

Kolosori Nickel Project: Overburden Removal Commenced

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.

The Company has continued to rapidly advance development operations at the Kolosori Nickel Project since the arrival of the first tranche of HBS mining equipment in August 2023.¹ Recent developments at the Kolosori Nickel Project include:

- Contractors HBS have completed a haul road and commenced the removal of overburden from the first higher grade ore blocks with mining of ore to commence as planned in October 2023 (Photo 1 and Figure 1).
- Two-shift operations for the removal of overburden are continuing utilising lighting plants at night. These operations demonstrate the Company's ability to achieve 24-hour operations as planned in project modelling (Photo 2);
- The second tranche of HBS mining equipment including haul trucks, hydraulic excavators, and operations support equipment such as pumps and workshop equipment has arrived on site at Kolosori (Photo 3). The arrival of this equipment establishes the full complement of earth moving equipment necessary to undertake mining operations for the first DSO shipment of nickel laterite ore as planned in November 2023;
- Construction of the mining contractor's workshop area is well advanced (Photo 4);
- Site inductions have commenced for project contractors and local staff (Photo 5);
- A plant nursery has been established to provide native plants for progressive site rehabilitation (Photo 6).

Pacific Nickel CEO Geoff Hiller commented:

"Arrival of the second tranche of HBS mining equipment places the Company in a strong position to achieve mining as scheduled in October 2023 and our first shipment of DSO nickel laterite ore in November 2023.

The Company is continuing to work with the Kolosori landholders and key stakeholders to develop the Kolosori Project as an important exporter of high-grade nickel laterite ore to Asian markets.

The Company is proud to work with and employ members of local Solomons Island communities in the development of this Project. The development of the Kolosori Project is already delivering real benefits to local communities as we establish a project workforce comprised largely of Solomon Islanders and engage with local businesses and contractors".

¹ ASX Announcement 25 August 2023: Kolosori Nickel Project Development Progressing on Schedule



Photo 1. Removal of overburden in the first ore blocks for the mining of ore planned to commence in October 2023



Photo 2. Two-shift (24-hour) operations commenced utilising lighting plants in line with the long-term operational requirement for continuous operations



Photo 3. Second tranche of equipment being delivered to site establishes the full complement of earth moving equipment necessary to undertake mining operations



Photo 4. Mining contractor workshop area established



Photo 5. Site Inductions underway for contractors and local staff



Photo 6. Plant nursery established to provide native plants for progressive site rehabilitation



Project Overview. Mining truck and camp in foreground, mining contractor site in the middle-ground and wharf construction in the distance.

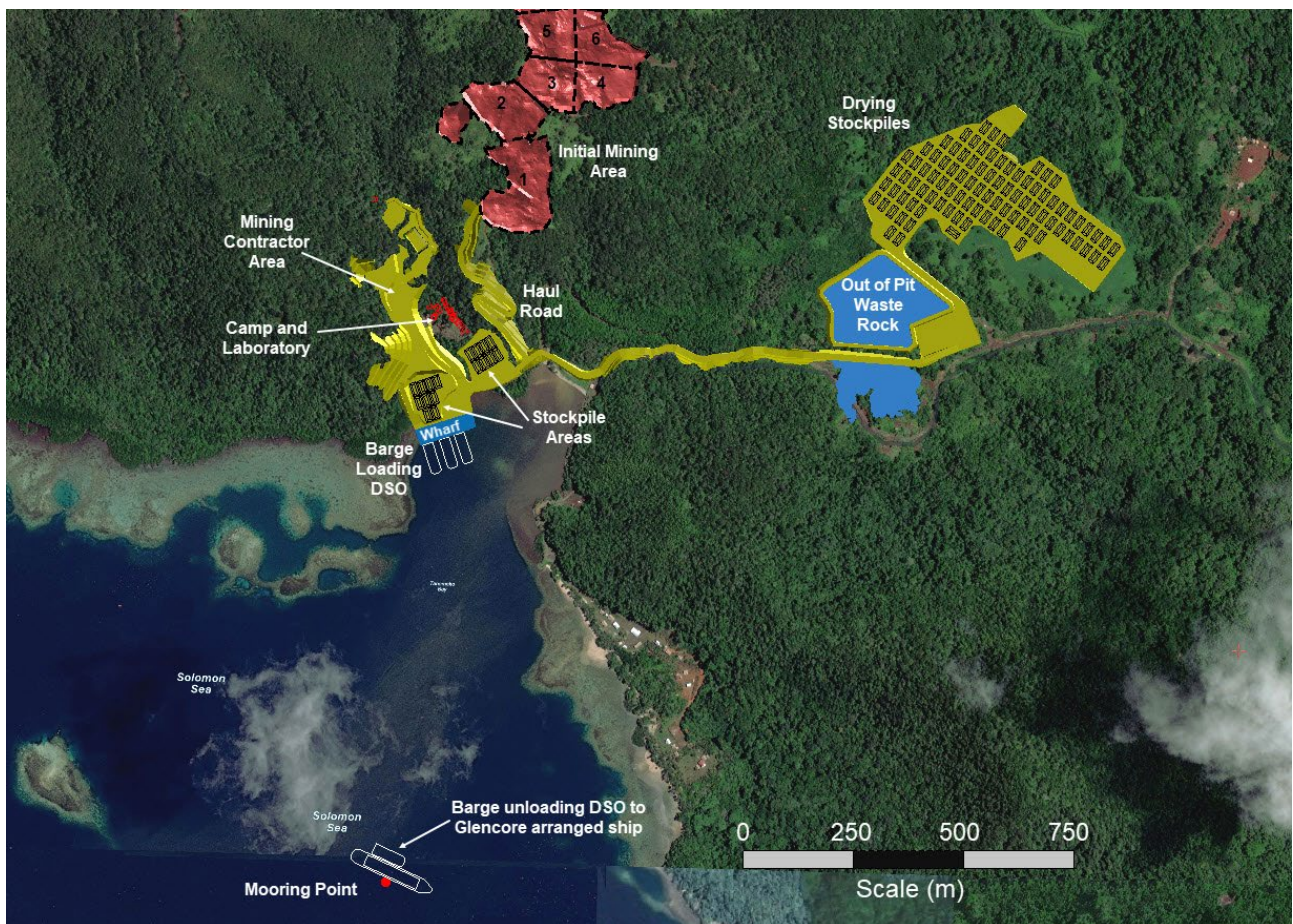


Figure 1: Mine sequencing of initial ore blocks for mining commencing in October 2023

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:

Mr. Geoff Hiller
Executive Director & CEO

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