

30 March 2021

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(2 pages by email)

COMPLETION OF US\$175 MILLION OFFERING OF 6.5% SENIOR UNSECURED NOTES

Nickel Mines Limited ('the Company') announces the completion of a US\$175 million inaugural offering of Senior Unsecured Notes at an interest rate of 6.5%, maturing 1 April 2024.

Proceeds from the Senior Unsecured Notes will be applied, along with the Company's existing cash reserves and future earnings from existing operations, to fund the US\$350 million second stage acquisition of an additional 50% interest in the Angel Nickel Project ('Angel Nickel'), taking the Company's aggregate equity interest in Angel Nickel to 80%.

Due to increased volatility across global credit markets in recent weeks and based on the terms available, the Company chose to downsize the quantum of the offering to optimise its borrowing rate while still leaving it in a position to complete the second Angel Nickel acquisition funding payment.

Commenting on the completion of the Company's maiden bond issuance, Mr Peter Nightingale, Executive Director and Chief Financial Officer said:

"With the Company's strong current cash position and demonstrated cash generating capacity from the Company's existing asset base, the cost of capital was a key consideration for the bond issue. The Company's significant funding flexibility for the Angel Nickel acquisition allowed the Company to size the bond issue to optimise the terms of our inaugural issuance in light of volatile prevailing market conditions.

Concurrently, the establishment of a listed bond program provides the Company with access to a diversified and efficient form of funding which will position the Company very well to pursue future opportunities that may be available to it beyond the current Angel Nickel transaction."

Key details of the newly issued US\$175 million Senior Unsecured Notes are set out below:

Issuer	Nickel Mines Limited
Issue Size	US\$175M of Senior Unsecured Fixed Rate Notes
Coupon	6.50% per annum, payable on a semi-annual basis in arrears
Corporate rating:	Moody's B1 (stable) Fitch B+ (stable)
Distribution Format:	Regulation S only
Interest Payment Dates	1 April and 1 October of each year, commencing on 1 October 2021
Final Maturity Date	1 April 2024
Listing	Approval in-principle has been received for the listing of the Notes on the Singapore Exchange Securities Trading Limited
ISIN/Common Code	XS2325213689/232521368

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