

Kolosori Nickel Project: Development Progressing on Schedule

Pacific Nickel Mines Limited (ASX Code: PNM) (“**Pacific Nickel**” or “**the Company**”) is pleased to provide an update regarding the development of its Kolosori Nickel Project (“**Kolosori Nickel Project**” or “**the Project**”) on Isabel Island, Solomon Islands. The Kolosori Nickel Project is a direct shipping ore (DSO) nickel laterite project.

Recent developments at the Kolosori Nickel Project include:

- The first tranche of mining contractor equipment from HBS PNG Pty Ltd (“HBS”) successfully arrived by ship to site in early August and was deployed to site focussing on earthworks, including construction of the mining haul-road to the first high-grade ore blocks, back-fill for the wharf area and nickel DSO stockpile pads near the port area (Photos 1 and 2);
- HBS, working alongside local mining contractor GRP, have now commenced two-shift operations utilising lighting plants in line with the long-term operational requirements of 24hr operations;
- The second tranche of HBS equipment has been assembled and is being prepared for imminent shipping from Papua New Guinea to Kolosori. This shipment includes mining haul trucks, hydraulic excavators, and operations support equipment such as pumps and workshop equipment;
- Grade-control drilling in the first mining blocks is near complete;
- Sheet piles needed for wharf construction have begun to arrive on site (Photo 3). Excavators are working on wharf earthworks in preparation for installation of the sheet piles;
- An Expatriate Senior Mining Engineer with extensive experience in similar nickel DSO operations in the Philippines has been employed to work on site at Kolosori. He will work with existing technical team on site managing scheduling, stockpile management and the necessary operations control to meet DSO export specifications;
- Construction of the Site Laboratory building is nearing completion;
- Equipment for measuring moisture levels prior to barging and shipping of nickel DSO is ready to be installed;
- Construction of the camp continues and can now accommodate approximately 140 out of an expected total camp requirement of approximately 250 persons (Photo 4).

Pacific Nickel CEO Geoff Hiller commented:

“Pacific Nickel Mines is pleased to confirm that the Kolosori Nickel Project is ramping up construction activities to meet development and production schedules, including mine operations moving to two-shift operations. The Company is currently on track for first mining of ore as planned for October 2023.

“The Board is delighted that the operation is now coming to fruition. This will see the Solomon Islands becoming an important exporter of high-grade nickel ore to Asian markets. The Board would like to thank the Government of the Solomon Islands, the Kolosori landholders and all other stakeholders for their ongoing support for the project.”

The following are recent photos from site:



Photo 1. Haul road construction on schedule, heading up to the first ore blocks



Photo 2. HBS RokBak articulated truck being loaded, working on haul road



Photo 3. Sheet piles to be used in construction of the Wharf arriving at Kolosori



Photo 4. Camp and project offices

The layout of the Project is shown in Figure 1.



Figure 1: Mine sequencing of initial ore blocks for mining commencing in October 2023

The Company will provide further updates on the Project as critical path items are achieved. Further information on Pacific Nickel is available at www.pacificnickel.com.

Authorised by the Board. For further information please contact:

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