licence- three Pb-Zn-Ag-Cu prospects**
  - o The historical Blyklippen Mine
  - o the Sortebjerg Prospect and
  - o the newly discovered Nuldal Prospect (that includes vein grades up to 69.5% lead, 0.9% copper and 282g/t silver).

### Mt Thirsty Cobalt Nickel Project

- Mt Thirsty assumes the mantle of Australia's most advanced genuine cobalt project with a completed Pre-Feasibility Study (PFS).
- Metal price increases (nickel and cobalt) over late December 2020 have improved the project economics of Mt Thirsty.

### Corporate:

- Acquisition of 100% of the issued capital of Longland Resources via the issue of 120 million Conico shares at 1.4 cents completed in November 2020.
- Placement completed to sophisticated investors raising \$1,000,000 (before expenses of the Placement) through the issue of 33,333,333 new shares at 3.0 cents each.
- Underwriting agreement executed with Sydney based Peloton Capital for a 1 for 10 non-re-nounceable Rights Issue to shareholders raising \$2,269,000 (before expenses of the Rights Issue) via the issue of 75,643,200 Shares at 3 cents each.

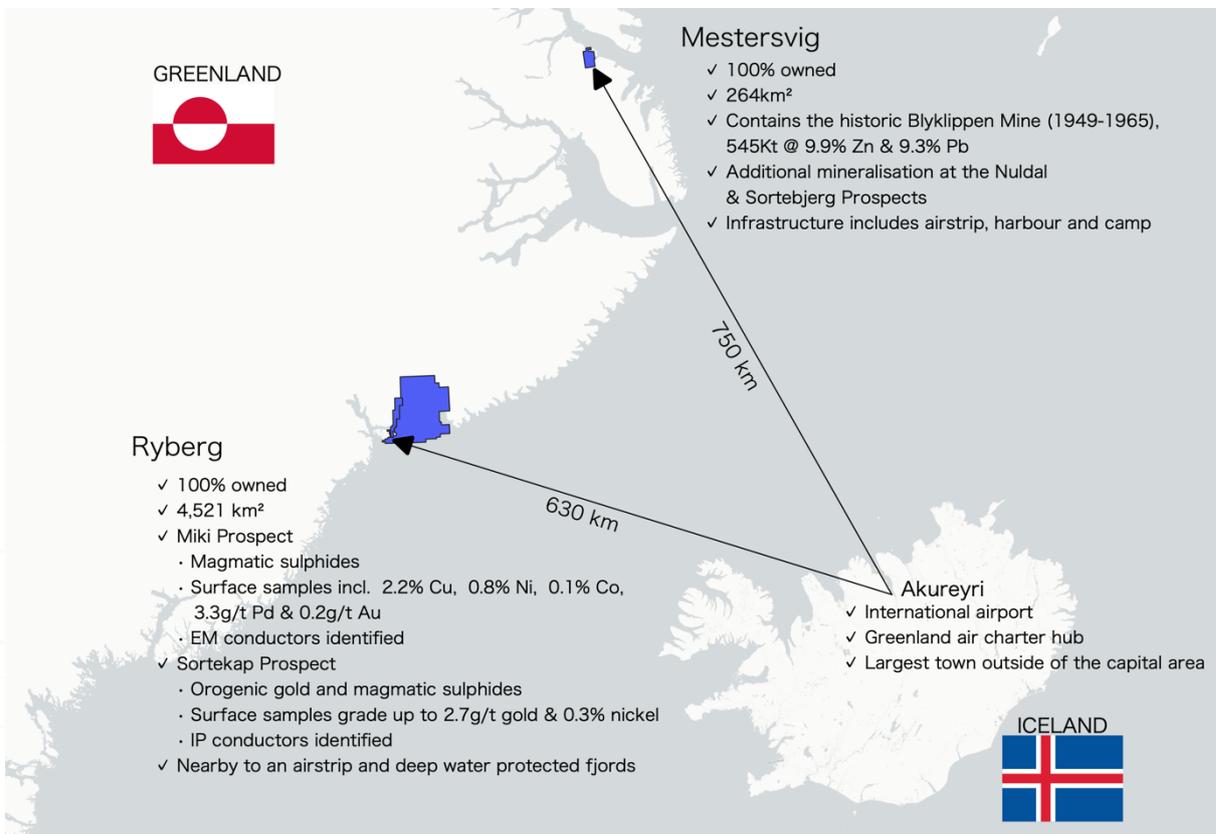
## 1.0 GREENLAND PROJECTS

Following the execution of a Binding (Conditional) Term Sheet with Longland Resources in July 2020, Conico funded an exploration program on both the Ryberg and Mestersvig licences (Figure 1) in Greenland where previous exploration by Longland had highlighted the significant mineral potential of the region.

The 2020 field season was highly successful in returning highly anomalous surface geochemical samples on all five prospects:

- o Ryberg Licence - Miki Prospect (Cu-Ni-Co-Pd-Au) and Sortekap Prospect (Au-Ni); and
- o Mestersvig Licence- the historical Blyklippen Mine, the Sortebjerg Prospect and the Nuldal Prospect: Pb-Zn-Cu-Ag), IP, gravity and electromagnetic anomalies across the three project areas in addition to identifying a new Pb-Cu-Ag prospect at Nuldal.

Since the acquisition of Longland, the tenement area has been expanded and now covers approximately 4,785 square kilometres in east-Greenland making Conico one of the largest tenement holders in the country. Preparations also commenced late in the Quarter for the 2021 field season that is anticipated to commence in March -April 2021



**Figure 1:** Location map for the Ryberg and Mestersvig Projects

## 1.1 RYBERG LICENCE - MIKI AND SORTEKAP PROSPECTS

### BACKGROUND

Ryberg (Figures 2 and 3) is an under-explored mineral province containing multiple targets and deposit styles.

The basement rocks are Archaean greenstones and gneisses that are akin to those in the Yilgarn of Western Australia. Gold is associated with the greenstones, while significant magmatism that has intruded through sediments of the Kangerlussuaq Sedimentary Basin has resulted in sulphide saturation in the mafic-ultramafic rocks and the formation of magmatic sulphides visible at surface as globules and disseminations.



**Figure 2:** Miki Project and the location of the 2020 EM surveys, and the 3 target areas.

### **MIKI PROSPECT (Cu-Ni-Co-Pd-Au)**

Within the Ryberg licence is the Miki Cu-Ni-Co-Pd-Au magmatic sulphide Prospect, where prior to its acquisition by Conico, Longland conducted a helicopter-borne electromagnetic (EM) survey which highlighted 3 x conductors between 60-240m depth from surface.

The survey focused on the Miki Dyke, a mafic intrusion that extends for >50km in strike length and contains visible magmatic sulphide mineralisation with surface rock-chip samples grading up to 2.2% copper, 0.8% nickel, 0.1% cobalt, 3.3g/t palladium & 0.2g/t gold.

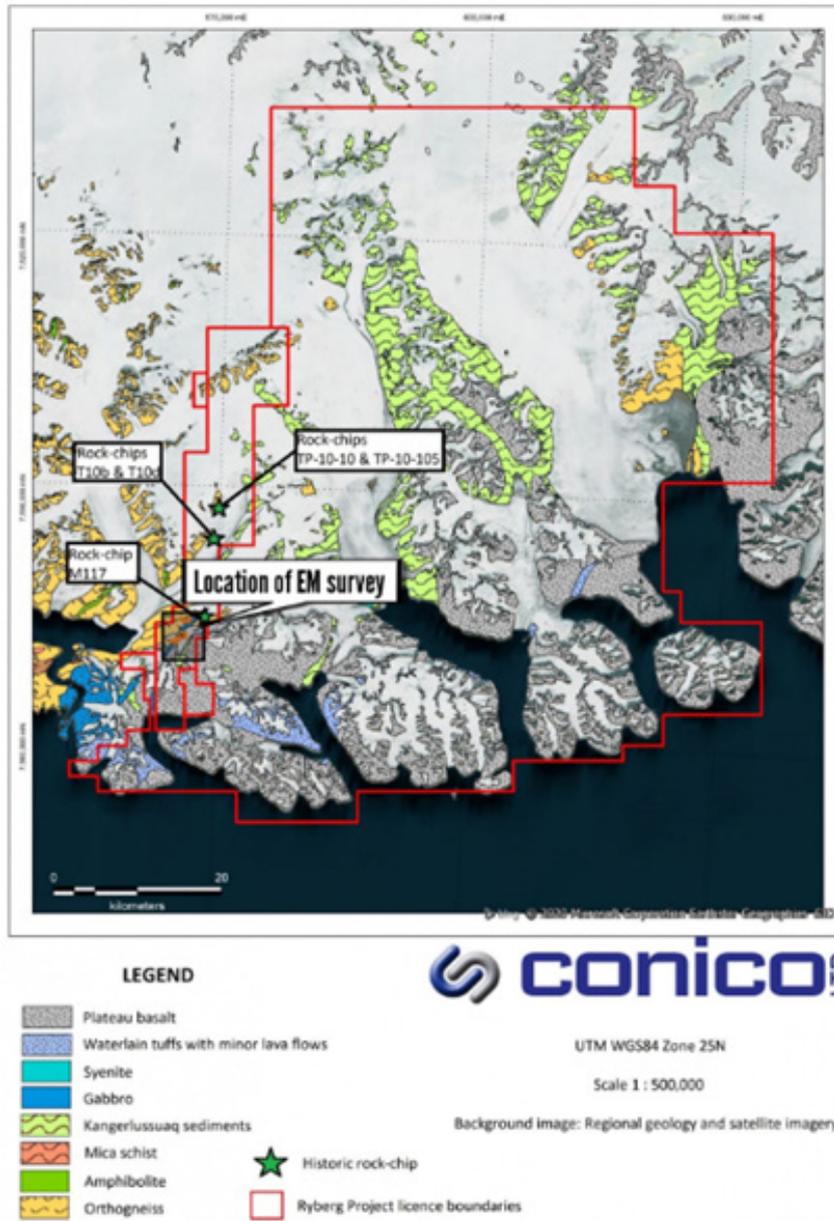
### **2020 FIELD SEASON**

Work conducted on the Miki Prospect (Figure 3) during the 2020 field season consisted of a ground electromagnetic (EM) survey over targets prospective for magmatic sulphides where surface mineralisation is present.

The data was processed and interpreted by an independent geophysicist, with the data being of good quality and no evident false-positive anomalies detected. Modelled plates form a half U shape gently dipping to the northeast that is interpreted to represent a chonolith with sulphides accumulated at its base.

The likely chonolith is oriented adjacent to the Miki Dyke, trending ENE-WSW and is approximately 300m wide, and is greater than 300m in length – total length being unknown as it is open to the west where it was not covered by the survey.

The presence of a possible chonolith is significant as they are frequently associated with magmatic sulphide occurrences, most notably at Noril'sk (Russia), Nova-Bollinger (Australia) and Eagle (USA). They are intrusive conduits that channel magma, and in the case of Ryberg, most likely feed magma to the sills/dykes that are present in the Kangerlussuaq sedimentary basin, and ultimately the overlying plateau basalts that comprise the North Atlantic Igneous Province (NAIP). Due to the dense nature of magmatic sulphides, they typically pool at the bottom of a chonolith and form massive and disseminated sulphide accumulations.



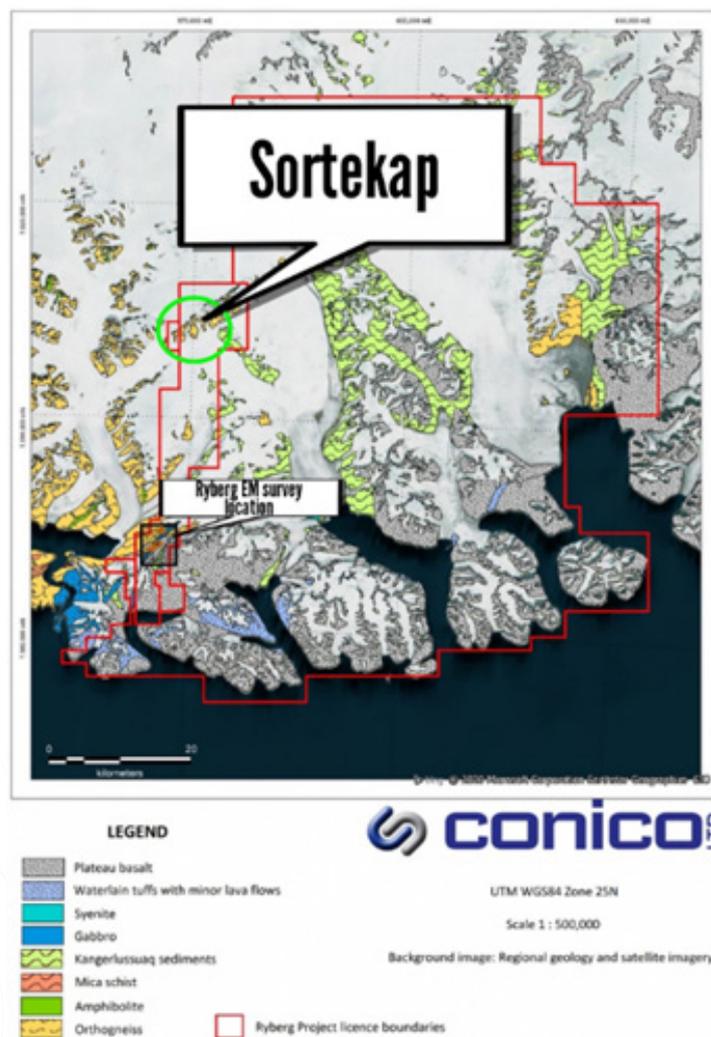
**Figure 3:** Regional geology of the Ryberg Project, showing the location of the 2020 EM surveys at the Miki Fjord Prospect.

## SORTEKAP PROSPECT (Au-Ni)

### BACKGROUND

Also located within the Ryberg Licence area is the Sortekap Au-Ni Prospect (Figures 4 and 5), an Archaean greenstone assemblage that contains abundant quartz veins forming part of an orogenic gold system.

Previous surface rock-chip sampling grades up to 2.7g/t gold (Figure 5), with the precious metal associated with trace sulphides. Nickel bearing ultramafic lithologies have also been identified near surface. Both gold and nickel mineralisation appear to be associated with sulphides.



**Figure 4.** Ryberg Project and the location of the Sortekap Prospect.

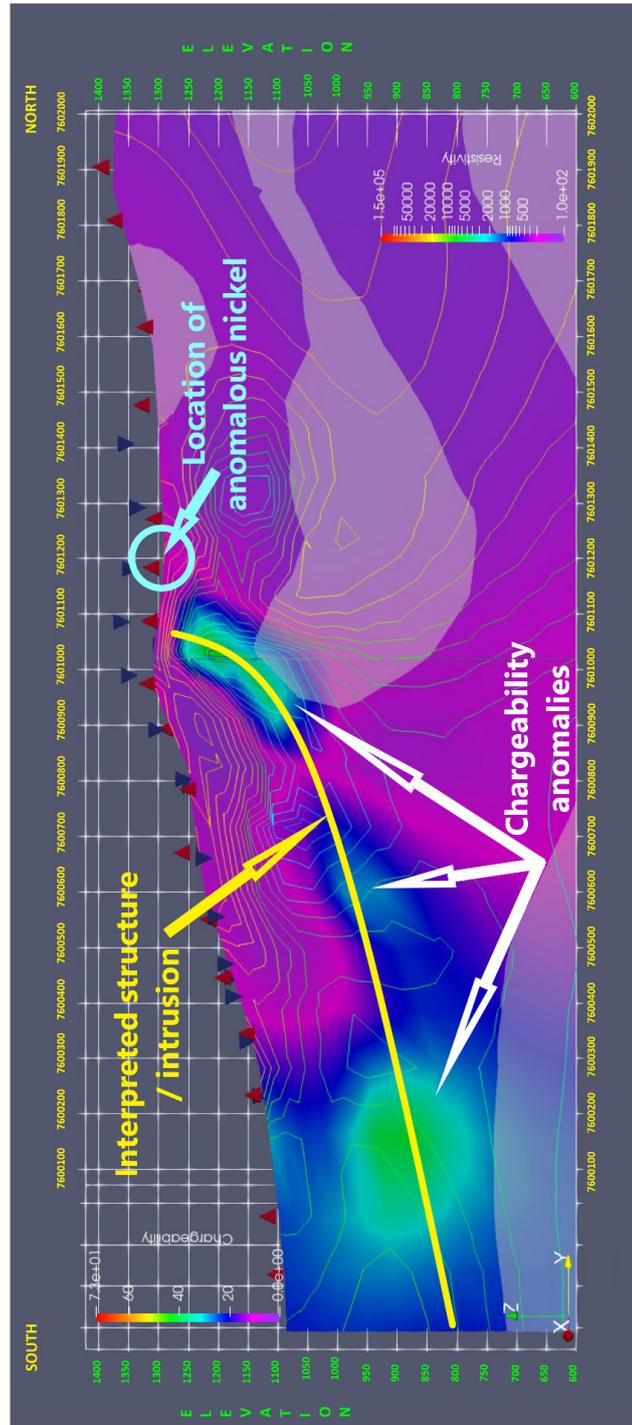
## 2020 FIELD SEASON

The 2020 Induced Polarisation (IP) survey represents the first geophysical survey to occur at the project and identified a large chargeable feature that extends from the southern margin of the survey area, to approximately the mid-point, a length of ~1km (Figure 6).

The IP feature is interpreted to be a geological structure (fault or shear) or intrusion containing chargeable sulphides that is open at depth and along strike. It dips approximately 30° south and is obscured from surface by approximately 20 vertical metres. The chargeability readings are high, particularly in comparison to its surrounds and are likely to be due to greater than 5% sulphide content (most abundant sulphides being pyrite and chalcopyrite). This is particularly encouraging as gold and nickel mineralisation are both associated with sulphides.



**Figure 5.** Outcropping quartz vein, hosted in amphibolite at the Sortekap Project.



**Figure 6:** Cross-section of the IP survey data, with chargeability shown in the block colours, and resistivity in the contours. Red triangles are IP survey current electrodes, and inverted blue triangles are potential electrodes. Features of interest are annotated.

## 1.2 MESTERSVIG LICENCE - BLYKLIPPEN PROSPECT, SORTEBJERG PROSPECT AND NULDAL PROSPECT

### BACKGROUND

To the north of the Ryberg Licence is the Mestersvig Licence (Figure 7) where mineralisation is hosted in quartz veins developed along a normal fault and hosted in Permo-Carboniferous sandstones. Thickness of the vein varies from a few metres, up to 50m wide. The mined-out portion of the sulphide lens at the historic Blyklippen mine which operated between 1956 and 1962 was 2-10m thick, 300m long and 160m high and produced 545,000 tonnes @ 9.9% zinc and 9.3% lead. The mineralised structure is still open at depth and located 13km SSE are both the Sortebjerg Prospect and the Nuldal Prospect, where in both cases mineralised vein outcrops at surface.

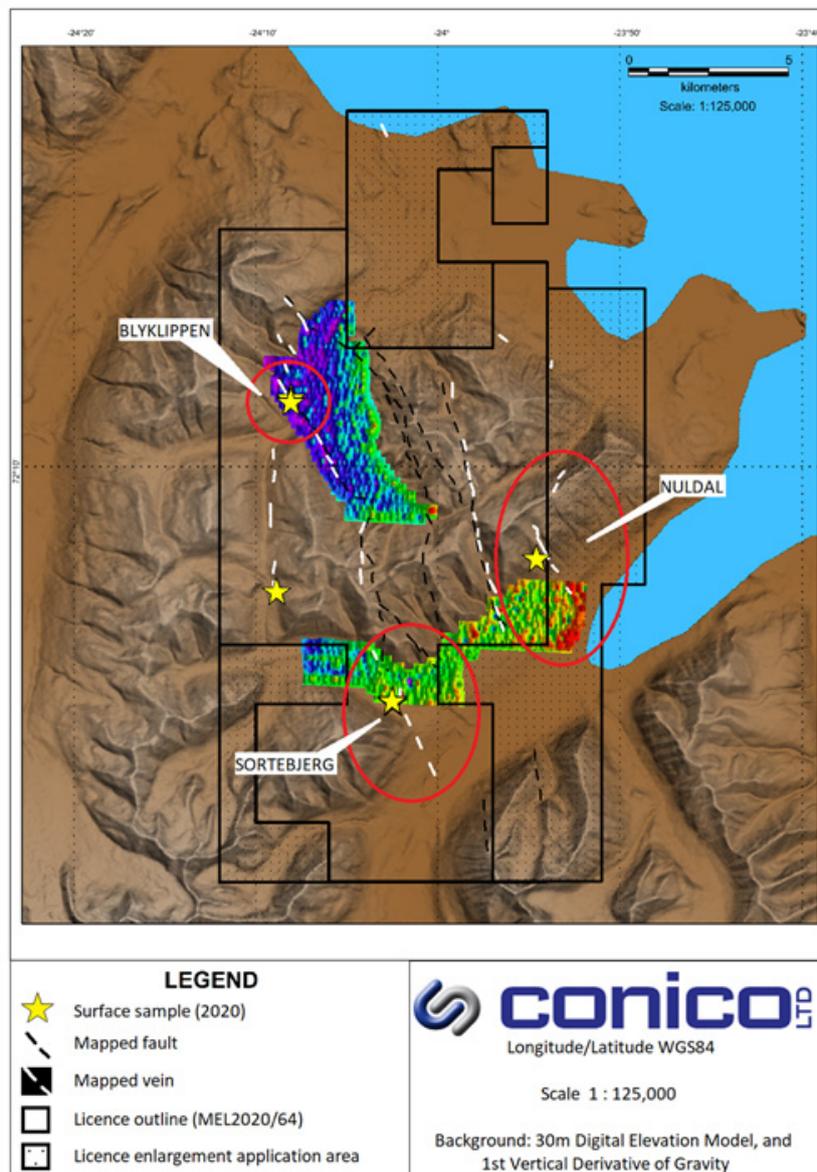


Figure 7. Location map for 2020 field activities at Mestersvig.



**Figure 8.** Northerly view from the Blyklippen mine, toward the harbour and airstrip

## 2020 FIELD SEASON

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## NULDAL PROSPECT (Pb-Cu-Ag)

Surface samples focused on a recently identified occurrence in the east of the licence area, referred to as the 'Nuldal Prospect', with two samples of massive galena collected that grade up to 69.47% lead, 0.91% copper & 282g/t silver (table 1). Historic exploration efforts in this location identified differing mineralisation grading up to 7% copper, further elevating the Nuldal Prospect's status as a priority target (table 2).

Sample ID	Easting	Northing	Year	Ag g/t	Cu %	Pb %	S %	Zn %
4958	605,732	8,007,379	2020	236	0.91	60.66	7.32	0.03
4959	605,730	8,007,381	2020	282	0.77	69.47	9.58	0.03

**Table 1.** Assay results for 2020 Nuldal surface samples

Sample ID	Sample Type	Cu%
NG001	Rock chip	0.15
NG002	Rock chip	7.05
NG003	Rock chip	2.9
NG004	Rock chip	1.76

**Table 2.** Assay results for historic (2011) Nuldal surface samples.

The ground-borne gravity survey identified a strong anomaly at the Nuldal Prospect, with a high-density linear feature following along strike of known vein outcrop. The Nuldal Prospect approximately 8km SE of the historic Blyklippen Mine and represents a largely un-tested area, with a prospective strike length of approximately 4.5km.

### SORTEBJERG PROSPECT (Pb-Zn-Cu)

Sample ID	Sample Type	Cu%	Pb%	Zn%
4954	Rock chip	0.03	0.28	8.35
4955	Rock chip	<0.01	0.01	0.02
4956	Rock chip	6.96	3.42	0.016
4957	Rock chip	0.03	<0.01	<0.01

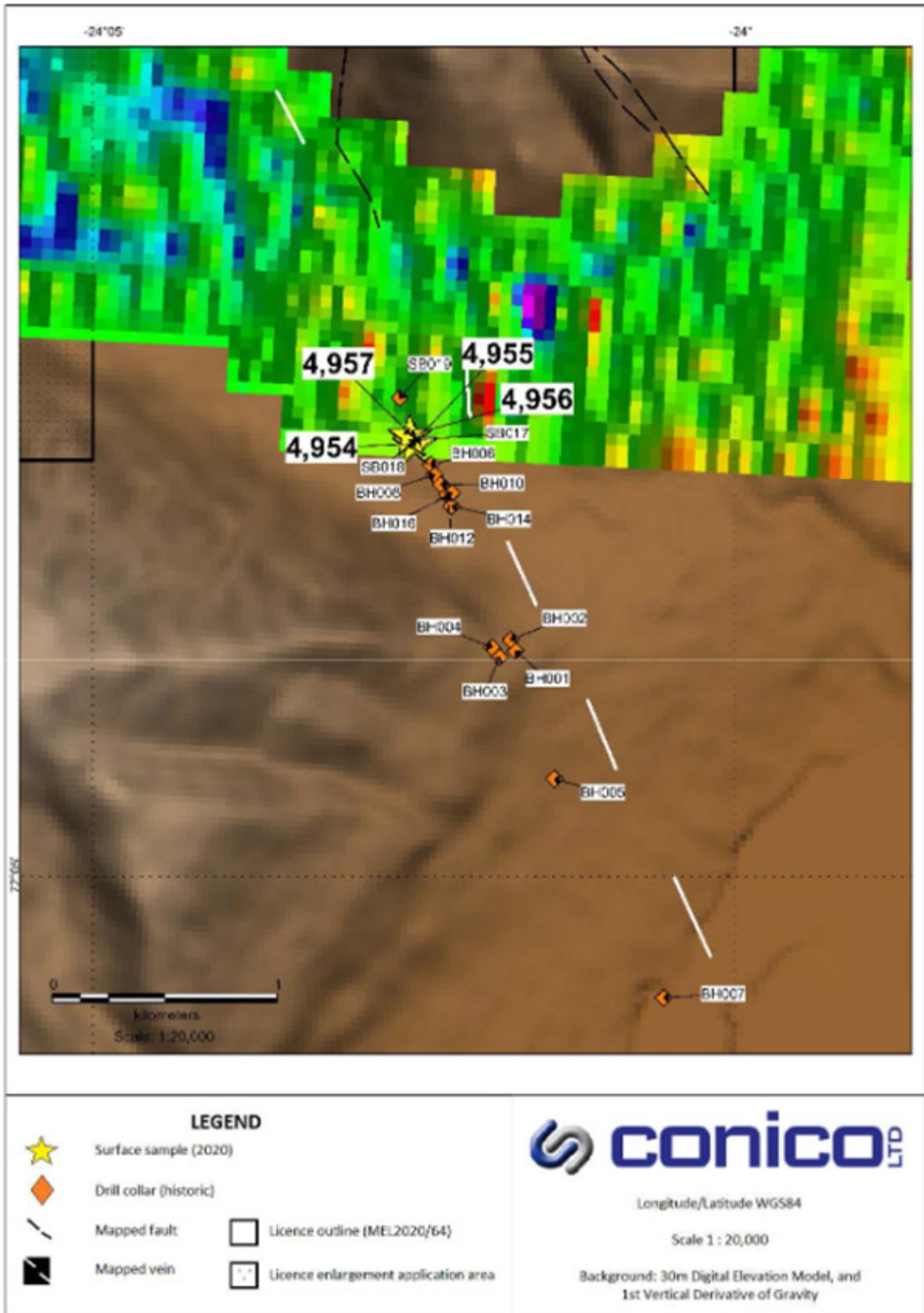
**Table 3.** Assay results for 2020 Sortebjerg surface samples.

The Sortebjerg Prospect is located 10km south of the historic Blyklippen Mine and consists of a mineralised quartz vein that contains dominantly sphalerite mineralisation, with subordinate galena and chalcopyrite. The vein outcrops at surface in four locations, over a strike length of approximately 2.9km.

The field team took surface rock-chip samples (Table 3, Figures 9 & 10) to determine ore genesis with four samples sent for assay (Table 3) returning 8.35% zinc (# 4954), and 6.96% copper & 3.42% lead (# 4956).



**Figure 9.** Outcropping vein at Sortebjerg containing appreciable zinc, copper and lead.

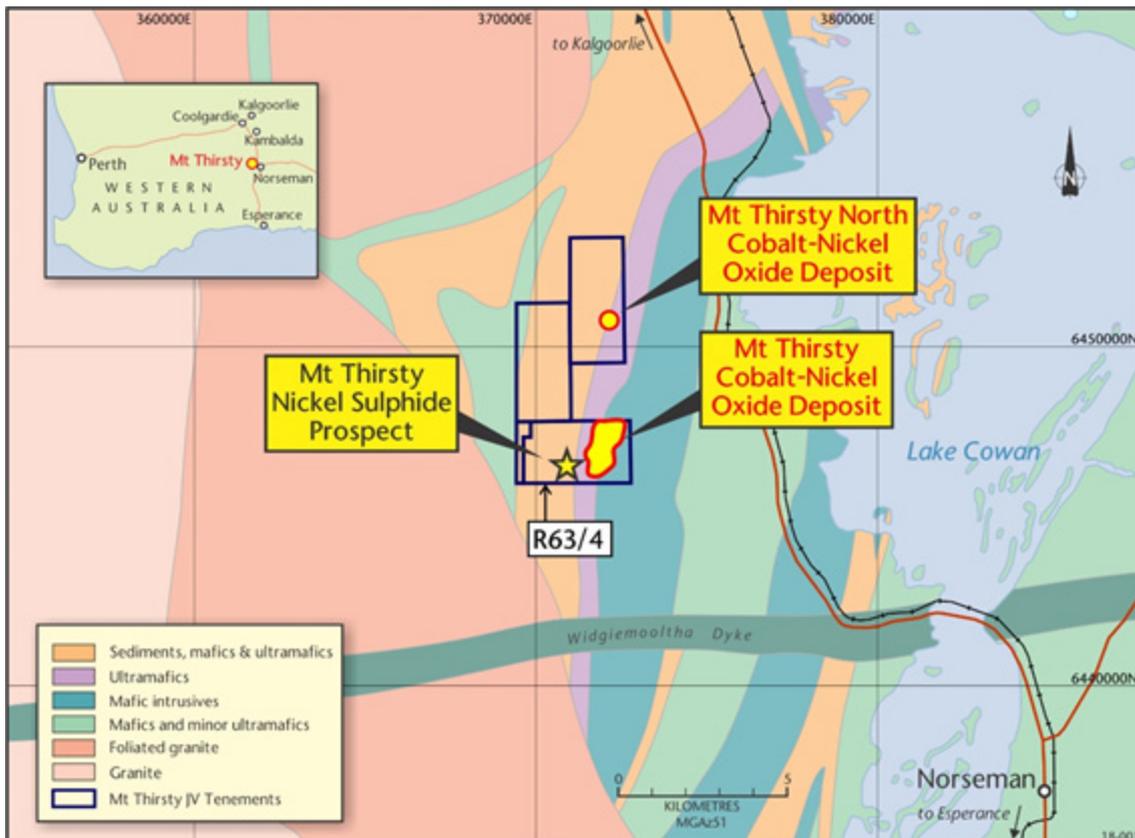


**Figure 10.** Location for Sortebjerg 2020 surface samples, and historic drill collars.

## 2.0 AUSTRALIAN PROJECTS

### 2.1 MT THIRSTY COBALT-NICKEL PROJECT (50% Conico Ltd: 50% Barra Resources Ltd– Joint Venture,

The Mt Thirsty Cobalt Project is located 16km north-northwest of Norseman, Western Australia (Figure 11).



**Figure 11.** Mt Thirsty Co-Ni project location map.

The Project contains the Mt Thirsty Cobalt-Nickel (Co-Ni) Oxide Deposit (table 4, 5) that has the potential to emerge as a significant cobalt producer. In addition to the Co-Ni Oxide Deposit, the Project also hosts nickel sulphide (Ni-S) mineralisation.

The Project is close to all necessary infrastructure (rail, road, power, water, and seaport) and, being in a mining orientated state, has the potential to attract a variety of interested parties including end users of cobalt. Mt Thirsty has the potential to become a major supplier to the burgeoning battery supply chain.

The great advantage of Mt Thirsty compared to other potential cobalt operations is the nature of the resource, being a flat lying, continuous and thick deposit starting from near surface to around 70 metres below surface. Due to intense oxidation, the deposit is very soft, fine grained and low in silica.

Mineral Resource	Cut-off (Co%)	Wet Tonnes (Mt)	Moisture (% wet t)	Dry Tonnes (Mt)	Co (%)	Ni (%)	Mn (%)	Fe (%)
<b>Mt Thirsty Main Indicated</b>	0.06	31.2	27%	22.8	0.121	0.53	0.79	21.3
<b>Mt Thirsty Main Inferred</b>	0.06	3.5	27%	2.5	0.103	0.45	0.66	19.1
<b>Mt Thirsty Main Sub Total</b>	0.06	34.7	27%	25.4	0.119	0.52	0.77	21.1
<b>Mt Thirsty North Inferred</b>	0.06	2.0	27%	1.5	0.092	0.55	0.48	19.4
<b>Total</b>	0.06	36.7	27%	26.9	0.117	0.52	0.76	20.9

**Table 4.** 2019 Mineral Resource estimates (all grades reported on a dry basis).

Mineral Resource	Cut-off (Co%)	Wet Tonnes (Mwt)	Moisture (% wet t)	Dry Tonnes (Mdt)	Co (%)	Ni (%)	Mn (%)	Fe (%)
<b>Mt Thirsty Probable</b>	Approx. 0.07% Co (Variable)	25.9	27%	18.8	0.126	0.54	0.80	21.6

**Table 5.** Mt Thirsty Ore Reserve estimate.

Refer to ASX Announcements of 9/9/2019 for full details of the Mineral Resource and 20/2/2020 for full details of the Ore Reserve.

The Mt Thirsty Project is highly leveraged to cobalt prices with approximately 70% of potential revenue being from cobalt; far higher than other nickel laterite projects.

A prefeasibility study was completed in February 2020 with the following highlights (refer ASX Announcement 20 February 2020):

- Mt Thirsty now assumes the mantle of Australia's most advanced genuine cobalt project with a completed Pre-Feasibility Study (PFS)
- Hydrometallurgical process is at atmospheric pressure and 70-90°C utilising sulphur dioxide (SO<sub>2</sub>) as the main reagent.
- Maiden JORC 2012 Probable Ore Reserve of 18.8 Mdt at 0.13% cobalt and 0.54% nickel estimated for the project.
- Positive economics returned over a 12-year mine life with a pre-tax NPV of A\$44.4M (A\$25.7M post-tax)
- Capital Expenditure of A\$371M including 10% indirects, 9% growth allowance, 4% owner's costs, and 10% contingency.
- All in Sustaining Costs of US\$35,400/t contained cobalt.

The Mt Thirsty Joint Venture (MTJV) has identified the highest value development path to be a farm-in from a large global firm, eager to secure a guaranteed sustainable source of cobalt. The MTJV is re-engaging with several major Australian and international mining, trading and refining firms who have all identified a high quality PFS as their minimum investment criteria.

Late in the December 2020 Quarter also saw a strengthening in Nickel (figure 12) and Cobalt (figure 13) prices on the back of renewed interest in battery metals.



Figure 12. One-year nickel spot price (source: www.kitcometals.com).

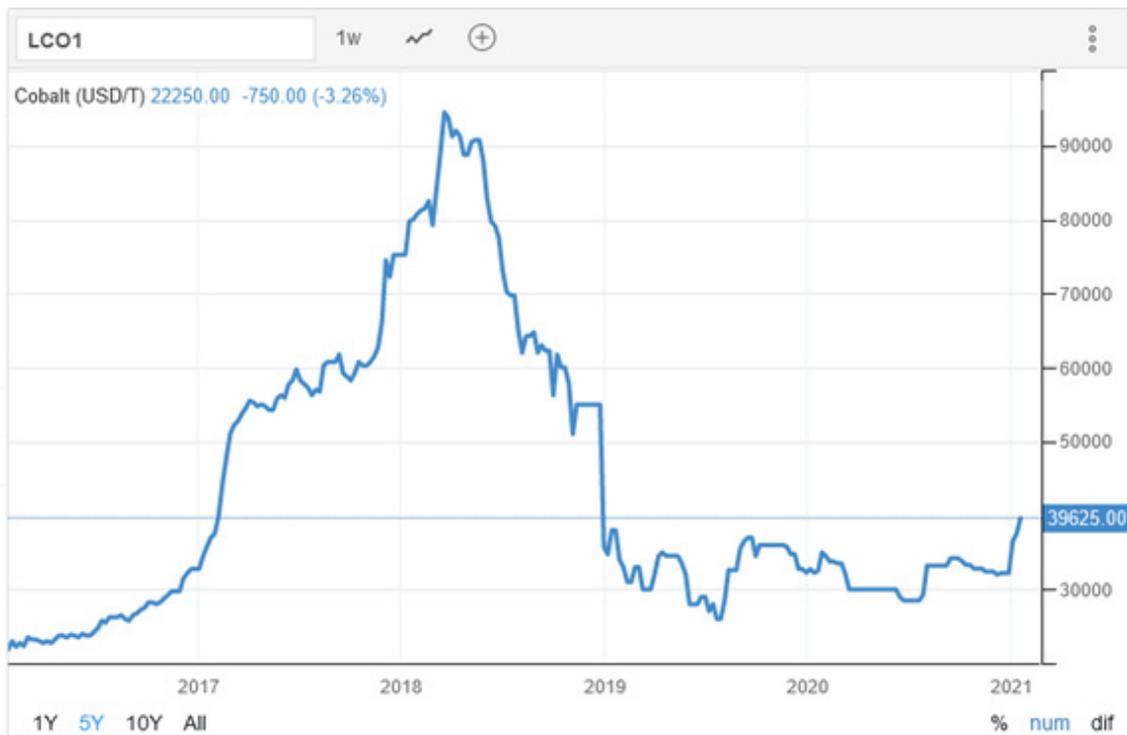


Figure 13. Five-year cobalt spot price (source: https://tradingeconomics.com/commodity/cobalt).

## ACTIVITIES

Native Title negotiations towards securing grant of Mining Leases continued with the Ngadju Traditional Owners during the quarter.

## 3.0 CORPORATE

### 3.1 ACQUISITION OF LONGLAND RESOURCES

On 2 November 2020, Conico announced the completion of the acquisition of 100% of the issued capital of England and Wales registered Longland Resources Ltd via the issue of 120,000,000 Shares in Conico at a deemed issue price of 1.4 cents each. Geologist and Longland co-founder Thomas Abraham-James was also appointed as CEO of Conico.

### 3.2 PLACEMENT

On 15 December 2020, Conico completed a placement raising \$1,000,000 through the issue of 33,333,333 new shares at \$0.03 each through Sydney based Peloton Capital Pty Ltd AFSL 406040 ("Peloton Capital").

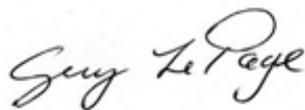
### 3.3 RIGHTS ISSUE

On 15 December 2020 Conico also announced the execution of an underwriting agreement with Peloton Capital for a pro-rata non-renounceable one for ten rights offer to raise up to \$2,269,000 (before expenses of the rights issue) via the issue of 75,643,200 Shares at 3 cents each with the offer dispatched to Conico Ltd shareholders on 22 December 2020.

## 4.0 EXPLORATION

Exploration expenditure for the quarter was \$102k, with most of this expenditure being related to the Greenland field work and analysing the results. In addition, Conico provided funding of approximately \$544k to Longland Resources between 1 October 2020 and 2 November 2020 which was primarily applied to exploration in Greenland.

For and on behalf of the board,



Guy T Le Page, FFIN, MAusIMM  
Executive Director

Guy Le Page is a director of Conico and was authorised to sign this announcement.

For any queries regarding this announcement please contact Guy Le Page on +61 (8) 6380 9200.

### Description of Payments to related parties of the entity and their associates (LR 5.3.5)

Payments to related parties during the quarter related to:

1. Management Fees, as per agreement, were paid during the quarter to a company of which Mr GH Solomon and Mr DH Solomon are directors.
2. Director Fees and superannuation.
3. Legal Fees and disbursements were paid during the quarter to a firm of which Mr GH Solomon and Mr DH Solomon are partners.
4. Underwriting fees, corporate advisory fees and reimbursement of expenses were paid during the quarter to a company in which Mr G Le Page and Mr J Richardson are directors.
5. Website development and maintenance fees were paid during the quarter to a company in which Mr G Le Page and Mr J Richardson are directors.

### Interests in Mining Tenements

Tenements	Location	Interest held at end of quarter	Acquired during the quarter	Disposed during the quarter
E63/1267	WA	50%		
R63/4	WA	50%		
E63/1790	WA	50%		
P63/2045	WA	50%		
M(A) 63/669*	WA	50%		
M(A) 63/670#	WA	50%		
G(A) 63/93^	WA	50%		
L63/80	WA	50%		
L63/81	WA	50%		
L63/91	WA	50%		
MEL 2017/06	Greenland	100%	100%	
MEL-S 2019/38	Greenland	100%	100%	
MPL 2019/9	Greenland	100%	100%	

Notes:

\*MLA over P63/1267, #MLA over R63/4, ^GLA over E63/1790 & P63/2045

LA 63/91 & 92 for haul roads and services. L63/80 & 81 for ground water search.

## DISCLAIMER

*The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken based on interpretations or conclusions contained in this report will therefore carry an element of risk.*

*This report contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. No obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.*

## COMPETENT PERSONS STATEMENT (GREENLAND PROJECTS)

*The information contained in this report relating to exploration results relates to information compiled or reviewed by Thomas Abraham-James, a full-time employee of Longland Resources Ltd. Mr. Abraham-James has a B.Sc Hons (Geol) and is a Chartered Professional (CPGeo) and Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr. Abraham-James has sufficient experience of relevance to the styles of mineralisation and the types of deposit under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserve Committee (JORC) "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Abraham-James consents to the inclusion in this report of the matters based on information in the form and context in which it appears.*

## COMPETENT PERSONS STATEMENT (AUSTRALIAN PROJECTS)

*The information in this report that relates to drilling, sampling and assay data is based on and fairly represents information compiled by Michael J Glasson, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Glasson is an employee of Tasman Resources Ltd and in this capacity acts as part time consultant to Conico Ltd and the MTJV. Mr Glasson holds shares in Conico Ltd. Mr Glasson has sufficient relevant experience to the style of mineralisation and type of deposits under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012 Edition).*

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