# **BÉLL POTTER**

Speculative
See key risks on Page 5
Speculative securities may not
be suitable for retail clients

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# **Nickel Mines Limited (NIC)**

Big win from tax relief

### Recommendation

Buy (unchanged)
Price
\$0.27
Valuation
\$0.55 (previously \$0.45)

### **GICS Sector**

Speculative

### **Materials**

Risk

Expected Return	
Capital growth	103.7%
Dividend yield	0.0%
Total expected return	103.7%
Company Data & Ratios	
Enterprise value	\$284.2m
Market cap	\$374.8m
Issued capital	1,388m
Free float	52%
Avg. daily val. (52wk)	\$914,000
12 month price range	\$0.25-\$0.365

Price Performance							
	(1m)	(3m)	(12m)				
Price (A\$)	0.33						
Absolute (%)	-16.9						
Rel market (%)	-10.9						



Income tax holiday: 7 years + 2 years

NIC has announced that its Indonesian operating entity, PT Hengjaya Nickel Industry has been granted material corporate income tax relief for its RKEF Project currently under construction within the Indonesia Morowali Industrial Park ('IMIP') in Central Sulawesi, Indonesia. Notice of the tax relief was communicated by official decree from the Indonesian Minister of Finance and specifies the key terms as follows:

- Corporate Income Tax Reduction of 100% for a period of seven tax years, starting from the tax year in which commercial production is achieved; and
- Corporate Income Tax Reduction of 50% of payable income tax for a period of two tax years, starting from the end of the initial seven year period.

# Materially value accretive, growth capability enhanced

This is clearly of material benefit to NIC, boosting attributable free cash flows and its valuation. We previously forecast tax expenses in FY20 and FY21 of US\$25.5m and US\$38.3m, the vast bulk of which is attributable to the RKEF lines that are subject to this tax agreement. In updating our financial model for NIC we now forecast tax expenses of US\$2.7m in FY20 (cut 89%) and US\$3.6m in FY21 (cut 91%). Over the deal's nine year term we estimate tax savings in of the order of US\$270m (100% basis), with ~US\$160m (60%) attributable to NIC, under our modelled assumptions. This will provide NIC with a great deal more flexibility in funding its growth objectives.

### Investment thesis – Speculative Buy, valuation \$0.55/sh

As a result of this deal, significant earnings upgrades flow through from FY20 when we expect commercial production to commence and the tax relief to become effective. FY20 earnings are up 32% to US\$61m and FY21 up 38% to US\$81m. This results in P/E ratios of 4.6x and 3.5x respectively, for a company that in many ways may be considered an Industrial. The changes also drive a 22% increase to our NPV-based valuation, now \$0.55/sh. We reiterate our Speculative Buy rating.

Earnings Forecast				
Year ending 30 June	2018a	2019e	2020e	2021e
Sales (US\$m)	14	23	238	303
EBITDA (US\$m)	(2)	5	109	142
Attributable NPAT (reported) (US\$m)	(3)	(5)	61	81
Attributable NPAT (adjusted) (US\$m)	(3)	(5)	61	81
EPS (adjusted) (A¢ps)	(0.9)	(0.6)	5.9	7.8
EPS growth (%)	nm	nm	nm	32%
PER (x)	nm	nm	4.6	3.5
FCF Yield (%)	-62%	-32%	41%	50%
EV/EBITDA (x)	(131.6)	40.5	1.9	1.4
Dividend (A¢ps)	-	-	-	-
Yield (%)	0%	0%	0%	0%
Franking (%)	0%	0%	0%	0%
ROE (%)	-8%	-2%	41%	42%

SOURCE: BELL POTTER SECURITIES ESTIMATES

SOURCE: IRESS

# Big win from tax relief

# Income tax holiday: 7 years + 2 years

NIC has announced that its Indonesian operating entity, PT Hengjaya Nickel Industry has been granted material corporate income tax relief for its RKEF Project currently under construction within the Indonesia Morowali Industrial Park ('IMIP') in Central Sulawesi, Indonesia. Notice of the tax relief was communicated by official decree from the Indonesian Minister of Finance and specifies the key terms of the tax reduction as follows:

- Corporate Income Tax Reduction of 100% for a period of seven tax years, starting from the tax year in which commercial production is achieved; and
- Corporate Income Tax Reduction of 50% of payable income tax for a period of two tax years, starting from the end of the initial seven year period.

These concessions may be revoked and are maximum periods that may be amended or adjusted, if certain conditions are not met, the most important condition being the satisfaction of a minimum investment realisation which NIC's RKEF project comfortably exceeds. There is also a sales withholding tax exemption to be applied over the relevant 7 year period, but the major benefits to NIC flow from the Corporate Income Tax relief.

# Materially value accretive, growth capability enhanced

This is clearly of material benefit to NIC, with an effective reduction of the corporate income tax rate from 25% to 0% over the first 7 years and to 12.5% for years 8 and 9 (finishing in FY2028). This boosts available free cash flows and hence NIC's valuation.

We previously forecast tax expenses in FY20 and FY21 of US\$25.5m and US\$38.3m, the vast bulk of which is attributable to the RKEF production lines that are subject to this tax relief agreement. In updating our financial model for NIC we now forecast tax expenses of US\$2.7m in FY20 (cut 89%) and US\$3.6m in FY21 (cut 91%). Over the nine year term of the agreement we estimate tax savings in the order of US\$270m (on a consolidated 100% basis), with ~US\$160m (60%) attributable to NIC, under our modelled assumptions.

Table 1 - Estimated benefits from tax relief agreement (100% basis)												
	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29	Total
Tax expense @ 25% rate (US\$m)	\$1.4	\$25.9	\$33.7	\$37.6	\$36.6	\$37.6	\$38.6	\$39.6	\$40.7	\$41.8	\$42.9	
Tax expense @ relief rate (US\$m)	\$1.4	\$2.7	\$3.6	\$3.8	\$1.9	\$2.0	\$2.1	\$2.2	\$21.5	\$22.1	\$42.9	
Difference (US\$m)	\$0.0	\$23.1	\$30.1	\$33.8	\$34.7	\$35.6	\$36.5	\$37.5	\$19.2	\$19.7	\$0.0	\$270.1

SOURCE: BELL POTTER SECURITIES ESTIMATES

In terms of cash flow, the benefits flow through from FY21 when we had previously modelled the first cash tax payments to be made. This will allow cash to build on the balance sheet more rapidly and provide NIC with a great deal more flexibility in funding its growth objectives. In the context of the existing option to increase its interest in RKEF lines 1 and 2 to 100% for US\$120m and the MoU signed in June 2018 which outlines terms for NIC to acquire between 51% and 100% of a further two RKEF lines (US\$300m for 100%), this is a very positive development.

# September quarterly production

NIC has also released its September quarterly production data. Effectively this is only relevant for the Hengjaya Mine, with the RKEF lines under construction and on schedule for commissioning to commence at the end of June 2019 quarter.

Key production metrics are summarised below:

	Sep-18 Actual	Sep-18 BP est.	Variance qoq %	Variance vs BP est. %
	Actual	Dr 621.	404 %	vs Dr 651. %
Hengjaya Mine				
Ore sales (t)	105,620	150,000	na	-30%
grade (% Ni)	2.04%	1.90%	na	0.14%
Contained nickel (t Ni)	1,357	1,701	na	-20%
Mine OPEX (US\$/t)	\$22.70	\$21.15	na	7%
Avg price received (US\$/t)	\$32.44	\$23.00	na	41%
RKEF NPI production				
NPI production (t)	0	0	na	na
NPI grade (% Ni)	0.0%	0.0%	na	na
Contained nickel (t)	0	0	na	na
Costs				na
Cash costs (US\$/t Ni)	\$0	\$0	na	na
AISC (US\$/t Ni)	\$0	\$0	na	na

Key takeaways from the quarterly report include:

- Ore sales volumes were lower than forecast following the breakdown of a tug, which
  disrupted the shipping schedule. Ore stockpiles have increased and the deferred sales
  are expected to be made up in the December quarter;
- This was offset by higher mined grades which resulted in a higher ore sales price which
  is calculated on a sliding scale. Our forecast revenues for FY19 are unchanged as a
  result;
- Operating costs were slightly higher on a combination of elevated strip ratios due to the
  pre-stripping of a second pit being prepared for production and a higher royalty rate
  payable on the higher ore value; and
- During the quarter an extension was agreed to a non-binding MoU with Shanghai Decent (SDI) which sets out the terms for NIC to acquire between 51% and 100% of a further two RKEF lines (US\$300m for 100%). The extension allows more time to negotiate a definitive agreement on the potential acquisition.

### Changes to our forecasts

Beyond updating our forecasts for the September quarter production and cost report, we make the following changes to our modelled assumptions:

- Lower our modelled corporate income tax rates for the RKEF lines, for FY20 to FY28, under the assumption commercial production will commence in FY20 and reflecting the terms of the tax relief agreement;
- Incorporate our latest currency and commodity price forecasts, which includes a 1% reduction to our FY19 nickel price and 2% lower AUD:USD in FY19; and
- Update for the latest capital structure and cash position.

The resulting changes to our forecasts and valuation are summarised in the table below:

Table 3 - Changes to our F	Table 3 - Changes to our FY forecasts										
	Previous			New			Change				
Year end 30 June	Jun-19	Jun-20	Jun-21	Jun-19	Jun-20	Jun-21	Jun-19	Jun-20	Jun-21		
Prices & currency				•	·						
Nickel price (US\$/lb)	6.65	7.10	7.45	6.55	7.15	7.45	-1%	1%	0%		
Nickel price (US\$/t)	14,661	15,653	16,424	14,450	15,763	16,424	-1%	1%	0%		
US\$/A\$	0.75	0.75	0.75	0.73	0.75	0.75	-2%	0%	0%		
Production & costs											
Ore mined (Mt)	652,151	1,277,711	1,564,545	607,771	1,277,711	1,564,545	-7%	0%	0%		
Nickel in ore	7,395	14,489	17,742	7,052	14,489	17,742	-5%	0%	0%		
Nickel in ore (attributable)	5,916	10,142	11,177	5,641	10,142	11,177	-5%	0%	0%		
RKEF NPI production	5,000	122,500	150,000	5,000	122,500	150,000	0%	0%	0%		
Contained nickel	550	13,475	16,500	550	13,475	16,500	0%	0%	0%		
Contained nickel (attributable)	330	8,085	9,900	330	8,085	9,900	0%	0%	0%		
Cash costs (US\$/t Ni)	-	8,101	8,225	-	8,101	8,225	na	0%	0%		
AISC (US\$/t Ni)	-	8,161	8,273	-	8,161	8,273	na	0%	0%		
Earnings											
Revenue (A\$m)	23	236	303	23	238	303	0%	1%	0%		
EBITDA (A\$m)	4	107	142	5	109	142	17%	2%	0%		
EBIT (A\$m)	3	100	133	4	102	133	27%	2%	0%		
NPAT (adjusted) (A\$m)	(6)	47	58	(5)	61	81	na	32%	38%		
EPS (reported) (cps)	(1)	4	6	(1)	6	8	na	32%	38%		
PER (x)	(39.4)	6.0	4.8	(45.2)	4.6	3.5	(5.8)	(1.4)	(1.3)		
EPS growth (%)	nm	nm	25%	nm	nm	32%	nm	nm	7%		
DPS (reported) (cps)	-	-	-	-	-	-	na	na	na		
Yield	0%	0%	0%	0%	0%	0%	0%	0%	0%		
NPV (\$/sh)	0.38	0.45	0.63	0.45	0.55	0.71	19%	22%	13%		
Price Target (\$/sh)		0.45			0.55			22%			

SOURCE: COMPANY DATA AND BELL POTTER SECURITIES ESTIMATES

The key changes are the significant earnings upgrades that flow through from FY20 when we expect commercial production to be commence and the tax relief to become effective. FY20 earnings are up 32% to from US\$41m to US\$61m and FY21 earnings are up 38% from US\$58m to US\$81m.

# **Upcoming catalysts**

Upcoming catalysts for NIC include:

- Progress on the MoU and definitive agreement for NIC to acquire between 51% and 100% of a further two RKEF lines (US\$300m for 100%), currently the subject of final negotiations;
- Updates on the progress of construction of the 2 RKEF lines in which NIC has a 60% interest. Commissioning is scheduled to commence at the end of the June 2019 quarter which will be a key milestone for the company; and
- The December quarter production and cost report.

# **Nickel Mines Limited (NIC)**

# Company description: high grade, steady state producer

Nickel Mines Limited ('Nickel Mines' or 'NIC') is a newly listed ASX company, formed in 2007. Its operations are focused in Central Sulawesi, Indonesia, where it holds a 60% interest two Rotary Kiln Electric Furnace (RKEF) lines with Shanghai Decent Investments (SDI) a subsidiary of Tsingshan Group, the world's largest stainless steel producer. The RKEF lines are located in an existing, fully integrated stainless steel production facility, the Indonesian Morowali Industrial Park (IMIP), in Central Sulawesi, Indonesia. Construction of the NIC's two RKEF lines is well advanced and commissioning on track for the end of the June quarter 2019, after which production is planned to ramp up to a targeted run-rate of 16ktpa nickel in NPI (100% basis).

NIC also holds an 80% interest in Hengjaya Mine ('HM'), a high-grade, long-life nickel laterite deposit, also in Central Sulawesi in close proximity to the IMIP. The balance of the asset is owned by NIC's local Indonesian partner. The HM produces Direct Shipping Ore (DSO), the bulk of which is sold into the IMIP facility for the production of Nickel Pig Iron (NPI), a key input into stainless steel production.

## Investment thesis – Speculative Buy, valuation \$0.55/sh

As a result of this deal, significant earnings upgrades flow through from FY20 when we expect commercial production to commence and the tax relief to become effective. FY20 earnings are up 32% to US\$61m and FY21 up 38% to US\$81m. This results in P/E ratios of 4.6x and 3.5x respectively, for a company that in many ways may be considered an Industrial. The changes also drive a 22% increase to our NPV-based valuation, now \$0.55/sh. We reiterate our Speculative Buy rating.

### Valuation: \$0.55/sh

Our 12-month forward NIC valuation incorporates DCF models of its attributable interests in the Hengjaya laterite nickel ore mine (HM) and the 2 Rotary-Kiln-Electric-Furnace (RKEF) lines We have constructed a discounted cash flow (DCF) model for NIC's current 60% interest in the two RKEF lines that are under construction at Tsingshan's IMIP facility and a DCF calculation for NIC's current 80% interest (declining to 49% from FY2023) in the Hengjaya laterite nickel ore mine. We also include a notional value for exploration and development projects, an estimate of corporate overhead costs and NIC's last reported net debt position. Our valuation is calculated on a fully diluted basis. Following the latest update, our valuation stands at \$0.55/sh.

### **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.
- 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.
- 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. One of the key mitigating factors in this respect has been the investment of a combined US\$50m by SDI and Wanlu Investments (US\$26m and US\$24m respectively) into NIC equity.

# Nickel Mines Limited as at 2 November 2018

Recommendation Buy, Speculative
Price \$0.27
Valuation \$0.55

### **Table 4 - Financial summary**

PROFIT AND LOSS							FINANCIAL RATIOS						
Year ending 30 June	Unit	2017a	2018a	2019e	2020e	2021e	Year ending 30 June	Unit	2017a	2018a	2019e	2020e	2021e
Revenue	US\$m	8.6	13.6	23.2	237.5	302.6	VALUATION			20.00	-0.50		
Expense	US\$m	(11.9)	(15.1)	(18.1)	(128.5)	(160.7)	Attributable NPAT	US\$m	(3.8)	(3.3)	(4.8)	61.2	80.9
EBITDA	US\$m	(3.3)	(1.6)	5.0	109.0	141.9	Attributable NPAT	A\$m	(5.1)	(4.4)	(6.5)	81.6	107.8
Depreciation	US\$m	(0.1)	(0.1)	(1.2)	(7.3)	(8.9)	Reported EPS	Ac/sh	(1.6)	(0.9)	(0.6)	5.9	7.8
EBIT	US\$m	(3.4)	(1.6)	3.8	101.7	133.0	Adjusted EPS	Ac/sh	(1.6)	(0.9)	(0.6)	5.9	7.8
Net interest expense	US\$m	(0.5)	(0.7)	0.0	1.7	3.6	EPS growth	%	nm	nm	nm	nm	32%
Unrealised gains (Impairments)	US\$m	-	-	-	-	-	PER	х	nm	nm	nm	4.6x	3.5x
Other	US\$m	-	-	(7.3)	-	-	DPS	Ac/sh	-	-	-	-	
PBT	US\$m	(3.9)	(2.3)	(3.5)	103.4	136.6	Franking	%	0%	0%	0%	0%	0%
Tax expense	US\$m	0.2	(0.7)		(2.7)	(3.6)	Yield	%	0%	0%	0%	0%	0%
Comprehensive loss for the year	US\$m	(3.7)	(2.9)	(3.5)	100.7	133.0	FCF/share	Ac/sh	(0.0)	(16.9)	(8.7)	11.0	13.6
Non-Controlling Interest	US\$m	0.1	0.4	(1.4)	(39.5)	(52.1)	FCF yield	%	0%	-62%	-32%	41%	50%
Attributable NPAT (reported)	US\$m	(3.8)	(3.3)	(4.8)	61.2	80.9	P/FCFPS	х	-2421.0x	-1.6x	-3.1x	2.5x	2.0x
NPAT (underlying)	US\$m	(3.8)	(3.3)	(4.8)	61.2	80.9	EV/EBITDA EBITDA margin	Х %	-61.5x	-131.6x	40.5x 22%	1.9x 46%	1.4x 47%
CASH FLOW							EBIT margin	%	nm nm	nm nm	16%	43%	44%
Year ending 30 June	Unit	2017a	2018a	2019e	2020e	2021e	Return on assets	%	-27%	-5%	-2%	37%	37%
OPERATING CASHFLOW	- Unit	20174					Return on equity	%	2029%	-8%	-2%	41%	42%
Receipts	US\$m	9.1	13.5	21.2	216.1	296.1	LIQUIDITY & LEVERAGE						
Payments	US\$m	(8.8)	(21.5)	(16.4)	(100.9)	(152.6)	Net debt (cash)	\$m			(68)	(146)	(239)
Tax	US\$m	-	-	-	-	(2.7)	ND/E	%	0%	0%	-32%	-53%	-67%
Net interest	US\$m	0.0	0.1	0.0	1.7	3.6	ND / (ND + E)	%	0%	0%	-46%	-112%	-204%
Other	US\$m	(0.2)	(0.3)	-	-	-	EBITDA / Interest	х	-6.1x	-2.4x	nm	nm	nm
Operating cash flow	US\$m	0.1	(8.2)	4.8	116.9	144.3	ATTRIBUTARI F. PATA NIGHTI M	NEC LED					
INVESTING CASHFLOW Property, plant and equipment	US\$m	(0.1)	(0.7)	(70.6)	(2.1)	(1.8)	ATTRIBUTABLE DATA - NICKEL MI Year ending 30 June	NES LTD Unit	2017a	2018a	2019e	2020e	2021e
Mine development	US\$m	(0.1)	(0.7)	(4.5)	(0.0)	(0.3)	Revenues	US\$m	2017a 6.9	10.8	16.9	149.6	190.6
Exploration & evaluation	US\$m	-	-	(0.3)	(0.4)	(0.4)	EBITDA	US\$m	(2.7)	(1.2)	3.0	67.3	87.8
Other	US\$m	- 	(50.0)	-	-	-	NPAT	US\$m	(3.8)	(3.3)	(4.8)	61.2	80.9
Investing cash flow Free Cash Flow	US\$m	(0.1)	(50.7)	(75.4)	(2.5)	<b>(2.5)</b> 141.8	Net distributable cash flow EV/EBITDA	US\$m	0.1	0.0 nm	60.6 69.0	69.7 3.0	84.4 2.3
I ICC CASII FIUW	US\$m	(0.0)	(58.9)	(70.6)	114.4	141.8	PER	X X	nm nm	nm nm	69.0 nm	3.0 4.6	2.3 3.5
FINANCING CASHFLOW							P/FCF	x	nm	nm	nm	4.0	3.3
Share issues/(buy-backs)	US\$m	0.1	73.9	146.3	-	-							
Debt proceeds	US\$m US\$m	-	(10.0)	-	-	-	ORE RESERVE AND MINERAL RES Hengjaya Nickel Mine (HM)	OURCE			Mdmt	% Ni	kt Ni
Debt repayments Distributions to non-controlling interests	US\$III		(13.2)	(1.1)	(37.0)	(48.1)	Mineral Resources				Mami	76 INI	Kt Ni
Dividends	US\$m			()	(07.0)	(40.1)	Measured				0.700	1.80%	12,600
Other	US\$m	-	(1.8)	(7.3)	-	-	Indicated				15.000	1.90%	285,000
Financing cash flow	US\$m	0.1	59.0	137.9	(37.0)	(48.1)	Inferred				22.000	1.80%	396,000
Change in cash	US\$m	0.1	0.0	67.3	77.4	93.7	Total				38.000	1.80%	678,000
BALANCE SHEET	Unit	0017-	0010-	0010+	2020-	2021-	ASSUMPTIONS - Prices	Heli	0017-	0010-	2010-	2020-	2021-
Year ending 30 June ASSETS	Unit	2017a	2018a	2019e	2020e	2021e	Year ending 30 June avg	Unit	2017a	2018a	2019e	2020e	2021e
Cash & short term investments	US\$m	0.3	0.8	68.1	145.5	239.3	Nickel	US\$/lb	\$4.60	\$5.65	\$6.55	\$7.15	\$7.45
		0.3	0.0	00.1	145.5			- U3φ/ID :	φ4.00			\$15,763	\$16,424
	IIS\$m	0.3	0.4	23	23.8	30.3	Nickel	1199/†	\$10.141	\$12.456	\$14.450		Ψ10,424
Accounts receivable	US\$m	0.3 26.3	0.4 76.6	2.3 146.2	23.8 142.0	30.3 136.2	Nickel Currency	US\$/t	\$10,141	\$12,456	\$14,450	φ15,765	
Accounts receivable Property, plant & equipment	US\$m	0.3 26.3	0.4 76.6	146.2	142.0	136.2	Currency	US\$/t					0.75
Accounts receivable Property, plant & equipment Mine development expenditure	US\$m US\$m			146.2 4.3	142.0 3.4	136.2 2.4		US\$/t	\$10,141 0.75	\$12,456 0.78	0.73	0.75	0.75
Accounts receivable Property, plant & equipment	US\$m US\$m US\$m			146.2	142.0	136.2 2.4 0.9	Currency						0.75
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation	US\$m US\$m US\$m US\$m	26.3 - -	76.6 - -	146.2 4.3 0.3	142.0 3.4 0.6	136.2 2.4	Currency AUD:USD  ASSUMPTIONS - Production & cos						
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other	US\$m US\$m US\$m	26.3 - - 1.1	76.6 - - 1.6	146.2 4.3 0.3 1.6	142.0 3.4 0.6 1.6	136.2 2.4 0.9 1.6	Currency AUD:USD	ts	0.75	0.78	0.73	0.75	0.75 2021e
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets	US\$m US\$m US\$m US\$m	26.3 - - 1.1	76.6 - - 1.6	146.2 4.3 0.3 1.6	142.0 3.4 0.6 1.6	136.2 2.4 0.9 1.6	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June	ts	0.75	0.78	0.73 2019e	0.75	2021e
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES	US\$m US\$m US\$m US\$m US\$m	26.3 - - 1.1 <b>27.9</b>	76.6 - - 1.6 <b>79.4</b>	146.2 4.3 0.3 1.6 222.8	142.0 3.4 0.6 1.6 316.9	136.2 2.4 0.9 1.6 <b>410.7</b>	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine	ts Unit	0.75 2017a	0.78 2018a	0.73 2019e	0.75 2020e	<b>2021e</b> 1,564,545
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable	US\$m US\$m US\$m US\$m US\$m	26.3 - 1.1 <b>27.9</b> 12.3	76.6 - 1.6 <b>79.4</b> 2.9	146.2 4.3 0.3 1.6 222.8	142.0 3.4 0.6 1.6 <b>316.9</b>	136.2 2.4 0.9 1.6 <b>410.7</b>	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined	ts Unit	0.75 2017a 303,597	0.78 2018a 391,362	0.73 2019e 607,771	0.75 <b>2020e</b> 1,277,711	2021e
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable	US\$m US\$m US\$m US\$m US\$m US\$m	26.3 - - 1.1 <b>27.9</b> 12.3 0.4	76.6 - 1.6 <b>79.4</b> 2.9 0.7	146.2 4.3 0.3 1.6 222.8	142.0 3.4 0.6 1.6 316.9 32.1 2.7	136.2 2.4 0.9 1.6 <b>410.7</b>	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade	ts Unit wmt % Ni	0.75 2017a 303,597 2.1%	0.78 2018a 391,362 2.1%	0.73 2019e 607,771 1.9%	0.75 2020e 1,277,711 1.8%	<b>2021e</b> 1,564,545 1.8%
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities	U\$\$m U\$\$m U\$\$m U\$\$m U\$\$m U\$\$m U\$\$m U\$\$m	26.3 1.1 27.9 12.3 0.4 13.5	76.6 - 1.6 <b>79.4</b> 2.9 0.7	146.2 4.3 0.3 1.6 222.8 4.5	142.0 3.4 0.6 1.6 316.9 32.1 2.7	136.2 2.4 0.9 1.6 410.7 40.2 3.6	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore Nickel in ore (attributable) RKEF (IMIP)	ts Unit wmt % Ni t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 <b>2019e</b> 607,771 1.9% 7,052	0.75 2020e 1,277,711 1.8% 14,489	2021e 1,564,545 1.8% 17,742
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8	76.6 - 1.6 <b>79.4</b> 2.9 0.7 - 0.8 <b>4.3</b>	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2	Currency AUD:USD  ASSUMPTIONS - Production & cost Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production	Unit  wmt % Ni t Ni t Ni t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500	2021e 1,564,545 1.8% 17,742 11,177
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel	wmt % Ni t N	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000 550	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6)	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6)	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6)	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6)	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable)	Unit  wmt % Ni t Ni t Ni t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3  1.1  27.9  12.3  0.4  13.5  0.6  26.8  26.2  (0.6)  (26.0)	76.6 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3)	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1)	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs	wmt % Ni t N	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000 550	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4)	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3)	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000 550	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3  1.1  27.9  12.3  0.4  13.5  0.6  26.8  26.2  (0.6)  (26.0)	76.6 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3)	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1)	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs	wmt % Ni t N	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000 550	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4)	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3)	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000 550	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4)	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3)	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore grade Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000 550	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4)	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3)	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000 550	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062	0.73 2019e 607,771 1.9% 7,052 5,641 5,000 550	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LLABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Total shares on issue	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450	0.73  2019e  607,771 1.9% 7,052 5,641 5,000 550 330	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Share price	US\$m     US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a 391,362 2.1% 8,062 6,450 Valua	0.73  2019e  607,771 1.9% 7,052 5,641 5,000 550 330	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE Shares on issue Share price Market capitalisation	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m) Sum-of-the-parts	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78 2018a 391,362 2.1% 8,062 6,450 Valua A\$m	0.73  2019e  607,771 1.9% 7.052 5,641 5,000 550 330 tion A\$/sh	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Shares no issue Share price Market capitalisation Net cash	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 - 1,046.6 1,388.0 - 2.70 374.8 90.6	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450 Valua A\$m 615.5	0.73  2019e  607,771 1.9% 7.052 5,641 5,000 550 330  ttion A\$/sh 0.44	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LLABILITIES Accounts payable Income tax payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE Share on issue Share price Market capitalisation Net cash Enterprise value (undiluted)	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450 Valua Asm 615.5 61.1	0.73  2019e  607,771 1.9% 7.052 5.641 5.000 550 330  tion A\$/sh 0.44 0.04	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m)	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a 391,362 2.1% 8,062 6,450 Valua ASm 615.5 61.1 10.0	0.73  2019e  607,771 1.9% 7.052 5,641 5,000 550 330 ttion A\$/sh 0.44 0.04	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE Shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options (in the money)	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450	0.73  2019e  607,771 1.9% 7.052 5.641  5.000 550 330  tion A\$/sh 0.44 0.04 0.01 (0.01)	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE Shares on issue Total shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options (in the money) Issued shares (diluted for options)	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450   Valua A\$m 615.5 61.1 10.0 (18.9) 667.7	0.73  2019e  607,771 1.9% 7.052 5,641  5,000 550 330  ttion  A\$/sh 0.44 0.04 0.01 (0.01) 0.48	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE Shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m) Options (in the money)	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450	0.73  2019e  607,771 1.9% 7.052 5.641  5.000 550 330  tion A\$/sh 0.44 0.04 0.01 (0.01)	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LLABILITIES Accounts payable Income tax payable Income tax payable Income tax payable Sorrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE Shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m) Options (in the money) Issued shares (diluted for options) Market capitalisation (diluted)	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 - 1,046.6 9.0 9.0 90.6 90.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal Net cash (debt)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a 391,362 2.1% 8,062 6,450   Valua A\$m 61.5 61.1 10.0 (18.9) 667.7 90.6	0.73  2019e  607,771 1.9% 7,052 5,641 5,000 550 330 tion  A\$/sh 0.44 0.04 0.01 (0.01) 0.48 0.07	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Thotal shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m) Options (in the money) Issued shares (diluted for options) Market capitalisation (diluted) Net cash shares (diluted for options) Market capitalisation (diluted) Net cash shares (diluted for options) Market capitalisation (diluted) Net cash shares (diluted for options) Market capitalisation (diluted) Net cash + options	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0 374.8 90.6	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal Net cash (debt) Total (undiluted)	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a 391,362 2.1% 8,062 6,450   Valua A\$m 61.5 61.1 10.0 (18.9) 667.7 90.6	0.73  2019e  607,771 1.9% 7,052 5,641 5,000 550 330 tion  A\$/sh 0.44 0.04 0.01 (0.01) 0.48 0.07	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Thotal shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m) Options (in the money) Issued shares (diluted for options) Market capitalisation (diluted) Net cash shares (diluted for options) Market capitalisation (diluted) Net cash shares (diluted for options) Market capitalisation (diluted) Net cash shares (diluted for options) Market capitalisation (diluted) Net cash + options	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0 374.8 90.6	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal Net cash (debt) Total (undiluted) Dilutive effect of options	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a 391,362 2.1% 8,062 6,450   Valua A\$m 61.5 61.1 10.0 (18.9) 667.7 90.6	0.73  2019e  607,771 1.9% 7.052 5,641  5,000 550 330  tion A\$/sh 0.44 0.04 0.01 (0.01) 0.48 0.07 0.55	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LLABILITIES Accounts payable Income tax payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE Shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m) Options (in the money) Issued shares (diluted for options) Market capitalisation (diluted) Net cash + options Enterprise value (diluted)	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0 374.8 90.6	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal Net cash (debt) Total (undiluted) Dilutive effect of options Add cash from options	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450   Valua A\$m 615.5 61.1 10.0 (18.9) 667.7 90.6 758.3	0.73  2019e  607,771 1.9% 7.052 5,641  5,000 550 330   tion  A\$/sh 0.44 0.04 0.01 (0.01) 0.48 0.07 0.55	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LLABILITIES Accounts payable Income tax payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Total shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m) Options (in the money) Issued shares (diluted for options) Market capitalisation (licted) Net cash + options Enterprise value (diluted)  MAJOR SHAREHOLDERS	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0 0.3 374.8 90.6 284.2	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal Net cash (debt) Total (undiluted) Dilutive effect of options Add cash from options	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450	0.73  2019e  607,771 1.9% 7.052 5,641  5,000 550 330   tion  A\$/sh 0.44 0.04 0.01 (0.01) 0.48 0.07 0.55	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax paya	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0 374.8 90.6 284.2	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal Net cash (debt) Total (undiluted) Dilutive effect of options Add cash from options	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450	0.73  2019e  607,771 1.9% 7.052 5,641  5,000 550 330   tion  A\$/sh 0.44 0.04 0.01 (0.01) 0.48 0.07 0.55	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Thotal shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m) Options (in the money) Issued shares (diluted for options) Market capitalisation (diluted) Net cash + options Enterprise value (diluted) Market capitalisation (diluted) Net cash + options Enterprise value (diluted) MAJOR SHAREHOLDERS Shareholder	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 275.9 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0 1,388.0 374.8 90.6 284.2	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal Net cash (debt) Total (undiluted) Dilutive effect of options Add cash from options	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450	0.73  2019e  607,771 1.9% 7.052 5,641  5,000 550 330   tion  A\$/sh 0.44 0.04 0.01 (0.01) 0.48 0.07 0.55	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	2021e 1,564,545 1.8% 17,742 11,177 150,000 16,500 9,900 \$8,225 \$8,273
Accounts receivable Property, plant & equipment Mine development expenditure Exploration & evaluation Other Total assets LIABILITIES Accounts payable Income tax payable Borrowings Other Total liabilities SHAREHOLDER'S EQUITY Share capital Reserves Retained earnings Total equity Weighted average shares  CAPITAL STRUCTURE  Shares on issue Total shares on issue Share price Market capitalisation Net cash Enterprise value (undiluted) Options outstanding (m) Options (in the money) Issued shares (diluted for options) Market capitalisation (diluted) Net cash + options Enterprise value (diluted)  MAJOR SHAREHOLDERS Shareholder Directors and Management Shanghai Decent (SDI)	US\$m US\$m US\$m US\$m US\$m US\$m US\$m US\$m	26.3 1.1 27.9 12.3 0.4 13.5 0.6 26.8 26.2 (0.6) (26.0) (0.4) 316.6	76.6 - 1.6 79.4 2.9 0.7 - 0.8 4.3 103.1 (0.6) (29.3) 73.2 461.8	146.2 4.3 0.3 1.6 222.8 4.5 - 1.4 5.9 249.4 (0.6) (34.1) 214.7 1,094.2	142.0 3.4 0.6 1.6 316.9 32.1 2.7 - 1.4 36.3 249.4 (0.6) 27.1 1,384.0	136.2 2.4 0.9 1.6 410.7 40.2 3.6 - 1.4 45.2 249.4 (0.6) 108.0 356.8 1,388.0 0.270 374.8 90.6 284.2 0.0 0.0 0.3 374.8 90.6 284.2	Currency AUD:USD  ASSUMPTIONS - Production & cos Year ending 30 June Hengjaya Mine Ore mined Ore grade Nickel in ore (attributable) RKEF (IMIP) NPI production Contained nickel (attributable) Costs Cash costs All-in-Sustaining-Costs (AISC)  VALUATION Ordinary shares (m) Options in the money (m) Total shares diluted (m)  Sum-of-the-parts RKEF (NPV12) Hengjaya Mine (NPV12) Other exploration Corporate overheads Subtotal Net cash (debt) Total (undiluted) Dilutive effect of options Add cash from options	Unit  wmt % Ni t Ni t Ni t Ni t Ni US\$/t Ni	0.75 2017a 303,597 2.1% 6,254	0.78  2018a  391,362 2.1% 8,062 6,450	0.73  2019e  607,771 1.9% 7.052 5,641  5,000 550 330   tion  A\$/sh 0.44 0.04 0.01 (0.01) 0.48 0.07 0.55	0.75 2020e 1,277,711 1.8% 14,489 10,142 122,500 13,475 8,085 \$8,101	1,564,545 1.8% 17,742 11,177

Regal FM 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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Disclosure: Bell Potter Securities acted as Lead Manager to the \$27m pre-IPO funding round in January 2018 and Lead Manager to the \$200m August 2018 IPO and received fees for that service.

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