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The Manager Companies
ASX Limited
20 Bridge Street
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Successful completion of Institutional Placement

The Directors of Nickel Industries Limited (“**the Company**” or “**Nickel Industries**”) are pleased to announce the successful completion of the Company’s fully underwritten institutional placement (“**Institutional Placement**”).

The Institutional Placement raised approximately A\$264 million¹ (US\$185 million) from the issue of 259.1 million new ordinary shares (“**New Shares**”) at A\$1.02 per New Share. The Institutional Placement was strongly supported by both new and existing institutional shareholders. Settlement of the Institutional Placement is scheduled for Monday 23 January 2023, with New Shares expected to be allotted on Tuesday 24 January 2023 and trading of those shares to commence on a normal settlement basis on the same day.

The Institutional Placement is the first component of a US\$471 million capital raise (~A\$673 million) (“**Equity Raise**”) announced on Wednesday 18 January 2023, also comprising:

- (i) a US\$270 million (~A\$386 million) placement to Newstride Development Limited (or its nominee) (“**Newstride**”, an entity within the Tsingshan group and an affiliate of Shanghai Decent Investment (Group) Co., Ltd (“**Shanghai Decent**”), US\$15 million (~A\$21 million) placement to Shanghai Wanlu Investment Co. Ltd. (“**Wanlu**”) (or its nominee) and ~US\$1.4 million (~A\$2 million) placement to Non-Executive Director Mark Lochtenberg (or his nominee) on a non-underwritten basis (“**Conditional Placement**”); and
- (ii) a non-underwritten share purchase plan (“**SPP**”) to eligible shareholders in Australia and New Zealand, with the SPP targeting to raise up to US\$20 million (~A\$29 million).²

Proceeds from the Equity Raise will be used to acquire a 10% interest in the nickel producing asset PT Huayue Nickel Cobalt (“**HNC**”) from Newstride, as well as to acquire an additional 10% interest in the Oracle Nickel Project (“**ONI**”), which is currently commissioning within the Indonesia Morowali Industrial Park (“**IMIP**”) (collectively, “**Acquired Assets**”). In addition, Nickel Industries will utilise proceeds from the Institutional Placement to acquire options to collaborate with Shanghai Decent as follows (collectively, “**Acquired Options**”):

- (i) US\$25 million consideration for an option for participation in, and construction of, a nickel sulphate and nickel cathode plant, using the high-pressure acid leach (“**HPAL**”) process (“**DAWN HPAL+ Project**”); and
- (ii) US\$15 million consideration for an option to invest in and construct a low-grade to high-grade nickel matte converter dedicated to ONI.

¹ Assumes AUD:USD FX rate of 0.70. Figures may not add due to rounding.

² This is not a limit on the amount to be raised under the SPP. Nickel Industries may decide to accept applications (in whole or in part) that result in the SPP raising more or less than this amount, in its absolute discretion.

Both options secure access to proprietary technology and experienced technical teams from Shanghai Decent to support the future success of these projects.³

Further, Nickel Industries is actively assessing near-term nickel laterite opportunities and approximately US\$60 million of the proceeds is expected to be used to progress such opportunities. Excess funds from the Equity Raise will provide additional cash for general corporate purposes.

Commenting on the completion of the Institutional Placement Nickel Industries' Managing Director, Justin Werner said:

"We are extremely pleased to have completed the institutional component of the capital raise, which was very strongly supported by existing and new institutional investors. This is a clear endorsement of Nickel Industries' strategy to establish the Company as a leading producer of battery grade 'Class 1' nickel for the electric vehicle market.

Our diversification into the 'Class 1' electric vehicle battery market commenced in the 4th quarter of 2022, with our maiden production of nickel matte which has delivered strong margins. The Electric Vehicle Battery Supply Chain Strategic Framework Agreement with Shanghai Decent will allow us to deliver our goal of diversifying our sales and product mix into the growing electric vehicle battery market, by establishing an immediate presence through the acquisition of a 10% interest in the HNC HPAL project, one of the world's lowest cost and lowest carbon intensive HPAL projects. HNC provides a future growth platform for the Company to use cleaner technology with lower emissions intensity at the very bottom end of the cost curve, to support global electrification and decarbonisation trends."

The Institutional Placement has been completed using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Conditional Placement

Nickel Industries has entered into a subscription agreement with Newstride, Wanlu and Mr. Lochtenberg for the Conditional Placement (the "**Subscription Agreements**"). The Subscription Agreements are subject to the following conditions precedent:

- (i) Nickel Industries' shareholder approval for the purposes of ASX Listing Rule 10.1 and item 7 of section 611 of the Corporations Act 2001 (Cth) ("**Corporations Act**") with respect to Newstride, and ASX Listing Rule 10.11 with respect to Wanlu and Mr. Lochtenberg. The vote is expected to be held in late Q1 / early Q2 2023⁴; and
- (ii) with respect to Newstride, Foreign Investment Review Board ("**FIRB**") approval. The FIRB application is expected to be lodged imminently⁵.

The Company has engaged Lonergan Edwards & Associates Limited to prepare an independent expert's report stating whether the acquisition of the indirect 10% interest in HNC and the issue of shares to Newstride under the Conditional Placement is fair and reasonable to non-associated shareholders. The report will be provided to shareholders, and the Company intends to hold an extraordinary general meeting in late Q1 / early Q2 2023.

³ Note, DAWN HPAL+ Project Definitive Feasibility Study that is required ahead of a final investment decision ("**FID**") has not yet commenced.

⁴ Shanghai Decent, Wanlu and Mr. Lochtenberg will be excluded from the vote on their respective Shares issuance.

⁵ Shanghai Decent is expected to have a relevant interest in Nickel Industries of approximately 28%, subject to the Conditional Placement being completed. Shareholder and FIRB approvals, if granted, will not be known until post completion of the Institutional Placement.

If the necessary approvals and consents are not obtained for the acquisition of the Acquired Assets, the Conditional Placement and the Acquired Options will not proceed and the Company will consider alternative uses for the proceeds of the Institutional Placement and SPP, or ways to return such proceeds to shareholders.

The Conditional Placement will be conducted at the same price as the Institutional Placement and the SPP.

SPP

The SPP is targeting to raise up to ~US\$20 million (A\$29 million). This is not a limit on the amount to be raised under the SPP. Nickel Industries may decide to accept applications (in whole or in part) that result in the SPP raising more or less than this amount, in its absolute discretion.

Eligible shareholders in Australia and New Zealand will be invited to apply for up to A\$30,000 of shares free of any brokerage, commission and transaction costs.

The issue price per new fully paid ordinary share under the SPP will also be conducted at the same price as the Institutional Placement and Conditional Placement.

An SPP offer booklet is expected to be sent to Eligible Shareholders, in accordance with their 'communications election', on Friday 27 January 2023.

Indicative timetable of the Equity Raise

The timetable below is indicative only and subject to change. Nickel Industries reserves the right to alter the dates at its full discretion and without prior notice, subject to the ASX Listing Rules and the Corporations Act.

The quotation of New Shares is subject to confirmation from the ASX.

All times below are based on Sydney, Australia time.

Event	Date
Record date for SPP	7:00pm (AEDT) Tuesday, 17 January 2023
Trading halt	Wednesday, 18 January 2023
Announcement of Equity Raise	Wednesday, 18 January 2023
Trading halt lifted – trading resumes on ASX	Thursday, 19 January 2023
Settlement of New Shares issued under the Institutional Placement	Monday, 23 January 2023
Allotment and normal trading of New Shares issued under the Institutional Placement	Tuesday, 24 January 2023
SPP offer opens and SPP offer booklet is dispatched	Friday, 27 January 2023
SPP offer closes	Friday, 24 February 2023
Announce results of SPP	Friday, 3 March 2023
Allotment of SPP Shares commences	Friday, 3 March 2023
New shares under SPP commence trading	Monday, 6 March 2023
Shareholder meeting to approve the Conditional Placement	Late Q1 / early Q2 2023
Allotment of new ordinary shares under the Conditional Placement	To be confirmed ⁶

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⁶ Assuming shareholder approval is received, the allotment date of New Shares will depend on the date of receipt of the FIRB approval.

Important Notices

The release of this announcement was authorised by the Board of Nickel Industries.

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares to be offered and sold in the Placement have not been, and will not be, registered under the US Securities Act of 1933 (the “**US Securities Act**”) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States unless they are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This announcement contains certain forward-looking statements and comments about future events, including about the plans, objectives and strategies of Nickel Industries’ management, the industry and the markets in which Nickel Industries operates, Nickel Industries’ expectations about the financial and operating performance of its businesses, the timetable and outcome of the Placement and the use of proceeds thereof. Forward looking statements can generally be identified by the use of forward-looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Forward-looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. A number of important factors could cause Nickel Industries’ actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements and many of these factors are beyond Nickel Industries’ control. Refer to the various risks factors in the Appendix under “Legal risks and disclosures” of the investor presentation entitled “Electric Vehicle Supply Chain Agreement Equity Raise Presentation” released to the ASX on Wednesday 18 January 2023.

Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainty and other factors, many of which are outside the control of Nickel Industries. As such, undue reliance should not be placed on any forward-looking statement. Past performance information given in this announcement is given for illustrative purposes only and is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information or other forecast. Nothing contained in this announcement is to be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Nickel Industries.

The information contained in this announcement does not constitute investment or financial product advice (nor taxation, accounting or legal advice), is not a recommendation to acquire Nickel Industries shares and is not intended to be used or relied upon as the basis for making an investment decision. This announcement has been prepared without taking into account the investment objectives, financial position or needs of any individuals. Before making any investment decisions, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and should seek legal, accounting and taxation advice appropriate to their jurisdiction. Nickel Industries is not licensed to provide investment or financial product advice in respect of Nickel Industries shares. Cooling off rights do not apply to the acquisition of Nickel Industries shares pursuant to the Institutional Placement.