

Kolosori Nickel Project – Engineering Studies Group Appointed

Pacific Nickel Mines Limited (ASX Code: PNM) (“**Pacific Nickel**” or “**Company**”) is pleased to announce that engineering studies are commencing on the Kolosori nickel DSO (Direct Shipping Ore) project.

The Company is pleased to report that Resindo Resources and Energy Group (“Resindo”) has been appointed to work with the Company on these engineering studies.

These studies will provide preliminary information for later Definitive Feasibility Studies (DFS) and help to progress key predevelopment activities and approvals including the Environmental License and Mining License applications needed for exporting DSO.

The Company expects to lodge a Mining Lease application for the Kolosori project within the next three months.

Resindo is an international project engineering, project construction management and operations delivery company based in Indonesia. Resindo has extensive project design and development experience for the minerals, mining, oil and gas and power generation sectors. Resindo undertakes engineering and implementation projects throughout the Asia-Pacific region. Resindo was formed in 2009 by Director Simon Birch (and Indonesian associates) after 10 years with Clough (Australia) in Perth. Mr Birch subsequently served as General Manager for PT Petrosea, Clough’s Indonesian Mining and EPC contracting subsidiary.

Resindo’s experience includes working on the development of thirteen (13) Indonesian Direct Shipment of Nickel Ore (DSO) Projects, either as DSO projects for international export or as DSO operations shipping ore within Indonesia to in-country nickel laterite processing utilizing nickel RKEF or Smelter technology. Resindo’s Indonesian nickel laterite experience can be readily transferred to the Company’s Kolosori project in the Solomon Islands. Importantly, Pacific Nickel’s key management has previously worked with Resindo on mining projects in Indonesia.

Resindo’s initial task is to work with the Solomon Islands’ Government marine survey group in an assessment of the Kolosori port options for exporting DSO product. This work is expected to commence in the next few weeks subject to weather. Resindo will also undertake an assessment of all project delivery components (except for mining which will be carried out by Mining One), general infrastructure and project logistics. The scope of Resindo’s studies will also include DSO materials handling, construction requirements and project implementation.

The Board of Pacific Nickel has authorised the following statement:

“Pacific Nickel is pleased to have Resindo joining the Kolosori development team. Their experience with nickel laterite DSO operations in Indonesia, the world’s largest country for mining and processing of nickel laterite ores will be invaluable in the development of the Kolosori project. An additional bonus is that Mr. Geoff Hiller and Director Mr. Thomson have a strong working relationship with Resindo forged when working closely together on the delivery of the Indonesian Wetar copper operation in Indonesia – a remote island with many project and development similarities to Isabel Island in the Solomon Islands.”

Authorised by the Board. For further information please contact:

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