



Nickel Industries Limited (ASX:NIC)
Sampala Project Acquisition
September 2024

Acquisition of World Class Nickel Portfolio

NICKEL

INDUSTRIES

Updated disclosure for the Sampala Project ASX announcement

Summary of updates to the ASX announcements on 26 August 2024 “Presentation re Acquisition of World Class Nickel Portfolio” and “Sampala Project Overview Webcast Details”:

- Footnote added to slide 4
- Company exploration target redacted from slide 6 as there is insufficient information to support the exploration target. Investors should not rely on redacted information to make their investment decisions.
- Production targets redacted from slide 7, 8 and 10 as there is insufficient information to support the production target. Investors should not rely on redacted information to make their investment decisions
- ‘Attractive acquisition price compared to recent nickel acquisitions’ slide redacted as the comparable acquisitions occurred on various dates. Investors should not rely on redacted information to make their investment decisions
- Inclusion of slide 12 to provide additional information for slide 6
- Inclusion of slide 13 for a competent person statement

The Company further advises that the redacted information should not be used as the basis for making an investment decision in the Company.

Important legal information

This presentation has been prepared by Nickel Industries Limited (ABN 44 127 510 589) (“NIC”). The information contained in this presentation is for information purposes only and has been prepared for use in conjunction with a verbal presentation and should be read in that context.

The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. Please note that, in providing this presentation, NIC has not considered the objectives, financial position or needs of any particular recipient. NIC strongly suggests that investors consult a financial advisor prior to making an investment decision.

This presentation is strictly confidential and is intended for the exclusive use of the institution to which it is presented. It may not be reproduced, disseminated, quoted or referred to, in whole or in part, without the express consent of NIC.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of NIC, their respective related bodies corporates, shareholders, directors, officers, employees, agents or advisors, nor any other person accepts any liability, including, without limitation, any liability for any loss arising from the use of information contained in this presentation.

This presentation may include “forward looking statements”. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of NIC and their respective officers, employees, agents or associates that may cause actual results to differ materially from those expressed or implied in such statement. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. NIC assumes no obligation to update such information.

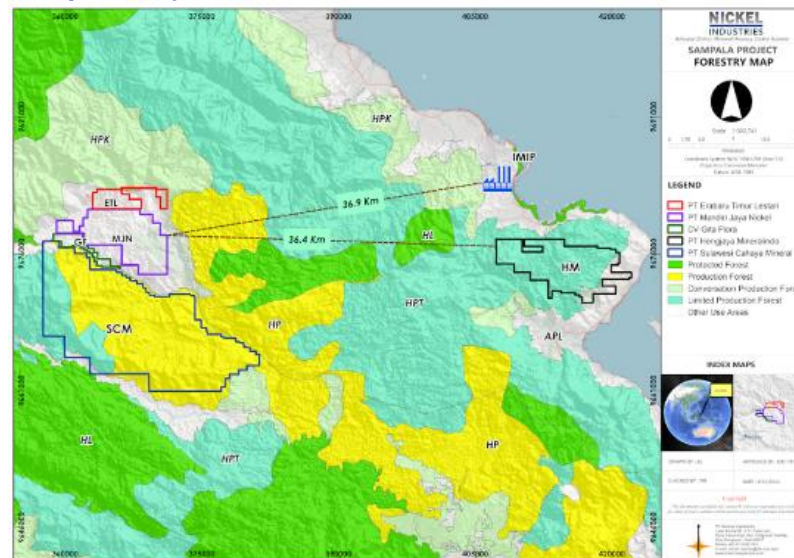
This presentation is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities and neither this presentation nor anything contained in it forms the basis of any contract or commitment.

Sampala Project overview

Acquisition of three highly prospective, advanced, contiguous nickel IUPs covering 6,654ha and initial JORC 2012 compliant resource of 2.3 million tonnes of contained nickel metal ⁽¹⁾

- Nickel Industries Limited (“NIC” or the “Company”) has signed Conditional Share Purchase Agreements (“CSPAs”) for the acquisition of 3 highly prospective, advanced contiguous nickel-cobalt projects covering 6,654 ha (the Sampala Project)
- Sampala Project is located close to the Indonesia Morowali Industrial Park (IMIP) and the Company’s existing Hengjaya Mine (“HM”) operations
 - 36.9 km from IMIP, where the Company’s existing rotary kiln electric furnace (“RKEF”) and high-pressure acid leach (“HPAL”) operations are located
- Sampala Project has current JORC 2012 compliant resource of 2.3 million tonnes of contained nickel metal⁽¹⁾ within just 900ha
 - only 20% of a total 4,700ha of prospective mapped laterite drilled
- Acquisition is from the Company’s existing 15-year Indonesian partner in HM, on favourable terms, relative to recent Indonesian nickel resource acquisitions
- Majority of acquisition payments are expected in 2026 and the project development capex is currently expected to be similar to HM
- Sampala Project intends to allow NIC to become fully self sufficient for its IMIP downstream operations with nickel ore resources for its operations

Sampala Project location in relation to IMIP, HM and SCM



Project-ID	IUP Permit Holder	Permit area (ha)	IUP Permit Status
ETL	PT Erabar Timur Lestari	1,159	Operation and Production
MJN	PT Mandiri Jaya Nickel	4,871	Operation and Production
GF	CV Gita Flora	624	Operation and Production
Total Sampala Project area		6,654	Operation and Production

1) Initial resource of 55 m dmt Indicated at 1.1% Ni and 132 m dmt Inferred at 1.3% Ni.

2) Refer to ASX Announcement on 17 September 2024 “Acquisition of World Class Nickel Portfolio” for further information.

3) Nickel Industries confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of Mineral Resources, all material assumptions and technical parameters continue to apply and have not materially changed.

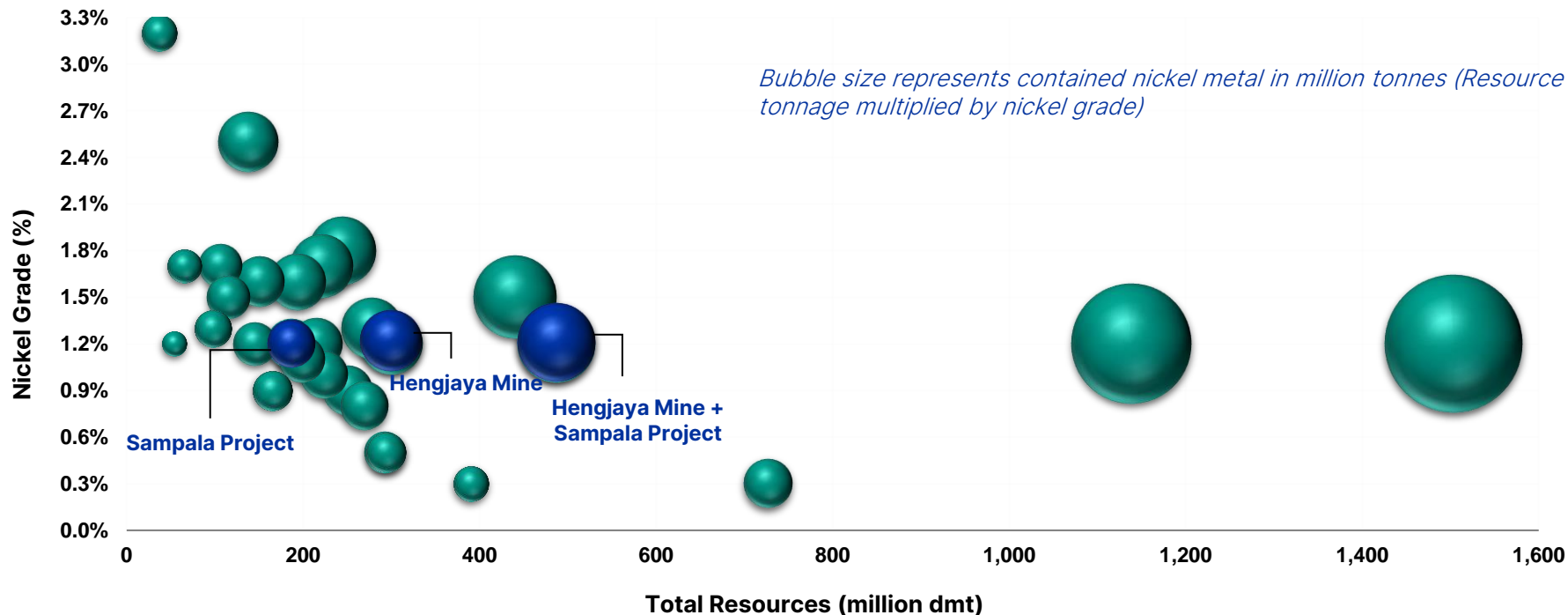
Strategic rationale for the Sampala Project acquisition

World class nickel portfolio with five key value drivers

- 1 World class nickel resource, with significant resource potential upside (only 20% of the prospective mapped laterite drilled)
- 2 Advanced project with strategic location proximate to the IMIP, Hengjaya Mine, and other world class nickel resources
- 3 Enables NIC to have self sufficient (in terms of nickel ore) and fully integrated nickel operations
- 4 Attractive acquisition terms compared to recent upstream nickel acquisitions, with a delayed payment schedule
- 5 Expected low mine development capex with attractive economics and short payback

NIC will hold one of the largest nickel resource portfolios globally

Sampala Project will increase NIC's total contained nickel metal resources to 5.9 million tonnes

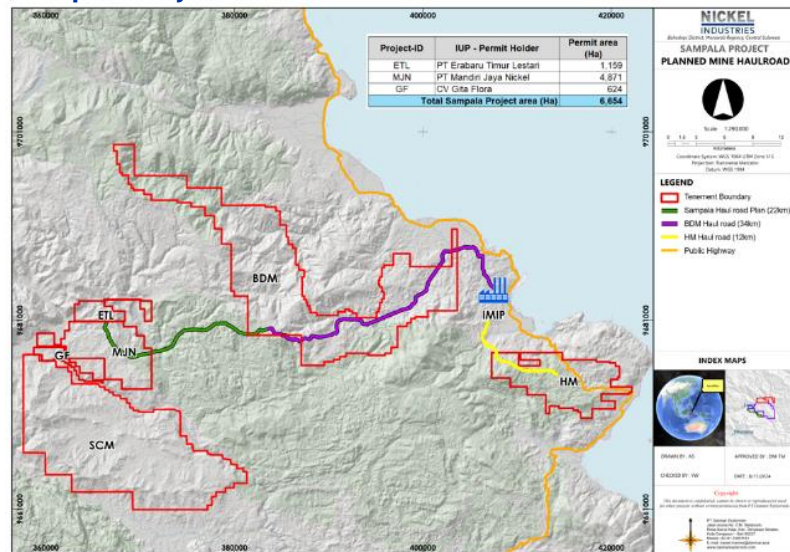


Advanced project in close proximity to the Company's IMIP operations

Location and progress is key with the Sampala Project

- NIC has already acquired 7,192ha of land
- Progress towards mine development underway with geological models and pit designs
- Environmental impact and feasibility studies submitted for approval
- Initial Rencana Kerja, Anggaran Belanja ("RKAB") license granted for nickel ore sales in 2025 and 2026
- Designed 22km haul road to connect with an existing haul road within the Bintang Delapan Mine ("BDM"), which is 49% owned by Shanghai Decent. This will allow the Company to leverage an existing 34km internal BDM haul road directly into the IMIP

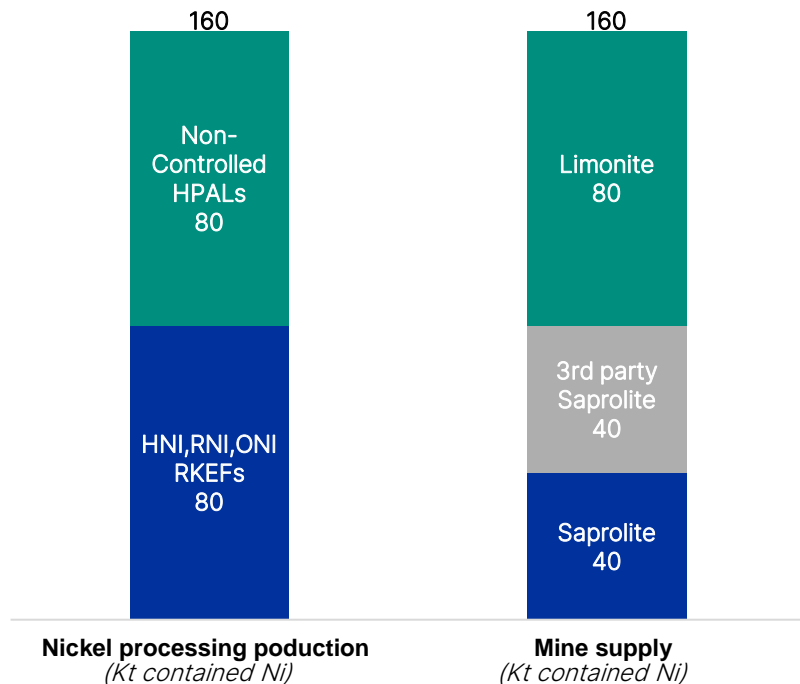
Sampala Project location in relation to IMIP and BDM haul road



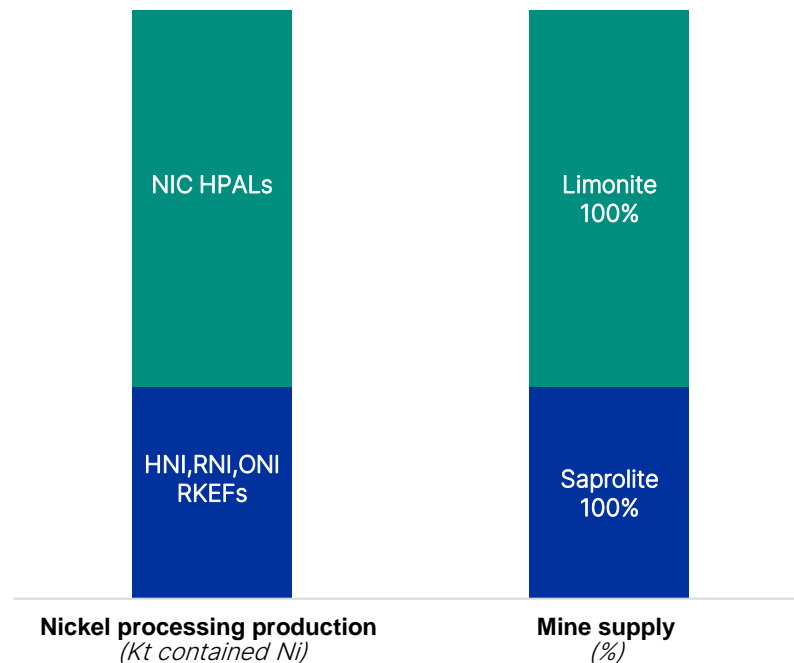
Self sufficient and fully integrated nickel operations

Sampala Project will ensure NIC becomes fully self sufficient for IMIP operations, providing all stakeholders with traceability of nickel ore supply

Current NIC IMIP annual processing production and mine supply mix



Future NIC IMIP annual processing production and mine supply mix



Attractive acquisition terms, with a delayed payment profile

Key acquisition terms for the Sampala Project are set out below

MJN and ETL IUPs

- NIC to acquire 60% of the control and economic rights in each of MJN and ETL.
- Refundable commitment fee of ~US\$3m for each of MJN and ETL (US\$5.9m in total) (Commitment Fee), payable upon completion of the due diligence period, which is up to 90 days. The Commitment Fees are recoverable by NIC via an Agency Fee from first production.
- NIC will then carry out an agreed Initial Exploration Program (IEP) within 18 months and for the purpose of determining the purchase consideration payable at completion.
- After the IEP, Nickel Industries shall pay to the Vendor the purchase consideration, calculated as:
 - $60\% * \text{JORC Resource} * \text{US}\2.50 per dry metric tonne above 1.70% nickel.
- The IUPs have the following Resources above 1.70% nickel:
 - MJN has ~28.6m dmt – purchase consideration of \$42.9m, payable in 2026 (plus refundable Commitment Fee of ~US\$3m) = US\$45.9m; and
 - ETL has ~4.9m dmt – purchase consideration of \$7.4m, payable in 2026 (plus refundable Commitment Fee of ~US\$3m) = US\$10.4m.
- **Total acquisition price for 60% is US\$56.2m (inclusive of US\$5.9m refundable Commitment Fees).**

GF IUP

- **NIC to acquire 60% of the control and economic rights in GF for a total consideration of US\$7 million**, payable as follows:
 - an advance payment of US\$2 million (already paid) and a first milestone payment of US\$3 million (already paid); and
 - a final payment of US\$2 million upon the transfer of 60% of GF to Nickel Industries.
- An application has been submitted to extend GF by an area of 491ha of prospective laterite. Should this application be successful, Nickel Industries is to pay the vendor an additional US\$4 million.

Acquisition expected to drive compelling shareholder returns

Hengjaya Mine is a benchmark for future development of the Sampala Project

	Capex	Production	EBITDA
Hengjaya Mine	US\$50m ²	13 million wmt ¹	~US\$170m ³
Sampala Project	<US\$50m	?	?

1) HM produced 13 million wmt in FY23 and Management has recently applied to increase the HM Operating license to 22 million wmt

2) Estimated capex to date (excluding US\$20m in capitalised exploration)

3) Hengjaya Mine Q4'23 EBITDA of ~US\$42m annualised

The background features a dark blue top section with a teal circle. Below this is a light blue horizontal band. The bottom section is dark blue, with a white diagonal shape on the left and a white vertical shape in the center. The word "Appendix" is written in a bold, italicized, dark blue font on the white diagonal shape.

Appendix

Peer comparison information

Operation	Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Resources (Mt)	Resources (Ni %)	Nickel Metal (Mt)	Standard
Weda Bay	245	719	541	1,504	1.2%	18.5	JORC
SCM	11	280	849	1,139	1.2%	13.9	JORC
Halmahera	na	na	na	466	1.5%	7.0	Not stated
Nusa Karya Arindo	65	68	111	245	1.8%	4.4	JORC
PT Gag Nickel	23	49	150	221	1.7%	3.8	JORC
Hengjaya Mine	85	130	85	300	1.2%	3.7	JORC
Sampala Project	0	55	132	187	1.2%	2.3	JORC
Pomalaa	na	na	na	278	1.3%	3.6	Not stated
Koniambo	10	44	85	138	2.5%	3.4	JORC
Sumberdaya Arindo	114	53	26	194	1.6%	3.1	JORC
PT Position	na	na	na	215	1.2%	2.6	Not stated
Konawe	na	na	na	151	1.6%	2.4	Not stated
Platreef	na	na	na	727	0.3%	2.3	Not stated
Ambatovy	53	130	69	251	0.9%	2.3	CIM/NI 43-101
Murrin Murrin	164	52	9	225	1.0%	2.2	JORC
Cerro Matoso	na	na	na	270	0.8%	2.2	Not stated
Moa Nickel	98	58	42	199	1.1%	2.1	CIM/NI 43-101
Sorowako	na	na	na	107	1.7%	1.8	Not stated
Stargate	na	na	na	146	1.2%	1.8	Not stated
Barro Alto	na	na	na	116	1.5%	1.8	JORC
Ravensthorpe	105	120	68	293	0.5%	1.6	JORC
Mount Keith	153	106	35	294	0.5%	1.5	JORC
Ramu	118	31	15	164	0.9%	1.5	JORC
Goro	na	na	na	98	1.3%	1.3	Not stated
Raglan	7	17	13	37	3.2%	1.2	JORC
West Musgrave	91	240	59	390	0.3%	1.1	JORC
Sudbury	na	na	na	66	1.7%	1.1	Not stated
Falcondo	na	na	na	54	1.2%	0.6	Not stated

With respect to the historical and foreign estimates of mineralisation of the peer resources disclosed in the table above without a JORC classification:

- 1) A competent person has not done sufficient work to estimate a Mineral Resource in accordance with the JORC code; and
- 2) It is uncertain that following evaluation if the peer resources will report a Mineral Resource estimate in accordance with the JORC code.
- 3) Daniel Madre MSc, a Competent Person, who is a Member of the Australasian Institute of Mining and Metallurgy, has considered the information for the historical estimates for peer resources in the table above and considers that the information disclosed is a reasonable representation of available data for peer resources of the relative scale and grade. Mr Madre consents to the inclusion in this Study of the matters based on this information in the form and context which it appears, with relevant links provided for each resource described.
- 4) Investors should do their own due diligence in relation to this peer comparison table prior to making an investment decision due to the number of non-JORC peers.

Competent person statement

The information in this presentation that relates to Mineral Resources, the Exploration Target and Exploration Results is based on data compiled by Daniel Madre of PT Danmar Explorindo. Mr Madre is a member of the Australian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which are being undertaken to qualify as a Competent Person as defined in the 2012 edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Madre is an independent consulting geologist and consents to the inclusion of the matters based on his information in the form and context in which it appears. Mr Madre has more than 20 years experience in exploration and mining of nickel laterites in Indonesia.

Nickel Industries Limited (ASX:NIC)

For more information, please contact:

Justin Werner
Managing Director
jwerner@nickelindustries.com
+61 2 9300 3311

Cameron Peacock
Investor Relations and Business Development
cpeacock@nickelindustries.com
+61 439 908 732

