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Nickel Industries Ltd (NIC)

While you were sleeping

Recommendation
Buy (unchanged)

Price
\$0.90
Target (12 months)
\$1.30 (previously \$1.20)

Sector
Materials
Expected Return

Capital growth **44%**

Dividend yield **0%**

Total expected return **44%**
Company Data & Ratios

Enterprise value **\$5,025m**

Market cap **\$3,907m**

Issued capital **4,341m**

Free float **55%**

Avg. daily val. (52wk) **\$7.5m**

12 month price range **\$0.42-\$0.915**
Price Performance

	(1m)	(3m)	(12m)
Price (A\$)	0.72	0.72	0.83
Absolute (%)	25.0	25.0	8.4
Rel market (%)	23.0	26.4	2.1

Absolute Price


SOURCE: IRESS

Positive catalysts warming up for NIC

Positive catalysts supporting our investment thesis have emerged in the last couple of weeks in what we view as a precursor to a transformational year for NIC. These include receipt of an increased ore sales permit, the disclosure of a strategic partnership at the ENC HPAL plant and a rising nickel price. South Korean precision materials manufacturer, Sphere Corp., has acquired a 10% interest in the ENC HPAL plant at a 'look-through' valuation of US\$2.4 billion. This implies a valuation for NIC's targeted 55% interest of A\$2.0 billion and compares with NIC's current Enterprise Value of ~A\$5.0 billion. Production is planned to commence imminently at the ENC HPAL plant, lifting HPAL nickel production from a current ~8ktpa run-rate to ~50ktpa run-rate over CY26 – a major positive catalyst for NIC. We are also expecting nickel ore production run-rates to lift from ~10Mtpa to ~19Mtpa over CY26. We forecast significant production, margin and earnings growth to follow.

Nickel price surges from 8-month low to 14-month high

The LME nickel price has surged from an 8-month low to a 14-month high in the last two weeks in a burst of volatility that can be a feature of the nickel market. NIC's share price has appreciated ~27% since early December, with this being a key driver. The catalyst for the nickel price rise has been a proposed restriction of nickel production by the Indonesian Government of up to 34% (500-600kt Ni). This would have a significant impact on global production of ~3.6Mtpa and likely be applied to smaller, higher cost producers rather than NIC. It illustrates why we have advocated holding NIC through the cycle: these catalysts and price spikes are unpredictable.

Investment thesis – Buy, TP\$1.30/sh (from Buy, TP\$1.20/sh)

EPS changes in this report are: CY25: -25%; CY26: +22%; CY27: +4%. NIC is one of the world's largest listed nickel producers and offers exposure across a range of nickel products and markets. It continues to make money through low nickel prices, benefitting from its upstream and downstream operations, diversified risk and margin exposure across an integrated value chain. Retain Buy, TP\$1.30/sh.

Earnings Forecast

Year ending 31 December	2024a	2025e	2026e	2027e
Sales (US\$m)	1,744	1,601	2,518	3,741
EBITDA (US\$m)	297	278	456	1,136
Attributable NPAT (reported) (US\$m)	(169)	21	69	491
Attributable NPAT (reported) (A\$m)	(256)	32	103	712
EPS (adjusted) (A¢ps)	2.4	0.8	2.4	16.6
EPS growth (%)	-211%	nm	220%	592%
PER (x)	nm	119.9	37.5	5.4
FCF Yield (%)	0%	5%	1%	33%
EV/EBITDA (x)	11.3	12.1	7.4	3.0
Dividend (A¢ps)	4.0	-	1.0	9.0
Yield (%)	4.4%	0.0%	1.1%	10.0%
Franking (%)	0%	0%	0%	0%
ROE (%)	-8%	1%	7%	35%

SOURCE: BELL POTTER SECURITIES ESTIMATES

While you were sleeping

Changes to our forecasts

With this update we make only minor changes to our modelled assumptions, including:

- Reducing our December quarter 2025 ore mining and sales forecast, reflecting the suspension of sales during the quarter that resulted from the delayed issuance of the RKAB ore sales permit to the NIC's Hengjaya Mine;
- Increase our forecast nickel ore mining and sales, reflecting the increased sales volume permitted by the newly issued RKAB ore sales permit and the likelihood of that increasing to NIC's target of ~19Mtpa;
- Marking-to-market the December quarter 2025 nickel price, for a minor reduction to our CY25 forecast; and
- Rolling our model forward.

The net impacts of these changes are summarised in the table below:

Table 1 - Changes to our CY forecasts

Year end 31 December	Previous			New			Change		
	Dec-25	Dec-26	Dec-27	Dec-25	Dec-26	Dec-27	Dec-25	Dec-26	Dec-27
Prices & currency									
Nickel price (US\$/t)	15,297	16,755	20,393	15,166	16,755	20,393	-1%	0%	0%
US\$/A\$	0.65	0.67	0.69	0.65	0.67	0.69	0%	0%	0%
Production & costs									
Ore mined (t)	10,957	13,200	15,200	10,457	13,700	17,200	-5%	4%	13%
RKEF NPI production (t)	108,543	111,028	112,628	108,543	111,028	112,628	0%	0%	0%
Contained nickel (t)	10,358	11,572	12,105	10,340	11,501	12,030	0%	-1%	-1%
Contained nickel (t, attributable)	8,380	35,991	51,600	8,380	35,991	51,600	0%	0%	0%
Cash costs (US\$/t Ni)	7,754	8,328	8,536	7,742	8,276	8,483	0%	-1%	-1%
Earnings & valuation									
Revenue (consolidated, US\$m)	1,615	2,519	3,742	1,601	2,518	3,741	-1%	0%	0%
EBITDA (consolidated, US\$m)	289	438	1,102	278	456	1,136	-4%	4%	3%
EBITDA (attributable, US\$m)	191	319	756	182	333	782	-5%	4%	3%
NPAT (consolidated, US\$m)	39	129	754	31	146	781	-22%	13%	4%
NPAT (attributable, US\$m)	28	56	471	21	69	491	-25%	22%	4%
EPS (reported) (Acps)	1.0	2.0	15.9	0.8	2.4	16.6	-25%	22%	4%
PER (x)	16.6	4.3	4.1	119.9	37.5	5.4	103.3	33.2	1.3
EPS growth (%)	nm	95%	712%	nm	220%	592%	nm	124%	-121%
DPS (Acps)	-	-	8.0	-	1.0	9.0	na	na	13%
Yield	5.3%	13.2%	13.2%	0.0%	1.1%	10.0%	-5%	-12%	-3%
NPV (A\$/sh)	1.06	1.21	1.27	1.17	1.29	1.34	11%	6%	5%
Price Target (A\$/sh)		1.20			1.30			8%	

SOURCE: COMPANY DATA AND BELL POTTER SECURITIES ESTIMATES

EPS changes in this report are: CY25: -25%; CY26: +22%; CY27: +4%. These reflect cuts to our ore sales forecast for CY25 and a marginally lower nickel price. This is offset by higher ore production and sales forecasts for CY26 and CY27. Our NPV-based valuation is raised 8% to a rounded \$1.30/sh. We retain our Buy recommendation.

Upcoming catalysts

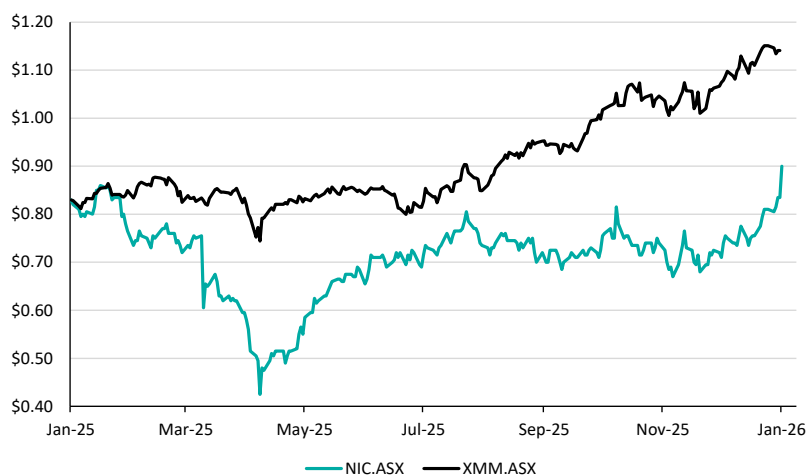
Upcoming catalysts for NIC include:

- Construction updates for the ENC HPAL plant, which is progressing towards commissioning in early CY26;
- Confirmation of receipt of increased ore sales permit (RKAB) required for the Hengjaya Mine to continue its ramp-up of the through CY26;
- Release of NIC's December 2025 quarter production and cost report, expected in late January 2026;
- Update on qualification of potential sales of nickel cathode from the ENC HPAL project to third party customers, diversifying NIC's customer base;
- Payment of the final scheduled investment instalments for the ENC HPAL project of: US\$126.5m in each of July and October 2026, to lift NIC's interest from 44% to 55%; and
- Exploration and development updates on the Sampala and Siduarsi Nickel-Cobalt laterite ore projects.

NIC vs the ASX Metals and Mining Index

Relative performance chart below:

Figure 1 - NIC relative share price performance vs ASX Metals and Mining Index (XMM)



SOURCE: IRESS

Nickel Industries Limited (NIC)

Company description: Fully integrated NPI producer

Nickel Industries Limited (NIC) was formed in 2007 and listed on the ASX in 2018 as Nickel Mines Ltd. Its operations are focused in Indonesia, where it holds an 80% interest four Rotary Kiln Electric Furnace (RKEF) NPI production lines (the two Hengjaya lines and the two Ranger lines), an 80% interest in the Oracle Nickel Project, comprising four new generation RKEF NPI production lines, a 10% interest in the Huayue Nickel Cobalt (HNC) HPAL project and a 55% interest in the Excelsior Nickel Cobalt (ENC) HPAL project which is under construction. All these projects are within the Indonesia Morowali Industrial Park (IMIP), a fully integrated stainless steel production facility in Central Sulawesi, Indonesia and in partnership with Shanghai Decent Investments (SDI) a subsidiary of Tsingshan Group, the world's largest stainless steel producer.

NIC also holds an 80% interest in the Angel Nickel Project, comprising four new generation RKEF NPI production lines currently in production within the Indonesia Weda Bay Industrial Park (IWIP) on Halmahera Island in Indonesia.

NIC also holds an 80% interest in Hengjaya Mine ('HM'), a high-grade, long-life nickel laterite deposit, in close proximity to the IMIP. The HM produces Direct Shipping Ore (DSO), the bulk of which is sold into the IMIP facility.

Investment thesis – Buy, TP\$1.30/sh (from Buy, TP\$1.20/sh)

EPS changes in this report are: CY25: -25%; CY26: +22%; CY27: +4%. NIC is one of the world's largest listed nickel producers and offers exposure across a range of nickel products and markets. It continues to make money through low nickel prices, benefitting from its upstream and downstream operations, diversified risk and margin exposure across an integrated value chain. Retain Buy, TP\$1.30/sh.

Valuation: \$1.30/sh

Our 12-month forward NIC valuation incorporates DCF models of its attributable interests in the Hengjaya laterite nickel ore mine (HM), its 80% interests in the Hengjaya Nickel RKEF lines, the Ranger Nickel RKEF lines, Angel Nickel RKEF lines and Oracle Nickel RKEF lines.

We also include an NPV-based valuation for NIC's 10% interest in the HNC HPAL plant and a risk-adjusted NPV-based valuation for the ENC HPAL plant, which is currently under construction and in which NIC will hold a 55% interest.

We also include a notional value for other exploration and development projects, an estimate of corporate overhead costs and NIC's last reported net cash position. Our valuation is calculated on a fully diluted basis.

Resource sector risks

Key risks to our investment case include (but are not limited to):

- **Funding and capital management risks:** Funding and capital management risks can include access to debt and equity finance, maintaining covenants on debt finance, managing dividend payments and managing debt repayments. Exploration and development companies with no sales revenues are reliant on access to equity markets and debt financing to fund the advancement and development of their projects.
- **Operating and development risks:** Mining companies' assets are subject to risks associated with their operation and development. Risks for each company can be heightened depending on method of operation (e.g. underground versus open pit mining) or whether it is a single mine company. Development of mining assets may be subject to receiving permits, approvals timelines or weather events, causing delays to commissioning and commercial production.
- **Pandemic risks:** Mining companies rely on freedom of movement of workforces, functioning transport routes, reliable logistics services including road, rail, aviation and ports in order to maintain operations and get their products to market. They also rely on liquid, functioning markets to sell their products. Measures that could be put in place to combat a pandemic could pose risks to these conditions.
- **Operating and capital cost fluctuations:** The cost and availability of exploration, development and mining inputs can fluctuate widely and cause significant differences between planned and actual operating and capital costs. Key operating costs are linked to energy and labour costs as well as access to, and availability of, technical skills, operating equipment and consumables.
- **Commodity price and exchange rate fluctuations:** The future earnings and valuations of exploration, development and producing Resources companies are subject to fluctuations in underlying commodity prices and foreign currency exchange rates.
- **Resource growth and mine life extensions:** The viability of future operations and the earnings forecasts and valuations reliant upon them may depend upon resource and reserve growth to extend mine lives, which is in turn dependent upon exploration success, of which there are no guarantees.
- **Regulatory changes risks:** Changes to the regulation of infrastructure and taxation (among other things) can impact the earnings and valuation of mining companies. NIC's assets are located in Sulawesi, Indonesia, which has in the past implemented regulatory changes related to mining project ownership, fiscal terms and mineral export requirements.
- **Geopolitical risks:** Mining companies' assets are subject to geopolitical risks, arising from events in, and outside, the jurisdictions they operate in.
- **Sovereign risks:** Mining companies' assets are subject to the sovereign risks of the jurisdiction within which they are operating. NIC's assets are in Indonesia, a G20 country with one of the largest economies in SE Asia. Its sovereign debt is rated investment grade by the major ratings agencies.
- **Corporate/M&A risks:** Risks associated with M&A activity including differences between the entity's and the market's perception of value associated with completed transactions. NIC is the junior partner co-investing in production assets with a large, privately owned Chinese company. The strength and cohesiveness of this relationship over the long term has the potential to both add and reduce value to the partnership. A mitigating factor in this respect has been the +20% holding in NIC equity.

Nickel Industries Ltd

as at 2 January 2026

Recommendation

Buy

Price

\$0.90

Target (12 months)

\$1.30

Table 2 - Financial summary

PROFIT AND LOSS							FINANCIAL RATIOS						
Year ending 31 Dec.	Unit	2023a	2024a	2025e	2026e	2027e	Year ending 31 Dec.	Unit	2023a	2024a	2025e	2026e	2027e
Revenue	US\$m	1,880.1	1,744.5	1,601.5	2,517.7	3,741.1	VALUATION						
Expense	US\$m	(1,476.8)	(1,447.6)	(1,323.2)	(2,061.7)	(2,605.2)	Attributable NPAT	US\$m	121.6	(168.6)	20.8	69.0	491.3
EBITDA	US\$m	403.3	296.8	278.2	456.0	1,135.9	Attributable NPAT	A\$m	183.0	(255.6)	32.2	103.0	712.1
Depreciation	US\$m	(111.7)	(128.0)	(118.7)	(170.3)	(187.9)	Reported EPS	USc/sh	3.6	1.6	0.5	1.6	11.5
EBIT	US\$m	291.7	168.8	159.6	285.8	948.0	Reported EPS	Ac/sh	5.4	(6.0)	0.8	2.4	16.6
Net interest expense	US\$m	(56.6)	(78.5)	(88.7)	(99.9)	(93.0)	Adjusted EPS	Ac/sh	5.4	2.4	0.8	2.4	16.6
Unrealised gains (Impairments)	US\$m	-	(236.6)	-	-	-	EPS growth	%	-37%	-211%	nm	220%	592%
Other	US\$m	(32.8)	(27.2)	(18.9)	(11.9)	(33.1)	PER ¹	x	16.8x	nm	119.9x	37.5x	5.4x
PBT	US\$m	203.3	(173.5)	52.0	173.9	822.0	DPS	Ac/sh	4.5	4.0	-	1.0	9.0
Tax expense	US\$m	(27.1)	(16.3)	(21.4)	(28.3)	(40.9)	Franking	%	0%	0%	0%	0%	0%
Consolidated profit (loss) for the year	US\$m	176.2	(189.8)	30.6	145.6	781.0	Yield	%	5.0%	4.4%	0.0%	1.1%	10.0%
Non-Controlling Interest	US\$m	54.6	(21.2)	9.8	76.6	289.7	FCF/share	Ac/sh	(40.8)	(0.3)	4.6	0.8	29.6
Attributable NPAT (reported)	US\$m	121.6	(168.6)	20.8	69.0	491.3	FCF yield	%	-45%	0%	5%	1%	33%
NPAT (attributable, underlying)	US\$m	121.6	68.0	20.8	69.0	491.3	P/FCFPS	x	-2.2x	-338.8x	19.4x	115.0x	3.0x
CASH FLOW							EV/EBITDA	x	8.3x	11.3x	12.1x	7.4x	3.0x
Year ending 31 Dec.	Unit	2023a	2024a	2025e	2026e	2027e	EBITDA margin	%	21%	17%	17%	18%	30%
OPERATING CASHFLOW							EBIT margin	%	16%	10%	10%	11%	25%
Receipts	US\$m	1,763.1	1,805.7	1,706.9	2,380.3	3,557.6	Return on assets	%	5%	-5%	1%	3%	17%
Payments	US\$m	(1,485.2)	(1,481.8)	(1,403.4)	(1,914.0)	(2,496.5)	Return on equity	%	9%	-8%	1%	7%	35%
Tax	US\$m	(56.4)	(55.3)	(29.2)	(33.3)	(61.3)	LIQUIDITY & LEVERAGE						
Net interest	US\$m	11.7	14.2	(88.7)	(99.9)	(93.0)	Net debt (cash)	\$m	66	832	932	939	329
Other	US\$m	(3.5)	(1.5)	-	-	-	ND / E	%	3%	39%	45%	44%	14%
Operating cash flow	US\$m	229.8	281.4	185.6	333.1	906.8	ND / (ND + E)	%	3%	28%	31%	31%	12%
INVESTING CASHFLOW							Attr. EBITDA / Interest	x	6.2x	3.5x	2.1x	3.3x	8.4x
Property, plant and equipment	US\$m	(19.1)	(54.2)	(57.4)	(310.6)	(30.9)	ATTRIBUTABLE DATA - NICKEL MINES LTD						
Mine development	US\$m	(179.9)	(3.7)	-	-	-	Year ending 31 Dec.	Unit	2023a	2024a	2025e	2026e	2027e
Exploration & evaluation	US\$m	(24.9)	(18.4)	-	-	-	Revenues	US\$m	1,661.0	1,580.1	1,509.2	2,170.2	2,960.5
Other	US\$m	(929.2)	(212.6)	-	-	-	EBITDA	US\$m	342.5	275.5	182.1	333.0	782.0
Investing cash flow	US\$m	(1,153.1)	(288.9)	(57.4)	(310.6)	(30.9)	NPAT	US\$m	121.6	(168.6)	20.8	69.0	491.3
Free Cash Flow	US\$m	(923.3)	(7.5)	128.2	22.5	875.8	Net distributable cash flow	US\$m	124.1	(64.4)	208.1	(96.5)	457.6
FINANCING CASHFLOW							EV/EBITDA	x	9.7	12.0	17.8	10.1	4.4
Share issues/(buy-backs)	US\$m	828.9	-	-	-	-	PER	x	16.8	nm	119.9	37.5	5.4
Debt proceeds	US\$m	580.5	454.8	800.0	-	-	P/FCF	x	nm	nm	nm	nm	5.9
Debt repayments	US\$m	(315.5)	(252.7)	(605.0)	(101.0)	(101.0)	ORE RESERVE AND MINERAL RESOURCE						
Distributions to non-controlling interests	US\$m	(38.9)	(31.4)	-	-	-	Hengjaya Nickel Mine (HM)				Mdmt	% Ni	t Ni
Dividends	US\$m	(85.6)	(142.7)	(42.0)	(28.7)	(266.4)	Mineral Resources						
Other	US\$m	91.6	(91.9)	(50.0)	-	-	Measured				20,000	1.30%	260,000
Financing cash flow	US\$m	1,061.2	(64.0)	103.0	(129.7)	(367.4)	Indicated				109,000	1.30%	1,417,000
Change in cash	US\$m	137.8	(71.5)	231.2	(107.3)	508.4	Inferred				56,000	1.30%	728,000
BALANCE SHEET							Total				185,000	1.30%	2,405,000
Year ending 31 Dec.	Unit	2023a	2024a	2025e	2026e	2027e	ASSUMPTIONS - Prices						
ASSETS							Year ending 31 Dec. (avg)	Unit	2023a	2024a	2025e	2026e	2027e
Cash & short term investments	US\$m	778.8	222.5	453.7	346.4	854.9	Nickel	US\$/lb	\$9.75	\$7.40	\$6.94	\$7.60	\$9.25
Accounts receivable	US\$m	429.9	395.1	289.7	427.2	610.7	Nickel	US\$/t	\$21,494	\$16,321	\$15,166	\$16,755	\$20,393
Property, plant & equipment	US\$m	1,836.8	1,572.7	1,511.4	1,651.7	1,494.7	Currency						
Mine development expenditure	US\$m	-	-	194.0	194.0	194.0	AUD:USD						
Exploration & evaluation	US\$m	24.9	56.2	56.2	56.2	56.2			0.66	0.66	0.65	0.67	0.69
Other	US\$m	1,001.0	1,649.8	1,649.8	1,649.8	1,649.8	ASSUMPTIONS - Production & costs						
Total assets	US\$m	4,071.3	3,896.2	4,154.8	4,325.3	4,860.2	Year ending 31 Dec.	Unit	2023a	2024a	2025e	2026e	2027e
LIABILITIES							Hengjaya Mine						
Accounts payable	US\$m	192.8	194.8	264.6	412.3	521.0	Ore mined	Mwmt	5,756	9,377	10,457	13,700	17,200
Income tax payable	US\$m	26.1	21.6	21.4	28.3	40.9	Ore grade	% Ni	1.6%	1.7%	1.8%	1.8%	1.8%
Borrowings	US\$m	845.0	1,054.6	1,249.6	1,148.6	1,047.6	Nickel in ore	t Ni	52,238	99,060	83,621	129,600	129,600
Other	US\$m	100.8	77.1	82.4	82.4	82.4	Nickel in ore (attributable)	t Ni	41,790	79,248	66,897	103,680	103,680
Total liabilities	US\$m	1,164.7	1,348.0	1,617.9	1,671.5	1,691.9	RKEF + HPAL ops						
SHAREHOLDER'S EQUITY							NPI production	t	970,209	1,046,625	1,060,000	1,060,000	1,064,000
Share capital	US\$m	2,032.9	2,035.2	2,035.2	2,035.2	2,035.2	NPI nickel (attributable)	t Ni	104,240	110,151	108,543	111,028	112,628
Reserves	US\$m	19.1	19.1	19.1	19.1	19.1	HPAL nickel (attributable)	t Ni	3,233	8,341	8,380	35,991	51,600
Retained earnings	US\$m	373.1	61.7	40.6	80.8	305.8	Costs						
Total equity to NIC holders	US\$m	2,425.1	2,116.0	2,094.8	2,135.1	2,360.0	RKEF costs	US\$/t Ni	\$11,503	\$10,248	\$10,340	\$11,501	\$12,030
Non-controlling interest	US\$m	481.6	432.2	442.0	518.7	808.4	HPAL costs	US\$/t Ni	\$10,424	\$9,025	\$7,742	\$8,276	\$8,483
Total equity	US\$m	2,906.6	2,548.2	2,536.8	2,653.7	3,168.4	VALUATION						
Weighted average shares	m	3,407.1	4,286.9	4,289.8	4,289.8	4,289.8	Ordinary shares (m)						
CAPITAL STRUCTURE							Options in the money (m)						
Shares on issue	m					4,340.9	Total shares diluted (m)						
Other	m					0.0	Valuation						
Total shares on issue	m					4,340.9	Current		+12 months		+24 months		
Share price	A\$/sh					0.900	Sum-of-the-parts	A\$m	A\$/sh	A\$m	A\$/sh	A\$m	A\$/sh
Market capitalisation	A\$m					3,906.8	IMIP RKEF (NPV12)	487.4	0.11	562.1	0.13	652.2	0.15
Net cash	A\$m					-1,118.4	ANI RKEF (NPV12)	1,061.3	0.24	1,140.4	0.26	1,238.2	0.29
Enterprise value (undiluted)	A\$m					5,025.2	ONI RKEF (NPV12)	1,067.4	0.25	1,142.7	0.26	1,226.9	0.28
Options outstanding (m)	m	(wtd avg ex. price \$0.00 per share)				9.2	Hengjaya Mine (NPV12)	718.9	0.17	761.0	0.18	779.3	0.18
Options (in the money)	m					9.2	HNC HPAL (NPV12)	705.8	0.16	729.1	0.17	752.2	0.17
Issued shares (diluted for options)	m					4,350.2	ENC HPAL (NPV12)	2,627.1	0.61	2,627.1	0.61	2,627.1	0.61
Market capitalisation (diluted)	A\$m					3,915.1	Other exploration	550.0	0.13	550.0	0.13	550.0	0.13
Net cash + options	A\$m					-1,118.4	Corporate overheads	(990.6)	(0.23)	(1,084.7)	(0.25)	(1,182.3)	(0.27)
Enterprise value (diluted)	A\$m					5,033.5	Subtotal (EV)	6,227.3	1.43	6,427.6	1.48	6,643.6	1.53
MAJOR SHAREHOLDERS							Net cash (debt)	(1,118.4)	(0.26)	(832.1)	(0.19)	(802.1)	(0.18)
Shareholder					%	m	Total (undiluted)	5,109.0	1.18	5,595.6	1.29	5,841.5	1.35
Shanghai Decent (SDI)					21.7%	942.5	Dilutive effect of options		(0.00)		(0.00)		(0.00)
PT United Tractors (conditional placement)					19.7%	857.0	Add cash from options	-	-	-	-	-	-
L1 Capital					6.8%	294.5	Total (diluted)	5,109.0	1.17	5,595.6	1.29	5,841.5	1.34
BlackRock Investment Management					5.0%	217.1							

SOURCE: BELL POTTER SECURITIES ESTIMATES

Recommendation structure

Buy: Expect >15% total return on a 12 month view. For stocks regarded as 'Speculative' a return of >30% is expected.

Hold: Expect total return between -5% and 15% on a 12 month view

Sell: Expect <-5% total return on a 12 month view

Speculative Investments are either start-up enterprises with nil or only prospective operations or recently commenced operations with only forecast cash flows, or companies that have commenced operations or have been in operation for some time but have only forecast cash flows and/or a stressed balance sheet.

Such investments may carry an exceptionally high level of capital risk and volatility of returns.

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