ASX QUARTERLY REPORT

FOR PERIOD ENDED 30 SEPTEMBER 2020

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HIGHLIGHTS:

GREENLAND PROJECTS

- **Conico acquires East Greenland projects via acquisition Longland Resources Ltd (Longland) to acquire 100% of England and Wales registered Longland in consideration for 120 million Shares in Conico Ltd**
- **Longland has a 100% interest in the Ryberg Project that covers an area of 4,521km² containing the Sortekap gold prospect and the Miki Fjord & Togeda Cu-Ni-Co-PGE-Au magmatic sulphide prospects**
- **Longland also has a 100% interest in the Mestersvig Project containing the historic Blyklippen Pb-Zn mine and Sortebjerg Pb-Zn prospect**
- **Longland director Thomas Abraham-James appointed CEO of Conico**
- **Field work successfully completed at Ryberg and Mestersvig Projects during the quarter**
- **Geophysics and sampling results anticipated to be received in November-December 2020**

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).**
- **Discussions with native title holders continuing with a view to grant of mining leases.**

CORPORATE:

- **Rights offer raised $2,044,265 through the issue of 146,018,934 new shares at 1.4 cents each.**
- **Placement completed raising $807,236 through the issue of 57,659,733 new shares at 1.4 cents each.**

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GREENLAND PROJECTS

Summary



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

The Ryberg Project (Figure 1) 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.

- The presence of globular sulphides is often spatially related to massive sulphides, e.g. dykes/sills at Noril'sk and Voisey's Bay where rounded globular sulphides are often located above massive sulphides.
- Drill-ready massive sulphide targets identified via a high-resolution VTEM survey.
- The extent of the orogenic gold mineralisation is unknown, ice retreat is significant and is likely to reveal further prospective outcrops in 2020.
- Completed 2020 field activities include an Induced Polarisation (IP) survey at the Sortekap gold prospect, ground electromagnetic (EM) survey at the Miki Fjord magmatic sulphide prospect.

To the north of the Ryberg Project is the Mestersvig Project 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 sulphide lens at the historic Blyklippen mine was 2-10m thick, 300m long and 160m high. It consisted of 65% quartz, 15% sphalerite, 10% galena, 5-10% baryte with trace amounts of pyrite, chalcopyrite and tetrahedrite. Copper and silver contents were 120 ppm and 15 ppm, respectively. The mineralised structure is still open at depth and located 13km SSE is the Sortekap prospect, where mineralised vein outcrops at surface.

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Field Activities

Field activities were successfully completed at the Ryberg and Mestersvig Projects in Greenland. Conico holds a conditional agreement to acquire 100% of Longland (see Conico ASX announcement 29 July 2020) that was subsequently considered and approved by shareholders at the Conico general meeting on 20 October 2020.

Two teams were operating concurrently at Ryberg and Mestersvig (Figure 1), with the last personnel departing Greenland on 1 October 2020. All objectives were achieved at both projects, with all personnel returning safely and no injuries or operational issues encountered. This is particularly pleasing considering the unprecedented global travel restrictions in place due to the Covid-19 pandemic. Additionally, weather conditions were exceptional and allowed the teams to work until the end of September.

RYBERG

Miki Cu-Ni-Co-PGE-Au magmatic sulphide prospect:

- Ground electromagnetic (EM) survey
- Surface sampling of newly identified mineralised outcrop

Sortekap gold prospect

- Ground Induced Polarisation (IP) survey
- Surface sampling of Archaean greenstone with quartz veins

Ryberg Activities

Between 8-11 personnel were present at any one time during the season, consisting of Longland director and geologist Thomas Abraham-James, geophysical technicians, field assistants and pilots. On the Miki magmatic sulphide target a total of 74 electromagnetic (EM) geophysical survey stations were achieved, and surface rock chips collected for analysis. At the Sortekap gold prospect further surface rock chips were sent for analysis and an induced polarisation (IP) survey completed over the area of interest.

MESTERSVIG Pb-Zn

- Ground gravity survey completed at the historic Blyklippen mine and Sortebjerg prospect
- Surface sampling of newly identified mineralised outcrop
- Discovery of historic drill-core storage facility

Mestersvig Activities

Between 8-9 personnel were present at any one time during the season, consisting of Longland director and geologist Thomas Abraham-James, geophysical technicians, field assistants and pilot. A total of 2,344 gravity stations were achieved at 50m spacing and 200m between lines, with surface rock chips collected and sent for analysis. This includes a new occurrence of massive galena (lead sulphide) that has not been recorded before and is located approximately 8.6km southeast of the historic Blyklippen mine workings (figure 6). A core storage facility was also located that contains the majority of drill core drilled within the licence area, all of which is intended to be re-logged and sent for geochemical analysis.

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Results

The results of the work conducted are anticipated to be received later in November/December this year. All geophysical surveys will be interpreted, and rock samples sent for geochemical analysis. Further ASX Announcements will be made on receipt and interpretation of these results.

Mestersvig Licence Grant

The Mestersvig licence in east Greenland has been granted and is now owned 100% by Longland. The licence area contains the historic Blyklippen Pb-Zn mine, which is the only mine to have been in production on the east coast of Greenland and produced 545,000 tonnes of ore grading 9.3% Pb and 9.9% Zn between the years 1956-1962. Some 13km to the south of Blyklippen and within the licence area is the Sortekap prospect, a mineralised vein that contains known concentrations of Pb-Zn-Cu-Ag. Notable mineralisation was discovered outside of the licence area during the field season and application has been made to increase the size of the exclusive area.

Greenland Government Response to Covid-19

The Greenland government has reacted proactively to the Covid-19 pandemic and granted all mineral licences in the country a one-year extension in term, and exemption from minimum expenditure for 2020. This applies to all Longlands's licences and expenditure incurred this year will be credited to future year's commitments.

BACKGROUND TO THE GREENLAND PROJECTS

Field activities mentioned in this announcement occurred on licences held by Longland Resources Ltd, a privately owned mineral explorer registered in England and Wales. Conico has entered a binding term sheet (subject to conditions) to acquire 100% of the share capital of Longland.

Ryberg Project

Longland has conducted a helicopter-borne electromagnetic (EM) survey over the Miki Cu-Ni-Co-PGE-Au prospect 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.

Also, within the Ryberg Project area is the Sortekap gold prospect, an Archaean greenstone assemblage that contains abundant quartz veins. Previous surface rock-chip sampling grades up to 2.7g/t gold, with the precious metal associated with trace sulphides. The mineralisation style is an orogenic gold system.

Mestersvig Project

The Mestersvig licence area includes the historic Blyklippen Mine that produced a total of 545,000 tons of ore @ 9.3% Pb and 9.9% Zn between 1956-1962 and is the only mining operation to have occurred on the east coast of Greenland. The mined-out sulphide lens was 2-10m thick, 300m long and 160 m high, with mineralisation hosted in quartz veins. The veins are exposed at surface, and extend for a strike length of 13km, and to an unknown depth.

Further details are given in the following Conico ASX Announcements:

- Conico to acquire east Greenland projects, 29th July 2020
- Corporate presentation, 18th August 2020

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MT THIRSTY COBALT PROJECT
(50% Conico Ltd: 50% Barra Resources Ltd– *Joint Venture, MTJV*)

The Mt Thirsty Cobalt Project is located 16km north-northwest of Norseman, Western Australia (Figure 1).

The Project contains the Mt Thirsty Cobalt-Nickel (Co-Ni) Oxide Deposit 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 sea port) 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.

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 70-90ºC utilising sulphur dioxide (SO2) 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.

ACTIVITIES

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

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CORPORATE

Rights Offer

The pro-rata non-renounceable rights offer to raise up to $2,044,265 was made to shareholders of Conico Ltd pursuant to an offer document dated 1 September 2020 closed on 25 September 2020 with a shortfall amount of $514,075. This shortfall amount was placed with RM Corporate Finance, underwriters of the offer. Accordingly the total amount raised was $2,044,265 before the payment of the expenses of the issue.

Placement

During the quarter Conico completed a placement raising $807,236 through the issue of 57,659,733 new shares at $0.014 each.



Guy T Le Page
Director

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
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. Placement fees and corporate advisory 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%		
L(A) 63/92	WA	-		50%

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.

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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 Statements

The information contained in this report relating to exploration results for the Greenland projects is based on 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.