



Nickel Industries Limited (ASX:NIC)

# Quarterly Activities Presentation

For the period ended 30 June 2024

**NICKEL**  

---

**INDUSTRIES**

# Safety and Sustainability

- No LTIs recorded during the quarter against 2.18 million work hours registered
- Company-wide 12-month rolling total recordable injury rate (TRIR) as at the end of June 2024 was 1.89
- Released 2023 Sustainability Report showcasing the Company's commitment to playing a leadership role in promoting responsible and sustainable mining in Indonesia
- Establishment of University scholarship program in partnership with Hasanuddin University as part of the Company's ongoing social initiatives within the local communities in which it operates
  - scholarship program to provide full financial support to 10 local indigenous students per year from the Central Sulawesi, North Maluku and West Papua Provinces to pursue 4-year undergraduate degrees across the fields of metallurgical engineering, environmental engineering and mining engineering
- Hengjaya Mine participated in the 2024 World Environmental Day campaigns in various sustainability activities, such as tree planting, beach cleanup and showcasing its biodiversity conservation area
- Hengjaya Mine received the Top CSR (Community Social Responsibility) Award and the Indonesia Social Responsibility Award for the SMART HM (Semangat Meraih Cita-cita Bersama HM), with a focus on educating vocational school students to be more prepared to enter the industry

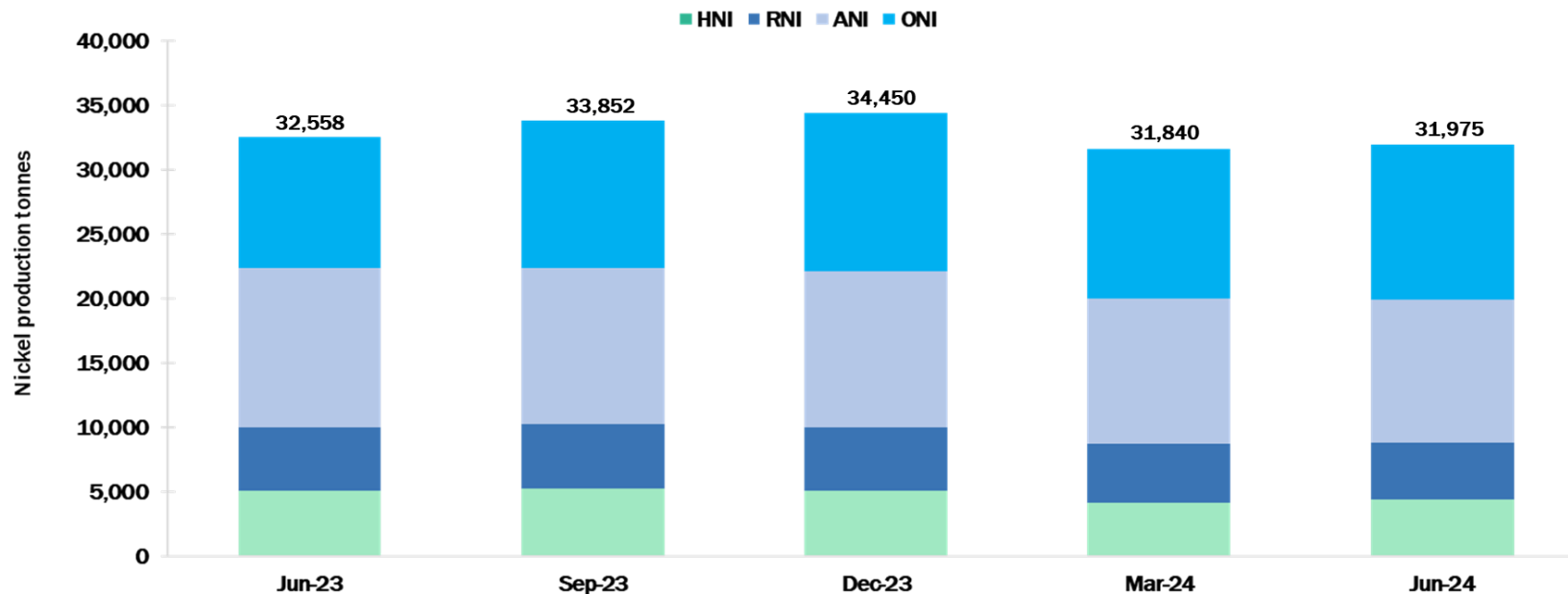
# June quarter review

## US\$79.5M EBITDA from operations despite challenging wet season

- RKEF nickel metal production of 31,975 tonnes (100% basis)
  - 0.4% higher than March quarter (31,840 tonnes)
- RKEF EBITDA of US\$41.8M
  - 13.3% lower than March quarter (US\$48.2M) due to lower tonnes sold (down 1.5% from March quarter) and a 12.0% fall in EBITDA/tonnes sold margin
  - operating margins negatively effected by:
    - above average rainfall which impacted ore supplies into the IMIP/IWIP leading to drawdown of lower grade stockpiles with negative flow-on effects to nickel production levels and unit cash costs
- Hengjaya Mine EBITDA of US\$24.6M
  - 62.9% higher than March quarter (US\$15.1M) which was negatively impacted by delayed RKAB licence renewals preventing ore sales until late February
  - strong result achieved despite higher-than-average seasonal rainfall during quarter of 1,373mm (48% and 91% higher respectively than the prior corresponding periods in 2023 and 2022)
- Increase in equity interest in ENC HPAL Project to 44%
- Establishment of US\$250M bank facility
- Repayment of US\$245M April 2024 Notes
- Appointment of Independent Non-Executive Director

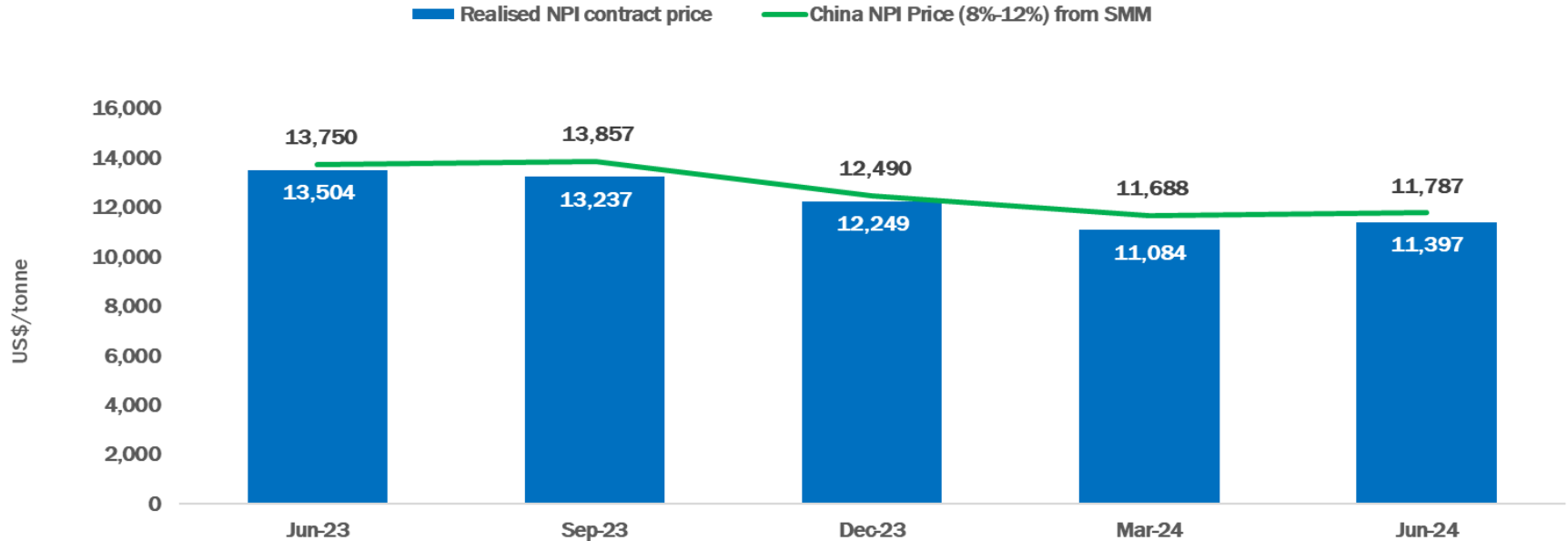
# Stable RKEF production continues across our operations

RKEF production (100% basis)



- RKEF quarterly production of 31,975 tonnes of nickel metal (+0.4% March quarter)
- Additionally, 1,997 tonnes of MHP from HNC, representing NIC's 10% attributable share of production

# NPI pricing



- Realised contract pricing increased 2.8% from the March quarter as NPI prices recovered from recent lows

# ENC construction progress

- Earthworks and footings are now largely complete with concrete pouring to commence shortly
- Long lead items and critical process equipment continue to be sourced and fabricated in China ahead of delivery to the IMIP
- Completion of office and staff facilities
- The Company has now completed the acquisition of an additional 30.25% equity interest in the Project (increasing to 44%) via cash payments of US\$316.3M and US\$379.5M, with the latter to assist the acceleration of the construction and commissioning of the nickel cathode and sulphate plants



*Earthworks and footings at ENC largely complete in readiness of concrete pouring and plant erection*

# Hengjaya Mine – stronger performance despite challenging rainfall

Production summary		March quarter 2024	June quarter 2024
Saprolite mined	wmt	1,026,910	879,280
Limonite mined	wmt	2,087,865	2,090,072
<b>Nickel ore mined</b>	<b>wmt</b>	<b>3,114,775</b>	<b>2,969,352</b>
Overburden mined	BCM <sup>(1)</sup>	385,378	370,204
Strip ratio	BCM/wmt	0.12	0.12
Saprolite EBITDA	\$M	4.3	11.8
Limonite EBITDA	\$M	10.8	12.8
<b>Total EBITDA</b>	<b>\$M</b>	<b>15.1</b>	<b>24.6</b>



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

(1) BCM represents "bank cubic metres".

- Quarterly production of 2,969,352 wmt, down 4.7% from March quarter
  - saprolite production of 879,280 wmt, down 14.4%
  - limonite production of 2,090,072 wmt, up 0.1%
  - higher-than-average seasonal rainfall during quarter of 1,373mm (48% and 91% higher respectively than the prior corresponding periods in 2023 and 2022)
- Quarterly EBITDA of US\$24.6M, up 62.9% from March quarter result US\$15.1M

# Corporate

## Increase equity interest in ENC HPAL Project to 44%

- Additional 30.25% interest secured through two cash payments of US\$316.3M and US\$379.5M (US\$695.8M in total) to acquire shares in the Singaporean incorporated holding company, Excelsior International Investment Pte. Ltd, the ultimate owner of ENC (current equity interest of 44%)
- Second payment of US\$379.5M made ahead of the scheduled 1 October 2024 payment date to assist in the acceleration of construction and commissioning of the nickel cathode and sulphate plants

## US\$250 term loan facility executed

- US\$250M, 5-year term loan facility jointly provided by tier-1 banks PT Bank Negara Indonesia (Persero) Tbk (BNI) and DBS Bank Ltd (DBS)
- Facility established to support the remaining funding requirements for the Company's acquisition of a 55% equity interest in ENC
  - replaces cash following the repayment of the US\$245M balance of the Company's April 2024 notes
  - facility was fully drawn down subsequent to the end of the June quarter

## Appointment of Independent Non-Executive Director

- Appointment of Ms Emma Hall as an Independent Non-Executive Director
- Emma has over 10 years' experience in the global battery metals industry including wide-ranging commercial and technical engagements with battery manufacturers and OEMs in USA, Europe, Japan, China and South Korea



# Further information

Justin Werner  
Managing Director  
[jwerner@nickelindustries.com](mailto:jwerner@nickelindustries.com)

Cameron Peacock  
Investor Relations and Business Development  
[cpeacock@nickelindustries.com](mailto:cpeacock@nickelindustries.com)