

13 May 2019

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(32 pages by email)

BofAML CONFERENCE

I attach a PowerPoint presentation being presented by Nickel Mines Limited's Managing Director, Justin Werner, to investors present at the Bank of America Merrill Lynch Global Metals, Mining & Steel Conference being held this week in Barcelona, Spain.

Yours sincerely



Richard Edwards
Company Secretary

pjn9920

NICKEL
MINES LIMITED

JOINING THE RANKS OF GLOBAL NICKEL PRODUCERS

BofAML GLOBAL METALS, MINING & STEEL CONFERENCE

BARCELONA – MAY 2019



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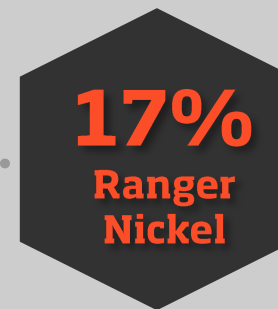
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EXECUTIVE SUMMARY

JOINING THE RANKS OF GLOBAL NICKEL PRODUCERS



Nickel Mines Limited (NIC) is an Australian company publicly listed on the ASX.

A\$200M IPO completed on 20 August 2018.

NIC holds an **80%** interest in PT Hengjaya Mineralindo (PTHM) which holds 100% of the Hengjaya Nickel Mine (HM).

HM is located in Morowali Regency, Central Sulawesi, Indonesia, adjacent to Tsingshan Holding Group's (Tsingshan) Indonesian Morowali Industrial Park (IMIP).

2 Line RKEF Plant.

~150Ktpa nickel pig iron (NPI) = ~16.5Ktpa nickel production.

For **US\$120M** NIC has acquired a **60%** interest in Hengjaya Nickel (HNI).

Option to increase to **100%** for **US\$120M** for 12 months from first NPI production.

Commissioning has commenced.

2 Line RKEF Plant.

Replica of HNI.

For **US\$50M** NIC has acquired a **17%** interest in Ranger Nickel (RNI).

Option to increase ownership to **80%** for **US\$181.4M.**

Announced intention to move to 60%.

Commissioning scheduled for **May 2019.**

MOU signed to supply limonite ore to the IMIP's new HPAL plant.

Limonite ore previously mined as overburden now able to be monetized, lowering overall mining costs.

Potential for future equity participation.

CORPORATE SNAPSHOT

TRADING INFORMATION

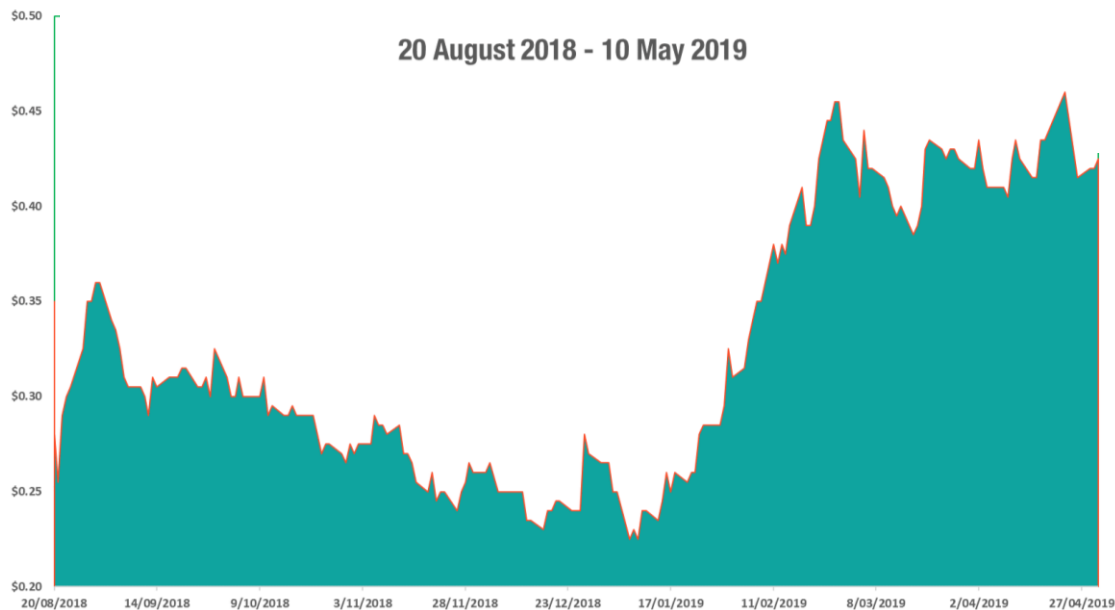
10 MAY 2019

ASX Code	NIC
Shares on Issue	1.388B
Share Price	A\$0.435
Range	A\$0.22-A\$0.465

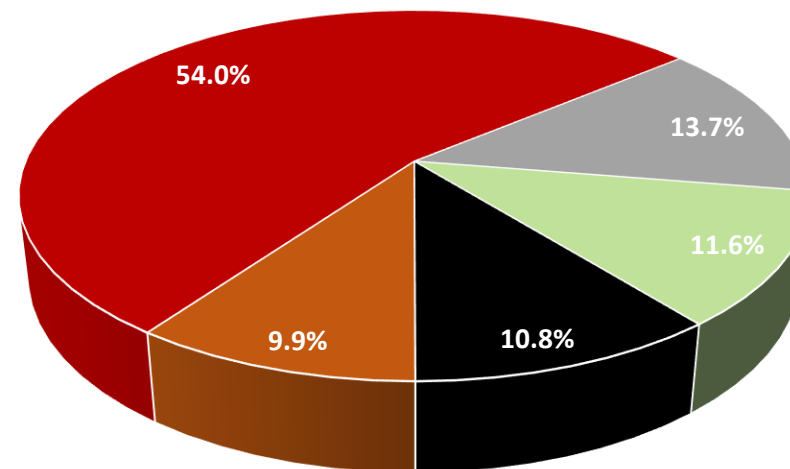
Market Capitalisation

A\$603.8M

20 August 2018 - 10 May 2019



Shareholder Structure



■ Directors and Management ■ Shanghai Decent (SDI) ■ Shanghai Wanlu ■ Blackrock ■ Other

Substantial Shareholders

Shanghai Decent (SDI)	11.6%
Shanghai Wanlu	10.8%
Blackrock	9.9%
Norman Seckold	8.9%
Regal	5.1%

Analyst Coverage

Bell Potter	BUY	Target Price	\$0.95
Patersons Securities	BUY	Target Price	\$0.92
Canaccord	BUY	Target Price	\$0.90

Free Float

~975M share or ~70.2% of issued capital

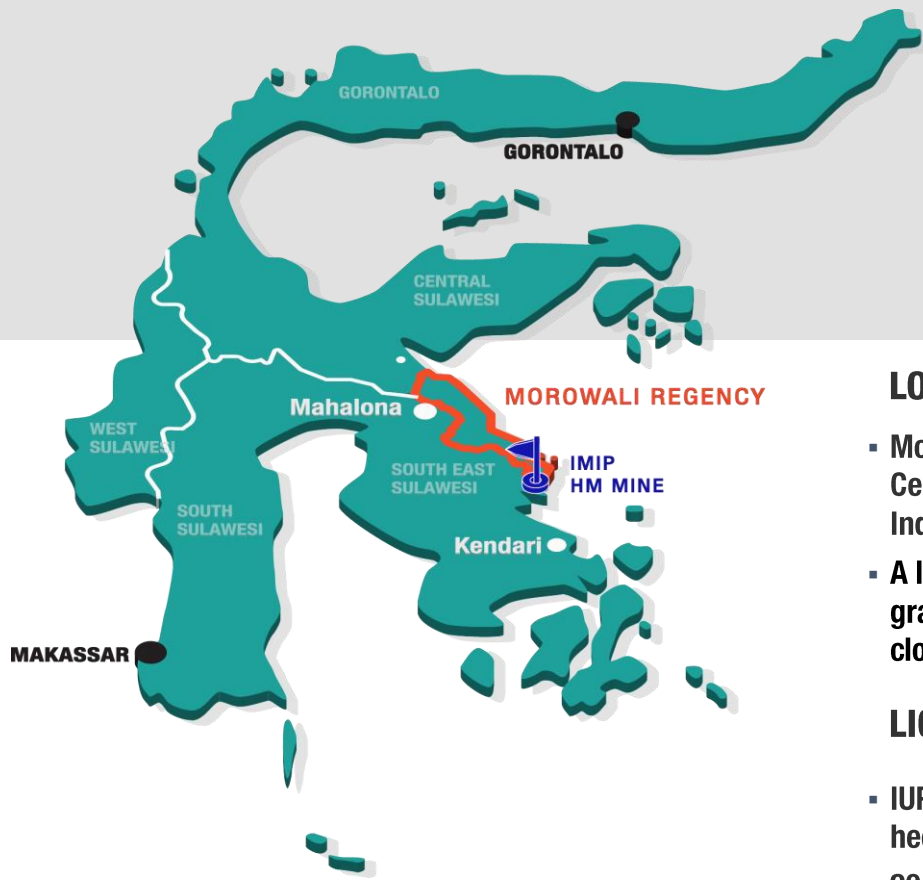
Indexes

ASX All Ords

HENGJAYA MINE THE FOUNDATION ASSET



I N D O N E S I A



LOCATION

- Morowali Regency, Central Sulawesi, Indonesia.
- A large tonnage, high grade, open-cut mine in close proximity to IMIP.

LICENCE

- IUP licence covering 6,249 hectares.
- 20 year mining operation/ production licence with a further 2 x 10 year extensions (issued May 2012).

RESOURCE

- JORC compliant resource:
 - 37.5M dmt at 1.81% nickel (1.5% COG) for ~680k tonnes contained nickel.¹
 - 180M dmt at 1.30% nickel (1.0% COG) for ~2.3M tonnes contained nickel.²
- 1,402 holes over 30,296 metres.
- Resource not fully defined – approximately half of the mapped ultramafic nickel bearing area has been resource drilled.
- 30+ year resource life based on a 1.5M wmt pa mining operation.

MINING

- Geology de-risked by mining activity to date.
- Excellent mining reconciliations to date with higher than predicted nickel grade and tonnes and lower than expected Fe/Si/Mg.
- 2015 – commenced supplying ~30K wmt/m to IMIP.
- 2017- superseded by contractual agreement to supply ~50K wmt/m to IMIP.
- Plans underway to increase mining capacity to ~1.5M wmt pa.

While we own a world class nickel laterite mine...

THIS IS NOT A MINING STORY

**It's a story about the production of the most
profitable nickel units in the global market
in partnership with the world's largest
stainless steel producer**

INTRODUCTION TO TSINGSHAN, SDI and IMIP



- Currently the world's largest stainless steel producer with output of 9.29 Mt in 2018.
- Established a clear early mover advantage in building in-country processing capacity within Indonesia.
- A recognised global leader in RKEF processing technology to produce NPI.
- Pioneers of 'hot-charging' molten forms of NPI directly into stainless steel operations.
- Vertical integration and logistics management underpin the Group's 'Lowest Cost Producer' philosophy.

- Shanghai Decent is a Tsingshan Group company.
- Manager of IMIP.
- Key architect in establishing Tsingshan's integrated stainless steel industry supply chain from mining, to NPI smelting to stainless steel output in the form of slab, hot rolled coil (HRC) and cold rolled coil (CRC).
- Responsible for Tsingshan's international project management, including project construction, equipment design and procurement, logistics and raw material importation/supply.
- A counterparty to the Collaboration and Subscription Agreement (CSA) with NIC and Wanlu.

- Committed to ahead of the Indonesian Government's 2014 DSO export ban.
- Currently ~30,000 employees.
- 3.0 Mt pa stainless steel capacity
- 0.5 Mt pa carbon steel capacity (currently expanding to 3.5 Mt pa).
- 0.6 Mt pa high carbon ferrochrome capacity.
- 1.5 Mt pa NPI capacity (expanding to 1.95 Mt pa).
- 2GW coal-fired power plant
- Lime plant, coke plant, acid plant.
- Significant port facilities.
- Executive guest quarters and 5-star hotel.

INDONESIAN MOROWALI INDUSTRIAL PARK (IMIP)



“The PT SMI facility is world-class and arguably the lowest cost FeNi operation in the world.”

- Glencore Nickel Market Developments (September 2016)

FULLY INTEGRATED NPI & STAINLESS STEEL PLANT



Rotary Kiln



RKEF Control Room



Electric Furnace



NPI Ingot Casting



Molten NPI



Stainless Steel Mix



Stainless Steel Slab



Hot Rolled Coil (HRC)

SUPPORTED BY WORLD CLASS FACILITIES & INFRASTRUCTURE



Surrounded by Ni Laterite Deposits



2GW Coal Fired Power Station



Stockpile Areas



Significant Port Facilities

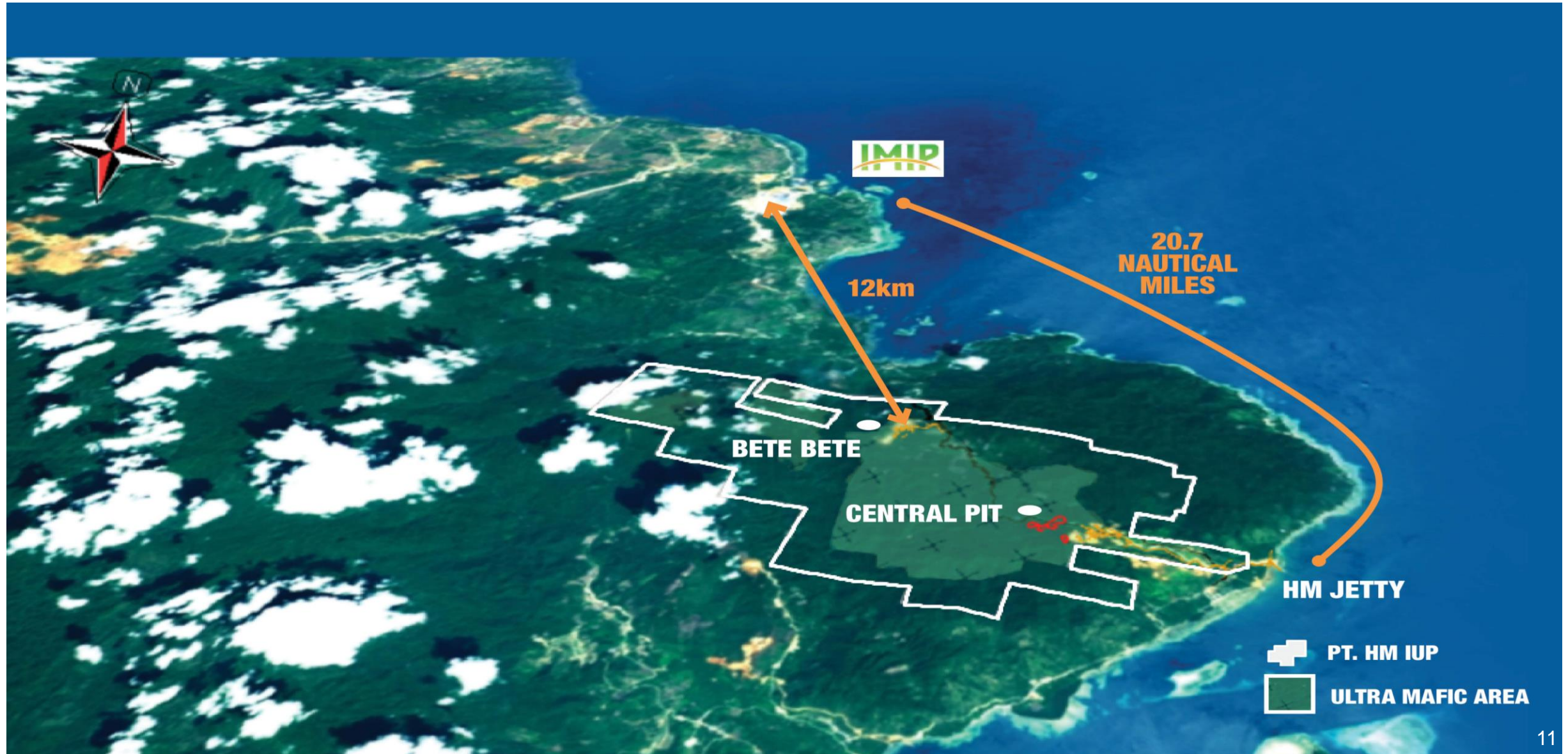


Executive Quarters and Helipad



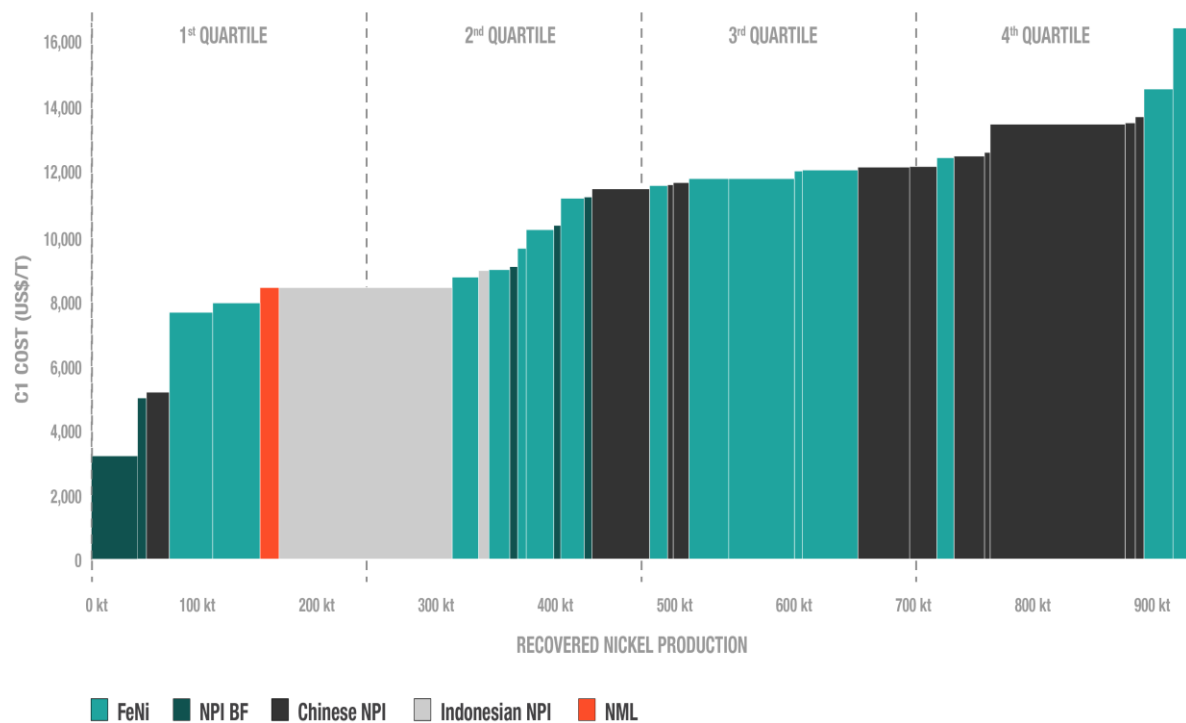
5-Star Hotel

HENGJAYA MINE LOCATION IS EVERYTHING



**WHAT DOES NICKEL MINES BENEFIT FROM
BY PARTNERING WITH TSINGSHAN?**

BOTTOM QUARTILE NPI COSTS



Source : Wood Mackenzie

BOTTOM QUARTILE OPERATING COSTS

- Significant cost advantages from locally sourced high grade nickel ore as NPI feedstock and thermal coal for reliable power generation.
- IMIP's fully integrated production chain delivers significant cost and logistics savings.

GLOBAL INDUSTRY LOWS IN CAPITAL INTENSITY

PROJECT	YEAR	PLANT	NI CAPACITY (Kt pa)	CAPITAL COST (US\$M)	COST/t NiEq (US\$)
Murrin Murrin	1999	HPAL	40	1,700	42,500
Ravensthorpe	2007	HPAL	40	3,000	75,000
VNC (Goro)	2010	HPAL	60	6,000	100,000
Ambatovy	2012	HPAL	60	5,500	91,667
Koniambo	2013	FeNi	30	6,300	105,000
Onca Puma	2011	FeNi	52	3,200	61,538
Barro Alto	2011	FeNi	40	1,900	47,500
Ramu	2012	HPAL	34	1,490	43,823
Dumont	DFS	HPAL	41	2,700	65,746
CleanTeq	DFS	HPAL	17	920	53,933
Hengjaya Nickel	2018	NPI	16.5	200	12,121*

CONSTRUCTION AND OPERATIONAL EXPERTISE

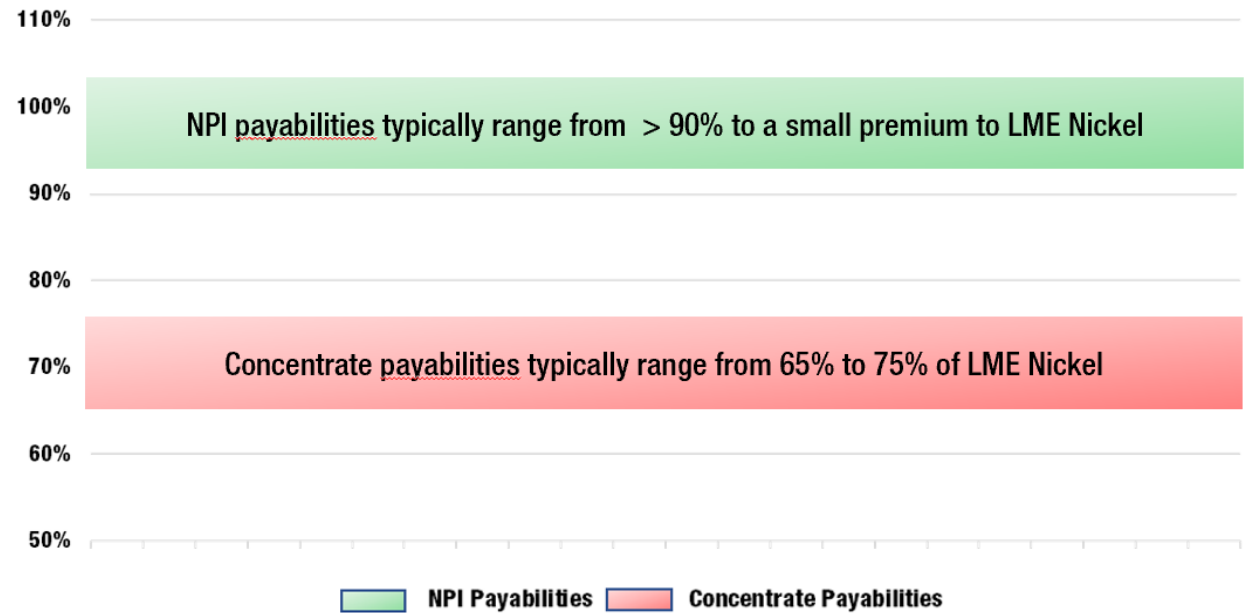
- NIC has a guaranteed CAPEX.
- 20-lines already built and operating at IMIP.

* NIC's initial 60% stake in HNI was acquired at a cost of \$12,121/t NiEq. Subsequent ownership interests in HNI will be acquired at \$18,181/t NiEq. NIC's interest in RNI will be acquired at valuations of US\$280M-US\$300M equating to US\$16,969-US\$18,181/t NiEq.

SUPERIOR NPI PAYABILITIES



Superior Payabilities Underpin a Compelling Economic Advantage for NPI Producers



- While concentrate producers can often report lower cash costs than NPI producers because of by-product credits, these lower costs are dwarfed by the superior payabilities of NPI producers.

Why the superior payabilities?

- Stainless steel producers buying NPI will pay a near “market price” for the contained nickel in NPI as they essentially get their iron units for free.

TAXATION CONCESSIONS

By official decree of the Minister of Finance of the Republic of Indonesia material tax concessions have been granted to both HNI and RNI.

- **100%** Corporate Income Tax Reduction for **7 years** commencing from the year of commercial production.
- **Plus** an additional **2 Years** Corporate Income Tax Reduction at **50%** of payable income tax, starting from the end of the initial seven year period.
- **Exemption** from withholding and tax collection by third parties on sales proceeds that would normally be remitted to the Indonesian Revenue Department for a period of seven years, also commencing from the tax year in which commercial production is achieved.



Tax concessions further strengthen HNI's/RNI's impressive EBITDA and FCF profile and enhance future growth/dividend optionality

THE CURRENT STATE OF PLAY

HENGJAYA NICKEL COMMISSIONING UNDERWAY

Commissioning of both RKEF lines continues to ramp up to a steady state production and operating cost profile.

		January [^]	February	March*	Quarter Total
NPI Production	tonnes	67.5	1,802.6	6,502.2	8,372.3
NPI Grade	%	11.6	12.7	13.1	13.0
Nickel Metal Production	tonnes	7.9	229.9	852.4	1,090.2
IMIP NPI Pricing #	USD/t LME Ni	12,800	12,800	12,800	12,800 ##
All in Cost **	USD/t				8,246

[^] January is represented by a single day of production.

* March quarter numbers include 1,516.9 tonnes of NPI and 190.9 tonnes of nickel metal from kiln #2 which commenced operation on 18 March 2019.

The IMIP's NPI price is set on a monthly basis with reference to the average price paid for NPI by China's four largest stainless steel mills with adjustments made for VAT (17% in China) and freight.

The average LME Nickel price over the March quarter was US\$12,930/t.

** All in Cost is inclusive of depreciation and interest of US\$598/t.

All in costs per tonne may vary in subsequent quarters as a steady state operating profile is achieved.



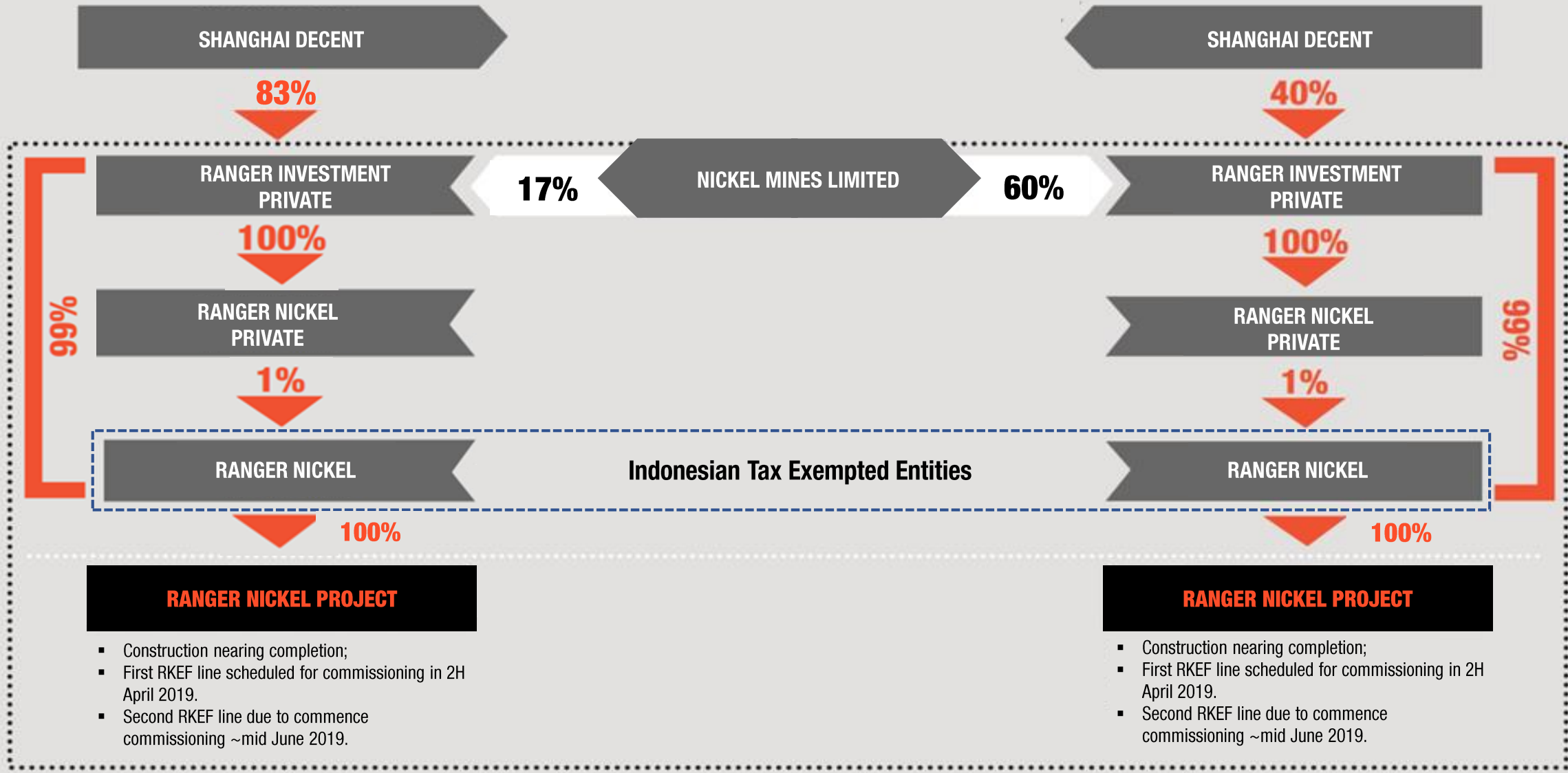
RANGER NICKEL PROJECT UPDATE



- RNI is scheduled to commence commissioning in May.
- Decision announced to increase interest from 17% to 60%.
- Acquisition will be completed via a US\$160M financing package, comprising:
 - US\$100M senior secured debt.
 - to be provided by Sprott Private Resource Lending.
 - targeted financial close of 31 May 2019.
 - US\$60M equity component.
 - ~US\$40M of the equity tranche will be satisfied by Shanghai Decent electing to receive its acquisition consideration in NIC shares with the balance of US\$20M coming via placement to new and existing shareholders.
 - **Conversion pricing and placement pricing TBD.**
- Targeting acquisition completion 30 June 2019.

CURRENT

PROPOSED



RANGER NICKEL PROJECT

- Construction nearing completion;
- First RKEF line scheduled for commissioning in 2H April 2019.
- Second RKEF line due to commence commissioning ~mid June 2019.

RANGER NICKEL PROJECT

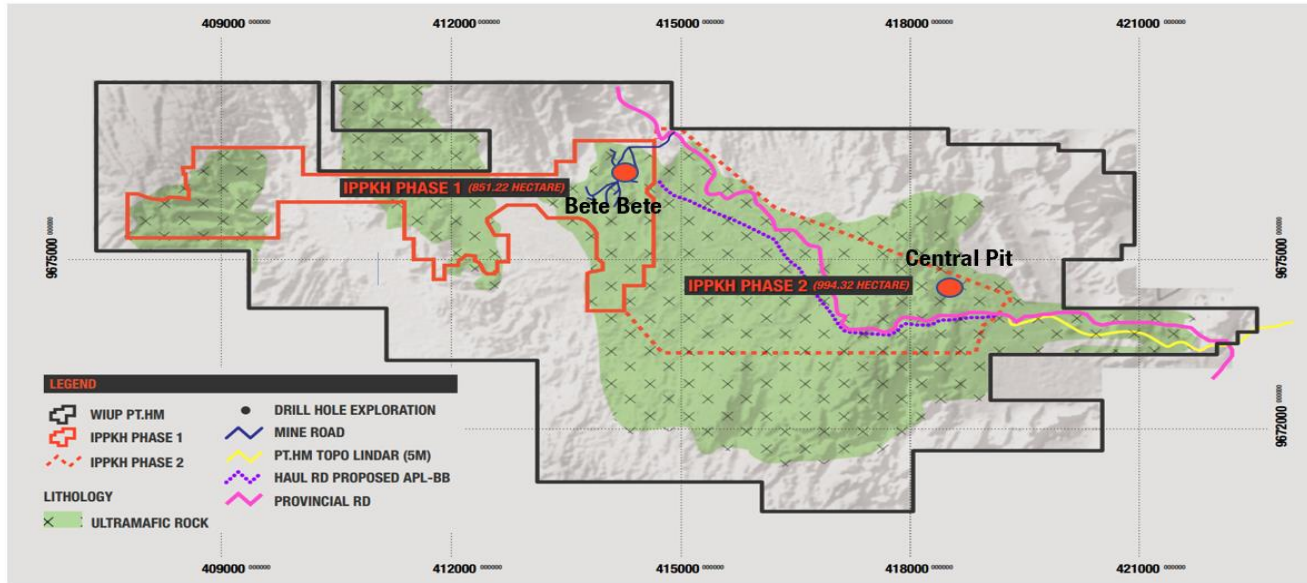
- Construction nearing completion;
- First RKEF line scheduled for commissioning in 2H April 2019.
- Second RKEF line due to commence commissioning ~mid June 2019.

2,805t Ni

NICKEL MINES ATTRIBUTABLE NICKEL PRODUCTION

9,900t Ni

HENGJAYA MINE EXPANSION INITIATIVES



Expansion initiatives underway to allow for production of 1.5M wmt pa of saprolite ore for RKEF operations.

- Central Pit to be brought into operation to complement operations at Bete Bete.
 - Reduced moisture content due to lower elevation.
 - ~5km haulage to jetty (Bete Bete ~12km).
- A designated haul road from Central Pit to Jetty is under construction.
 - No more provincial highway restrictions (no 8t truck limit).
 - Larger 30t-40t trucking fleet to be employed.
- Jetty upgrade to cater for multiple 7.5kt barges (previously 5kt).

Other initiatives are underway to ready the mine for the delivery of 2.5-3.0M wmt pa of limonite ore when the IMIP's HPAL plant comes online.

- Planning for a direct haul road into the IMIP is well advanced (critical to economics of moving required volumes of limonite ore).



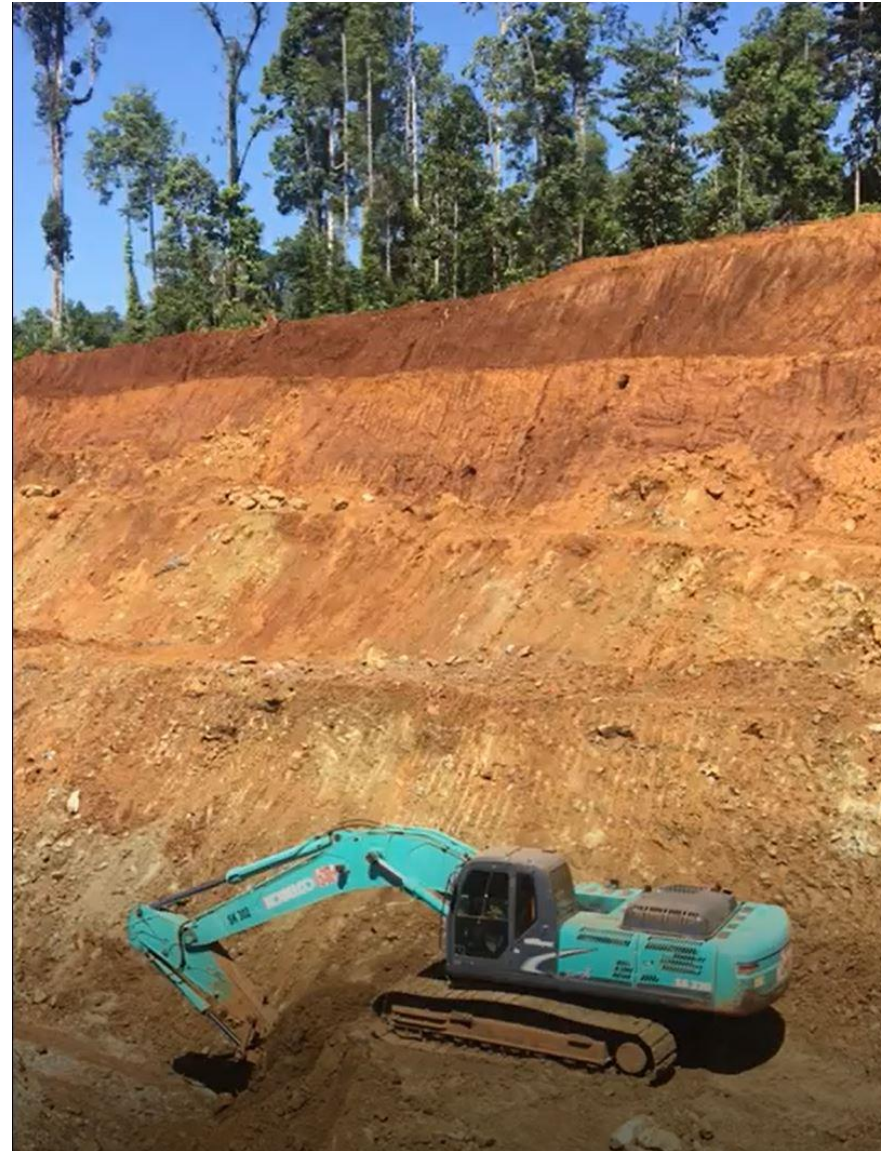
LIMONITE ORE SUPPLY TO IMIP HPAL PLANT

- MOU announced to supply limonite to HPAL plant recently announced to be constructed within the IMIP.
 - Consortium includes two Tsingshan group companies.
 - Project to produce 50kt Ni / 4kt Co per annum.

- Opportunity to optimise the value of HM Mine Resource.
 - 180M dmt at 1.30% Ni (2.3Mt contained Ni) and 0.08% Co (140kt contained Co) utilising a 1.0% Ni cut-off grade).
 - One of the largest tonnage, highest grade operations in Central Sulawesi.

- Limonite ore previously mined as overburden to reach saprolite ore.
 - Monetising limonite turns mining cost into a profit centre.
 - Material reduction in overall mining costs.

- Potential for future equity participation in HPAL plan, providing diversity into the rapidly growing nickel sulphate and hydroxide markets.

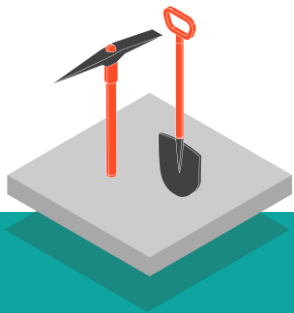


Limonite

Transition Zone

Saprolite

WHY INVEST?



WORLD CLASS NICKEL RESOURCE

JORC compliant resource with significant extension potential.

- 37.5M dmt at 1.81% nickel (1.5% COG) for ~680k tonnes contained nickel.¹
- 180M dmt at 1.30% nickel (1.0% COG) for ~2.3M tonnes contained nickel.²

Ability to supply RKEF plant for 30+ years (at 1.5M wmt pa).

Adjacent to Tsingshan's IMIP.



STRATEGIC PARTNERSHIP WITH GLOBAL INDUSTRY LEADER

Multi-faceted Collaboration Agreement with the world's largest stainless steel and NPI producer.

SDI currently operating 2Mt pa stainless steel plant and 20 RKEF lines at IMIP with further expansion plans.



PROVEN LOW COST PROCESSING TECHNOLOGY

Tsingshan is a leading exponent of pyrometallurgical technology using the RKEF process to produce NPI from laterite ores.

RKEFs built at industry-low levels of capital intensity.

Current C1 cash operating costs across existing RKEF lines averaging ~US\$8,500/t NiEq.

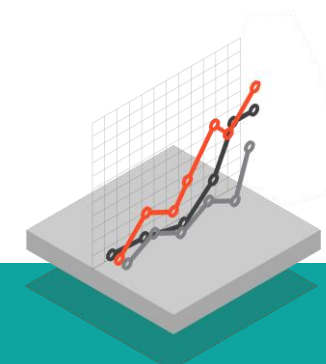


ABILITY TO LEVERAGE IMIP INFRASTRUCTURE

IMIP is a fully permitted industrial zone jointly sanctioned by the Indonesian and Chinese Governments.

Largest vertically integrated NPI/Stainless Steel facility in the world.

Supported by world class infrastructure and logistics – featuring on site power station and port facilities.



STRENGTHENING NICKEL MARKET FUNDAMENTALS

Nickel demand expected to grow 2-3% over medium to long term underpinned by improving outlook for stainless steel and growing EV battery market.

Global nickel supply deficit emerged in 2016 and is expected to remain in place until at least 2027.

Consensus outlook for long term nickel price materially above current levels.

INVESTMENT THESIS



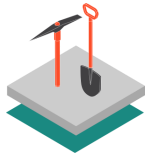
Indonesia is now the epicentre of global nickel supply growth.

- If you want nickel exposure you need to be invested in this region.



NPI is now the most prevalent source of new nickel supply.

- While NPI is currently predominantly consumed by the stainless steel market, it may soon provide an alternative source of supply (to sulphides) for the battery market.



Tsingshan is by far the most dominant producer of Indonesia's NPI and has established clear competitive advantages with regards to the cost and supply of nickel ore and power.



Tsingshan has demonstrated an ability to build nickel capacity at industry-low levels of capital intensity.

- As an investor you cannot buy exposure to cheaper operational nickel units.



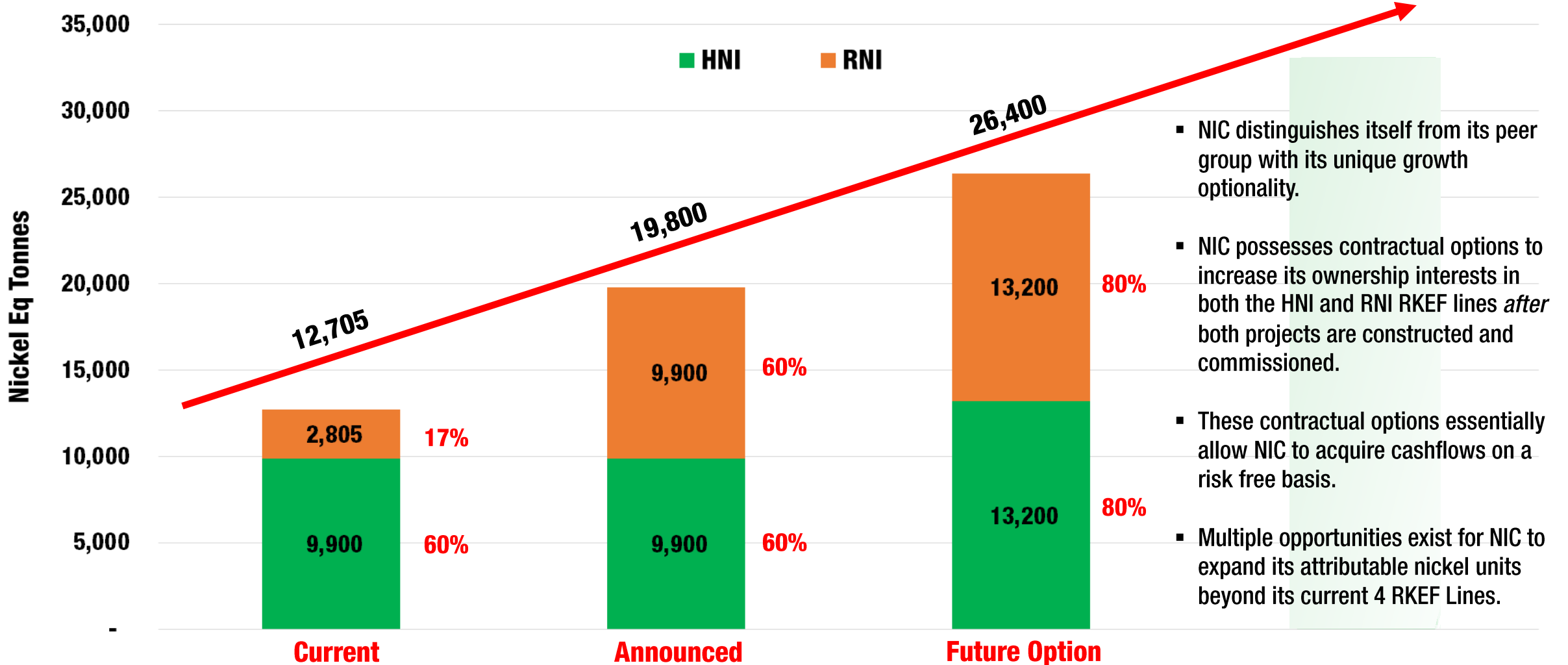
NIC offers unmatched leverage to growth in global nickel unit production capacity.

- IMIP nickel units set to rapidly increase over the next 5 years.

NIC offers the only publicly available investment exposure to Tsingshan and its world class NPI operations in Indonesia

UNIQUE GROWTH OPTIONALITY

A Clear Line of Sight on Additional Nickel Units

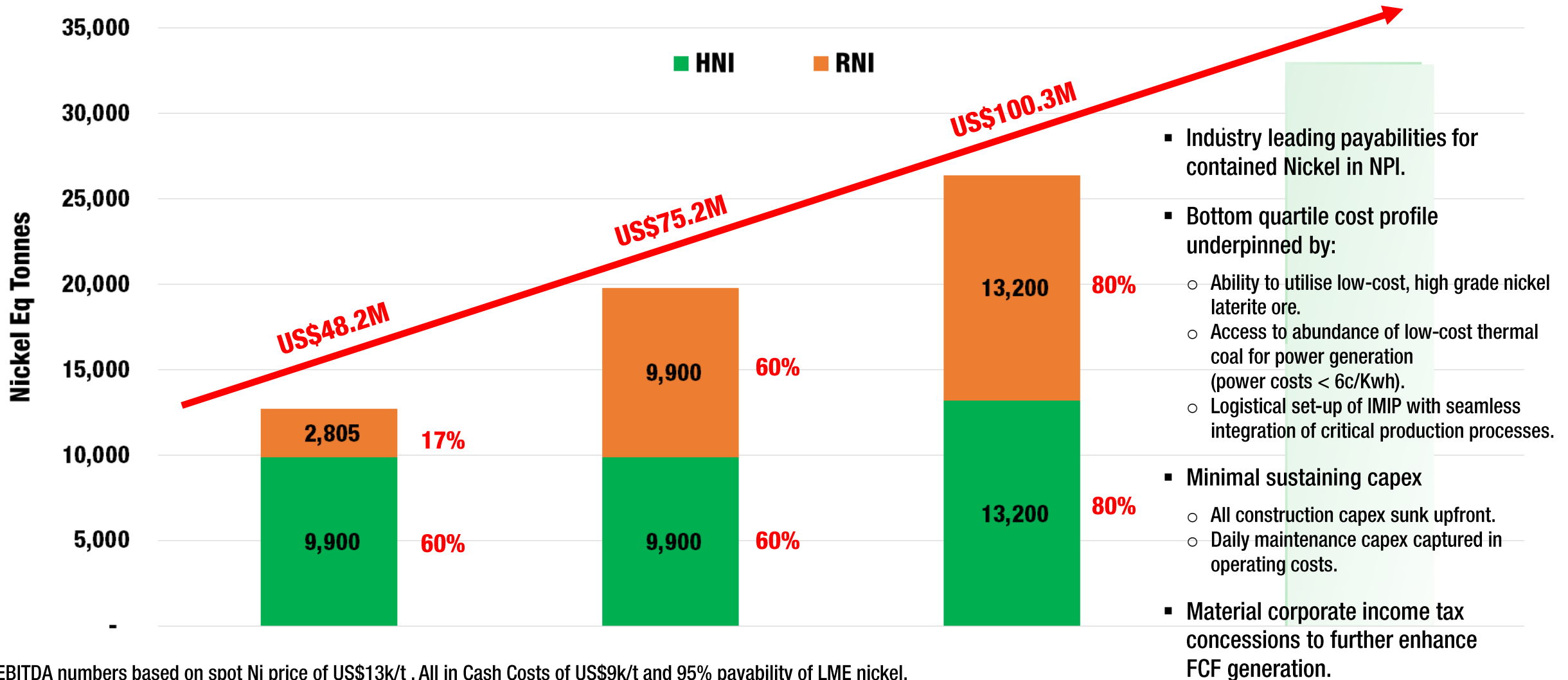


- NIC distinguishes itself from its peer group with its unique growth optionality.
- NIC possesses contractual options to increase its ownership interests in both the HNI and RNI RKEF lines *after* both projects are constructed and commissioned.
- These contractual options essentially allow NIC to acquire cashflows on a risk free basis.
- Multiple opportunities exist for NIC to expand its attributable nickel units beyond its current 4 RKEF Lines.

Based on an assumed production capacity of 16,500t of nickel metal.

COMPELLING ECONOMICS

A Clear Line of Sight on Strong EBITDA and FCF Growth

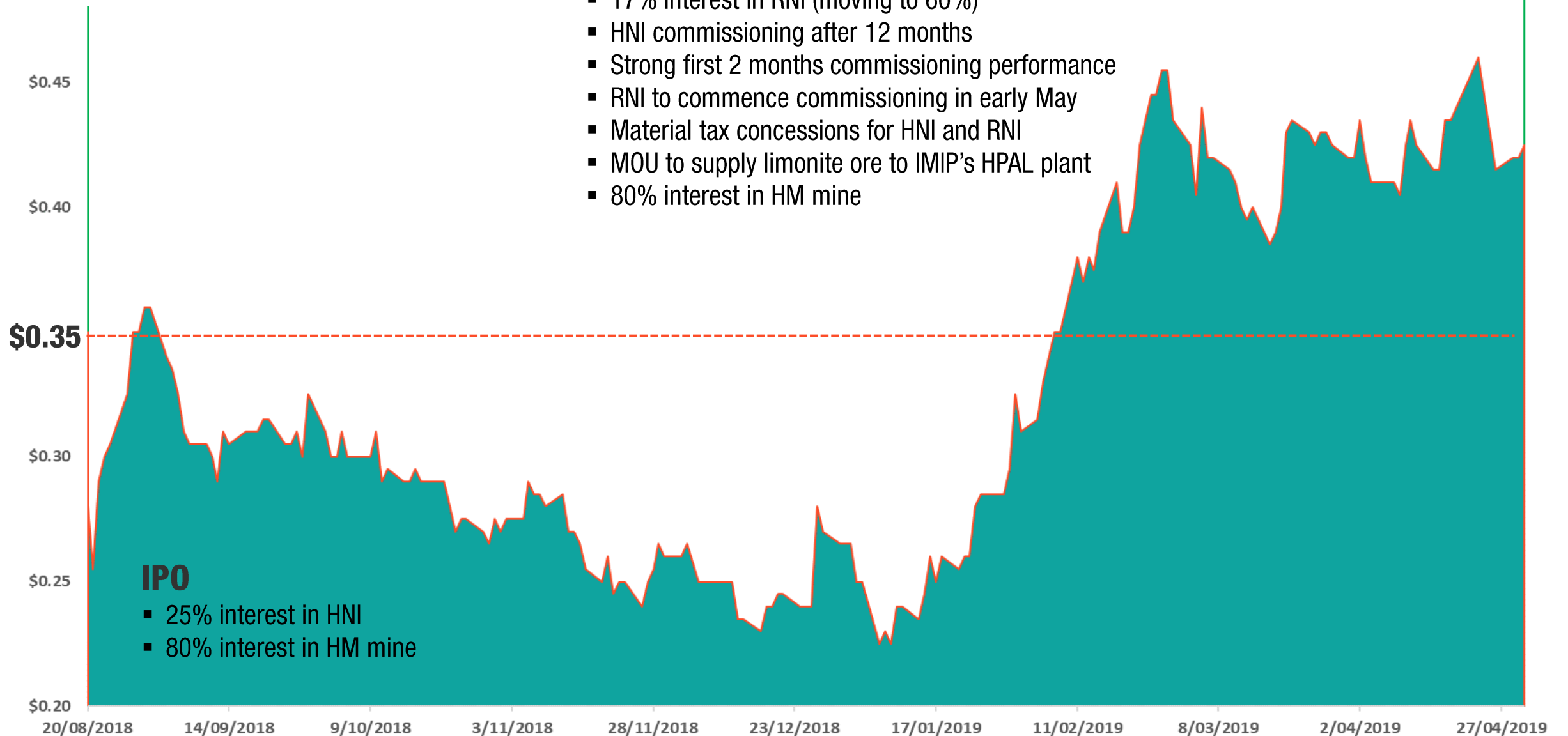


EBITDA numbers based on spot Ni price of US\$13k/t , All in Cash Costs of US\$9k/t and 95% payability of LME nickel. Indicative only and not to be construed as financial guidance.

PRICE VERSUS VALUE DISCONNECT

8 Months On

- 60% interest in HNI
- 17% interest in RNI (moving to 60%)
- HNI commissioning after 12 months
- Strong first 2 months commissioning performance
- RNI to commence commissioning in early May
- Material tax concessions for HNI and RNI
- MOU to supply limonite ore to IMIP's HPAL plant
- 80% interest in HM mine



IPO

- 25% interest in HNI
- 80% interest in HM mine



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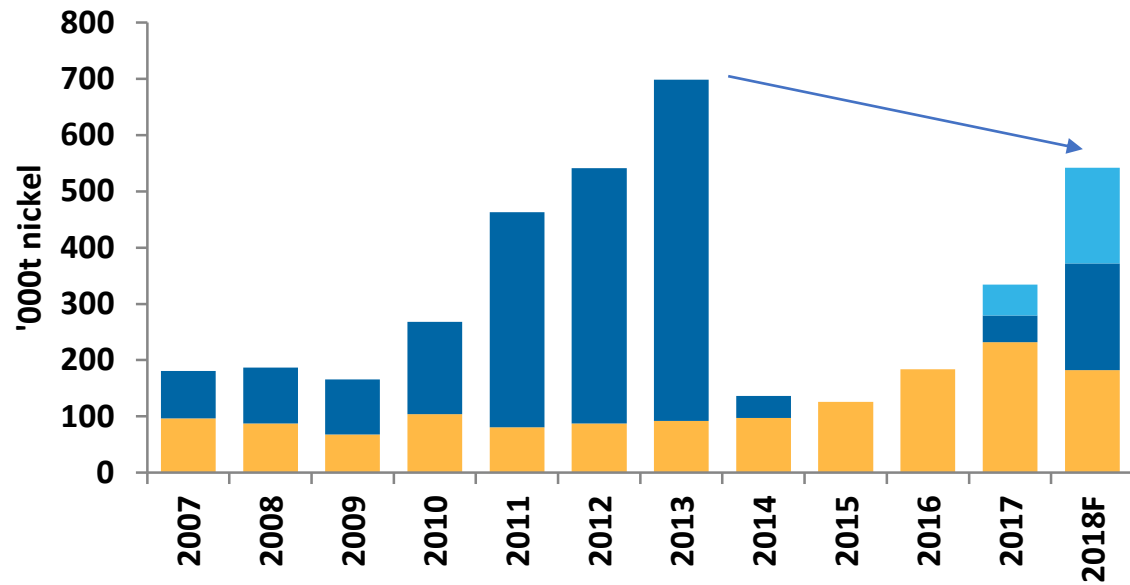
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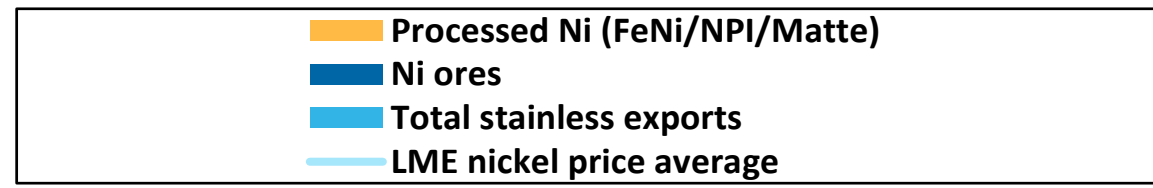
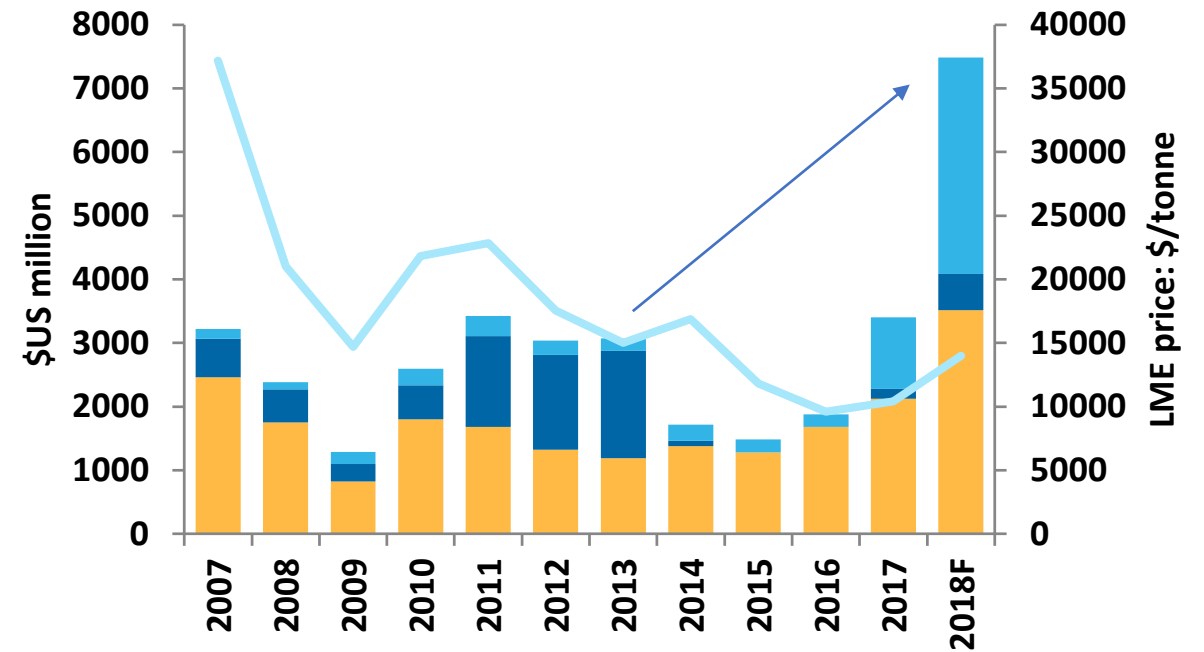
INDONESIA'S EXPORT BAN IS ACHIEVING ITS OBJECTIVE

The value of Indonesian exports has grown significantly since the introduction of the export ban despite a lower average Ni price than in 2013.

Indonesian nickel exports (Volume)



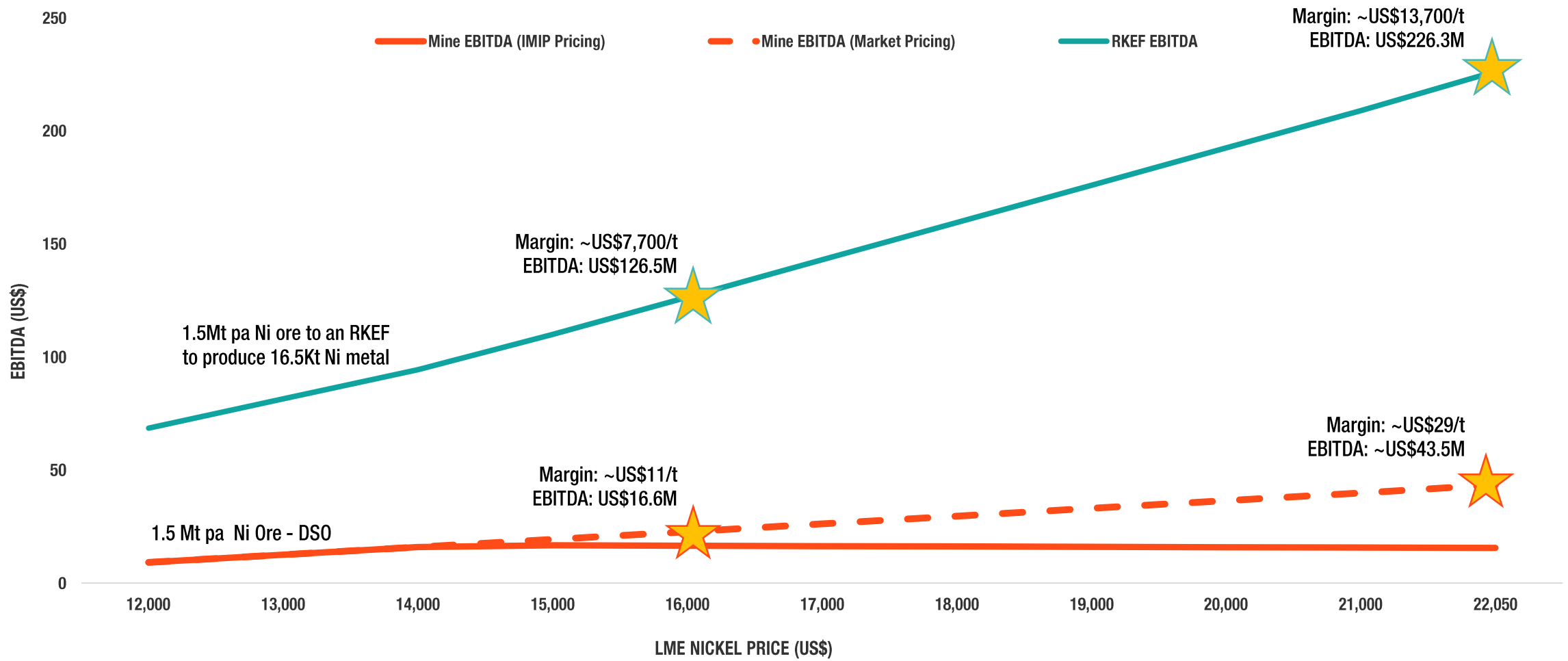
Indonesian nickel exports (Value)



Source: Badan Pusat Statistik, Macquarie Strategy, September 2018

MINE VERSUS RKEF ECONOMICS

Relative Economics of Shipping versus Processing 1.5Mt pa of Nickel Ore



Source: NML Financial Model (model assumptions and outputs verified by Wood Mackenzie)

STATEMENT OF COMPLIANCE

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by the staff and contractors of Nickel Mines Limited and its subsidiaries and approved by Mr Brett Gunter, a Member of the Australasian Institute of Mining and Metallurgy. Mr Gunter is an employee of PT GMT Indonesia and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Information in this report that relates to Exploration Results and Mineral Resources were published in a Technical Assessment Report and a Resource Estimate Report prepared by PT GMT Indonesia dated April 2018 and December 2018 respectively which are available on the Company's website (www.nickelmines.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original publication.

Mr Gunter has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Category	1.5% Cut-Off Grade		1.0% Cut-Off Grade	
	Dry Tonnes (million)	Ni (%)	Dry Tonnes (million)	Ni (%)
Measured	0.7	1.8	6.9	1.2
Indicated	15	1.9	50	1.4
Inferred	22	1.8	120	1.3
Total	38	1.8	180	1.3