

## Jejevo Nickel Project Update

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**Pacific Nickel Mines Limited** (ASX Code: PNM) (**Pacific Nickel** or **Company**) provides the following update in respect of the Jejevo Nickel Project.

As previously announced, PNM owns Sunshine Minerals Limited. Sunshine Minerals Limited owns 80% of Sunshine Nickel Limited, which holds prospecting licence tenement PL 01/18 located on the south coast of Santa Isabel Island in the Solomon Islands. The remaining 20% of Sunshine Nickel Limited is held by local landowners.

On 11 December 2020, the High Court of the Solomon Islands ruled that legal proceedings against the Minister of Mines, Energy and Rural Electrification, the Attorney General in the Solomon Islands and Sunshine Nickel Limited shall proceed to trial. The claimant, Axiom Nickel (SI) Limited, has brought proceedings in relation to, among other matters, the decision of the Director of Mines and Minerals Board not to grant a prospecting licence tenement to them which had been applied for some 10 years ago.

In 2018 prospecting licence tenement PL 01/18 was granted to Sunshine Nickel Limited.

In deciding that the proceedings should proceed to trial, the Court noted that it did not assess the merits of the claims.

The Company has received legal advice from its Solomon Islands based lawyers that these claims lack merit.

The Company understands that the case primarily relates to judicial review of decisions made by government authorities in the Solomon Islands and that these government authorities will defend these legal proceedings and continue to support the current exploration activities being undertaken by Pacific Nickel.

**Mr. Geoff Hiller, Director and CEO of Pacific Nickel commented:**

*“Pacific Nickel remains committed to advancing both the Jejevo Nickel Project and the Kolosori Nickel Project as expeditiously as possible, and with the support of the Government. The Company has already embarked on a drilling program at Jejevo and also proposes to commence drilling at Kolosori in the near future. In addition the Company is about to initiate feasibility studies at both projects with the aim of applying for mining leases by mid-2021.”*

*“Sunshine Nickel has acted in accordance with all regulatory requirements and currently holds a valid prospecting licence issued by the Solomon Islands Government. Just as importantly Sunshine Nickel holds a valid surface access agreement with local landowners.”*

*“There are no proceedings in relation to our Kolosori Project in the Solomon Islands where the Company has already announced an initial JORC Resource Estimate and which will at this stage be our primary area of focus for development.”*

Authorised by the Board. For further information please contact:

Mr. Geoff Hiller  
Executive Director & CEO

Mr. Andrew J. Cooke  
Company Secretary  
Email: [acooke@pacificnickel.com](mailto:acooke@pacificnickel.com)