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COMPANY UPDATE

- June quarter trading update - EBITDA from operations expected to be in the range of US\$75M-US\$80M, impacted by significantly higher than average rainfall
- Increased equity interest in the ENC project to 44%, with commissioning of the cathode and sulphate plants to be accelerated
- FIRB approval for United Tractors to increase equity interest beyond 20%, allowing the implementation of an on-market share buyback
- Release of the 2023 Sustainability Report

June quarter trading update

Nickel Industries Limited (**Nickel Industries** or **the Company**) expects its June quarter EBITDA from operations to be in a range of US\$75M-US\$80M (EBITDA from operations in the June 2023 quarter was US\$55.9m). While this represents an improvement on the March quarter (US\$70.3M), the Company's mine and downstream processing operations have been adversely affected by significantly higher than average rainfall for the quarter.

Rainfall at the Company's Hengjaya Mine for the June 2024 quarter (1,373 mm) was 48% and 91% higher than the prior corresponding periods in 2023 and 2022, respectively.

The higher-than-average rainfall has not only affected the Company's mine production and delivery to its processing operations within the Indonesia Morowali Industrial Park (**IMIP**) but also impacted ore deliveries across Indonesia, with the reduced inflow of high-grade ore from rainfall necessitating the requirement to continue to drawdown lower grade ore stockpiles within the IMIP.

Increased equity interest in the ENC project to 44%

The Company has completed the acquisition of an additional 16.5% interest in the Excelsior Nickel Project (**ENC** or **the Project**), increasing its equity interest in the Project to 44%, funded through the Company's bank facilities and existing cash reserves.

The additional 16.5% interest was secured through the cash payment of US\$379.5M to acquire shares in the Singaporean incorporated holding company, Excelsior International Investment Pte. Ltd, the ultimate owner of ENC. This payment has been made to assist in the acceleration of the construction and commissioning of the nickel cathode and sulphate plants, as a result of strong feedback from potential customers for these products.

Acquisition schedule for Nickel Industries' 55% equity interest in ENC

Date	US\$M	Equity acquired	Cumulative equity
Invested to date	1,012.0	44.00%	44.00%
By 1 July 2025	126.5	5.50%	49.50%
By 1 October 2025 ¹	126.5	5.50%	55.00%
Total	1,265.0	55.00%	

On-market share buyback update

The Company advises that PT Danusa Tambang Nusantara (**PT DTN**), a subsidiary of United Tractors, has now received Foreign Investment Review Board (**FIRB**) approval to increase its equity interest in Nickel Industries beyond 20%, as a result of an on-market share buyback (**Buyback**) by the Company. The Company flagged its intention to conduct a Buyback of up to US\$100M as part of its updated capital management framework announced in January this year. As previously advised, the timing and number of shares purchased under the on-market share buyback will be contingent upon the prevailing share price, market conditions and trading blackout restrictions.

Sustainability Report

Last week, the Company released its 2023 Sustainability Report, the third sustainability report published by the Company and a continuation of the previous year's report published in March 2023. The Sustainability Report showcases the Company's commitment to exhibiting a leadership role in promoting responsible and sustainable mining in Indonesia by implementing industry best practices across our mining and downstream processing operations, with the steadfast support from the local communities in which the Company operates.

The 2023 Sustainability Report can be found on the Company's website at [2023 Sustainability Report](#).

Commenting on the quarterly activities and results, Managing Director Justin Werner said:

"Despite significantly higher than average rainfall across Indonesia for the June quarter, the Company's mine and processing operations have still performed strongly, once again highlighting the robustness of our operations."

*"Historically from August till the end of the year is the driest period and the Company is placing a significant amount of focus on delivering a strong second half to the year following challenges with the re-issuance of Rencana Kerja dan Anggaran Biaya (**RKAB**) licences in the March quarter and higher than average rainfall in the June quarter."*

"On the corporate front we are very pleased to announce the expected expedited commissioning of the ENC Project ahead of the contracted October 2025 date. This will potentially bring forward cashflows from the operations which will have an expected capacity of 72,000 tonnes of nickel equivalent per annum."

"Finally, we are also pleased to announce that the Company has received FIRB approval for its second largest shareholder, PT DTN, to increase its stake past 20% which now allows the Company to implement its announced share buyback program in January of up to US\$100M."

¹ Following commissioning of line 1 of the ENC Project.

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Overview of Nickel Industries:

Nickel Industries Limited (**NIC**) is an ASX-listed company which owns a portfolio of mining and low-cost downstream nickel processing assets in Indonesia.

The Company has a long history in Indonesia, with controlling interests in the world-class Hengjaya Mine, as well as four rotary kiln electric furnace (**RKEF**) projects which produce nickel matte for the electric vehicle (**EV**) supply chain and nickel pig iron (**NPI**) for the stainless-steel industry.

Having established itself as a globally significant producer of NPI, the Company is now rapidly transitioning its production to focus on the EV battery supply chain – recently, the Company has acquired a 10% interest in the Huayue Nickel Cobalt (**HNC**) HPAL project, adding mixed hydroxide precipitate (**MHP**) to its product portfolio.

Nickel Industries is now embarking on its next transformative step, investing in Excelsior Nickel Cobalt (**ENC**), a next-generation HPAL project capable of producing MHP, nickel sulphate and nickel cathode. ENC is expected to produce approximately 72,000 tonnes of nickel metal per annum, diversifying the Company's production and reducing the Company's carbon emissions profile – reflecting the strong commitment to sustainable operations.

To learn more, please visit: www.nickelindustries.com/