



Nickel Industries Limited (ASX:NIC)

# Quarterly Activities Presentation

For the period ended 30 September 2024

**NICKEL**  

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**INDUSTRIES**

# Safety and Sustainability

- The Company-wide 12-month lost time injury frequency rate (LTIFR) as at end of September 2024, was 0.12, with one LTI occurring during the quarter, against 4.6 million work hours registered
- The Company-wide 12-month rolling total recordable injury frequency rate (TRIFR) as at the end of September 2024 was 1.24
- Shortlisted for Green PROPER rating for the 3<sup>rd</sup> consecutive year, targeting to be the first company to achieve a Gold rating
- Received S&P Global ESG score of 37 in 2024, up from 7 in 2021. Average score for Mining and Metals companies worldwide is 29
- Hengjaya Mine received formal endorsement from the Central Sulawesi Natural Resources Conservation Agency (BKSDA) to develop a 197ha high conservation biodiversity area within the Hengjaya Mine mining concession
- The Hengjaya Mine's HOPE program (Hengjaya Supports Local People's Health) has been recognised at the Nusantara CSR Awards 2024. The program aims to improve the health of local communities by supporting nutritional, facilities and health infrastructure
- Honoured with the "Best Climate Reporting & Transparency Award" at the 2024 ESG GRIT Awards held on 28 October 2024

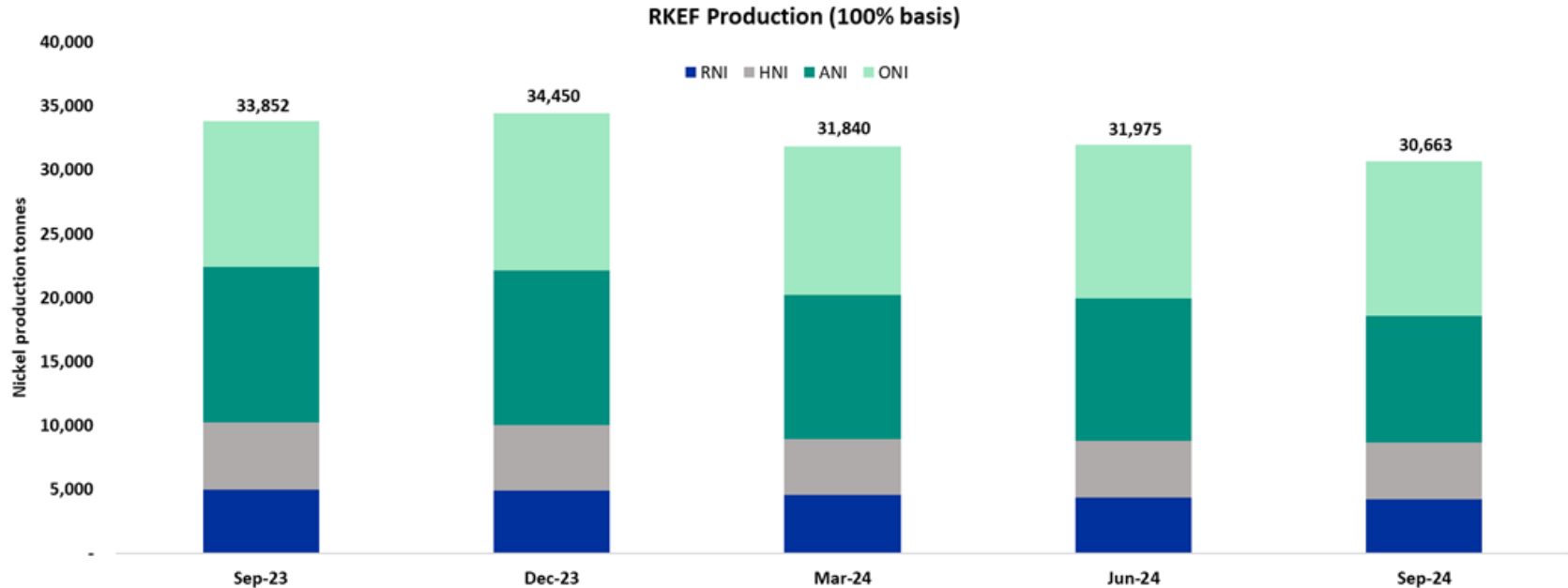


# September quarter review

## US\$108.4M EBITDA from Operations

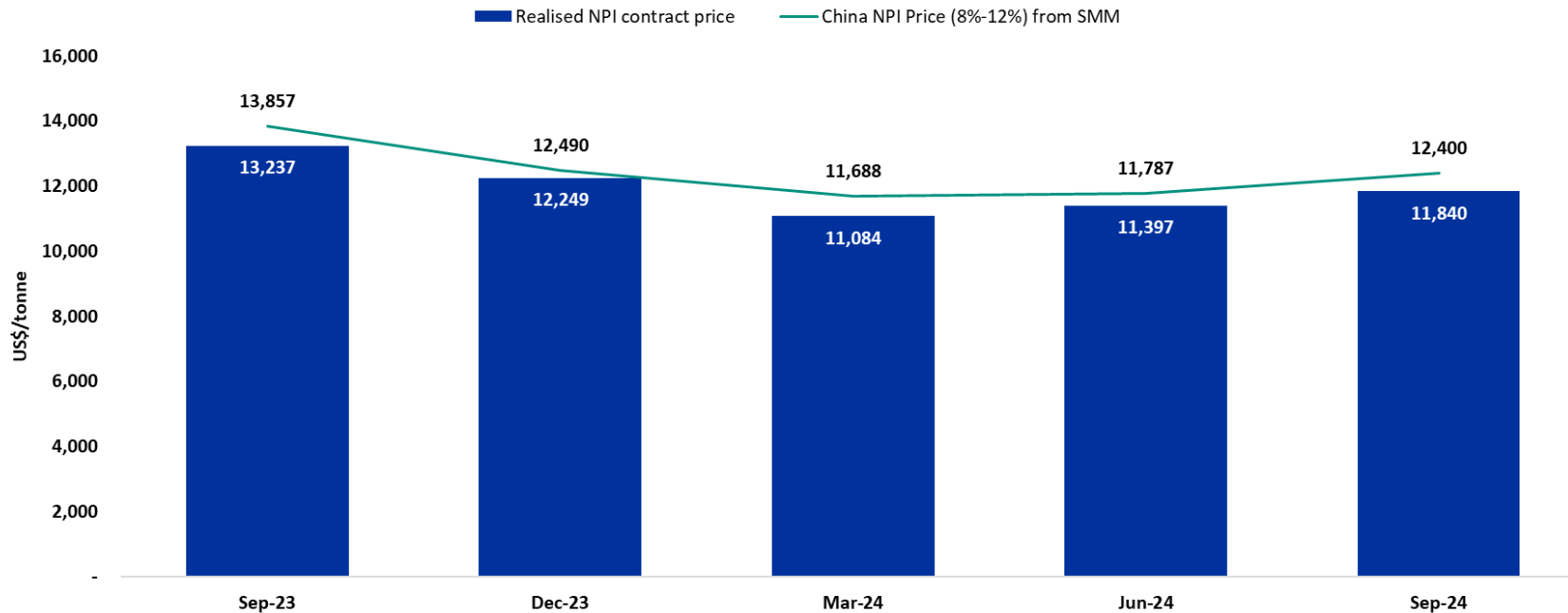
- RKEF nickel metal production of 30,663 tonnes (100% basis)
  - 4.1% lower than June quarter (31,975 tonnes) due to 8 days scheduled maintenance at RNI, and RKAB licence-related issues
- RKEF EBITDA of US\$60.0M
  - 43.5% higher than June quarter (US\$41.8M)
  - underlying EBITDA/tonnes sold margins (i.e. with the effect of FX gains removed) of US\$1,144/t were lower than June quarter
- Hengjaya Mine EBITDA of US\$37.3M
  - 51.6% higher than June quarter (US\$24.6M) due to increased ore sales
  - maiden dividend distribution
- Conditional acquisition of world class Sampala Project
- Completion of a 51% interest in Siduarsi Project, along with maiden JORC Resource of 561 thousand tonnes of contained nickel metal
- Successful syndication of US\$250M loan facility
- Arrival and installation of first ENC autoclave

# Stable RKEF production continues across our operations



- RKEF quarterly production of 30,663 tonnes of nickel metal, down 4.1% from June quarter (31,975 tonnes)
  - operations impacted by scheduled maintenance at RNI and ongoing RKAB licence-related issues
- Additionally, 2,125 tonnes of Ni in MHP from HNC, representing NIC's 10% attributable share of production

## NPI pricing – continuing to recover from March quarter lows



- Realised contract prices increased 3.9% from the June quarter as prices continued to improve from recent lows seen in the March quarter
  - prices increased each month of the quarter, and continued to increase in Q4

## ENC construction progress – key equipment now arriving on site

- Project site now fully prepped for the arrival of key long lead items and critical process equipment that has been sourced and procured from leading equipment manufacturers from around the world including Australia, China, Germany, Netherlands and the United States
- On 24 October, several members of the Company's senior management team attended a ceremony on site to mark the arrival of the first of three autoclaves with the first being installed



*Senior management team representatives attend a ceremony to mark the arrival of the first autoclave at ENC*

# Hengjaya Mine – improved weather conditions underpins strong financial result

Production summary		June quarter 2024	September quarter 2024
Saprolite mined	wmt	879,280	1,468,914
Limonite mined	wmt	2,090,072	4,280,938
<b>Nickel ore mined</b>	<b>wmt</b>	<b>2,969,352</b>	<b>5,749,852</b>
Overburden mined	BCM <sup>(1)</sup>	370,204	634,851
Strip ratio	BCM/wmt	0.12	0.11
<b>Nickel ore sold</b>	<b>wmt</b>	<b>2,077,144</b>	<b>2,971,415</b>
Saprolite EBITDA	\$M	11.8	26.6
Limonite EBITDA	\$M	12.8	10.7
<b>Total EBITDA</b>	<b>\$M</b>	<b>24.6</b>	<b>37.3</b>



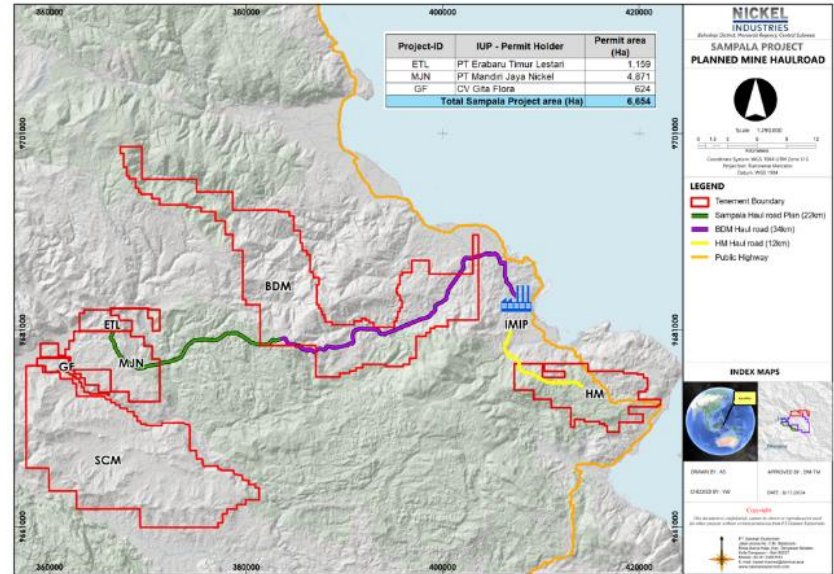
Note: Figures reflect unaudited numbers from monthly operating entity financial reporting.  
 (1) BCM represents "bank cubic metres".

- Improved weather conditions enabled a return to normal mining, haulage and barging volumes
- Quarterly production of 5,749,852 wmt, up 93.6% from June quarter
  - saprolite production of 1,468,914 wmt, up 67.1%
  - limonite production of 2,090,072 wmt, up 104.8%
- Combined record quarterly ore sales of approximately 2.97 million tonnes, up 42.7% from June quarter
- Quarterly EBITDA of US\$37.3M, up 51.6% from June quarter
- Haul road improvements to ensure delays are significantly reduced during next wet season progressing well



# Conditional acquisition of Sampala Project

- In September, the Company announced it had signed CSPA's for the acquisition of the Sampala Project - three highly prospective, advanced and contiguous, nickel-cobalt projects totalling 6,654ha in combined size, namely ETL, MJN and GF
- The Sampala Project has an initial JORC 2012 compliant Mineral Resource of 187 million dry metric tonnes (dmt) of 1.2% nickel and 0.09% cobalt (2.3 million tonnes of contained nickel metal and 0.2 million tonnes of cobalt). This Resource is located in just 900ha, with over 4,700ha of mapped prospective laterite
- The necessary permits to commence mining operations and construction of the proposed haul road are well advanced with approval of a RKAB already granted for 2024 to the end of 2026, as well as AMDAL and feasibility studies submitted for approval
- Key benefits of the acquisition are:
  - low acquisition cost compared to other recent nickel ore acquisitions
  - strong potential to significantly expand in-situ resources
  - ensures self sufficiency in ore requirements across all of the Company's processing operations (both RKEF and HPAL)



Map showing Sampala haul road to be built connecting to the BDM haul road



## Completion of initial 51% interest in Siduarsi Project <sup>(1)</sup>

- Completed the acquisition of an initial 51% interest (increasing to 100%) in the Siduarsi Project for four million shares in Nickel Industries, in-line with the MoA signed in September 2021
- Announced a JORC-compliant Mineral Resource of 52 million dmt at 1.1% nickel and 0.1% cobalt (561 thousand tonnes of contained nickel metal and 31 thousand tonnes of cobalt) within a 1,614ha area, comprising 28 million dmt of saprolite at 1.1% nickel and 24 million dmt of limonite at 1.0% nickel
- Additional 1,374ha of prospective laterite bearing ground, with an Exploration Target between 22 and 110 million wet metric tonnes (wmt) with nickel grades ranging from 0.7% to 1.1%

## Syndication of US\$250m loan facilities

- Successful syndication of the US\$250M term loan facility, jointly provided by tier-1 banks PT Bank Negara Indonesia (Persero) Tbk (BNI) and DBS Bank Ltd (DBS)
- The facility was syndicated across a mix of banking institutions from Asia, Europe, the Middle East and India, with this broad-based support indicative of the Company's growing regional reputation and established status as a leading diversified global nickel producer

## Northvolt executive appointed as ENC HPAL Manager

- Mr. Simon Miller has assumed the role of HPAL Manager for the ENC Project currently under construction within the IMIP
- Simon was most recently the Senior Director of Northvolt's Raw Materials division, where he was responsible for developing and overseeing Northvolt's raw materials procurement strategy. In this role, Simon established a strong understanding of the global EV supply chain, in addition to building valuable relationships across numerous global battery makers and OEMs. Before being promoted to lead Northvolt's Raw Material division, Simon served as Director of Cathode Materials

## 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)