

## **Over-Subscribed \$3.8M Placement to Accelerate Exploration & Development at Solomon Islands Nickel Projects**

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**Pacific Nickel Mines Limited** (ASX Code: PNM) (**Pacific Nickel** or **Company**) is pleased to advise that the placement of 76 million fully paid ordinary shares (Shares) at \$0.05 to raise \$3.8 million (Placement) was successfully completed on Tuesday 8 December 2020.

The Lead Manager to the Placement was Bridge Street Capital Partners.

The Placement, which was significantly over subscribed, will be undertaken with placement of a first Tranche of 11.2 million Shares to be completed under the Company's existing ASX Listing Rule 7.1 capacity, while the second Tranche of 64.8 million shares will be completed subject to shareholder approval.

The Placement was well supported by the Pacific Nickel Board (to a total of \$575,000), existing shareholders, and a large number of new shareholders, both institutional and sophisticated investors.

The funds raised will be used for:

- a) ongoing exploration and development work in relation to the Company's Nickel Projects in the Solomon Islands;
- b) preparing a definitive feasibility study in relation to these projects; and
- c) working capital and general corporate purposes.

### **Pacific Nickel CEO Geoff Hiller commented:**

*"The Company is delighted with the outstanding response from investors to the capital raising and with the level of support shown for the Company's nickel projects. The Company is excited to now proceed with feasibility studies for both the Kolosori and Jejevo projects with the aim of submitting mining lease applications in 2021. In addition, we will carry out targeted exploration next year to increase the confidence and size of the existing resources to supplement these studies."*

### **COMPANY OVERVIEW**

- Pacific Nickel Mines Limited is an ASX-listed nickel explorer and developer with two near term development assets, the Jejevo and Kolosori Nickel Projects located on Isabel Island in the Solomon Islands.
- Both projects are advanced stage direct shipping ore nickel laterite projects with excellent potential for rapid development at relatively modest capital expenditure
- To reflect its focus on these projects, the Company's shareholders approved a change of name to Pacific Nickel Mines (previously, Malachite Resources Limited) at the AGM that took place on 30<sup>th</sup> November 2020<sup>1</sup>.
- Further information on Pacific Nickel, including the latest corporate presentation, is available at [www.pacificnickel.com](http://www.pacificnickel.com)

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<sup>1</sup> ASX Announcement 30 Nov 2020 - Results of Annual General Meeting

## SOLOMON ISLANDS NICKEL PROJECTS

- In October 2020, the Company completed the acquisition of Sunshine Minerals Limited (**Sunshine**), a private company incorporated in the Solomon Islands<sup>2</sup>.
- Sunshine owns 80% of Sunshine Nickel which holds PL 01/18 located on the south coast of Santa Isabel Island. The remaining 20% of Sunshine Nickel is owned by local landowners.
- The Jejevo Nickel Project is located within the PL 01/18 project area and has a number of positive aspects including close proximity to the coast, no processing requirements, low capital route to direct shipping and local landowner support.
- The project was previously drilled in 2013 and the initial objective is to do sufficient work to confirm a 2012 JORC Resource at the earliest opportunity.
- On 24 November 2020, the Company announced a near term Exploration Target in the range of **4.9Mt to 6.6Mt at 1.4% Ni to 1.6% Ni** at Jejevo<sup>3</sup>.
- In October 2020, the Company executed a Share Purchase Agreement to acquire an 80% interest in Kolosori Nickel (SI) Limited, a Solomon Islands company that holds the Kolosori Nickel Project (Kolosori), with the remaining 20% owned by local landowners<sup>4</sup>.
- On 19<sup>th</sup> November 2020, the Company released an initial JORC resource estimate for Kolosori of **5.89 million tonnes at 1.55% Ni** at a 1.2% Ni cut off

Authorised by the Board.

For further information please contact:

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Please visit the company's website at [www.pacificnickel.com](http://www.pacificnickel.com)

The Competent Person for each of the relevant announcements referred to herein was Mr Stuart Hutchin, a Member of the Australian Institute of Geoscientists and a full-time employee of Mining One Consultants. Malachite confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement. In addition, Malachite confirms that all material assumptions and technical parameters underpinning the estimate of the Mineral Resource at Kolosori in the announcement "Initial JORC Resource Estimate at Kolosori" continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

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<sup>2</sup> ASX Announcement 12 Oct 2020 - Drilling to Commence at Solomon Islands Nickel Project

<sup>3</sup> ASX Announcement 24 Nov 2020 - Jejevo Exploration Target and Drilling Update

<sup>4</sup> ASX Announcement 26 Oct 2020 - Malachite Secures 80% Interest In The Kolosori Nickel Project