

24 May 2023

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(1 page by email)

BREACH OF ASX LISTING RULE 10.17A

Nickel Industries Limited ('the Company') advises of a breach of ASX Listing Rule 10.17A which states that:

"The total amount of directors' fees paid to the directors of an entity by the entity or any of its child entities must not exceed the total amount of directors' fees approved by the holders of its securities under rule 10.17".

Under Article 15.13 of the Company's constitution the aggregate amount of fees available to be paid to Non-Executive Directors is currently set at A\$750,000 per annum ('Fee Pool Threshold'). The Fee Pool Threshold was set prior to the Company listing on ASX and has not been subsequently increased. As detailed in the Company's Notice of Annual General Meeting, released on 28 April 2023, the Company is seeking shareholder approval to increase the Fee Pool Threshold by A\$300,000 to an aggregate amount of A\$1,050,000 per annum.

In 2022, as detailed in the Remuneration Report of the Company's Annual Report for the year ended 31 December 2022, the aggregate amount paid to the Company's Non-Executive Directors in 2022 was A\$790,820, an amount \$40,820 above the Fee Pool Threshold. The Company advises that this is the first year in which the Fee Pool Threshold has been exceeded. An additional Non-Executive Director joined the Board in 2020 and as detailed in the Remuneration Report of the Company's 2021 Annual Report the remuneration of all Non-Executive Directors was increased in October 2021. It was an administrative oversight that these increases would exceed the existing annual Fee Pool Threshold.

To rectify the breach of the Fee Pool Threshold all six Non-Executive Directors of the Company in office in 2022 have agreed to a A\$7,500 credit being applied against their remuneration in 2023, an aggregate adjustment of \$45,000. As noted, the Company is seeking approval to increase the Fee Pool Threshold at the upcoming Annual General Meeting to A\$1,050,000 per annum. The remuneration of Mr Xiang Binghe, who was appointed on 9 May 2023, has been agreed to commence on 1 June 2023. If the Company does not receive shareholder approval at the Annual General Meeting the Company will make appropriate changes to ensure that the remuneration paid to Non-Executive Directors does not exceed the Fee Pool Threshold.

When approving an increase to existing Non-Executive Director fees, or appointing additional Non-Executive Directors, it is the policy of the Company to determine if any additional fees can be accommodated within the Fee Pool Threshold. The Company believes that the current arrangements are adequate and that it has appropriate safeguards in place against the risk of any recurrence.

This announcement has been approved by the Company's Board of Directors.

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