

12 November 2021

Notice of General Meeting

Pacific Nickel Mines Limited (ASX Code: PNM) (**Pacific Nickel** or **Company**) has today despatched a Notice of Meeting for a General Meeting of Shareholders (attached) to be held on Tuesday 14 December 2021.

Authorised by the Company Secretary.

For further information please contact:

Mr. Andrew J. Cooke
Company Secretary
Email: acooke@pacificnickel.com

Please visit the company's website at www.pacificnickel.com

NOTICE OF GENERAL MEETING

Notice is hereby given of a General Meeting of the Company

At: The York Conference & Function Centre,
Level 2, 95-99 York Street, Sydney NSW 2000

On: Tuesday 14 December 2021 at 4.00 pm (Sydney Time)

IMPORTANT INFORMATION ABOUT THE GENERAL MEETING

As a consequence of government-based measures to combat the spread of COVID-19, physical attendance at the General Meeting is strongly discouraged. Accordingly, please note as follows:

1. Shareholders will be required to comply with prevailing Covid-19 restrictions and may be required to wear a mask at the meeting.
2. Any presentations by the Chairman or the Executive Director & CEO will be lodged with the ASX prior to the meeting and made available on the Company's website before the commencement of the Meeting.
3. **Shareholders are encouraged to vote by submitting their proxy prior to the meeting as set out in more detail in the attached Notice of Meeting and Proxy Form.**
4. Questions for the board of directors can be e-mailed to info@pacificnickel.com and must be received by no later than 17:00 on 7 December 2021.

BUSINESS

1. Ratify Previous Issue of Placement of Shares

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purposes of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 30,000,000 fully paid ordinary shares in the Company issued at the price of \$0.10 per share to each of the sophisticated and institutional investors referred to and on the terms and conditions set out in the accompanying Explanatory Memorandum.

2. Approve Proposed Issue of Placement Shares

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purposes of Listing Rule 7.1 and for all other purposes, the Company approves the proposed issue of 20,550,000 fully paid ordinary shares in the Company issued at the price of \$0.10 per share to each of the sophisticated and institutional investors referred to and on the terms and conditions set out in the accompanying Explanatory Memorandum.

3. Proposed issue of Placement Shares to a Director, Mr. Terry Cuthbertson

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given in respect of the issue of up to 1,500,000 fully paid ordinary shares at \$0.10 by the Company to Mr. Terry Cuthbertson or his associate as described in the Explanatory Memorandum.

4. Proposed issue of Placement Shares to a Director, Mr. Geoff Hiller

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given in respect of the issue of up to 250,000 fully paid ordinary shares at \$0.10 by the Company to Mr. Geoff Hiller or his associate as described in the Explanatory Memorandum.

5. Proposed issue of Placement Shares to a Director, Mr. Rob Thomson

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given in respect of the issue of up to 200,000 fully paid ordinary shares at \$0.10 by the Company to Mr. Rob Thomson or his associate as described in the Explanatory Memorandum.

VOTING EXCLUSIONS

The Company will disregard any votes cast in favour of the resolution (as set out in the table below) by or on behalf of:

- the named person or class of persons excluded from voting (as set out in the table below); or
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution	The named person or class of persons excluded from voting
1. Ratify Previous Issue of Placement of Shares	A person who participated in the issue.
2. Approve Proposed Issue of Placement Shares	A person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary shares of the Company).
3. Proposed issue of Placement Shares to a Director – Terry Cuthbertson	The person who is to receive the securities in question, being Mr Terry Cuthbertson and/or his nominee, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary shares in the Company)
4. Proposed issue of Placement Shares to a Director – Geoff Hiller	The person who is to receive the securities in question, being Mr Geoff Hiller and/or his nominee, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary shares in the Company)
5. Proposed issue of Placement Shares to a Director – Rob Thomson	The person who is to receive the securities in question, being Mr Rob Thomson and/or his nominee, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary shares in the Company)

ENTITLEMENT TO VOTE

In accordance with the provisions of the Corporations Act the Board has determined that for the purposes of the meeting, a person's entitlement to vote at the meeting will be the entitlement of that person set out in the Register of Members of the Company at 7.00pm (Sydney time) on Sunday 12 December 2021. Accordingly, share transfers registered after that time will not be taken into account in determining entitlements to attend and vote at the meeting.

VOTING BY PROXY

- A Shareholder entitled to attend and vote at the meeting is entitled to appoint not more than 2 proxies to attend and vote instead of the Shareholder.

- Where 2 proxies are appointed the Proxy Form should specify the proportion, or the number of votes that each proxy may exercise. If the Proxy Form does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.
- A proxy need not be a Shareholder of the Company. The proxy appointed may be described in the Proxy Form by an office held, e.g. "the Chair of the Meeting".
- Proxy Forms must be signed by a Shareholder or the Shareholder's attorney or, if the Shareholder is a corporation, must be under its common seal, or if it does not have one, by 2 directors or by a director and a company secretary, or if it is a proprietary company that has a sole director who is also the company secretary, by that director, or under hand of its attorney or duly authorised officer. If the Proxy Form is signed by a person who is not the registered holder of shares in the Company (i.e. under power of attorney or other authorisation), then the relevant authority (or a certified copy of such authority) must either have been exhibited previously to the Company or be enclosed with the Proxy Form.

In order to record a valid vote, members will need to take the following steps:

- Cast your vote online by visiting www.investorvote.com.au and following the instructions and information provided on the enclosed Proxy Form; or
- Custodian voting - For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions; or
- Complete and lodge the Proxy Form with the Company at the address or facsimile number specified below, along with any power of attorney or notarially certified copy of a power of attorney (if the proxy form is signed pursuant to a power of attorney), by no later than 48 hours before the General Meeting (i.e. *by no later than 4.00 pm (Sydney time), Sunday 12 December 2021*):

Pacific Nickel Mines Limited
C/- Computershare Investor Services Pty Ltd
GPO Box 242
MELBOURNE VIC 3001

Or facsimile 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

CORPORATE REPRESENTATIVES

A body corporate that is a member, or that has been appointed as a proxy of a member, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment including the authority under which it is signed.



By order of the Board
Andrew J Cooke
Company Secretary
10 November 2021

EXPLANATORY MEMORANDUM TO NOTICE OF GENERAL MEETING

Certain background information to the Listing Rules and the Resolutions generally that are the subject of this Notice of Meeting is set out below:

ASX LISTING RULES

ASX Listing Rule 7.1

Subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of securities that the Company can issue without Shareholder approval in any 12-month period to 15% of its fully paid ordinary securities.

Resolution 2 seeks Shareholder approval pursuant to ASX Listing Rule 7.1. If Resolution 2 is not passed, then the Company may still be able to proceed with the issue of Shares to the persons referred to in Resolution 2 subject to the Company's placement capacity available under ASX Listing Rule 7.1.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 allows an issue of securities to be subsequently approved by shareholders and treated as having been made with approval of shareholders for the purpose of ASX Listing Rule 7.1. By obtaining approval for the issue of shares under ASX Listing Rule 7.4 the Company is able to refresh its capacity to issue up to 15% of its issued shares, if required, in the next 12 months without the need to obtain shareholder approval.

Resolution 1 seeks Shareholder approval pursuant to ASX Listing Rule 7.4.

ASX Listing Rule 10.11

Subject to a number of exceptions, ASX Listing Rule 10.11 provides that a Company must not issue or agree to issue equity securities to a related party of the Company, such as a person who is a director of the Company, without the Company first obtaining the approval by ordinary resolution of its shareholders.

Resolutions 3, 4 and 5 seek Shareholder approval pursuant to ASX Listing Rule 10.11 to issue shares to Directors of the Company.

If approval is given under ASX Listing Rule 10.11, Shareholder approval is not required under ASX Listing Rule 7.1.

BACKGROUND TO RESOLUTIONS - \$5.25M PLACEMENT TO ADVANCE NICKEL PROJECTS:

As announced to the ASX on 29 October 2021 by Pacific Nickel Limited (ASX Code: PNM) (**Pacific Nickel** or **Company**), a placement of 52.5 million fully paid ordinary shares (**Shares**) at \$0.10 to raise \$5.25 million (**Placement**) was successfully completed by the Company on Thursday 28 October 2021.

The issue price of \$0.10 for the Placement represented a 20% discount to the last trade 26 October 2021 and an 11.7% discount to the 15-day VWAP up to 26 October 2021.

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

The Placement was structured in two tranches. The first tranche of 30.0 million Shares was completed on 5 November 2021 under the Company's existing ASX Listing Rule 7.1 capacity.

The second tranche of 22.5 million shares (including 1.95 million shares in respect of Directors participating in the Placement) will be issued subject to Shareholder approval, which is the subject of Resolutions 2, 3, 4 and 5 in the Notice of Meeting.

The Placement was well supported by existing shareholders, and a large number of new shareholders, both institutional and sophisticated investors from Australia and Europe.

The funds raised under the Placement will be used for:

- a) ongoing exploration and feasibility work in relation to the Company's Nickel Projects in the Solomon Islands with a priority on the Kolosori Nickel Project;
- b) an early works capital program at Kolosori; and
- c) working capital and general corporate purposes.

RESOLUTION 1: Ratify Previous Issue of Placement of Shares

As referred to above, the first tranche of the Placement comprised 30,000,000 Shares (**First Tranche Placement Shares**) and was completed on 5 November 2021 (**Issue Date**) utilising the Company's 15% capacity under ASX Listing Rule 7.1.

As noted above and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the First Tranche Placement Shares did not fit within any of these exceptions and, as it has not yet been approved by Pacific Nickel's Shareholders, it effectively uses up part of the 15% limit in ASX Listing Rule 7.1, thereby reducing Pacific Nickel's capacity to issue further equity securities without Shareholder approval under ASX Listing Rule 7.1 for the 12-month period following the Issue Date.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

Pacific Nickel wishes to retain flexibility to issue additional equity securities in the future under ASX Listing Rule 7.1 and, to this end, Resolution 1 seeks Shareholder approval to the issue of the First Tranche Placement Shares under and for the purposes of Listing Rule 7.4.

The following information is provided for the purposes of ASX Listing Rule 7.5:

- i. The persons to whom Pacific Nickel issued the First Tranche Placement Shares were the persons/entities identified by Bridge Street Capital Partners who had been engaged by the Company as Lead Manager to identify participants in the Placement. Bridge Street Capital Partners offered participation to some existing investors but so far as possible focussed on achieving a spread of new investors to complement the Company going forward being either institutional or sophisticated investors.
- ii. The approval sought under Resolution 1 relates to 30,000,000 fully paid ordinary shares.
- iii. All of the First Tranche Placement Shares were issued on 5 November 2021.
- iv. All of the First Tranche Placement Shares were issued at the issue price of \$0.10.
- v. The funds raised by the Placement (including the First Tranche Placement Shares) are to be used for:
 - a) ongoing exploration and feasibility work in relation to the Company's Nickel Projects in the Solomon Islands with a priority on the Kolosori Nickel Project;

- b) an early works capital program at Kolosori; and
 - c) working capital and general corporate purposes.
- vi. The First Tranche Placement Shares were issued pursuant to standard share application forms submitted to Bridge Street Capital Partners as Lead Manager to the Placement.
 - vii. A Voting Exclusion Statement for this Resolution 1 is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Resolution 1 is passed, the First Tranche Placement Shares will be excluded in calculating Pacific Nickel's 15% limit under ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

If Resolution 1 is not passed, the First Tranche Placement Shares will be included in calculating Pacific Nickel's 15% limit under ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

RESOLUTION 2: Approve Proposed Issue of Placement Shares

As noted above, the Placement is to be effected in two tranches, the first tranche of which is the subject of Resolution 1 above. The second tranche of 22,500,000 Shares comprises:

- a) 20,550,000 Shares placed with participants in the first tranche of the Placement (**Second Tranche Placement Shares**); and
- b) 1,950,000 Shares placed with Directors of the Company (or their associates) being the subject of Resolutions 3, 4 and 5 below.

Resolution 2 seeks Shareholder approval for the issue of the Second Tranche Placement Shares under and for the purposes of ASX Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The exceptions to ASX Listing Rule 7.1 are set out in ASX Listing Rule 7.2. Exception 17 covers the situation when an issue of shares is conditional on the holders of the issuing company approving the issue under ASX Listing Rule 7.1 before the issue is made. Pacific Nickel is seeking approval for the issued of the Second Tranche Placement Shares to retain flexibility to issue additional equity securities in the future without having to obtain Shareholder approval under ASX Listing Rule 7.1.

The following information is provided for the purposes of ASX Listing Rule 7.3:

- i. The persons to whom Pacific Nickel proposes to issue the Second Tranche Placement Shares are the persons/entities who participated in the first tranche of the Placement and referred to in Resolution 1 above, and who were identified by Bridge Street Capital Partners who had been engaged by the Company as Lead Manager to identify participants in the Placement. Bridge Street Capital Partners offered participation to some existing investors but so far as possible focussed on achieving a spread of new investors to complement the Company going forward being either institutional or sophisticated investors.
- ii. The approval sought under Resolution 2 relates to 20,550,000 fully paid ordinary shares.

- iii. All of the Second Tranche Placement Shares are expected to be issued within 7 days of Shareholder approval pursuant to this Resolution 2, and in any event no later than 3 months after the date of this shareholder meeting.
- iv. All of the Second Tranche Placement Shares are to be issued at the issue price of \$0.10
- v. The funds raised by the Placement (including the Second Tranche Placement Shares) are to be used for:
 - a) ongoing exploration and feasibility work in relation to the Company's Nickel Projects in the Solomon Islands with a priority on the Kolosori Nickel Project;
 - b) an early works capital program at Kolosori; and
 - c) working capital and general corporate purposes.
- vi. The Second Tranche Placement Shares were agreed to be issued pursuant to standard share application forms submitted to Bridge Street Capital Partners as Lead Manager to the Placement.
- vii. A Voting Exclusion Statement for this Resolution 2 is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Resolution 2 is passed, the Second Tranche Placement Shares will be excluded in calculating Pacific Nickel's 15% limit under ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date.

If Resolution 2 is not passed, the Company will not be able to issue all of the Second Tranche Placement Shares and any shares issued will be included in calculating Pacific Nickel's 15% limit under ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the Issue Date. If not all of the Second Tranche Placement Shares are issued this will adversely affect the Company's ability to advance ongoing exploration and development work in relation to the Company's Nickel Projects in the Solomon Islands. In addition the Company may not be able to advance feasibility studies in relation to each of these projects or have sufficient working capital for general corporate purposes.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

BACKGROUND TO RESOLUTIONS 3, 4 AND 5

At the same time that Pacific Nickel announced the Placement to the ASX on 29 October 2021 it was also announced that members of the Board of Directors of Pacific Nickel had committed to subscribe for a total of \$195,000 to the Placement at the same issue price as the Placement of \$0.10.

Mr. Terry Cuthbertson (and/or his associate), who is a Director of the Company and Chairman of the Board of Directors and accordingly is considered to be a related party of the Company, has subscribed (subject to Shareholder approval) for an aggregate amount of \$150,000.00 under the Placement, totalling 1,500,000 Shares.

Mr. Geoff Hiller (and/or his associate), who is a Director of the Company and accordingly is considered to be a related party of the Company, has subscribed (subject to Shareholder approval) for an aggregate amount of \$25,000 under the Placement, totalling 250,000 Shares.

Mr. Rob Thomson (and/or his associate), who is a Director of the Company and accordingly is considered to be a related party of the Company, has subscribed (subject to Shareholder approval) for an aggregate amount of \$20,000.00 under the Placement, totalling 200,000 Shares.

ASX Listing Rule 10.11 provides that a Company must not issue or agree to issue equity securities to a related party of the Company, such as a person who is a director of the Company, without the Company first obtaining the approval by ordinary resolution of its shareholders.

RESOLUTION 3: Proposed issue of Shares to Mr. Terry Cuthbertson

Resolution 3 seeks approval to issue Shares to Mr. Terry Cuthbertson (and/or his associate).

The following information is provided for the purposes of ASX Listing Rule 10.13:

- i. Shares are to be issued to Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C>, an associate of Mr. Terry Cuthbertson.
- ii. Mr. Terry Cuthbertson is a related party of Pacific Nickel as he is a Director of Pacific Nickel.
- iii. 1,500,000 fully paid ordinary shares in the Company are to be issued to Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C>.
- iv. Subject to approval of Resolution 3, it is anticipated that the Shares will be issued to Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C> within 7 days of the date of the meeting and in any event not later than 1 month after the date of the meeting.
- v. The Shares will be issued at \$0.10 being the same issue price at which Pacific Nickel conducted the Placement as announced to the market on 29 October 2021.
- vi. In conjunction with the funds raised by the Placement announced to the market on 29 October 2021, the funds raised by the issue of these Shares are to be used for:
 - a) ongoing exploration and feasibility work in relation to the Company's Nickel Projects in the Solomon Islands with a priority on the Kolosori Nickel Project;
 - b) an early works capital program at Kolosori; and
 - c) working capital and general corporate purposes.
- vii. The issue of these Shares is for cash subscribed by Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C> and not as remuneration or to incentivise Mr. Terry Cuthbertson.
- viii. The Shares are to be issued pursuant to a standard application form submitted by Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C> to Bridge Street Capital Partners as Lead Manager to the Placement.
- ix. A Voting Exclusion Statement for this Resolution 3 is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Shareholders approve Resolution 3 then the Company will proceed with the proposed issue of Shares to Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C> and for which the Company will receive \$150,000.

If Shareholders do not approve Resolution 3 then the Company would be unable to complete the proposed issue of Shares to Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C> as contemplated and the Company would not receive the \$150,000 that was to have been subscribed by Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C> for these Shares.

Chapter 2E of the Corporations Act 2001

The proposed issue of Shares under Resolution 3 to Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C> involves giving a financial benefit to a related party for the purposes of Chapter 2E of the Corporations Act 2001. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- b) prior shareholder approval is obtained for the giving of the financial benefit.

The Directors of the Company (excluding Mr. Cuthbertson) believe that the issue of Shares is appropriate and reasonable in all circumstances, as they are being issued on the same terms and conditions as those that were issued to third parties pursuant to the Placement. The Company considers that the proposed issue of the Shares falls under the exception in section 210 of the Corporations Act, and Shareholder approval is therefore not required for that purpose.

Directors Recommendation

The Directors (excluding Mr. Cuthbertson) recommend that Shareholders vote in favour of Resolution 3.

RESOLUTION 4: Proposed issue of Shares to Mr. Geoff Hiller

Resolution 4 seeks approval to issue Shares to Mr. Geoff Hiller (or his associate).

The following information is provided for the purposes of ASX Listing Rule 10.13:

- i. Shares are to be issued to Highshaw Pty Ltd <Highshaw No 2 A/C>, an associate of Mr. Geoff Hiller.
- ii. Mr. Geoff Hiller is a related party of Pacific Nickel as he is a Director of Pacific Nickel.
- iii. 250,000 fully paid ordinary shares in the Company are to be issued to Highshaw Pty Ltd <Highshaw No 2 A/C>.
- iv. Subject to approval of Resolution 4, it is anticipated that the Shares will be issued to Highshaw Pty Ltd <Highshaw No 2 A/C> within 7 days of the date of the meeting and in any event not later than 1 month after the date of the meeting.
- v. The Shares will be issued at \$0.10 being the same issue price at which Pacific Nickel conducted the Placement as announced to the market on 29 October 2021.
- vi. In conjunction with the funds raised by the Placement announced to the market on 29 October 2021 the funds raised by the issue of these Shares are to be used:
 - a) ongoing exploration and feasibility work in relation to the Company's Nickel Projects in the Solomon Islands with a priority on the Kolosori Nickel Project;
 - b) an early works capital program at Kolosori; and
 - c) working capital and general corporate purposes.
- vii. The issue of these Shares is for cash to be subscribed by Highshaw Pty Ltd <Highshaw No 2 A/C> and not as remuneration or to incentivise Mr. Geoff Hiller.
- viii. The Shares are to be issued pursuant to a standard application form for Shares submitted by Highshaw Pty Ltd <Highshaw No 2 A/C> to Bridge Street Capital Partners as Lead Manager to the Placement.
- ix. A Voting Exclusion Statement for this Resolution 4 is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Shareholders approve Resolution 4 then the Company will proceed with the proposed issue of Shares to Highshaw Pty Ltd <Highshaw No 2 A/C> and for which the Company will receive \$25,000.00.

If Shareholders do not approve Resolution 4 then the Company would be unable to complete the proposed issue of Shares to Highshaw Pty Ltd <Highshaw No 2 A/C> as contemplated and the Company would not receive the \$25,000 that was to have been subscribed by Highshaw Pty Ltd <Highshaw No 2 A/C> for these Shares.

Chapter 2E of the Corporations Act 2001

The proposed issue of Shares under Resolution 4 to Highshaw Pty Ltd <Highshaw No 2 A/C> involves giving a financial benefit to a related party for the purposes of Chapter 2E of the Corporations Act 2001. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- b) prior shareholder approval is obtained for the giving of the financial benefit.

The Directors of the Company (excluding Mr. Hiller) believe that the issue of Shares is appropriate and reasonable in all circumstances, as they are being issued on the same terms and conditions as those that were issued to third parties pursuant to the Placement. The Company considers that the proposed issue of the Shares falls under the exception in section 210 of the Corporations Act, and Shareholder approval is therefore not required for that purpose.

Directors Recommendation

The Directors (excluding Mr. Hiller) recommend that Shareholders vote in favour of Resolution 4.

RESOLUTION 5: Proposed issue of Shares to Mr. Rob Thomson

Resolution 5 seeks approval to issue Shares to Mr. Robert Thomson (or his associate).

The following information is provided for the purposes of ASX Listing Rule 10.13:

- i. Shares are to be allotted to Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund>, which is an associate of Mr. Robert Thomson.
- ii. Mr. Robert Thomson is a related party of Pacific Nickel as he is a Director of Pacific Nickel.
- iii. 200,000 fully paid ordinary shares in the Company are to be issued to Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund>.
- iv. Subject to approval of Resolution 5, it is anticipated that the Shares will be allotted to Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund> within 7 days of the date of the meeting and in any event not later than 1 month after the date of the meeting.
- v. The Shares will be issued at \$0.10 being the same issue price at which Pacific Nickel conducted the Placement as announced to the market on 29 October 2021.
- vi. In conjunction with the funds raised by the Placement announced to the market on 29 October 2021 the funds raised by the issue of these Shares are to be used for:
 - a) ongoing exploration and feasibility work in relation to the Company's Nickel Projects in the Solomon Islands with a priority on the Kolosori Nickel Project;
 - b) an early works capital program at Kolosori; and
 - c) working capital and general corporate purposes.
- vii. The issue of these Shares is for cash subscribed by Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund> and not as remuneration or to incentivise Mr. Robert Thomson.
- viii. The Shares are to be issued pursuant to a standard application form for Shares submitted by Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund> to Bridge Street Capital Partners as Lead Manager to the Placement.
- ix. A Voting Exclusion Statement for this Resolution 5 is included above in the Notice of Meeting.

The following information is provided for the purposes of ASX Listing Rule 14.1A:

If Shareholders approve Resolution 5 then the Company will proceed with the proposed issue of Shares to Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund> and for which the Company will receive \$20,000.00.

If Shareholders do not approve Resolution 5 then the Company would be unable to complete the proposed issue of Shares to Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund> as contemplated and the Company would not receive the \$20,000 that was to have been subscribed by Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund> for these Shares.

Chapter 2E of the Corporations Act 2001

The proposed issue of Shares under Resolution 5 to Monterey Consolidated Services Pty Ltd <Lorodaca Super Fund> involves giving a financial benefit to a related party for the purposes of Chapter 2E of the Corporations Act 2001. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- b) prior shareholder approval is obtained for the giving of the financial benefit.

The Directors of the Company (excluding Mr. Thomson) believe that the issue of Shares is appropriate and reasonable in all circumstances, as they are being issued on the same terms and conditions as those that were issued to third parties pursuant to the Placement. The Company considers that the proposed issue of the Shares falls under the exception in section 210 of the Corporations Act, and Shareholder approval is therefore not required for that purpose.

Directors Recommendation

The Directors (excluding Mr. Thomson) recommend that Shareholders vote in favour of Resolution 5.

GLOSSARY:

ASX	means ASX Limited ABN 98 008 624 691 or the securities market which it operates, as the context requires.
Board	means the board of directors of the Company.
Company	means Pacific Nickel Mines Limited.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
First Tranche Placement Shares	means the 30,000,000 Shares to be issued as part of the Placement to institutional and sophisticated investors.
Listing Rules	means the official listing rules of ASX.
Notice of Meeting	means the notice of meeting and includes the Explanatory Memorandum.
Placement	Means the placement of 52,500,000 Shares at \$0.10 to raise \$5,250,000 as announced to the ASX on 29 October 2021.
Second Tranche Placement Shares	means the 20,550,000 Shares to be issued as part of the Placement to institutional and sophisticated investors (excluding the placement of shares to Directors referred to in Resolutions 3, 4 and 5).
Proxy Form	means the proxy form accompanying this Notice of Meeting.
Resolution	means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.
Shares	means fully paid ordinary shares issued in the capital of the Company.
Shareholder	means a person who is the registered holder of Shares.

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact

PNM

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Pacific Nickel Mines Limited General Meeting

The Pacific Nickel Mines Limited General Meeting will be held on Tuesday, 14 December 2021 at 4:00pm (AEDT). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 4:00pm (AEDT) on Sunday, 12 December 2021.



ATTENDING THE MEETING IN PERSON

The meeting will be held at:
The York Conference & Function Centre,
Level 2, 95-99 York Street, Sydney NSW 2000

PNM

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **4:00pm (AEDT) on Sunday, 12 December 2021.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Pacific Nickel Mines Limited hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Pacific Nickel Mines Limited to be held at Level 3, 60 Carrington Street, Sydney, NSW 2000 on Tuesday, 14 December 2021 at 4:00pm (AEDT) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Ratify Previous Issue of Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approve Proposed Issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Proposed issue of Placement Shares to a Director, Mr. Terry Cuthbertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Proposed issue of Placement Shares to a Director, Mr. Geoff Hiller	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Proposed issue of Placement Shares to a Director, Mr. Rob Thomson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

