



**QUARTERLY ACTIVITIES PRESENTATION
FOR THE PERIOD ENDED
30 June 2023**

**32,558 tonnes of nickel production - further growth expected in
September quarter with Oracle Nickel power plant now online**

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Record 32,558 tonnes of nickel production - further growth expected in September quarter with Oracle Nickel power plant now online

- ❑ Record Ni metal production of 32,558 tonnes (100% basis)
 - 18.8% higher than March quarter (27,399 tonnes), inclusive of 10,141 tonnes from Oracle Nickel which continued to ramp-up during the quarter
 - record attributable production of 25,032 tonnes
 - further production growth expected in September quarter with Oracle Nickel power plant now commissioned
- ❑ RKEF revenue of US\$434.3M
 - 11% lower than March quarter (US\$487.9M) due to lower realised contract pricing
- ❑ RKEF EBITDA of US\$43.9M
 - cost at all operations lower (between 8-15%) driven primarily by declining nickel ore, coal and electricity prices
 - falling commodity input costs insufficient to offset lower realized contract prices
 - production weighted EBITDA/tonnes sold margin of US\$1,533/t down 54.2% from US\$3,349/t in March quarter
- ❑ Record Hengjaya Mine ore production of 2,722,561wmt
 - 9.6% higher than 2,484,640 in March quarter - saprolite 692,937 wmt / limonite 2,029,624 wmt
- ❑ Hengjaya Mine EBITDA of US\$12.0M
 - 7.7% lower due to lower realised saprolite ore prices
- ❑ Underlying cash generation from operations of US\$48.6M
- ❑ Interim dividend declaration of A\$0.02 per share

RKEF Operations

- For the 6 months to 30 June, 5,457,317 cumulative work hours without a “lost time injury” (‘LTI’) incident were achieved across NIC’s RKEF operations

Work hours recorded without an LTI			2023					
Project	Type	Lines	January	February	March	April	May	June
HNI & RNI	RKEF	4	197.7	200.2	195.3	203.0	203.0	203.0
ONI	RKEF	4	362.4	398.4	377.3	308.1	308.1	308.1
ANI	RKEF	4	308.1	304.9	310.2	308.4	301.9	312.0
ANI	Power Plant	1	49.8	49.8	56.7	62.4	65.0	63.6
RKEF/Power Plant Monthly Total			918.0	953.3	939.4	881.9	878.0	886.7
RKEF/Power Plant Cumulative			918.0	1,871.3	2,810.7	3,692.6	4,570.6	5,457.3

Hengjaya Mine Operations

- During the June quarter there were no LTIs recorded at the Hengjaya Mine, with over 7.31 million work hours registered since the last reported LTI in November 2021. This gives the Hengjaya Mine a LTI frequency rate (‘LTIFR’) of 0.14 and a total recordable incident frequency rate (‘TRIFR’) of 1.35 for each million work hours.

June 23 Quarterly financial results

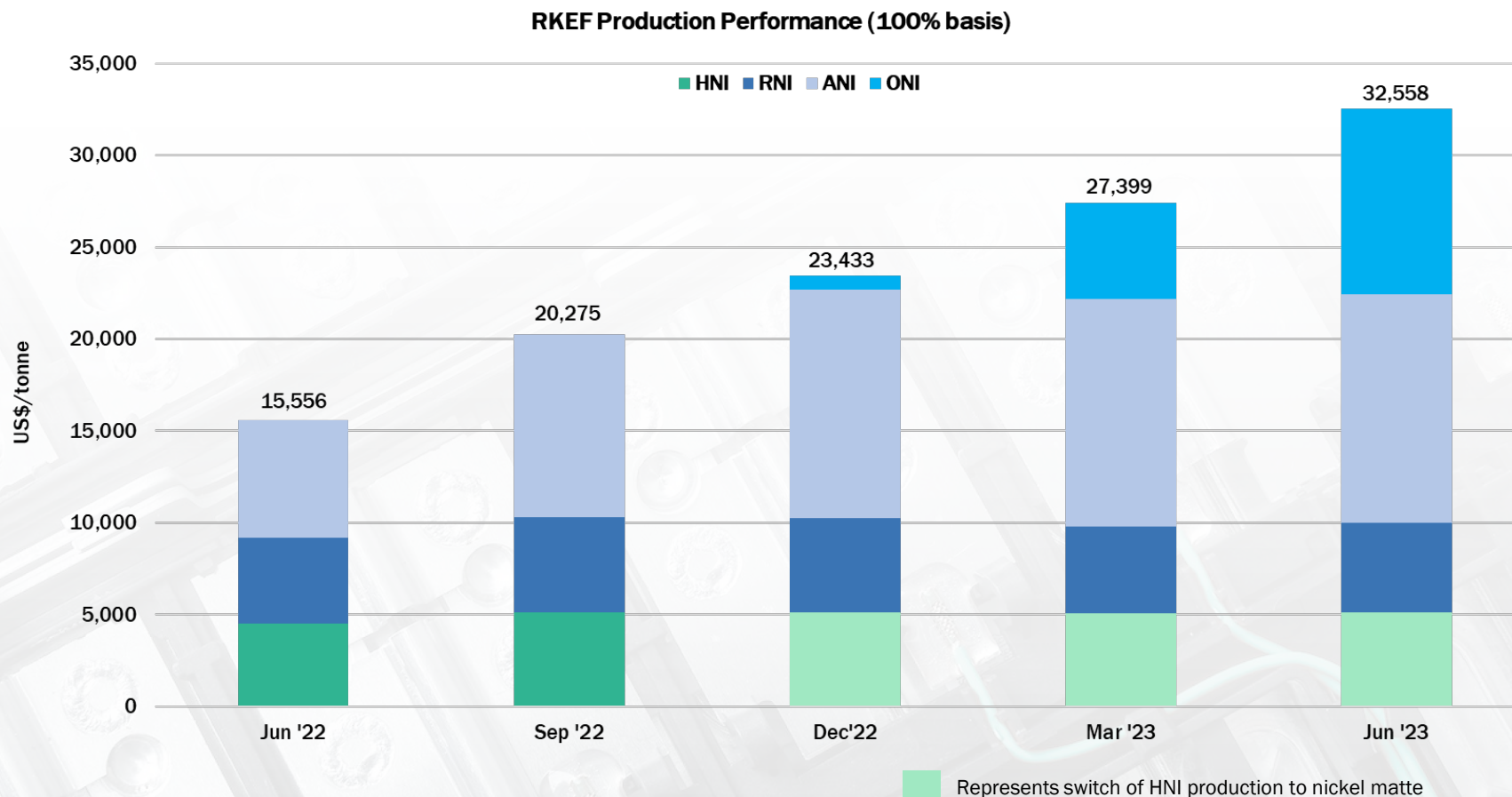
Presented on a 100% basis unless otherwise stated	Units	June '23 results	Movement (Jun'23 vs. Mar'23)	March '23 results
Gross production	Nickel metal tonnes	Record 32,558	+18.8%	27,399
NPI gross production	Nickel metal tonnes	27,454	+21.9%	22,338
Low-grade matte gross production	Nickel metal tonnes	5,104	+0.9%	5,060
NIC attributable production	Nickel metal tonnes	Record 25,032	+20.2%	20,811
RKEF sales ⁽¹⁾	US\$M	434.3	(11.0%)	US\$487.9
RKEF EBITDA ⁽¹⁾	US\$M	43.9	(56.2%)	US\$100.2
Hengjaya Mine production	wmt	Record 2,722,561	+9.6%	2,484,640
Hengjaya Mine EBITDA	US\$M	12.0	(7.7%)	US\$13.0
Cash balance	US\$M	363.1	+31.9%	US\$275.1

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

(1) RKEF June quarter sales and EBITDA based on a weighted average contract price of \$13,810/t (based on NPI contracts for RNI and ANI, and LG matte contracts for HNI).

Ramping up production across our RKEF portfolio

Quarterly production exceeds 30kt nickel metal for the first time – further growth expected with Oracle Nickel power plant now online



**June quarter
(32,558 tonnes)**

- Record RKEF quarterly production of 32,558 tonnes of nickel metal (+18.8% from March qtr), including 27,454 tonnes in NPI and 5,104 tonnes in low-grade nickel matte
- NIC attributable production of 25,032 tonnes of nickel metal
- ONI continuing to ramp-up. Production and EBITDA profile expected to align with Angel Nickel from Q3 2023

Record quarter of production at Hengjaya Mine

Production summary		Jun'23	Mar'23
Saprolite mined	wmt	692,937	662,004
Limonite mined	wmt	2,029,624	1,822,636
Nickel ore mined	wmt	2,722,561	2,484,640
Overburden mined	BCM ⁽¹⁾	226,798	398,017
Strip ratio ⁽²⁾	BCM/wmt	0.08	0.16
Saprolite			
Tonnes sold	wmt	690,165	677,089
Average grade	% Ni	1.57	1.57
Average price received	US\$/wmt	40.62	44.56
Average cost of production ⁽³⁾	US\$/wmt	31.34	28.75
Limonite			
Tonnes sold	wmt	215,196	113,138
Average grade	% Ni	1.14	1.17
Average price received	US\$/wmt	20.01	18.29
Average cost of production	US\$/wmt	3.11	3.67



- Record quarterly production of 2,722,561 wmt, up 9.6% from March
 - saprolite production of 692,937 wmt, up 4.7%
 - limonite production of 2,029,624 wmt, up 11.4%
 - more than 8 million tonnes of limonite in stockpile to be trucked to IMIP upon opening of haul road
- Quarterly EBITDA of US\$12M, down 7.7% on lower realised saprolite ore prices

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

(1) BCM represents "bank cubic metres".

(2) With limonite now being supplied to IMIP, the strip ratio is overburden mined divided by total nickel ore mined.

(3) Monthly costs are a six-month average of mining costs plus port/selling costs for the actual month.

HM to IMIP haul road update

- Haul road and associated bridge (70 metre span) now complete
- Commissioning targeted for August 2023
- Final haulage tenders currently being finalised
- Completion expected to result in production volumes increasing to >10M wmt pa
 - ~6.5M wmt limonite / 3.5M wmt saprolite



Aerial image of haul road route



Haul road bridge now complete

Conditional share placement and execution of collaboration agreement with PT United Tractors

- Conditional share placement to United Tractors (UT) (subsidiary company of Jardine Mathison) for A\$943 million (US\$628 million)
- Issue price of \$1.10 per share represented a 27.2% premium to the last traded price of A\$0.87 on 8 June 2023
- Issued shares to represent 19.99% of Company's issued capital
- Conditional Collaboration Agreement for UT to acquire a direct 20% equity interest in the ENC Project for US\$500 million subject to certain conditions precedent including completion of a feasibility study and Nickel Industries making a final investment decision ('FID') to proceed with the ENC Project

FIRB approval received for placement to Shanghai Decent

- FIRB issuance of "No objection notification" to Shanghai Decent, satisfying a condition precedent to the US\$270 million placement of Company shares to Shanghai Decent

Extraordinary General Meeting

- On 5 July 2023 an extraordinary general meeting of the Company's shareholders approved:
 - the Company's acquisition of a 10% interest in the HNC HPAL Project;
 - the issuance of US\$270M worth of NIC shares at \$1.02 to Newstride, as consideration for the Company's 10% interest in HNC;
 - the issuance of NIC shares to Shanghai Wanlu at \$1.02; and
 - the issuance of NIC shares to Non-Executive Director Mark Lochtenberg at \$1.02.
- The three issuances were part of the Company's January 2023 capital raise

Excelsior Nickel Cobalt Project ('ENC') Update

- Feasibility study well advanced - Final Investment Decision ('FID') expected in September quarter
- Expected production has increased from 67,000 metric tons of contained nickel equivalent, to 72,000 metric tons, with subscription price remaining unchanged at US\$2.3 billion
- Shanghai Decent will provide Nickel Industries with capital expenditure, timeframe and commissioning guarantees
- In addition to producing a mixed hydroxide precipitate ('MHP'), ENC will be capable of producing both nickel sulphate and nickel cathode, differentiating it from the current generation of HPAL plants currently being constructed across Indonesia, and providing the Company with significant product flexibility
- The ENC Project will benefit from existing IMIP infrastructure and be supported from existing and future laterite resources that the Company has identified
- Investment in the ENC Project is subject to the following:
 - completion of the feasibility study for the ENC Project;
 - shareholder approval for the investment in the ENC Project; and
 - execution of definitive ENC Project documents
- Subject to the Company making a positive FID, receiving all necessary shareholder approvals, and United Tractors participating in the Project, the equity interest in the project will be:
 - Nickel Industries 55%
 - Shanghai Decent 25%
 - United Tractors 20%
- Construction is expected to commence in Q4 FY23, and commissioning to commence within twenty-four months thereafter

Stage 2 optionality

- Nickel Industries and Shanghai Decent are investigating the expansion of the ENC Project – such expansion would result in an increase in expected production from 72,000 tons to 144,000 tons of contained nickel equivalent
- The Stage 2 Expansion will be subject to a positive FID
- United Tractors has a right to acquire a 20% equity interest in Stage 2

Sources and Uses of Funds

- Proceeds from the Conditional Placement, combined with the potential reduction in Nickel Industries' capital expenditure commitment for the ENC Project, position the Company strongly for future growth
- If the Company proceeds with an investment in the ENC Project, it will explore various options to raise third party debt to partly fund the ENC Project
- No further equity issuance is expected to be required by the Company to fund the ENC Project

Oracle Nickel power plant commences commissioning

- Oracle Nickel Project's 380MW power plant commenced commissioning in late June
- Production levels of 80% of nameplate capacity now expected to steadily increase to approximately 130% of nameplate capacity, in line with the historical outperformance above nameplate capacity of the Company's established RKEF operations
- Operations expected to benefit from a saving of over 20% on electricity charges, which currently account for approximately 25% of total operating cash costs

Dividend Declaration and Distribution

- Declaration of a A\$0.02 per share interim dividend relating to 1H 2023 financial performance

THANK YOU