

27 May 2021

Dear Shareholder

Notice to ineligible shareholders regarding non-renounceable rights issue of options

On 19 May 2021, Pacific Nickel Mines Limited (**Company**) announced that it would undertake a fully underwritten non-renounceable pro rata rights issue of up to 71,631,679 options (**New Options**) on a 1 for 3 basis at an issue price of 1.2 cents per New Option, each with an expiry date of 17 June 2024 and an exercise price of 9 cents, to raise approximately \$859,580 before costs (**Options Offer**).

Full details of the Options Offer are contained in the Prospectus lodged with the ASX on 19 May 2021, which is available to view on the ASX website under the Company's ASX code "PNM" and on the Company's website at <https://pacificnickel.com/>.

The Options Offer is currently scheduled to close at 5:00 pm (AEST) on Monday 7 June 2021 and will be open to Shareholders with a registered address in Australia or New Zealand as at 5:00pm (AEST) on Monday 24 May 2021 (**Eligible Shareholders**).

The Company has determined that it would be unreasonable to extend an offer to participate in the Options Offer to its Shareholders with registered addresses outside Australia and New Zealand (**Ineligible Shareholders**), having regard to:

- the small number of Shareholders with registered addresses outside Australia and New Zealand;
- the number and value of the New Options which would be offered to those Ineligible Shareholders; and
- the cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, the offer to participate in the Options Offer will not be made to Ineligible Shareholders and the Company has determined that you do not satisfy the eligibility criteria for an Eligible Shareholder as stated above. This letter constitutes the notice that the Company is required to give each Ineligible Shareholder that is not an Eligible Shareholder under ASX Listing Rule 7.7.1(b).

Notwithstanding the above, the Company may (in its absolute discretion) agree to extend the Options Offer to certain institutional Shareholders in foreign jurisdictions subject to compliance with applicable laws.

If you have any queries about the Options Offer, please do not hesitate to contact Company Secretary Andrew Cooke at acooke@pacificnickel.com.

Yours Faithfully



Geoff Hiller
Executive Director and CEO