

9 September 2019

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(2 pages by email)

AMENDMENT TO HNI COLLABORATION AND SUBSCRIPTION AGREEMENT

The Directors of Nickel Mines Limited ('Nickel Mines' or 'the Company') advise that the Company and Shanghai Decent Investment (Group) Co., Limited, the Company's partner in the Hengjaya Nickel Industry ('HNI') RKEF project, have agreed to amend two material terms in the Collaboration and Subscription Agreement ('CSA') of September 2017 that governs the contractual rights and obligations of each party with respect to HNI.

- (i) Nickel Mines currently owns 60% of HNI and has agreed to limit its contractual option to further equity interest in HNI to not more than 80% (previously 100%); and
- (ii) the option period during which Nickel Mines can acquire further equity interest in HNI has been extended until 30 November 2020 (previously 31 January 2020).

These amendments align the terms of the HNI CSA with the contractual terms which govern the Company's rights to acquire further equity interest in the Ranger Nickel Industry ('RNI') RKEF project.

For further information please contact

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About Nickel Mines Limited

Nickel Mines Limited (ASX: NIC) is an ASX listed company on the cusp of becoming a significant player in the global nickel industry having established a financial, operational and strategic partnership with China's Tsingshan group, the world largest stainless steel producer.

Nickel Mines owns 60% of two RKEF processing facilities (HNI and RNI) within the Indonesia Morowali Industrial Park, the world's largest vertically integrated stainless steel facility with a current stainless steel production capacity of 3.0 million tonnes per annum. Nickel Mines can increase its ownership of HNI and RNI to 80% at any time up to 30 November 2020.

Nickel Mines also holds an 80% interest in the long life, high grade Hengjaya nickel mine located in Morowali Regency, Central Sulawesi, Indonesia just 12 kilometres from the IMIP.



Aerial photo of the IMIP