

ASX ticker: NIC

ASX release: 30 July 2025

Shares on issue: 4.34B

Market capitalisation: A\$3.34B  
(@ A\$0.77)

## Board of Directors

*Executive Chairman*

Norman Seckold

*Managing Director*

Justin Werner

*Executive Director and CFO*

Chris Shepherd

*Non-Executive Directors*

James Crombie

Emma Hall

William Shangjaya

Muliady Sutio

Haijun Wang

Yuanyuan Xu

## Substantial shareholders

(as per last substantial holder notices)

Shanghai Decent 22.7%

PT DTN 20.0%

L1 Capital 6.8%

## Further enquiries

Cameron Peacock

[cpeacock@nickelindustries.com](mailto:cpeacock@nickelindustries.com)

+ 61 (0) 439 908 732

[info@nickelindustries.com](mailto:info@nickelindustries.com)

+61 2 9300 3311

## QUARTERLY ACTIVITIES REPORT

For the quarter ended 30 June 2025

### US\$86m Adjusted EBITDA from Operations

#### RKEF operations

Key reporting metrics	Units	Q1 2025	Q2 2025	Variance
Production	Ni tonnes	31,793	30,463	(4%)
Sales	Ni tonnes	32,184	30,458	(5%)
Adjusted EBITDA	US\$m	44.3	33.7	(24%)
Adjusted EBITDA/t	US\$/t Ni	1,376	1,107	(20%)

#### HPAL operations

Key reporting metrics	Units	Q1 2025	Q2 2025	Variance
Attributable production	Ni tonnes	2,118	2,075	(2%)
Attributable EBITDA	US\$m	22.0	10.8	(51%)

#### Mining operations

Key reporting metrics	Units	Q1 2025	Q2 2025	Variance
Ore production	wmt	5,648,914	5,923,539	5%
Ore sales	wmt	2,840,966	3,021,678	6%
Adjusted EBITDA	US\$m	31.0	41.4	33%
Adjusted EBITDA/wmt	US\$/wmt	10.9	13.7	25%

#### Highlights

- Record quarterly Hengjaya Mine ore sales of 3,021,678 tonnes and EBITDA of US\$41.4m
- Integrated refinery ready for commissioning
- Release of 2024 Sustainability Report

<sup>1</sup> Adjusted EBITDA is defined by the Company as profit/(loss) for the period, plus depreciation and amortisation costs, plus impairment, plus foreign exchange gains/(losses), plus interest income/(expenses), plus tax expense, plus ITDA on equity accounted investees. EBITDA reconciliation included on page 9.

The Directors are pleased to present the June 2025 Quarterly Activities Report for Nickel Industries Limited (**Nickel Industries** or **the Company**) and its controlled entities (**the Group**).

For the quarter under review, the Company held an 80% interest in the Hengjaya Nickel (**HNI**), Ranger Nickel (**RNI**), Angel Nickel (**ANI**) and Oracle Nickel (**ONI**) rotary kiln electric furnace (**RKEF**) projects, an 80% interest in the Hengjaya Mine and a 51% interest in the Siduarsari Nickel Cobalt Project, a 10% interest in the Huayue Nickel Cobalt HPAL project (**HNC**) and a 44% interest in the Excelsior Nickel Cobalt HPAL project (**ENC**), which is under construction and nearing production. Additionally, the Company has entered into binding agreements to acquire a 60% interest in the Sampala Project.

Commenting on the June quarter's activities, Managing Director Justin Werner said:

*"We are pleased to report another strong quarter, with the Hengjaya Mine achieving record sales of 3,021,678 tonnes and generating mine EBITDA of US\$41.4 million just shy of our current EBITDA record of US\$42.0 million in the December 2023 quarter. EBITDA/t margins rose 26% from US\$10.9 wmt to US\$13.7 wmt. As at the end 28 July the Hengjaya Mine has already delivered 1,226,540 wmt of ore which is setting us up very well for another strong quarter in September.*

*We continue to make good progress toward increasing our sales quota (RKAB) from 9 million wmt per annum to 19 million wmt per annum. Our feasibility study was approved in March, and we made excellent progress throughout the June quarter toward securing approval of our environmental study (AMDAL), with the final application for approval to be lodged in the next 5 days and we remain hopeful of then receiving approval in the coming weeks. Once approved, the final step will be the issuance of a revised RKAB. Given current strong mining margins, we believe an increase in our RKAB in the second half of the year will position us for a strong finish to 2025.*

*Excellent progress continues at the Sampala Project. Nearly all prospective laterite areas have now been drilled, with 31,497 metres completed during the quarter and 153,708 metres drilled to date. We remain excited by Sampala's potential to host a world-class resource near our existing operations within the IMIP. The initial JORC Resource currently covers only 900 hectares out of a total 4,700 hectares of prospective laterite, offering significant upside (see [ASX Announcement – 5 February 2025](#)).*

*Strong progress was also made in advancing a feasibility study for an initial 6 million wmt per annum operation at one of the Sampala IUPs, Erabaru Timur Lestari. Construction of an 8 km segment of the planned 22 km haul road - linking the Sampala Project to the IMIP - is advancing well, with completion of this initial section expected in the fourth quarter of 2025. The timing of Sampala's development is particularly favourable, as many Indonesian operations are experiencing ore shortages. Current prices for limonite (1.3%) and saprolite (1.6%) remain strong at around US\$30/wmt.*

*Work on delivering the ENC Project by year-end continues. The cathode circuit at the integrated refinery is now at a stage where commissioning could begin, consistent with our original plan. However, as commercial operations cannot commence until an Izin Usaha Industri (IUI) license is granted - now expected in Q1 2026 - we have decided to focus our efforts on completing the sulphate circuit, expected in October/November, followed by completion of the HPAL smelter by the end of the year.*

*Despite an increase in HPAL operating cash costs driven by higher sulphur prices, MHP payabilities have remained strong at close to 90% of the LME nickel price, as a result, margins at HNC during the June quarter were 12% higher than those recorded in the March quarter and remain above US\$6,000/t Ni which bodes well for our ENC project.*

*Finally, we were proud to release our 2024 Sustainability Report, which moves us closer towards IFRS Sustainability Disclosure Standards and the Australian Accounting Standards Board guidance. The successful establishment of our Foundation now allows us to broaden our focus to include health, higher education and projects focussed on improving the livelihood of the local communities in which we operate."*

## Safety

The Company-wide 12-month lost time injury frequency rate (**LTIFR**) as at the end of June 2025 was 0.05, with no lost time injuries (**LTI**) recorded during the quarter, against 4.6 million work hours registered. For the twelve months to 30 June 2025, there were 18.6 million work hours registered, with one LTI occurring.

The Company-wide 12-month rolling total recordable injury frequency rate (**TRIFR**) as at the end of June 2025 was 1.29.

## Sustainability

### 2024 Sustainability Report

The publication of the 2024 Sustainability Report, marks a significant step forward in the Company's journey toward comprehensive and transparent ESG disclosure. The report reflects Nickel Industries commitment to aligning its operations and reporting with globally recognised frameworks, notably the IFRS Sustainability Disclosure Standards and the Australian Accounting Standards Board guidance.

Among the report's key disclosures is the formal establishment of the Nickel Industries Foundation, to lead the Company's strategic programs on education, health, environmental conservation, and economic empowerment. The foundation is designed to scale impact across the Company's operating regions and embed social responsibility more deeply into the business. The report also celebrates the maiden intake of university scholarship recipients, marking the first cohort of students supported under the Company's expanded commitment to higher education access. This initiative strengthens human capital development and opens new opportunities for youth in local communities. Another milestone is the approval by the Central Sulawesi Natural Resources Conservation Agency for the development of a conservation and biodiversity area within the Hengjaya Mine concession. This effort affirms the Company's leadership in integrating biodiversity protection into mine planning and contributes to Indonesia's broader conservation goals.



*2024 Sustainability Report*

**RKEF operations** (80% indirect interest held by Nickel Industries)

Production	Units	Q1 2025	Q2 2025	Variance
NPI production	tonnes	262,530	260,071	(1%)
Nickel grade	%	12.1	11.7	(3%)
<b>Total nickel production</b>	<b>tonnes</b>	<b>31,793</b>	<b>30,463</b>	<b>(4%)</b>
Cash costs	US\$/t Ni	9,896	10,348	5%

Sales	Units	Q1 2025	Q2 2025	Variance
Sale price	US\$/t Ni	11,317	11,449	1%
Sales	tonnes	32,184	30,458	(5%)
Revenue	US\$m	361.9	346.0	(4%)
<b>Adjusted EBITDA</b>	<b>US\$m</b>	<b>44.3</b>	<b>33.7</b>	<b>(24%)</b>
Adjusted EBITDA/t	US\$/t Ni	1,376	1,107	(20%)

RKEF production of 30,463 tonnes of nickel metal was down 4% from the March quarter (31,793 tonnes) due to undertaking a realignment of ONI's kilns. The realignment work took two weeks for each kiln and was completed sequentially in April and May. Combined operating cash costs were 5% higher quarter on quarter, primarily due to repairs and maintenance, higher fixed costs per tonne from lower production, as well as elevated electricity costs. The rise in power costs was driven by maintenance activities at the integrated power plants. Maintenance at the ONI power plant in April resulted in a shutdown of 6 days, whilst an overhaul of the ANI power plant is currently being undertaken, with completion expected by the end of July.

Realised NPI contract pricing of US\$11,449/t Ni for the quarter was 1% higher than the March quarter. Increased operating costs and lower sales resulted in Adjusted EBITDA decreasing 24% during the quarter.

Further RKEF detail is contained in Appendix A.



*RKEF operations training*

## HPAL operations

Huayue Nickel Cobalt (10% indirect interest held by Nickel Industries)

Production	Units	Q1 2025	Q2 2025	Variance
HNC production (100%)	Ni tonnes	21,184	20,750	(2%)
	Co tonnes	1,922	1,877	(2%)
Attributable HNC production (10%)	Ni tonnes	2,118	2,075	(2%)
	Co tonnes	192	188	(2%)
Cash costs <sup>2</sup>	US\$/t Ni	7,197	7,881	10%

Sales	Units	Q1 2025	Q2 2025	Variance
HNC sales (100%)	Ni tonnes	21,091	22,520	13%
	Co tonnes	1,932	2,030	9%
Attributable HNC sales (10%)	Ni tonnes	2,109	2,252	13%
	Co tonnes	193	203	9%
NIC trading division sales	Ni tonnes	2,004	1,233	(38%)
	Co tonnes	183	115	(37%)

EBITDA	Units	Q1 2025	Q2 2025	Variance
HNC EBITDA (100%)	US\$m	90.8	100.5	11%
HNC EBITDA/t	US\$/t Ni	4,297	4,819	12%
Attributable HNC EBITDA (10%)	US\$m	9.1	10.0	11%
NIC trading division EBITDA	US\$m	13.0	0.8	(94%)
<b>Combined attributable EBITDA</b>	<b>US\$m</b>	<b>22.0</b>	<b>10.8</b>	<b>(51%)</b>

HNC distributes offtake to shareholders on a pro-rata ownership basis, with Nickel Industries holding a 10% interest via its trading entity (**NIC trading division**). This division's profit is driven by profit on provisional sales during the quarter and final contract settlements from previous quarters.<sup>3</sup> Since operating the NIC trading division in October 2023, the Group has incrementally profited approximately US\$2,300/t Ni on mixed hydroxide precipitate (**MHP**) sales. During 2025, the NIC trading division has delivered an incremental profit of approximately US\$1,400/t Ni (contract profits ranging from US\$1,200/t Ni to US\$1,600/t Ni).

During the quarter, HNC produced 20,750 tonnes of nickel and 1,877 tonnes of cobalt in MHP, outperforming nameplate capacity (60,000 tonnes of nickel per annum) by 38%. Combined operating cash costs increased by 10% quarter on quarter, primarily due to higher sulphur costs. Meanwhile, the MHP sale price increased, supported by higher metal payability and stronger cobalt prices.

HNC EBITDA for the quarter of US\$4,819/t Ni was 12% higher than the March Quarter, driven by higher MHP prices and partially offset by higher operating costs. The decrease in the NIC trading division EBITDA for the quarter from US\$13.0m to US\$0.8m, was driven by delaying June sales to July due to changes in the ENC integrated refinery commissioning schedule and final contract settlements from previous months. Ignoring the quarterly timing impacts, the quarterly "underlying" combined HPAL margin is estimated at approximately US\$6,219/t Ni (including the NIC trading division's 2025 average profit of approximately US\$1,400/t Ni).

<sup>2</sup> Cash costs do not include credits from byproducts such as cobalt and chrome. The cobalt byproduct is equivalent to ~\$1,500/t Ni.

<sup>3</sup> MHP sold by NIC trading division is exported and the provisional price is linked to the nickel and cobalt price on the month of shipment, whilst the final price is based on a period after the month of shipment. Consequently, the final invoice price differs from the original pro forma invoice price, and adjustments cross over quarterly periods.

**Excelsior Nickel Cobalt Project (44% indirect interest currently held by Nickel Industries)<sup>4</sup>**

During the quarter, all major equipment at the HPAL smelter was mounted, including the final Autoclave (3/3), enabling the connection of major process equipment via pipe racks and bridges. Feed preparation, autoclaves, CCD, reactors, thickeners and product packaging plants are all proceeding well. Sulphur incineration and power plant erection continued, with the power infrastructure now well underway throughout the facility. The integrated refinery has reached a point at which staged commissioning could commence. However, due to the working capital that would be required to commence commissioning of the refinery and stockpiling of end product until ENC's IUI issuance, the Company has taken the decision to focus on the completion of the ENC HPAL smelter and sulphate circuit. The Company expects the IUI to be issued early in Q1 of 2026, which aligns with the original schedule.



*ENC HPAL smelter construction progress*



*ENC integrated refinery construction progress*

<sup>4</sup> The Company is scheduled to move to a 55% equity interest in ENC by 1 April 2026.

## Mining operations

Hengjaya Mine (80% interest held by Nickel Industries)

Production	Units	Q1 2025	Q2 2025	Variance
Saprolite	wmt	923,500	1,411,238	53%
Limonite	wmt	4,725,414	4,512,301	(5%)
<b>Total</b>	<b>wmt</b>	<b>5,648,914</b>	<b>5,923,539</b>	<b>5%</b>
Overburden	BCM <sup>5</sup>	482,071	822,550	71%
Strip ratio	BCM/wmt	0.09	0.14	63%

Sales	Units	Q1 2025	Q2 2025	Variance
Saprolite sales <sup>6</sup>	wmt	1,356,439	1,395,152	3%
Limonite sales	wmt	1,484,527	1,626,526	10%
<b>Total ore sales</b>	<b>wmt</b>	<b>2,840,966</b>	<b>3,021,678</b>	<b>6%</b>
Saprolite grade	%	1.45	1.43	(1%)
Limonite grade	%	1.13	1.13	(0%)
Saprolite sale price	US\$/wmt	26.3	25.6	(3%)
Limonite sale price	US\$/wmt	19.1	26.8	40%
<b>Average sale price</b>	<b>US\$/wmt</b>	<b>22.6</b>	<b>26.2</b>	<b>16%</b>
Unit operating costs <sup>7</sup>	US\$/wmt	11.7	12.5	8%
<b>Adjusted EBITDA</b>	<b>US\$m</b>	<b>31.0</b>	<b>41.4</b>	<b>33%</b>
Adjusted EBITDA/wmt	US\$/wmt	10.9	13.7	25%

During the quarter, the Hengjaya Mine production increased 5% whilst sales increased 6% for a quarterly record of 3,021,678 tonnes. Despite the quarterly record, the sales volumes were negatively impacted by customer downtime during April, which meant the majority of limonite sales occurred in May and June. Saprolite production increased 53%, whilst sales of limonite were largely halted during April. The overburden stripping ratio increased 63% during the quarter due to the opening of a new mining pit area, with saprolite grades expected to improve in August as a result.

During the quarter, the limonite contract price increased 40%, driven by an increase in demand. Operating costs increased 8% during the quarter, driven by the Indonesian Government increasing the royalties on nickel ore from 10% to 14% and an increased overburden stripping ratio. Adjusted EBITDA for the quarter of US\$41.4m was 33% higher than the US\$31.0m reported in the March quarter. This result was driven by higher nickel ore prices and partially offset by higher operating costs.

<sup>5</sup> BCM represents 'bank cubic metres'.

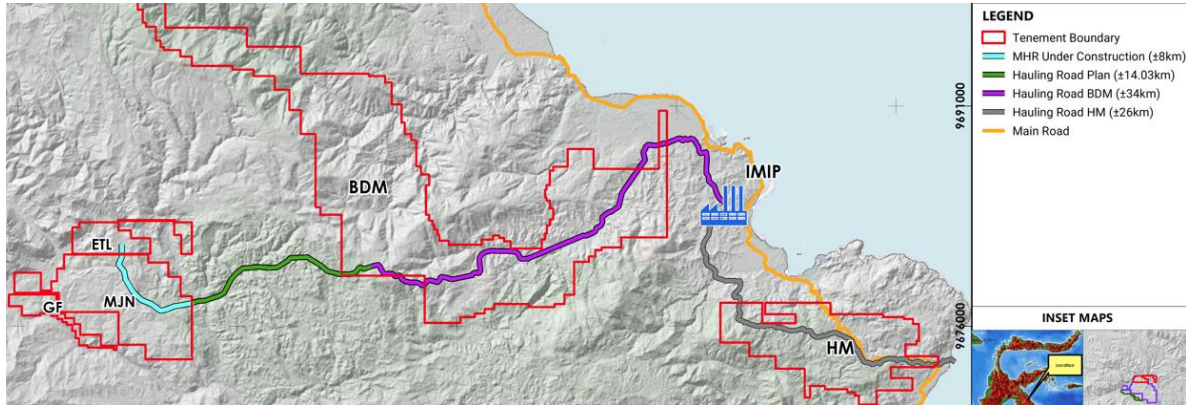
<sup>6</sup> Sales of saprolite ore by Hengjaya Mine to HNI, RNI and ONI are intra-group transactions and are eliminated on consolidation. Profit from saprolite ore sales is recognised on a consolidated level as a reduction in the cost of operations, once the saprolite ore has been consumed by the group in NPI operations.

<sup>7</sup> Unit operating costs include mining, transport, royalty and administration costs.

**Sampala Project** (Nickel Industries with rights to acquire a 60% interest)

The Sampala Project continues to progress well, with the Company completing a detailed mine plan for the PT Erabaru Timur Lestari (ETL) IUP<sup>8</sup>, targeting a production license of 6 million wmt per annum. The mine plan, along with the accompanying feasibility study, has been submitted to the Indonesian Mines Department. The Company is hopeful of receiving approval for the feasibility study in the coming weeks.

Construction of 8km of haul road, a 60-metre bridge, internal road systems and stage one accommodation is progressing well. The construction activities have resulted in the creation of approximately 450 new jobs. During the quarter 16 drill rigs completed 1,031 drill holes for 31,497 metres.



*Sampala haul road construction*

**Siduarsi Project** (51% interest held by Nickel Industries, with rights to acquire a 100% interest)

During the quarter, the Company continued to advance approval of its feasibility study which will target a production license of 3 million wmt of ore per annum. Surface sampling commenced on a new exploration area of approximately 1,200 hectares to the northwest of the current IUP, with 43 kms of ground penetrating radar surveying planned to be completed in the second half of 2025.



*World Environment Day 2025*

<sup>8</sup> Operation and production mining license.

Finance<sup>9</sup>

## Balance sheet – 30 June 2025

	Units	Cash and cash equivalents	Trade receivables	Inventories
RKEF	US\$m	60.7	155.3	172.4
HPAL	US\$m	1.7	15.3	-
Mining	US\$m	12.2	49.0 <sup>10</sup>	93.2
Head office	US\$m	70.7	-	-
<b>Total</b>	<b>US\$m</b>	<b>145.3</b>	<b>219.6</b>	<b>265.6</b>

During the quarter, each of the four RKEF entities distributed shareholder loan repayment to Nickel Industries and Shanghai Decent (and its associates), in proportion to the respective ownership interests. Nickel Industries received US\$34.4m, and Shanghai Decent received US\$8.6m. The value of inventories held by the Group increased by US\$83.0m across the quarter, primarily due to a build-up of raw material inventories at the RKEF entities and consequently impacting cash from operations.

The Oracle Nickel project distributed interest, net of withholding tax, during the June quarter to Nickel Industries and Shanghai Decent (and its associates), in proportion to the respective ownership interests. Nickel Industries received US\$8.1m and Shanghai Decent received US\$1.9m.

During the quarter, PT Hengjaya Mineralindo (PTHM), the operator of the Hengjaya Mine, distributed a dividend to its shareholders. Nickel Industries received US\$8.0m, and its Indonesian partner US\$2.0m, prior to withholding tax.

The Company also received dividend distributions from the NIC trading division totalling US\$3.3m.

## EBITDA from operations reconciliation

	Units	Q1 2025	Q2 2025	Variance
RKEF Adjusted EBITDA	US\$m	44.3	33.7	(24%)
HPAL Attributable EBITDA	US\$m	22.0	10.8	(51%)
Mining Adjusted EBITDA	US\$m	31.0	41.4	33%
<b>Adjusted EBITDA</b>	<b>US\$m</b>	<b>97.3</b>	<b>85.9</b>	<b>(12%)</b>
FX gains / (losses) <sup>11</sup>	US\$m	(7.3)	3.2	143%
<b>EBITDA</b>	<b>US\$m</b>	<b>90.0</b>	<b>89.1</b>	<b>(1%)</b>

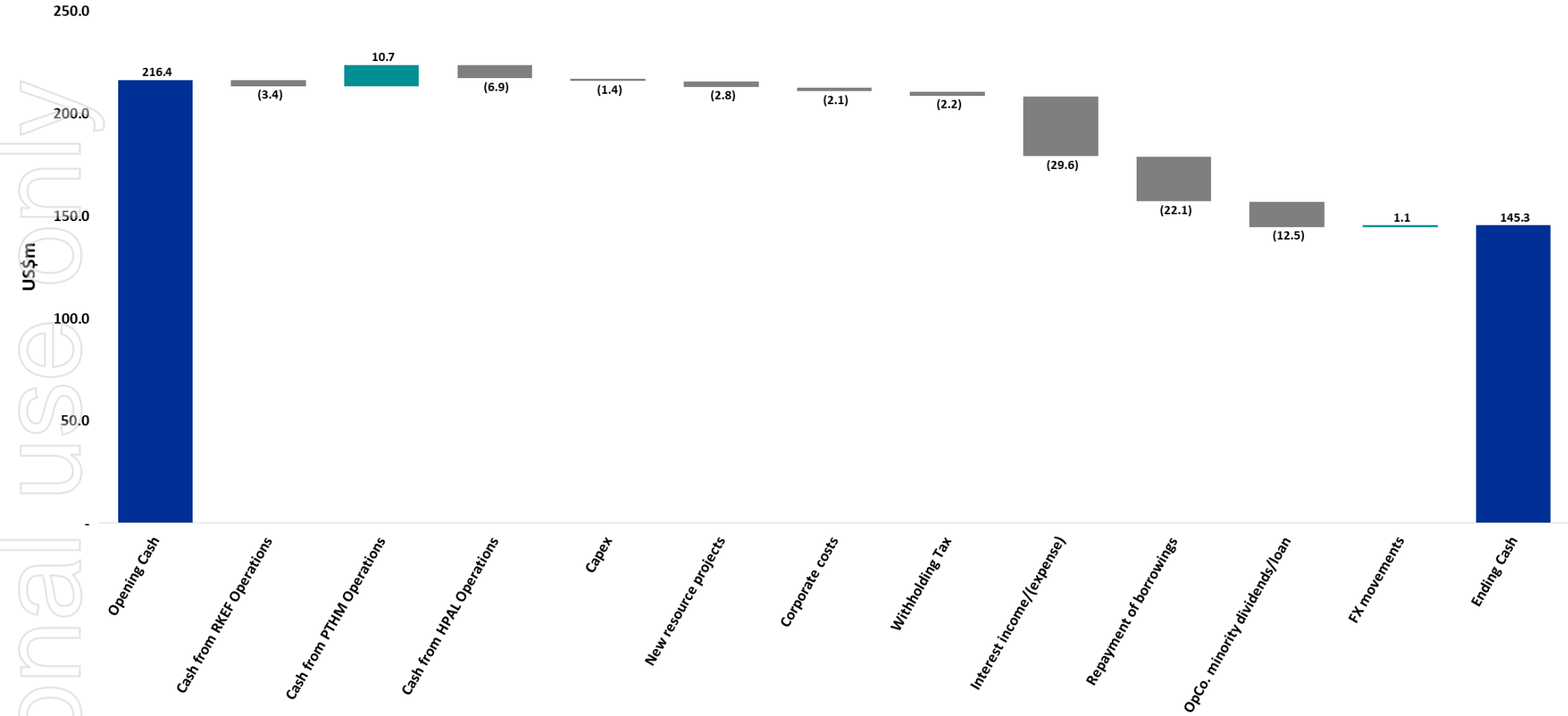
<sup>9</sup> Unaudited numbers from monthly operating entity financial reporting.

<sup>10</sup> Trade receivables excludes saprolite ore receivables which are eliminated on consolidation.

<sup>11</sup> The FX exposure is arising predominantly from the RKEF operations working capital IDR exposure. This includes ~ US\$110m of historical value-added tax (VAT) receivable between ANI and ONI. The Company anticipates receiving this remaining historical VAT receivable over the next twelve months.

Cashflow

The following cashflow waterfall provides a reconciliation of cash movements for the Group during the June 2025 quarter.



Cash flow waterfall – June 2025 quarter

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### Expenditures

Expenditure on mine production and development activities at the Hengjaya Mine during the quarter totalled US\$47.8m, of which US\$1.2m was capex.

Expenditure on exploration activities undertaken at the Hengjaya Mine during the quarter totalled US\$0.2m. Additional expenditures shown in the waterfall above by PTHM relate to administration costs and taxes paid.

Exploration expenditure at the Sampala Project was US\$2.5m and the Siduarsi project totalled US\$0.2m. Additional exploration expenditure across other potential new resource project opportunities totalled US\$0.3m.

### Related party expenditures

During the quarter, the aggregate amount of payment to related parties and their associates totalled US\$572,524, comprising US\$478,059 of payments to Directors or Director-related entities for Directors' consulting fees and US\$94,465 in fees were paid to The Trustee for Mining Services Trust (**MIS**), an entity in which Director Norman Seckold has a controlling interest. MIS provides full administrative services, including administrative, accounting, company secretarial and investor relations staff both within Australia and Indonesia, office premises, services and supplies to the Group.

### Contact information

For further information please contact:

**Justin Werner**  
Managing Director  
[jwerner@nickelindustries.com](mailto:jwerner@nickelindustries.com)  
+62 813 8191 2391

**Cameron Peacock**  
Investor Relations & Business Development  
[cpeacock@nickelindustries.com](mailto:cpeacock@nickelindustries.com)  
+61 439 908 732

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## Appendix A

## RKEF operations – additional details

<b>Production</b>	<b>Units</b>	<b>HNI</b>	<b>RNI</b>	<b>ANI</b>	<b>ONI</b>	<b>Total</b>
<b>Total nickel production</b>	<b>tonnes</b>	<b>4,038</b>	<b>4,205</b>	<b>11,444</b>	<b>10,777</b>	<b>30,463</b>
- March quarter	tonnes	4,538	4,431	11,421	11,403	31,793
<b>Cash costs</b>	<b>US\$/t Ni</b>	<b>11,150</b>	<b>11,192</b>	<b>10,343</b>	<b>9,724</b>	<b>10,348</b>
- March quarter	US\$/t Ni	10,593	10,802	9,643	9,520	9,896

<b>Sales</b>		<b>HNI</b>	<b>RNI</b>	<b>ANI</b>	<b>ONI</b>	<b>Total</b>
<b>Tonnes sold</b>	<b>tonnes</b>	<b>4,038</b>	<b>4,205</b>	<b>11,438</b>	<b>10,777</b>	<b>30,458</b>
- March quarter	tonnes	4,538	4,431	11,811	11,403	32,184
<b>Adjusted EBITDA</b>	<b>US\$m</b>	<b>0.8</b>	<b>0.8</b>	<b>12.8</b>	<b>19.4</b>	<b>33.7</b>
- March quarter	US\$m	3.2	2.6	14.1	24.4	44.3
<b>Adjusted EBITDA/t</b>	<b>US\$/t Ni</b>	<b>195</b>	<b>187</b>	<b>1,118</b>	<b>1,796</b>	<b>1,107</b>
- March quarter	US\$/t Ni	695	580	1,197	2,140	1,376

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