

ASX ANNOUNCEMENT

Alliance agrees \$4 million unsecured loan facility to complete DFS

23 July 2024

HIGHLIGHTS

- Long-term supportive shareholder Zeta Resources provides Alliance Nickel unsecured A\$4m loan facility on competitive terms
- Loan will provide a funding bridge while positive offtake and investment discussions continue with a potential strategic partner
- Funds to help complete NiWest Project Definitive Feasibility Study, metallurgical testwork and working capital

Alliance Nickel Limited (“Alliance” or “the Company”) (ASX:AXN) advises that Zeta Resources Limited (“Zeta Resources”) (ASX:ZER) has provided the Company an unsecured A\$4 million loan facility to complete the NiWest Nickel-Cobalt Project (NiWest) Definitive Feasibility Study (DFS), final metallurgical testwork and working capital.

Zeta Resources is a long-term major shareholder of Alliance. 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). The loan will be drawn in full on 25 July 2024.

Subject to shareholder approval, the Company will issue 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.

The options will expire three (3) years from the date of the loan facility agreement, subject to shareholder approval at a general meeting to be convened at a date announced shortly.

If shareholder approval is not obtained within three months of the date of the Loan Facility, the Company will pay the Lender an option fee of \$345,000.

Following a period of due diligence, the Board is satisfied with the competitive terms offered by Zeta.

Alliance Nickel Managing Director and CEO Mr Paul Kopejtko said:

“Zeta Resources is a long-term supportive shareholder backing the future success of our NiWest Project and the key role nickel plays in the electric vehicle revolution.”

“This unsecured bridging loan provides us with competitive financing to allow the Company to complete the NiWest Project DFS and final metallurgical testing”.

“The loan facility also provides us with working capital as we progress with offtake and investment discussions with a potential strategic partner.”

-ENDS-

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

For further information please contact

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About Alliance Nickel Limited:

Alliance Nickel Limited is an ASX-listed 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 produce 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 at www.alliancenicel.au

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.