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The Manager Companies
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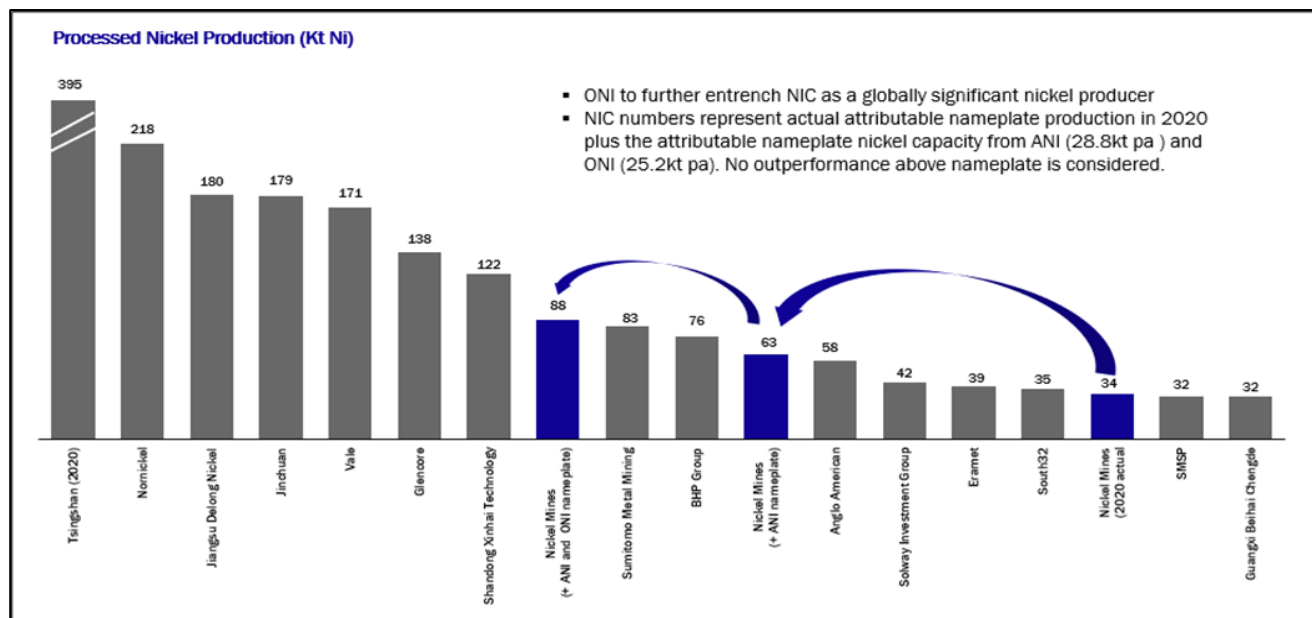
ANGEL NICKEL PROJECT PRODUCES FIRST NPI

The Directors of Nickel Mines Limited ('Nickel Mines' or 'the Company') are pleased to advise that the Company's 80%-owned Angel Nickel Project ('Angel Nickel' or 'ANI') within the Indonesia Weda Bay Industrial Park ('IWIP') on Halmahera Island, has entered its commissioning phase with the first of its four RKEF lines having commenced nickel pig iron ('NPI') production.

As outlined in the Company's ASX announcement of 17 November 2021 '*Angel Nickel Project Well Ahead of Schedule*', first NPI production was expected in March 2022, well ahead of the October 2022 contractual delivery date for the commencement of commissioning.

This maiden 'NPI tap' occurred on 25 January and will see a further accelerated timetable where the Project's other three RKEF lines will be progressively commissioned over the following 60 to 90 days, resulting in all four RKEF lines anticipated to have commenced operations by the end of April 2022.

The introduction of ANI will be transformative to the Company's existing operations, more than doubling annual attributable nickel metal nameplate capacity from 24.0kt to 52.8kt with the introduction of the Oracle Nickel Project ('ONI') by Q1 2023 set to further increase attributable nickel metal nameplate capacity to 78kt pa.



The ANI and ONI Projects will further establish Nickel Mines as a globally significant nickel producer

The ANI power plant is scheduled to commence commissioning by the end of September 2022 ahead of the October 2022 contractual delivery date, with the ANI project utilising power from the operating power plants within IWIP in the interim. During this period NPI production from ANI's RKEF lines will run at less than 100% of the 36,000 tonnes of nickel metal production nameplate capacity per annum depending on power availability. Full NPI production capacity is expected to be achieved around one month after the commissioning of the ANI power plant.

As with the Company's existing HNI and RNI projects, ANI will require the issuance of an Industrial Business Licence (Izin Usaha Industri) ('IUI') to commence commercial sales of NPI. Any NPI produced ahead of the IUI issuance will be stockpiled (as was the case with initial HNI and RNI sales) however it is presently anticipated ANI's IUI will be in place to allow first commercial sales to be recorded in early Q2 2022.



MD Justin Werner and the Chairman of Weda Bay



Angel Nickel's maiden NPI tap



NPI being poured into an Ingot caster



Weda Bay Power Plant control room

Attending Angel Nickel's maiden NPI tap ceremony, Nickel Mines' Managing Director, Justin Werner, commented:

“Having only announced the definitive agreement for our investment into Angel Nickel in November 2020, it is truly remarkable to be standing here less than 15 months later to witness the Project’s maiden NPI production. Amidst the obvious logistical challenges of a global pandemic, which have hampered the development timeframes of so many projects around the world, to see a project of this scale come online so far ahead of schedule is phenomenal and further testimony to the project delivery track record of Tsingshan. We warmly thank and commend IWIP Chairman Mr Xiang Binghe and the ANI team for their hard work and dedication to deliver ANI’s first NPI tap well ahead of schedule. With ANI’s remaining three lines due to be commissioned over the course of the 2 months we look forward to this project making a material contribution to our production and financial profile over the remainder of 2022 and beyond.

With our replica project Oracle Nickel also progressing well at IMIP, we are on track to triple the size of our RKEF operations and firmly entrench Nickel Mines as a global top-10 nickel producer.”

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