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ASX Limited
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(2 pages)

OPERATING UPDATE

- **March quarter trading update – EBITDA from operations expected to be in the range of US\$85m-US\$90m, approximately 20% higher than the March 2024 quarter (US\$70.9m) and the December 2024 quarter (US\$72.4m), despite unseasonably high rainfall and widespread flooding**
- **Hengjaya Mine has performed strongly delivering 2.6 million wmt quarter to date, compared to 1.2 million wmt in the March 2024 quarter**
- **Oracle RKEF operations temporarily halted for 3 days to reduce risk of any contamination from flood waters – full operations have now resumed**

Nickel Industries Limited (**Nickel Industries** or **the Company**) expects its March 2025 quarter EBITDA from operations to be in a range of US\$85m-US\$90m. This represents an approximate 20% increase in EBITDA from operations when compared to the corresponding March quarter in 2024 (US\$70.9m) and the December quarter of 2024 (US\$72.4m).

This result is expected to be achieved despite significant widespread rainfall and flooding, with rainfall of 707mm month to date (as at 22nd March) recorded at the Indonesia Morowali Industrial Park (**IMIP**) region; this is already 36% higher than the total rainfall recorded in March 2024 (520mm).

A total of 165mm was recorded across 2 days (15th and 16th March) which resulted in the water levels from nearby rivers external to the IMIP exceeding their drainage capacity and overflowing into areas of the industrial park operations. As a result, a decision was made to temporarily halt operations at the Company's Oracle Nickel (**ONI**) rotary kiln electric furnace (**RKEF**) operations to reduce the risk of potential contamination from flood water to the electrode and shell furnace cooling channels.

ONI operations were suspended for 3 days to allow sediment to be cleaned. Once cleaning was completed and sediment removed, all four furnaces have been restarted and are back operating at nameplate capacity. No significant damage was recorded, nor capital expenditure for repairs required.

The IMIP's auxiliary services engineering team are working tirelessly to upgrade the nearby stormwater system, to ensure this remains an isolated event. The event will not require ONI to make any infrastructure improvements.

Despite the recent heavy rainfall, improvements at the Company's Hengjaya Mine haul road have been realised with 2.6 million wmt delivered quarter to date, compared to 1.2 million wmt in the March 2024 quarter.

Commenting on the operational update, Managing Director Justin Werner said:

“Despite significant above average rainfall and flooding in March at IMIP, the Company’s mine and processing operations have performed well over the quarter and appear on track to deliver EBITDA in the order of 20% above the first and fourth quarter of 2024, highlighting the continuous improvement that the Company continues to make at its operations.”

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Overview of Nickel Industries:

Nickel Industries Limited (**NIC**) is an ASX-listed company which owns a portfolio of mining and low-cost downstream nickel processing assets in Indonesia.

The Company has a long history in Indonesia, with controlling interests in the world-class Hengjaya Mine, as well as four rotary kiln electric furnace (**RKEF**) projects which produce nickel pig iron (**NPI**) for the stainless-steel industry.

Having established itself as a globally significant producer of NPI, the Company is now rapidly transitioning its production to focus on the electric vehicle battery supply chain – recently, the Company has acquired a 10% interest in the Huayue Nickel Cobalt (**HNC**) HPAL project, adding mixed hydroxide precipitate (**MHP**) to its product portfolio.

Nickel Industries is now embarking on its next transformative step, investing in Excelsior Nickel Cobalt (**ENC**), a next-generation HPAL project capable of producing MHP, nickel sulphate and nickel cathode. ENC is expected to produce approximately 72,000 tonnes of nickel metal per annum, diversifying the Company’s production and reducing the Company’s carbon emissions profile – reflecting the strong commitment to sustainable operations.

To learn more, please visit: www.nickelindustries.com/