



Nickel Industries Limited (ASX:NIC)

Quarterly Activities Presentation

For the period ended 30 June 2024

NICKEL

INDUSTRIES

Safety and Sustainability

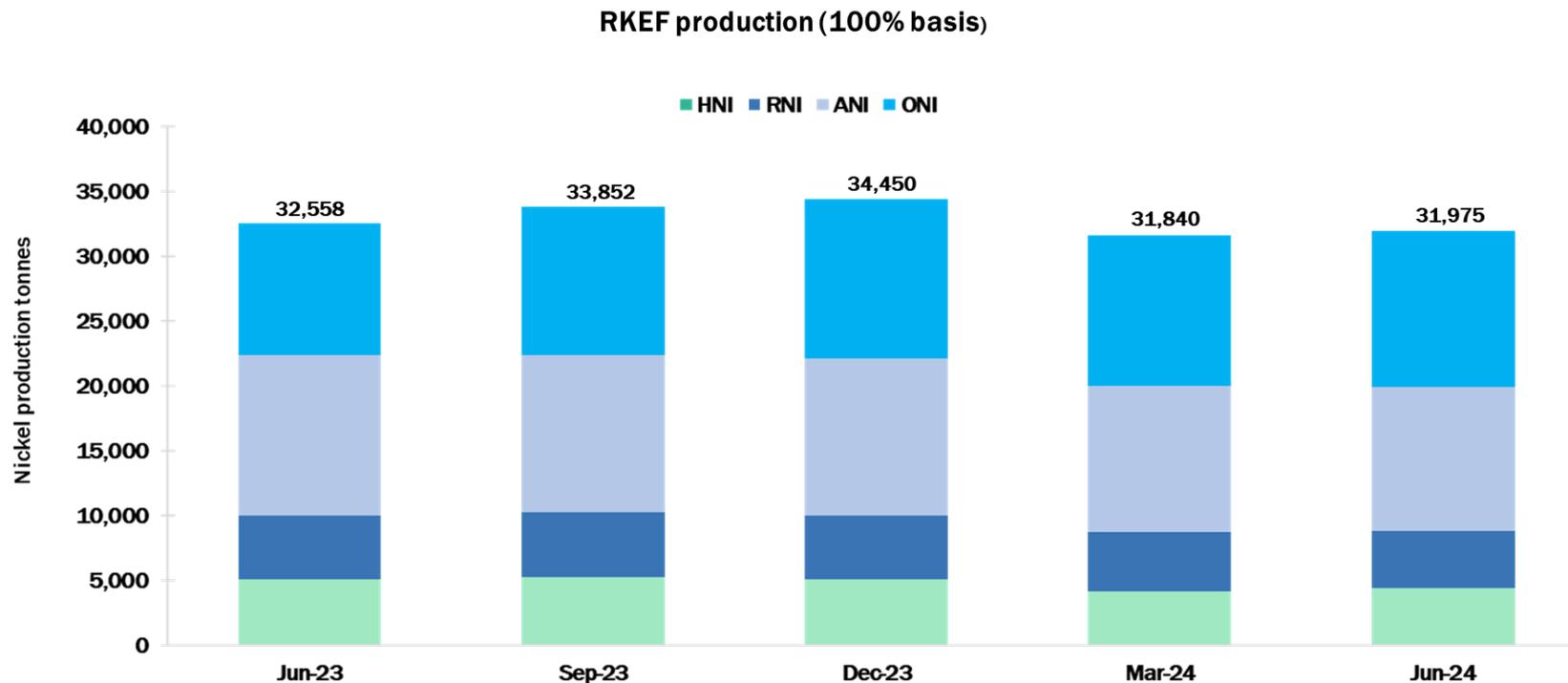
- No LTIs recorded during the quarter against 2.18 million work hours registered
- Company-wide 12-month rolling total recordable injury rate (TRIR) as at the end of June 2024 was 1.89
- Released 2023 Sustainability Report showcasing the Company's commitment to playing a leadership role in promoting responsible and sustainable mining in Indonesia
- Establishment of University scholarship program in partnership with Hasanuddin University as part of the Company's ongoing social initiatives within the local communities in which it operates
 - scholarship program to provide full financial support to 10 local indigenous students per year from the Central Sulawesi, North Maluku and West Papua Provinces to pursue 4-year undergraduate degrees across the fields of metallurgical engineering, environmental engineering and mining engineering
- Hengjaya Mine participated in the 2024 World Environmental Day campaigns in various sustainability activities, such as tree planting, beach cleanup and showcasing its biodiversity conservation area
- Hengjaya Mine received the Top CSR (Community Social Responsibility) Award and the Indonesia Social Responsibility Award for the SMART HM (Semangat Meraih Cita-cita Bersama HM), with a focus on educating vocational school students to be more prepared to enter the industry

June quarter review

US\$79.5M EBITDA from operations despite challenging wet season

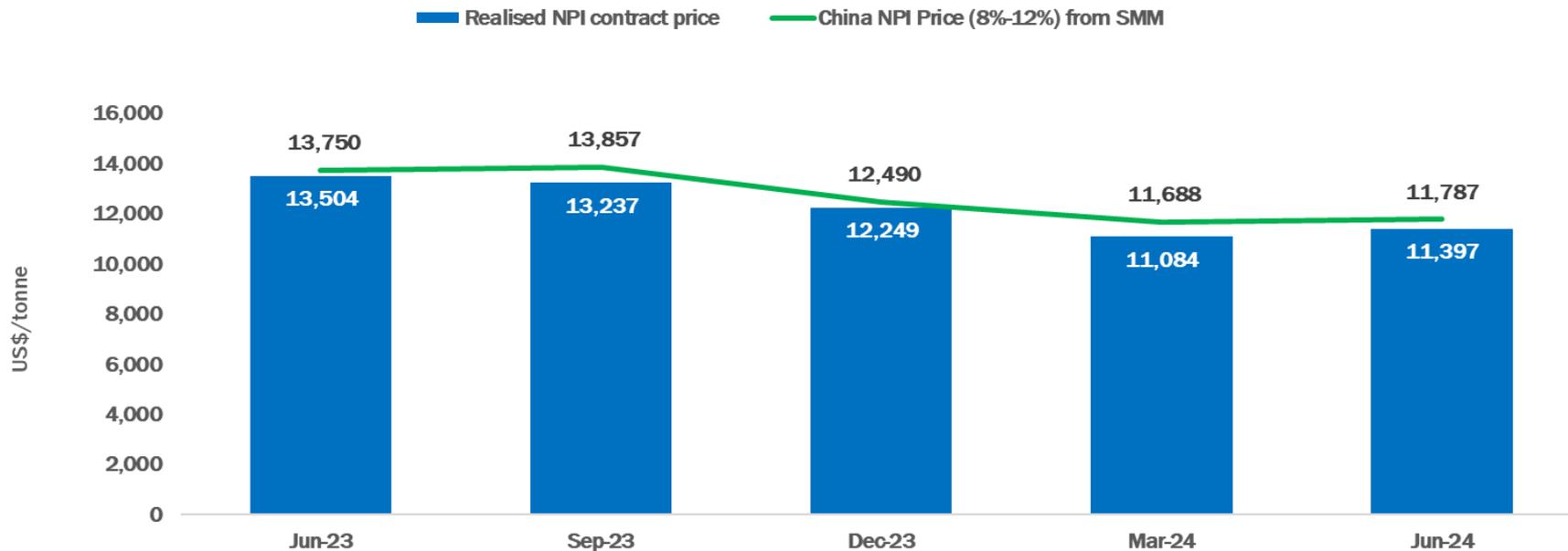
- RKEF nickel metal production of 31,975 tonnes (100% basis)
 - 0.4% higher than March quarter (31,840 tonnes)
- RKEF EBITDA of US\$41.8M
 - 13.3% lower than March quarter (US\$48.2M) due to lower tonnes sold (down 1.5% from March quarter) and a 12.0% fall in EBITDA/tonnes sold margin
 - operating margins negatively effected by:
 - above average rainfall which impacted ore supplies into the IMIP/IWIP leading to drawdown of lower grade stockpiles with negative flow-on effects to nickel production levels and unit cash costs
- Hengjaya Mine EBITDA of US\$24.6M
 - 62.9% higher than March quarter (US\$15.1M) which was negatively impacted by delayed RKAB licence renewals preventing ore sales until late February
 - strong result achieved despite higher-than-average seasonal rainfall during quarter of 1,373mm (48% and 91% higher respectively than the prior corresponding periods in 2023 and 2022)
- Increase in equity interest in ENC HPAL Project to 44%
- Establishment of US\$250M bank facility
- Repayment of US\$245M April 2024 Notes
- Appointment of Independent Non-Executive Director

Stable RKEF production continues across our operations



- RKEF quarterly production of 31,975 tonnes of nickel metal (+0.4% March quarter)
- Additionally, 1,997 tonnes of MHP from HNC, representing NIC's 10% attributable share of production

NPI pricing



- Realised contract pricing increased 2.8% from the March quarter as NPI prices recovered from recent lows

ENC construction progress

- Earthworks and footings are now largely complete with concrete pouring to commence shortly
- Long lead items and critical process equipment continue to be sourced and fabricated in China ahead of delivery to the IMIP
- Completion of office and staff facilities
- The Company has now completed the acquisition of an additional 30.25% equity interest in the Project (increasing to 44%) via cash payments of US\$316.3M and US\$379.5M, with the latter to assist the acceleration of the construction and commissioning of the nickel cathode and sulphate plants



Earthworks and footings at ENC largely complete in readiness of concrete pouring and plant erection

Hengjaya Mine – stronger performance despite challenging rainfall

Production summary		March quarter 2024	June quarter 2024
Saprolite mined	wmt	1,026,910	879,280
Limonite mined	wmt	2,087,865	2,090,072
Nickel ore mined	wmt	3,114,775	2,969,352
Overburden mined	BCM ⁽¹⁾	385,378	370,204
Strip ratio	BCM/wmt	0.12	0.12
Saprolite EBITDA	\$M	4.3	11.8
Limonite EBITDA	\$M	10.8	12.8
Total EBITDA	\$M	15.1	24.6



Note: Figures reflect unaudited numbers from monthly operating entity financial reporting.

(1) BCM represents "bank cubic metres".

- Quarterly production of 2,969,352 wmt, down 4.7% from March quarter
 - saprolite production of 879,280 wmt, down 14.4%
 - limonite production of 2,090,072 wmt, up 0.1%
 - higher-than-average seasonal rainfall during quarter of 1,373mm (48% and 91% higher respectively than the prior corresponding periods in 2023 and 2022)
- Quarterly EBITDA of US\$24.6M, up 62.9% from March quarter result US\$15.1M

Corporate

Increase equity interest in ENC HPAL Project to 44%

- Additional 30.25% interest secured through two cash payments of US\$316.3M and US\$379.5M (US\$695.8M in total) to acquire shares in the Singaporean incorporated holding company, Excelsior International Investment Pte. Ltd, the ultimate owner of ENC (current equity interest of 44%)
- Second payment of US\$379.5M made ahead of the scheduled 1 October 2024 payment date to assist in the acceleration of construction and commissioning of the nickel cathode and sulphate plants

US\$250 term loan facility executed

- US\$250M, 5-year term loan facility jointly provided by tier-1 banks PT Bank Negara Indonesia (Persero) Tbk (BNI) and DBS Bank Ltd (DBS)
- Facility established to support the remaining funding requirements for the Company's acquisition of a 55% equity interest in ENC
 - replaces cash following the repayment of the US\$245M balance of the Company's April 2024 notes
 - facility was fully drawn down subsequent to the end of the June quarter

Appointment of Independent Non-Executive Director

- Appointment of Ms Emma Hall as an Independent Non-Executive Director
- Emma has over 10 years' experience in the global battery metals industry including wide-ranging commercial and technical engagements with battery manufacturers and OEMs in USA, Europe, Japan, China and South Korea

Further information

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