

NICKEL **INDUSTRIES**

Results Presentation
1H 2023

A top 10 nickel producer strongly positioned to capture growing battery grade nickel demand

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- Sales revenue: US\$932.3M
- Gross profit: US\$126.4M
- Operating profit: US\$110.7M
- Profit after tax: US\$49.1M
- EBITDA: US\$141.8M
- Declaration of A\$0.02 per share interim dividend



- 59,957 tonnes Ni production
- Attributable Ni production of 45,843 tonnes
- RKEF sales revenue: US\$932.3M
- RKEF EBITDA: US\$147.2M
- Commencement of commissioning at Oracle Nickel power plant



- Mine production of >5.2 wmt
 - >1.3M wmt saprolite
 - >3.8M wmt limonite
- Mine EBITDA: US\$26.1M
- >8M wmt of limonite ore stockpiled for sale to IMIP HPAL projects
- Hengjaya Mine to IMIP haul road now complete. Ore sales to rapidly increase to ~10M wmt pa run rate by end of 2023



- Electric Vehicle Battery Supply Chain Strategic Framework Agreement
- US\$400M Senior Unsecured Notes Issuance and concurrent refinance and tender offer of existing bonds
- Acquisition of 10% interest in HNC HPAL Project and an additional 10% interest in Oracle Nickel Project
- Conditional A\$943M share placement and execution of collaboration agreement with United Tractors
- Expected ENC HPAL Project (Stage 1) production increased to 72kt pa with FID anticipated in September quarter

Safety - our most important metric

RKEF operations

- For the 6 months to 30 June 2023, 5.46 million cumulative work hours without a “lost time injury” (‘LTI’) incident were achieved across NIC’s RKEF operations

Work hours recorded without an LTI			2023					
Project	Type	Lines	January	February	March	April	May	June
HNI & RNI	RKEF	4	197.7	200.2	195.3	203.0	203.0	203.0
ONI	RKEF	4	362.4	398.4	377.3	308.1	308.1	308.1
ANI	RKEF	4	308.1	304.9	310.2	308.4	301.9	312.0
ANI	Power Plant	1	49.8	49.8	56.7	62.4	65.0	63.6
RKEF/Power Plant Monthly Total			918.0	953.3	939.4	881.9	878.0	886.7
RKEF/Power Plant Cumulative			918.0	1,871.3	2,810.7	3,692.6	4,570.6	5,457.3

Hengjaya Mine operations

- During 1H 2023 there were no LTIs recorded at the Hengjaya Mine, with over 7.31 million work hours registered since the last reported LTI in November 2021. This gives the Hengjaya Mine a LTI frequency rate (‘LTIFR’) of 0.14 and a total recordable incident frequency rate (‘TRIFR’) of 1.35 for each million work hours.

1H 2023 - P&L summary

All figures in US\$M	HY 2023	HY 2022	▲
Sales revenue	\$932.3	\$515.0	81.0%
Gross profit	\$126.4	\$161.2	(21.6%)
Operating profit	\$110.7	\$140.1	(21.0%)
Profit after tax	\$49.1	\$118.4	(58.5%)
Profit attributable to NIC	\$27.1	\$92.4	(70.6%)
EBITDA from RKEF operations	\$147.2	\$158.6	(7.2%)
EBITDA from Mine operations	\$26.1	\$27.6	(5.4%)
Dividends	A\$0.02	A\$0.02	-

- Record HY sales revenue of US\$932.3M underpinned by record HY production
- Profitability negatively impacted by materially higher costs and lower realised contract prices than pcp
- Declaration of a 1H 2023 interim dividend of A\$0.02 cps (1H 2021 : A\$0.02 cps)
- Encouraging start to 2H 2023
 - NPI prices rising with costs continuing to fall (material margin expansion in July vs June qtr)
 - Attributable production to continue increasing, aided by:
 - additional 10% ownership of ONI
 - fully commissioned ONI powerplant to optimise production (and deliver material cost savings)
 - acquisition of a 10% interest in HNC (~6,500t MHP pa)

Balance sheet – conservatively structured with significant flexibility for the future

All figures in US\$M	30 June 2023	31 December 2022
Current Aassets	\$998.7	\$632.5
Total assets	\$3,005.0	\$2,672.5
Current liabilities	\$468.2	\$207.4
Total liabilities	\$967.9	\$858.0
Net assets	\$2,037.0	\$1,814.5

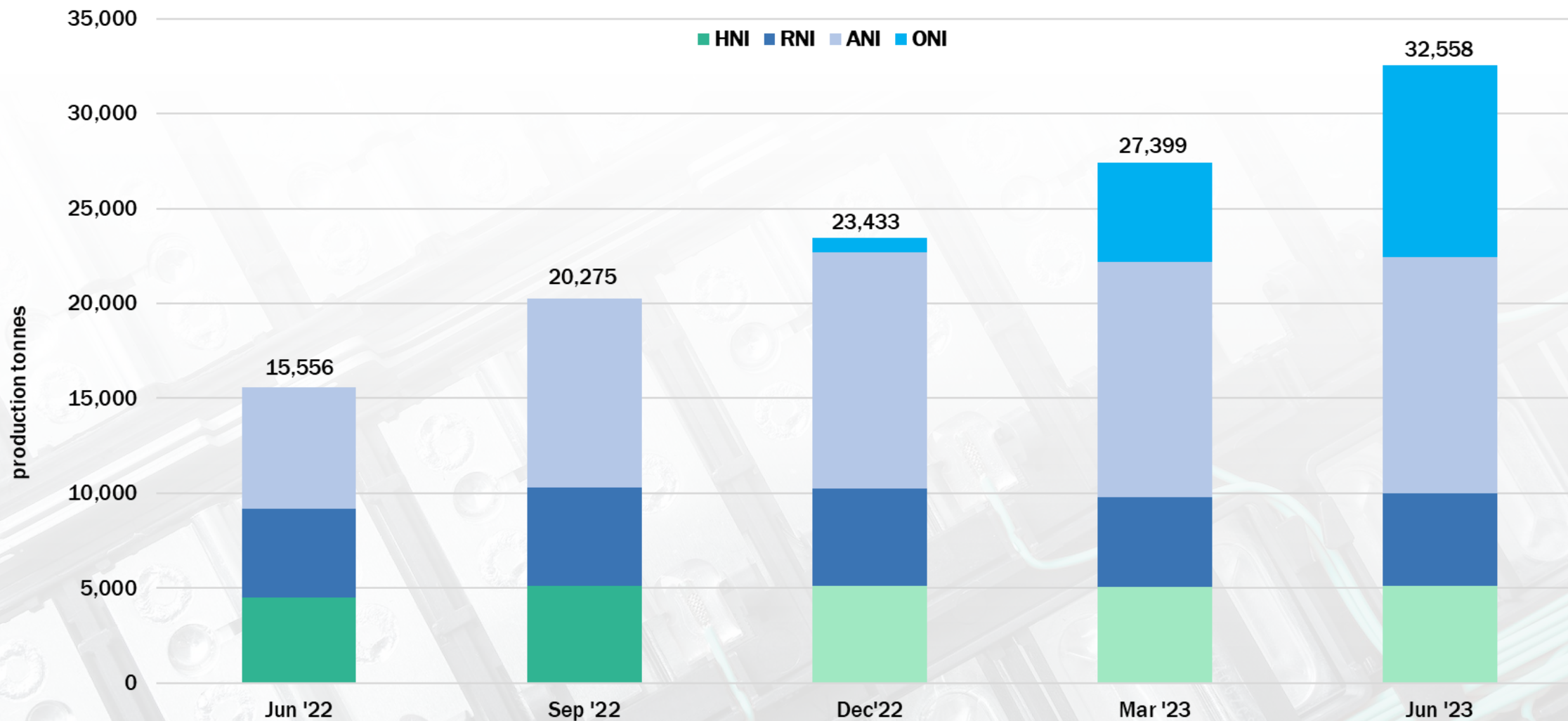
- As at 30 June 2023:
 - Cash US\$364.0M / Debt US\$656.6M
 - Net debt US\$292.6M
- In April 2023 the Company successfully completed:
 - issuance of US\$400M of senior unsecured notes
 - refinancing of August 2025 US\$225M senior secured notes (removing all security over ANI)
 - tender offer for April 2024 Senior Unsecured Bonds for an aggregate amount of US\$80.1M
- Total external debt now stands at US\$644.9M comprising:
 - US\$400M Senior Unsecured Notes
 - 11.25% pa semi-annual coupon
 - October 2028 maturity
 - US\$244.9M Senior Unsecured Notes
 - 6.5% pa semi-annual coupon
 - April 2024 maturity
- Balance sheet to be bolstered by A\$943M placement to United Tractors (shareholder vote on 8 Sept 2023)

EBITDA figures in US\$M EBITDA margins in US\$/t	1H 2023	1H 2022	▲
Hengjaya Nickel production (Ni tonnes)	10,165	9,509	6.9%
Ranger Nickel production (Ni tonnes)	9,641	9,758	(1.2%)
Angel Nickel production (Ni tonnes)	24,804	7,466	232.2%
Oracle Nickel production (Ni tonnes)	15,347	-	n/a
Total RKEF production (Ni tonnes)	59,957	26,733	124.3%
NIC attributable production (Ni tonnes)	45,843	21,386	114.4%
Total Ni tonnes sold	59,637	25,906	130.2%
Realised price per Ni tonne sold	\$15,476	\$19,719	(21.5%)

- Record half year production of 59,957 tonnes
 - record NIC attributable production of 45,843 tonnes
 - increase of 32.3% from pcp predominantly due to successful commissioning and ramp-up of ANI and ONI projects within budget and ahead of schedule

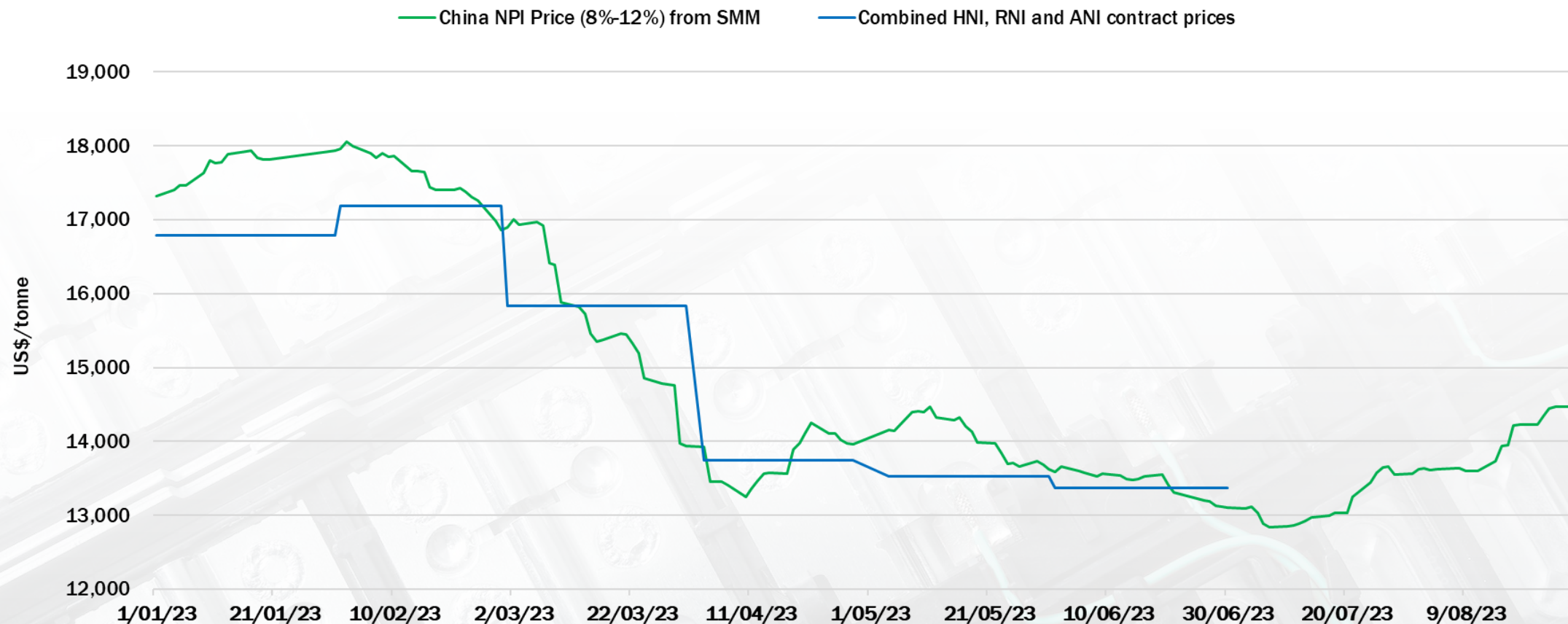
Consistent track record of strong production growth

RKEF Production Performance (100% basis)



Recovery in NPI prices in early 2H 2023

China NPI Price (8%-12%) v NPI Contract Prices



1H 2023

- Sluggish Chinese economic data since the end of COVID lockdown restrictions and fears of short-medium oversupply of NPI weighed on Chinese NPI pricing during 1H, however ...
- ... prices appear to have bottomed and are now trading >US\$1,600/t above recent lows seen in early July

A record half year of production at Hengjaya Mine

Production summary		March Quarter	June Quarter	Half Year
Saprolite mined	wmt	662,004	692,937	1,354,941
Limonite mined	wmt	1,822,636	2,029,624	3,852,260
Nickel ore mined		2,484,640	2,722,561	5,207,201
Overburden mined	BCM ¹	398,017	226,798	624,815
Strip ratio ²	BCM/wmt	0.16	0.08	0.12
Saprolite				
Tonnes sold	wmt	677,089	690,165	1,367,254
Average grade	% Ni	1.57	1.57	1.57
Average price received	US\$/wmt	44.56	40.62	42.57
Average cost of production ³	US\$/wmt	28.75	31.34	30.09
Limonite				
Tonnes sold	wmt	113,138	215,196	328,334
Average grade	% Ni	1.17	1.14	1.15
Average price received	US\$/wmt	18.29	20.01	19.43
Average cost of production	US\$/wmt	3.67	3.11	3.32



- Record half year production of 5,207,201 wmt
 - 1,354,941 wmt saprolite production
 - 3,852,260 wmt of limonite production
- Despite record production levels 1H EBITDA of US\$26.1M was down 5.4% on pcp due to lower realised ore sales prices and higher mining costs

¹ BCM represents 'bank cubic metres'.

² With limonite now being supplied to IMIP, the strip ratio is overburden mined divided by total nickel ore mined.

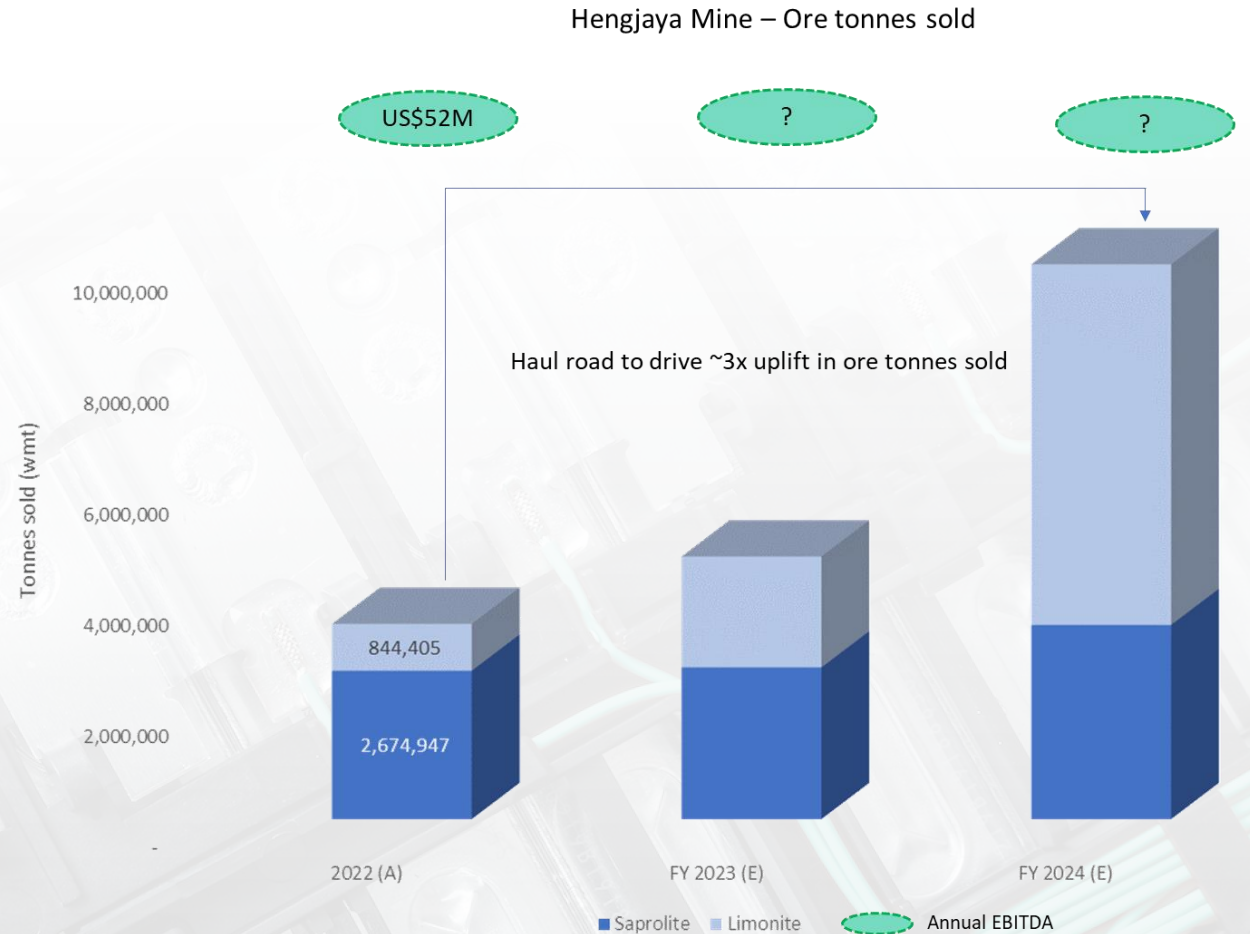
³ Monthly costs are a six-month average of mining costs plus port/selling costs for the actual month. Reported costs also include US\$0.9M of drilling costs incurred during the June quarter

HM to IMIP haul road now complete

- In August 2023 the Company announced the completion of the Hengjaya Mine to IMIP haul road
- Haul road features a 70-metre double lane bridge with public road underpass near the entrance of the IMIP
- Haulage tenders currently being finalised with first trucking of ore expected by mid-September
- Haul road to transform mining operations, alleviating previous bottlenecks with barging and jetty capacity
- Ore sales volumes expected to increase from current levels of ~3.5M wmt pa to >10M wmt pa (~6.5M wmt limonite / 3.5M wmt saprolite)

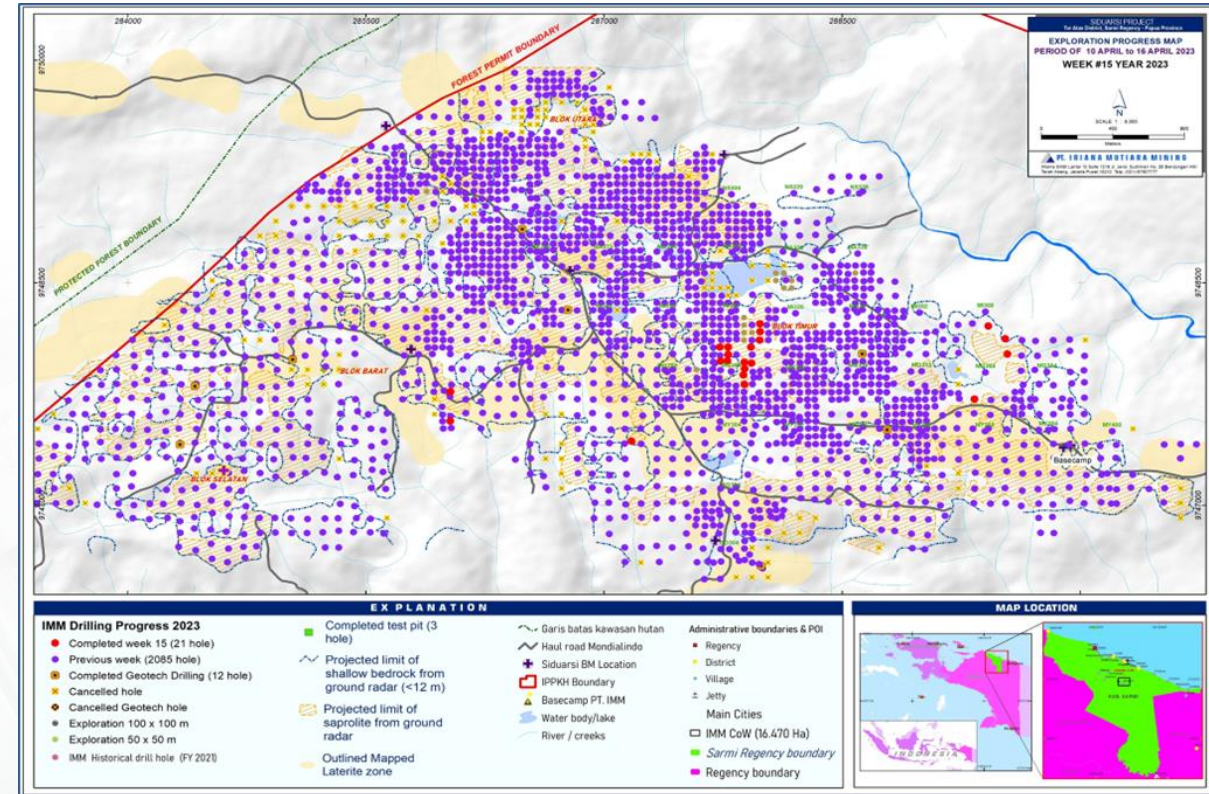


Deputy Chairman Norman Seckold and Managing Director Justin Werner officially open the Hengjaya Mine to IMIP Haul Road with Tsingshan Chairman Xiang Guangda

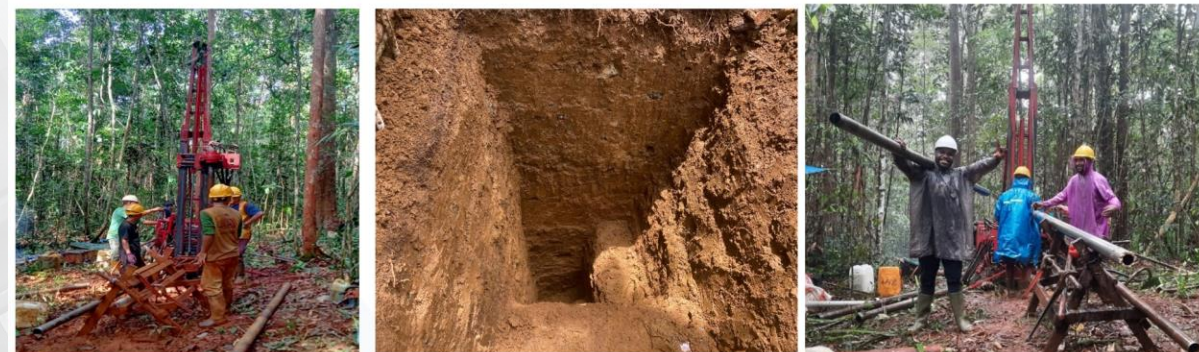


Siduarsi Project update

- During 1H 2023 the Company drilled 2,074 exploration holes totalling 31,127 metres
- Detailed geological modelling continues to be updated with over 29,854 assays now received
- Geotechnical drilling has also been completed from 10 points with a total number of 51 samples. The results will be used to assist in open pit mine designs and optimisation
- Other technical work completed includes ore grade and mineralogical domain modelling, preliminary pit design, mapping for metallurgical test work programs, regional environmental base line studies, potential haul road design options and coastal bathymetric studies for suitable port infrastructure and jetty locations
- JORC Resource estimate, feasibility study and environmental impact study ('AMDAL') now underway
- Environmental projects include rehabilitation after carrying out the drilling by re-establishing areas with local trees. As of March 2023, 1,881 holes were rehabilitated with 4,249 trees planted



Siduarsi drill hole locations



Drilling activities and limonite bulk sampling at Siduarsi

Electric Vehicle Battery Supply Chain Strategic Framework Agreement

- Key components:
 - a 10% interest in PT Huayue Nickel Cobalt ('HNC') HPAL plant from a Tsingshan-affiliated company for US\$270M an additional 10% interest in Oracle Nickel for US\$75M in cash (increasing the Company's interest to 80%)
 - a US\$25M option for the construction of the Excelsior Nickel Cobalt HPAL Project and a US\$15M option to invest in and construct a nickel matte converter at Oracle Nickel

Equity Capital Raise

- To fulfil its funding commitments under the Electric Vehicle Battery Supply Chain Strategic Framework Agreement the Company undertook:
 - a US\$270M (~A\$386M) placement to Shanghai Decent, as well as US\$16.4M in placements to Directors – all at A\$1.02 per share
 - a US\$185M (~A\$264M) fully underwritten, institutional placement which completed on 19 January 2023, at the same issuance price of A\$1.02 per share

Share Purchase Plan

- Completed in March 2023 a Share Purchase Plan ('SPP') as part of its funding package in support of its multi-faceted Electric Vehicle Battery Supply Chain Strategic Framework Agreement
- SPP resulted in the issuance of 33,880,135 shares, also at A\$1.02, raising ~A\$34.6M

2022 Sustainability Report

- Released our second Sustainability Report
- Recipient of seven trophies at the Environmental and Social Innovation Awards
- Recipient of a silver award at the Asia Sustainability Reporting Rating
- Awarded a “Green Proper” rating for the Hengjaya Mine from the Indonesia Ministry of Environment and Forestry
- Nominated as a finalist for three categories at the Asia Sustainability Reporting Awards and was included in the top-half of ESG performers in the global Mining and Metals Industry according to the S&P Global

US\$400M Senior Unsecured Notes Issuance and concurrent refinance and tender offer of existing bonds

- In April 2023, the Company successfully completed:
 - issuance of US\$400M of senior unsecured notes (‘New Notes’)
 - refinancing of August 2025 US\$225M senior secured notes (removing all security over ANI)
 - tender offer for April 2024 senior unsecured notes for an aggregate amount of US\$80.1M
- New Notes extend the Company’s debt maturity profile, optimally positioning it to continue the strong growth trajectory to becoming a leading producer of battery grade ‘Class 1’ nickel

Conditional share placement and execution of collaboration agreement with United Tractors

- Conditional share placement to United Tractors ('UT') for A\$943M (~US\$628M)
- Issue price of \$1.10 per share represented a 27.2% premium to the last traded price of A\$0.87 on 8 June 2023
- Shares to be issued will represent 19.99% of Company's issued capital
- Conditional Collaboration Agreement for UT to acquire a direct 20% equity interest in the ENC Project for US\$500M, subject to certain conditions precedent including completion of a feasibility study and Nickel Industries making a final investment decision ('FID') to proceed with the ENC Project

Excelsior Nickel Cobalt Project update

- Feasibility study is well advanced and a FID is expected in the September quarter
- Expected production has increased from 67,000 metric tons of contained nickel equivalent, to 72,000 metric tons, with acquisition price for NIC remaining unchanged at US\$2.3Bn (100% basis)
- Shanghai Decent will provide Nickel Industries with capital expenditure, timeframe and commissioning guarantees
- In addition to producing a mixed hydroxide precipitate ('MHP'), ENC will be capable of producing both nickel sulphate and nickel cathode, differentiating it from the current generation of HPAL plants being constructed across Indonesia, and providing the Company with significant product flexibility
- The ENC Project will benefit from existing IMIP infrastructure and be supported from existing and future laterite resources that the Company has identified

Excelsior Nickel Cobalt Project update (cont'd)

- Investment in the ENC Project is subject to the following:
 - completion of the feasibility study for the ENC Project;
 - shareholder approval for the investment in the ENC Project; and
 - execution of definitive ENC Project documents (including capex, timeframe and commissioning guarantees)
- Subject to the Company making a positive FID, receiving all necessary shareholder approvals, and United Tractors participating in the Project, the equity interest in the project will be:
 - Nickel Industries, 55%
 - Shanghai Decent, 25%
 - United Tractors, 20%
- Construction is expected to commence in Q4 2023, and commissioning to commence within approximately twenty-four months thereafter

THANK YOU