

18 April 2023

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(2 pages by email)

ORACLE NICKEL COMMENCES COMMERCIAL SALES

The Directors of Nickel Mines Limited ('Nickel Mines' or 'the Company') are pleased to advise that its 70%¹ owned Oracle Nickel Project ('Oracle Nickel' or 'ONI') has received its Izin Usaha Industri ('IUI' or 'Industrial Business Licence') enabling it to commence commercial sales from stockpiled NPI production.

As at the end of March, ONI had produced 5,953 tonnes of nickel metal (in NPI) with all four RKEF lines now commissioned. All lines are ramping-up in line with expectations, with commercial sales commencing following the receipt of the IUI licence. The remaining stockpiles of NPI will be progressively sold across the June quarter.

The Company also advises that construction of ONI's designated powerplant is progressing well and is currently scheduled to commence commissioning in the current quarter after which time production is expected to rapidly increase to over 130% of nameplate capacity, resulting in an approximate 50% increase in production from levels the December quarter.



Construction progress at the ONI power plant

Commenting on the issuance of the IUI, Nickel Mines' Managing Director said:

"Having stockpiled NPI from ONI since late January we are delighted to have now received this Industrial Business Licence and to have commenced selling NPI. Our first sales from ONI mark another important milestone for the Project and we now look forward to seeing production continue to ramp-up in the months ahead and for ONI to become a material contributor to the Company's RKEF operations."

¹ Upon receiving FIRB and shareholder approval to complete the Conditional Placement (as outlined in the ASX release of 18 January 2023) the Company will increase its equity interest in ONI to 80%.

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