



2022  
FULL YEAR RESULTS PRESENTATION

February 2023

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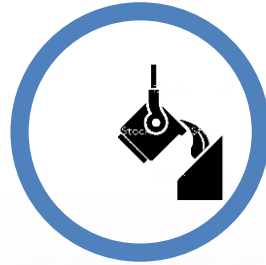
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## Full year 2022 highlights



- Record Group EBITDA - US\$339.2M
- Record Gross profit - US\$293.8M
- Record Operating profit - US\$258.9M
- Record Profit after tax - US\$209.4M



- Record Ni production - 70,079 tonnes
- Record attributable Ni production - 55,993 tonnes
- Record RKEF EBITDA from operations - US\$298.7M



- Record Mine production - 6.79M wmt
- Record Mine EBITDA - US\$53.9M
- Resource upgrade 300M dmt @ 1.22% Ni
- Awarded 'Green PROPER' rating



- Final dividend of A\$0.02 per share
- Full Year dividends of A\$0.04 per share



- Responsible funding of growth through optimal mix of debt and equity
- US\$212M equity raise and US\$225M Senior Secured Notes to fund Oracle Nickel acquisition
- Maintenance of conservative balance sheet - US\$559.3M debt (net debt of US\$415.1M)



- Completion of 70% interest in Oracle Nickel Project
- Acquisition of Siduarsi Nickel-Cobalt Project
- Agreement for two solar projects
- Release of maiden Sustainability Report
- Change of company name to Nickel Industries Limited

## Financial snapshot – an excellent full year result across both RKEF and mining operations

All figures in US\$M	FY 2022	FY 2021	▲
RKEF sales revenue	\$1,217.0	\$645.9	+88.4%
Gross profit	\$293.8	\$216.8	+35.5%
Operating profit	\$258.9	\$194.0	+33.5%
Profit after tax	\$209.4	\$176.0	+18.9%
Profit attributable to NIC	\$158.9	\$137.9	+15.2%
EBITDA from RKEF operations	\$298.7	\$224.9	+32.8%
EBITDA from Mine operations	\$53.9	\$22.0	+145%
Dividends	A\$0.04	A\$0.04	-

- Record FY2022 financial performance underpinned by:
  - consistent production from existing Hengjaya Nickel and Ranger Nickel RKEF lines (~39.4kt)
  - successful commissioning and ramp-up of Angel Nickel
  - all-time high NPI prices in 1H
  - switch to nickel matte production at Hengjaya Nickel in October providing boost to overall margins
  - record production and profit contribution from Hengjaya Mine following the introduction of limonite sales to the IMIP's two HPAL projects
- FY 2022 included no financial contribution from Oracle Nickel Project
  - project identical in scale to Angel Nickel Project which contributed US\$51.6M EBITDA in December Qtr
- FY dividends of A\$0.04 / share (FY dividends 2021 : A\$0.04 / share)



## Maintenance of robust balance sheet with significant flexibility for the future

All figures in US\$M	31 December 2022	31 December 2021
Current assets	\$632.5	\$385.2
Total assets	\$2,672.5	\$1,770.6
Current liabilities	\$207.4	\$73.8
Total liabilities	\$858.0	\$472.7
Net assets	\$1,814.5	\$1,297.9

- Another strong operating performance has underpinned the maintenance of a robust balance sheet
- In August, the Company successfully completed the issuance of U\$225M in Senior Secured Notes. Key terms:
  - US\$225M Senior Secured Notes (secured against Company's interest in Angel Nickel Project)
  - 10% coupon (quarterly payments)
  - 3-yr term /2-yr non-call
- As at 31 December 2022:
  - Cash US\$144.2M / Debt US\$559.3M
  - Net debt US\$415.1M
- Gearing remains conservative providing significant flexibility for future opportunities

## RKEF operations – industrial style consistency across a growing production base

EBITDA figures in US\$M EBITDA margins in US\$/t	FY 2022	FY 2021	▲
Hengjaya Nickel production (Ni tonnes)	19,363	20,020	(3.3%)
Ranger Nickel production (Ni tonnes)	20,082	20,390	(1.5%)
Angel Nickel production (Ni tonnes)	29,887	-	n/a
Oracle Nickel production (Ni tonnes)	747	-	n/a
Total RKEF production (Ni tonnes)	70,079	40,410	+73.4%
NIC attributable production (Ni tonnes)	55,993	32,328	+73.2%
Total Ni tonnes sold	67,701	41,193	+64.4%
RKEF EBITDA	\$298.7	\$224.9	+32.8%
EBITDA / per tonne sales	\$4,412/t	\$5,459/t	(19.2%)

- Consistent production from both Hengjaya Nickel and Ranger Nickel of ~20,000 tonnes
  - Hengjaya Nickel tonnes were slightly lower than FY 2021 as production switched from NPI to HG nickel matte in October
  - reduced tonnes more than offset by higher EBITDA /tonnes sold margin:
    - Hengjaya Nickel - US\$5,950/t (December Qtr)
    - Ranger Nickel - US\$2,625/t (December Qtr)
- Angel Nickel commissioning and ramp-up complete
  - operating at 138% of nameplate capacity (36kt pa) during December Qtr
- Oracle Nickel commissioning underway
  - 3 lines commissioned, with final line to be commissioned by the end of March 2023
  - expected to produce similar output to Angel Nickel when at full capacity

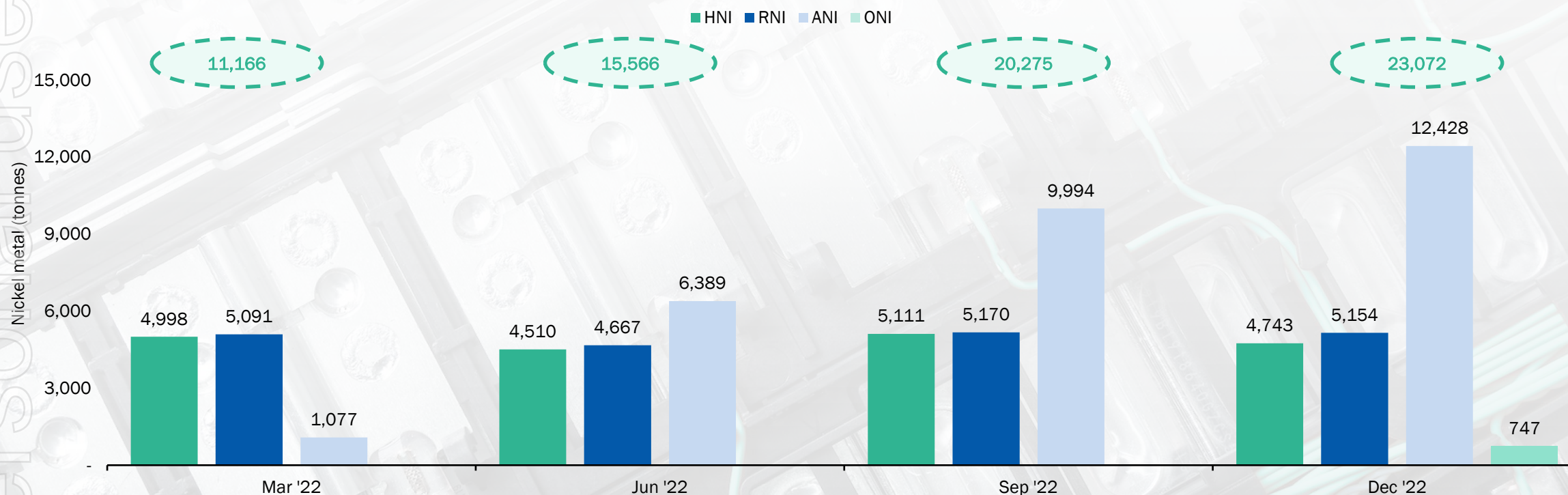


## Ramping up production across our RKEF portfolio

Consistent, industrial style cost base with production set to materially increase over the next 12 months as ONI commissions

RKEF production		March Qtr	June Qtr	September Qtr	December Qtr	FY 2022
NPI production	tonnes	81,599	114,106	145,180	132,230	473,115
Nickel in NPI	tonnes	11,166	15,566	20,275	18,329	65,336
HG nickel matte	tonnes	-	-	-	6,299	6,299
Nickel in HG matte	tonnes	-	-	-	4,743	4,743
Nickel metal production	tonnes	11,166	15,566	20,275	23,072	70,079

Quarterly RKEF production performance (100% basis)



## Another record year of production at Hengjaya Mine

Production summary		Mar'22	Jun'22	Sep'22	Dec'22	YTD 2022
Saprolite mined	wmt	810,324	792,630	599,790	687,831	2,890,575
Limonite mined	wmt	263,201	520,862	1,098,186	2,020,027	3,902,276
Nickel ore mined	wmt	1,073,525	1,313,492	1,697,976	2,707,858	6,792,851
Overburden mined	BCM <sup>(1)</sup>	936,648	826,553	390,940	438,796	2,592,396
Strip ratio <sup>(2)</sup>	BCM/wmt	0.87	0.63	0.23	0.16	0.38
<b>Saprolite</b>						
Tonnes sold	wmt	710,136	673,664	565,624	725,523	2,674,947
Average grade	% Ni	1.72	1.74	1.73	1.67	1.71
Average price received	US\$/wmt	40.04	52.43	42.88	42.48	44.42
Average cost of production <sup>(3)</sup>	US\$/wmt	25.33	26.02	26.91	28.47	26.49
<b>Limonite</b>						
Tonnes sold	wmt	-	258,212	185,271	400,922	844,405
Average grade	% Ni	-	1.19	1.14	1.19	1.18
Average price received	US\$/wmt	-	14.69	17.24	18.42	17.01
Average cost of production	US\$/wmt	1.65	7.99	7.01	4.34	5.93

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. Reported costs also include US\$4.6M of drilling costs incurred during 2022.



- Record annual production of 6,792,851 wmt
  - saprolite production: 2,890,575 wmt
  - limonite production: 3,902,276 wmt
- Production set to rise materially in 2H 2023 upon completion of direct haul road from mine to IMIP
- Upgraded JORC Resource estimate 300 million dmt at 1.22% nickel, 0.09% cobalt (~3.7Mt of contained nickel)
- Annual EBITDA of US\$53.9M, up 145% on FY 2021
- Multiple sustainability awards received throughout the year in recognition of our ESG principles
- Achievement of 'Green PROPER' status



## Hengjaya Mine – Green PROPER rating

- In November 2022 Hengjaya Mine was awarded a “Green PROPER” rating by the Indonesian Ministry of Environment and Forestry
- Hengjaya Mine was the only mine in Central Sulawesi to achieve this status and one of only two in Indonesia (along with PT VALE INCO)
- The mine has now established itself as a show piece for sustainable and responsible mining in Indonesia
- Upstream mining now an important consideration for Western Banks and EV/OEM producers as “traceability” of raw materials is required for carbon footprint calculations.



Water sampling and dust monitoring across Hengjaya Mines operations areas



Hengjaya Mine nursery for rehabilitation

### HM Awards

Award Name	Issuer
Environmental and Social Innovation Awards (ENSIA)	Sucofindo
<ul style="list-style-type: none"> <li>- Platinum: Energy Efficiency, Hazardous Waste Management</li> <li>- Gold: Water Reduction, Domestic Waste Management, Emission Reduction, Social Innovation</li> <li>- Silver: Biodiversity</li> </ul>	
Asia Sustainability Reporting Rating (ASRRAT) 2022 – Silver	National Center for Sustainability Reporting (NCSR)
Green PROPER rating	Indonesia Ministry of Environment and Forestry

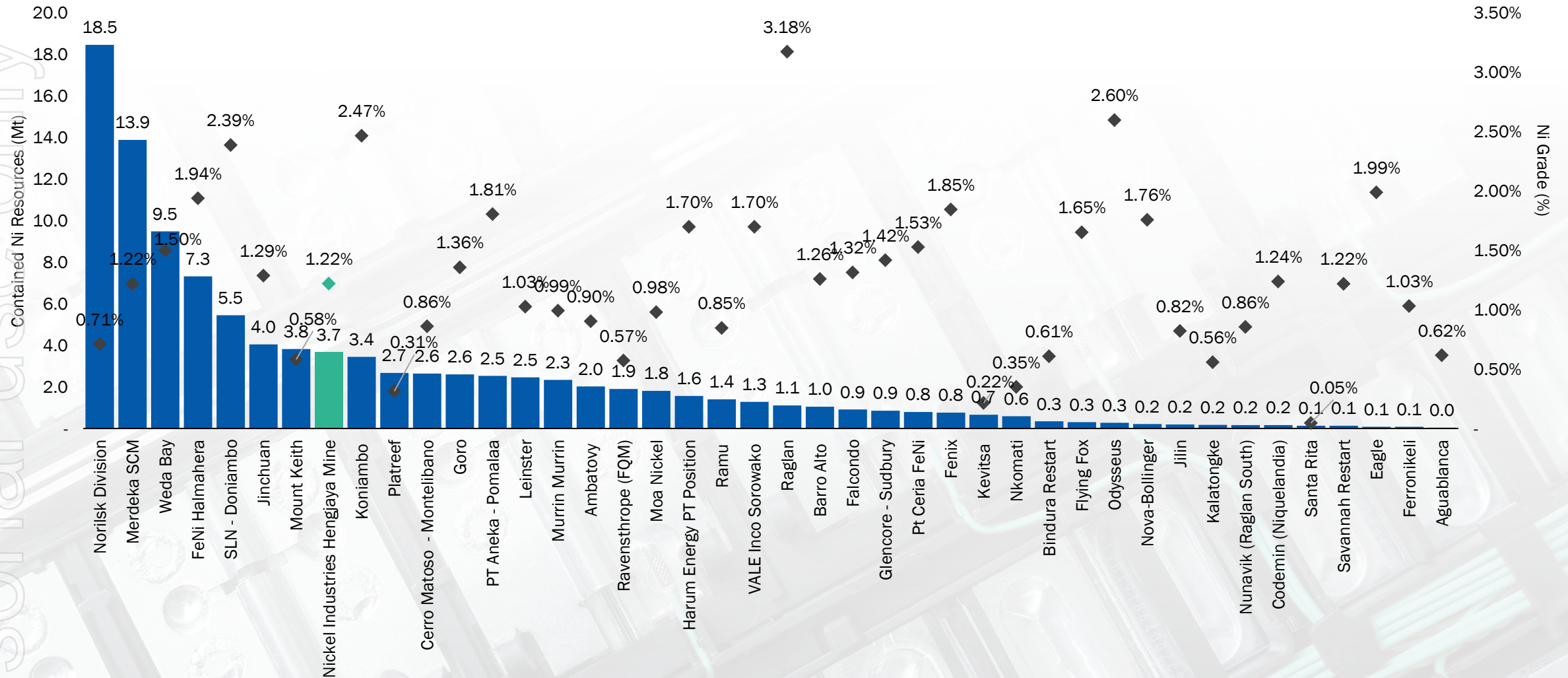


Sustainability Manager Muchtazar receiving the ASRRAT award



# Hengjaya Mine – a global top 10 nickel resource

Global contained nickel resources and grade



Source: Company Filings, Wood Mackenzie.



### March Qtr

- Completion of US\$212M capital raising to fund acquisition of Oracle Nickel
- Completion of acquisition of an initial 10% interest in Oracle Nickel
- Angel Nickel and Oracle Nickel secure material tax concessions

### June Qtr

- Change of Company name from Nickel Mines Limited to Nickel Industries Limited
- Angel Nickel receives commercial sales licence
- Ownership interest in Oracle Nickel increased to 30%
- Acquisition of Siduarsi Nickel-Cobalt Project
- Release of maiden Sustainability Report

### September Qtr

- Binding term sheet signed with PT Sumber Energi Surya Nusantara ('SESNA') for 200MWp + solar project
- Completion of US\$225M Senior Secured Notes to fund Oracle acquisition payments
- Ownership interest in Oracle Nickel increased to 70%
- Strategic cooperation agreement signed with QMB New Energy
- Upgraded JORC resource at Hengjaya Mine of 300M dmt @1.22% Ni (~3.7Mt of contained Ni)

### December Qtr

- Hengjaya Nickel switches production from NPI to nickel matte to realise significantly higher EBITDA margins
- New Director appointments strengthen Board
- Hengjaya Mine awarded "Green PROPER" rating from Indonesian Environment and Forestry Authority
- Subsequent to year end, execution of "Electric Vehicle Battery Supply Chain Strategic Framework Agreement to formalise the Company's continuing diversification in class-1 battery grade nickel

## Transformational transaction to increase battery materials exposure

- Multi-faceted Electric Vehicle Battery Supply Chain Strategic Framework Agreement ('Strategic Agreement') with Shanghai Decent
- Binding agreements to acquire equity interests in two producing nickel assets:
  - 1) a 10% interest in the Huayue Nickel Cobalt ('HNC') HPAL project for US\$270 million in NIC shares
    - provides the Company access to ~6,000 tonnes of MHP (Mixed Hydroxide Precipitate) and continues NIC's transition into the battery grade nickel supply chain
  - 2) an additional 10% interest in Oracle Nickel for US\$75 million in cash (increasing the Company's interest to 80%)
- Two options to collaborate with Shanghai Decent on future battery nickel opportunities
  - 1) a US\$25 million option for the construction of a nickel sulphate and electrolytic nickel plant using the HPAL process (DAWN HPAL+ Project), and
  - 2) a US\$15 million option to invest in and construct a low-grade to high-grade nickel matte converter at Oracle Nickel
- Transaction to be funded via a US\$471 million capital raise (~A\$673 million). The Equity Raise will comprise:
  - 1) a US\$185 million (~A\$264 million) fully underwritten, Institutional Placement – completed on 19 January 2023
  - 2) a US\$286 million (~A\$409 million) Conditional Placement with US\$270M of NIC shares to be issued to a Shanghai Decent affiliate company
    - Shanghai Decent share issuance subject to shareholder approval and FIRB approval
  - 3) a non-underwritten share purchase plan ('SPP') to eligible shareholders in Australia and New Zealand - targeting to raise up to US\$20 million (~A\$29 million)



# THANK YOU

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