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The Manager Companies
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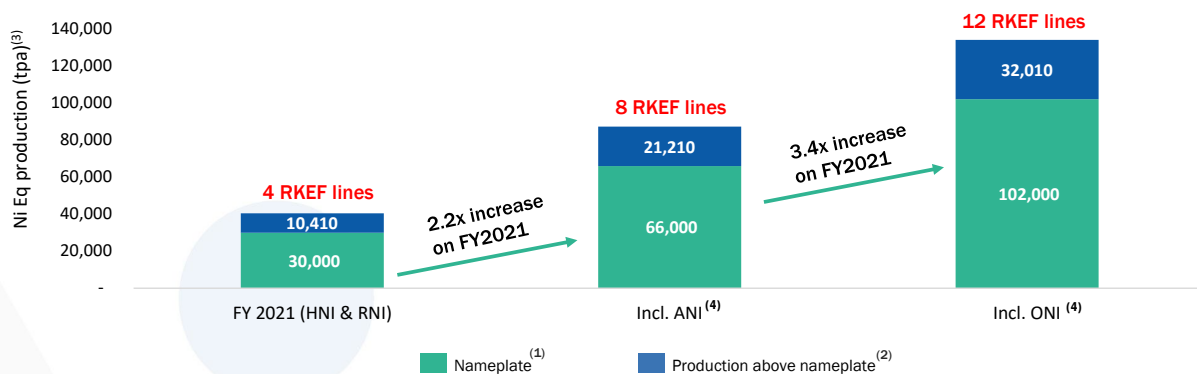
US\$225 million debt capital raised for the Oracle Nickel Project acquisition

Nickel Industries Limited (the “Company”) is pleased to announce the execution of binding agreements for the issuance of US\$225 million of senior secured notes (the “Notes”) at an interest rate of 10.0%, maturing August 2025. Proceeds from the Notes will, along with the Company’s cash reserves and future earnings from existing operations, be applied towards the remaining payment obligations for the Oracle Nickel Project (“Oracle Nickel”).

Oracle Nickel comprises four rotary kiln electric furnace (“RKEF”) lines with a nameplate production capacity of 36,000 tonnes of equivalent contained nickel in nickel pig iron and a dedicated 380MW power plant within the Indonesia Morowali Industrial Park (“IMIP”) in Central Sulawesi, Indonesia.

The first RKEF line at Oracle Nickel is expected to commence commissioning in October 2022, well ahead on the contracted February 2023 project delivery date. Oracle Nickel, like the Angel Nickel Project (“Angel Nickel”), is expected to transform the Company’s nickel production profile, resulting in a combined nameplate capacity in excess of 100,000 tonnes (of nickel in NPI), as illustrated below.

Consolidated production (100% basis)



Note: These figures of future nickel production levels are indicative only and are not financial guidance or forecasts.

¹ Nameplate production levels based on nameplate nickel metal capacities of 15ktpa for HNI and RNI and 36ktpa for ANI and ONI (once fully commissioned).

² Actual production figures reflect annualised production performance over time against nameplate capacity.

³ Ni Eq is nickel metal equivalent contained in NPI.

⁴ Assumes ANI and ONI operating at nameplate capacity for a full year, with a 30% outperformance over nameplate capacity (consistent with the >30% outperformance vs nameplate capacity achieved by HNI and RNI in 2021).

As with Angel Nickel, NPI production from Oracle Nickel’s RKEF lines will run at less than 100% of the 36,000 tonnes of nickel metal production nameplate capacity per annum during its commissioning phase, depending on power availability whilst construction of Oracle Nickel’s dedicated power plant is completed. Importantly, by having its own power source, Oracle Nickel’s 4 RKEF lines are expected to benefit from a saving of approximately 20% on electricity charges.

The completion of the issuance of the Notes, expected during August 2022, leaves the Company well positioned to complete the acquisition and ramp-up of Oracle Nickel. BofA Securities is acting as Placement Agent for the Notes issuance. Key details of the Notes are as follows:

Issuer	Nickel Industries Limited
Issue size	US\$225 million
Coupon	10.0% per annum, payable on a quarterly basis in arrears
Distribution format	Reg S only
Security	The Notes will be secured by a first-priority pledge of the equity interests held by the Issuer in Angel Capital Private Limited
Security group	Angel Capital Private Limited, Angel Nickel Private Limited and PT Angel Nickel Industry
Interest payment dates	Payable on each of the last day of each quarter
Amortisation	Amortised in seven US\$25 million instalments on coupon payment dates falling on months 15, 18, 21, 24, 27, 30, and 33, with a final US\$50 million payment due in August 2025
Final maturity date	23 August 2025
Listing	Notes will be listed on the Frankfurt Open Market Exchange
ISIN	XS2517856519

Commenting on the issuance, Nickel Industries’ Managing Director Justin Werner said:

“The issuance of the Notes will position the Company to increase its ownership interest in Oracle to 70% and meet its payment obligations to Shanghai Decent for the transaction. The early commissioning of the Angel RKEF lines (more than 6 months ahead of schedule) and now the Oracle RKEF lines (expected to commence commissioning in October) has allowed us to significantly bring forward nickel production. Once again, we commend our trusted partner and largest shareholder, Shanghai Decent, for this remarkable achievement.

The Company will soon have 12 RKEF lines in operation and approximately 100kt of attributable nickel production, placing us comfortably amongst the top-10 global producers and arguably the largest listed pure-play nickel exposure globally.”

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