

Aggressive Nickel Mines signs more major nickel growth deals

ALPHA nickel growth company Nickel Mines has unveiled plans to take its attributable nickel production to circa 100,000t per annum, as well as being involved in developing lower carbon emitting power sources for the world-scale IMIP nickel production centre and a potential HPAL development that would result in battery grade product.



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Under a memorandum of understanding signed with established partner and shareholder Shanghai Decent, Nickel Mines will invest US\$525 million in staged instalments for a 70% stake in the Oracle nickel project, comprising a four rotary kiln electric furnace (RKEF) lines.

That will increase Nickel Mine's attributable nameplate nickel capacity to 80,000tpa, "with likely actual performance to increase this to approximately 100,000t of attributable nickel metal".

Nickel Mines is handing over \$10 million immediately, with future payments including \$20 million by January 31 next year, \$106 million by the end of June and \$212 million by December 31, 2022.

Meanwhile, a solar power plant with 200 mega-watt capacity plus a 180MW combined cycle gas turbine power plant are in the frame to transition from coal-powered power sources for the huge IMIP nickel/stainless steel venture in Indonesia, with the new power sources to also underpin the Oracle production plans.

Further, the two parties are said to be working on the identification of suitable land parcels and other preliminary studies - as well as securing of additional limonite resources - to jointly develop an HPAL project.

Last month Nickel Mines reported its 80% owned adjacent nickel mine would supply a portion of ore to an imminently commissioned HPAL development at IMIP set to produce 60,000tpa nickel and 7000tpa cobalt.

Nickel Mines had cash, receivables and inventory of \$297 million at the end of the June quarter.

Shares in Nickel Mines were up 5% to A\$1.25 in morning trade, capitalising the company at \$3.1 billion.



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