

Annual General Meeting Presentation – An Emerging Nickel Miner

Pacific Nickel Mines Limited (ASX Code: PNM) (**Pacific Nickel** or **Company**) releases the Chief Executive Officer's AGM Presentation – "An Emerging Nickel Miner" for the Company's Annual General Meeting which is to held at 2.00pm today.

Authorised by the Chief Executive Officer.

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Company Secretary
Email: acooke@pacificnickel.com

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



An Emerging Nickel Miner

AGM Presentation

ASX: **PNM**

29 November | **Presentation**



Disclaimer and JORC Compliance Statement

This presentation may contain certain statements and projections provided by or on behalf of Pacific Nickel Mines Limited ("Pacific Nickel") with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of Pacific Nickel.

Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with the mining industry which may be beyond the control of Pacific Nickel which could cause actual results or trends to differ materially, including but not limited to price and currency fluctuations, geotechnical factors, drilling and production results, development progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates, environmental risks, ability to meet funding requirements, share price volatility. Accordingly, there can be no assurance that such statements and projections will be realised. Pacific Nickel makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved. Additionally, Pacific Nickel makes no representation or warranty, express or implied, in relation to, and no responsibility or liability (whether for negligence, under statute or otherwise) is or will be accepted by Pacific Nickel or by any of their respective officers, directors, shareholders, partners, employees, or advisers as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers. In furnishing this presentation, Pacific Nickel undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Pacific Nickel.

This presentation contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this presentation can be found in the following announcements lodged on the ASX and also available on Pacific Nickel's website under the Investors tab: 24 November 2020 – Jejevo Exploration Target and Drilling Update, 7 October 2021 Initial JORC Resource Estimate at Jejevo, 15 September 2022 – Mining Lease Awarded for the Kolosori Nickel Project, 27 September 2022 Kolosori Nickel Project Update, Kolosori Project Update, 23 November 2022 Updated Kolosori Resource Estimate Delivers Increased Nickel, 21 December 2022 – Solomon Islands Nickel Projects Update, 1 February 2023 – Kolosori Nickel Project DFS Delivers Attractive Economics, 23 February 2023 – Kolosori Nickel Project Advances to Project Execution Stage, 14 March 2023 – Approval for Export Permit Granted – Kolosori Nickel Project, 17 April 2023 – Kolosori Nickel Project Update, 19 April 2023 Major Milestone, Glencore Execute Kolosori Finance Agreement, 3 May 2023 – US\$3m Drawdown of Glencore Financing for Kolosori Completed, 21 June 2023 – Kolosori Infill and Grade Control Drilling Update, 29 June 2023 – Kolosori Nickel – Project Services Agreement Executed, 18 July 2023 – Kolosori Nickel Project Update, 20 July 2023 – Kolosori Nickel Ore Barging Agreement Executed, 25 July 2023 – Drawdown Notice for US\$19m Issued to Glencore Financing for Kolosori, 15 August 2023 – Kolosori Project – Mining Contractor Commences Earthworks, 25 August 2023 – Kolosori Nickel Project Development Progressing on Schedule, 12 September 2023 – Kolosori Nickel Project – Overburden Removal Commenced, 2 October 2023 – Kolosori Nickel Project – Mining of Nickel Ore Commenced, 25 October 2023 – Jejevo Nickel Project Surface Access Rights Agreement Signed, 26 October 2023 – Quarterly Activities and Cashflow Reports.

The Competent Person for each of the above announcements was Mr Stuart Hutchin, a Member of the Australian Institute of Geoscientists and a full-time employee of Mining One Consultants. Pacific Nickel confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement. In addition, Pacific Nickel confirms that all material assumptions and technical parameters underpinning the estimate of the Mineral Resource at Kolosori in the 23 November 2022 announcement "Updated Kolosori Resource Estimate Delivers Increased Nickel" and at Jejevo in the 7 October 2021 announcement "Initial JORC (2021) Resource Estimate at Jejevo" continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

On 1 February 2023 Pacific Nickel released an announcement entitled - Kolosori Nickel Project Definitive Feasibility Study Delivers Highly Attractive Economics. The Definitive Feasibility Study (DFS) outcomes, production target and forecast financial information referred to in this announcement were based on accuracy levels for technical and economic assessments that are sufficient to support an estimation of Ore Reserves. The Initial Ore Reserve Statement for the Kolosori Nickel Project dated 31 January 2023 is appended to the DFS Summary Report attached to the Pacific Nickel announcement dated 1 February 2023 - Kolosori Nickel Project Definitive Feasibility Study Delivers Highly Attractive Economics. Pacific Nickel confirms that it is not aware of any new information or data that materially affects the information included in this release. All material assumptions and technical parameters underpinning the Ore Reserve continue to apply and have not materially changed. The Mineral Resources and Ore Reserves underpinning the production target in the DFS were prepared by competent persons in accordance with the requirements of the JORC Code (2012). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

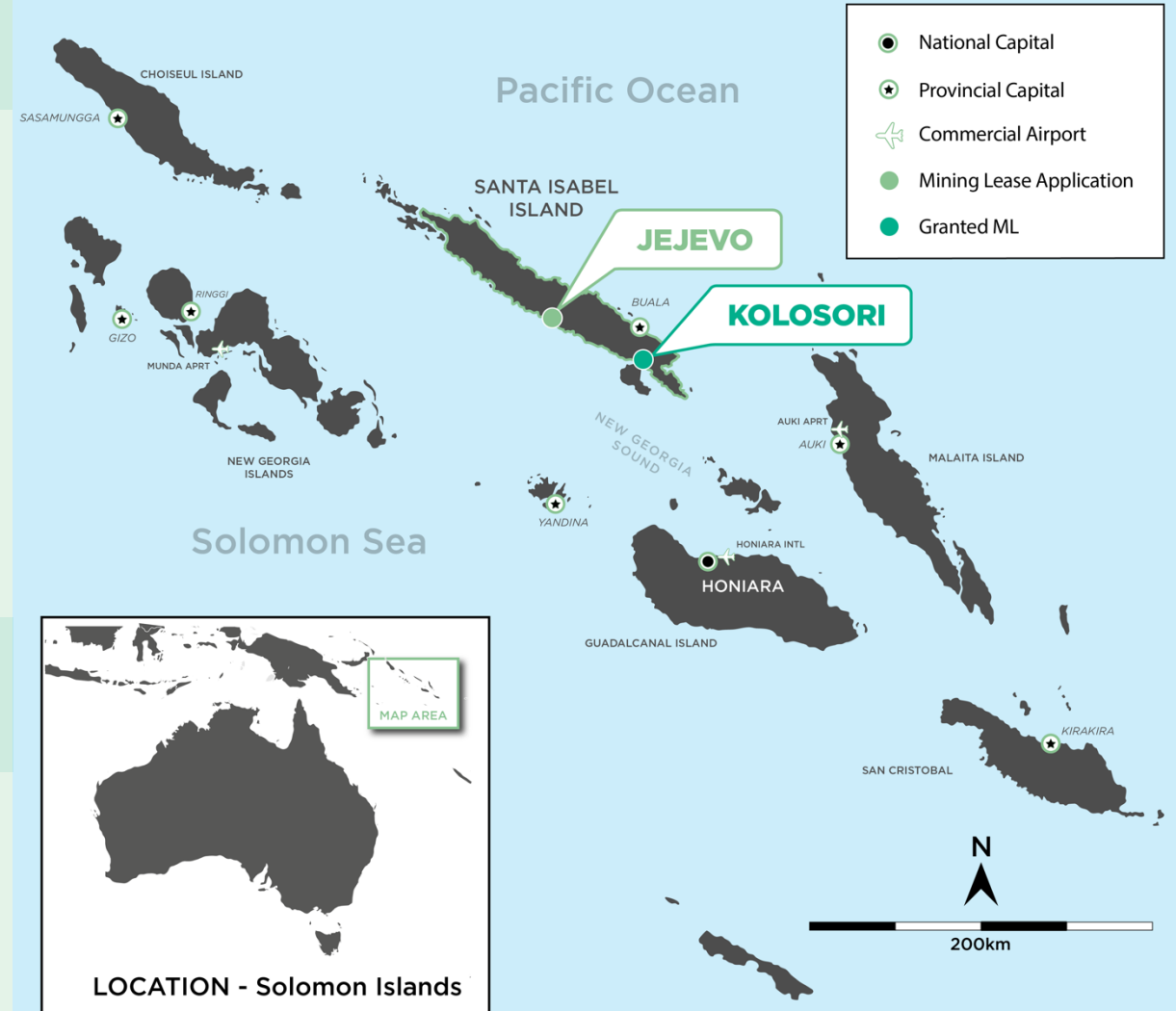
A New Direct Ship Ore (DSO) Nickel Producer

Kolosori Nickel Project (PNM 80%)

- ✓ Substantial MRE – 7.08Mt @ 1.57% Nickel (1.2% Ni cut-off).
- ✓ Fully Permitted – Mining Licence.
- ✓ Financed – US\$22 million loan facility fully drawn.
- ✓ Development Completed – camp, wharf, haul road.
- First Shipment – Scheduled for early December 2023.

Jejevo Nickel Project (PNM 80%)

- ✓ Substantial MRE – 7.51Mt at 1.46% Nickel (1.2% Ni cut-off).
- ✓ Mining Licence Application Submitted.
- ✓ Land access agreement signed with landowners



Straightforward DSO Nickel Operation

Simple Barging and Transshipping Operation

- Shallow open pit mining operation.
- No processing or tailings dams required.
- Barging 800m to 55,000 – 60,000 tonne geared ships for export.
- Production of up to 1.5 wet mtpa based on port throughput (~20,000t contained nickel).
- Saprolite shipped to Chinese RKEF plants for the production of nickel-in-pig iron for the stainless steel industry.
- Low environmental impact.



Kolosori Site layout



Experienced Team

Corporate Information (ASX: PNM)

Shares on Issue **418.3m**

Options **71.2m**

Performance Rights **10.9m**

Share Price
ASX:PNM **\$0.10**

Market
Capitalisation **\$41.8m**

Cash
(as at 31 Oct 2023) **A\$18.55m**

Kolosori Project
Loan Facility
(Fully Drawn) **US\$22m**

Board and Management

(Directors Holdings 12.8%)

Greg Foulis
Non-Executive Chairman

Geoff Hiller
Director and CEO

Rob Thomson
Technical Director

Haldane Morris
Chief Operating Officer

Terry Cuthbertson
Non-Executive Director

James Dean
Non-Executive Director

Graham Frank
Chief Financial Officer

Andrew Cooke
Company Secretary

In Country Team

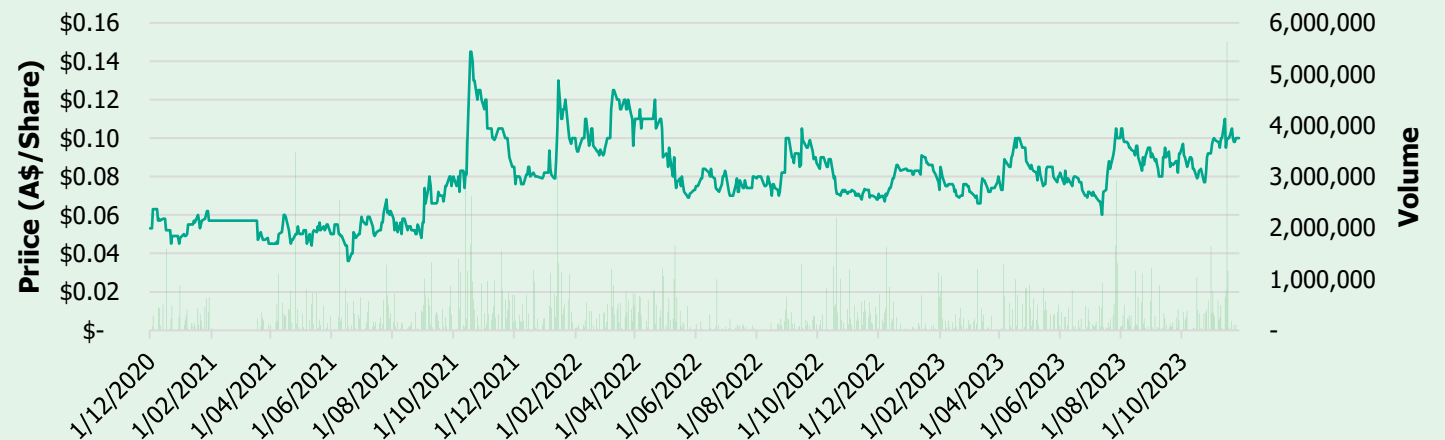
Michael James
Kolosori Project Development
& Jejevo GM

Pawel Misiec
SI Commercial Manager

Mark Edwards
GM of Kolosori

David Low
Project Director

PNM Share Price Performance

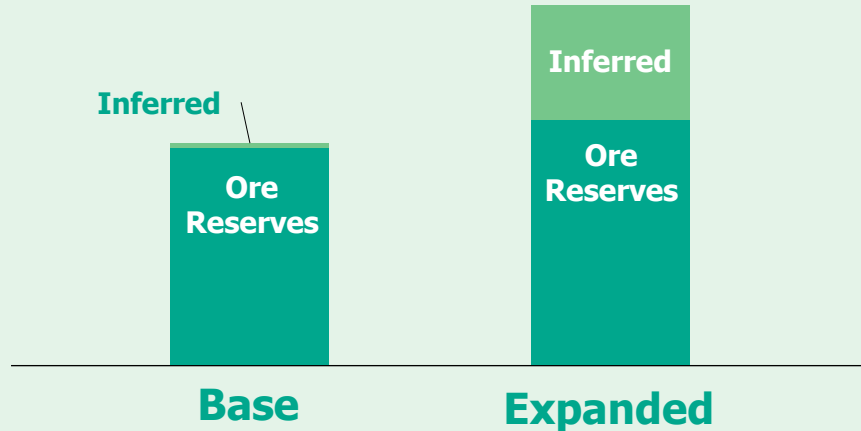


Kolosori DFS Provides Attractive Economics

Two Operating Scenarios Considered:

- 1 **Base Case** with the mine schedule representing 97% from Ore Reserves and 3% from Inferred Mineral Resources; and
- 2 **Expanded Case** with the mine schedule representing 68% from Ore Reserves and 32% from Inferred Mineral Resources.

Both cases assume an on average 1.4 Mtpa operation.



NPV Post-Tax

Base	Expanded
US\$64m	US\$83m

Mine Life

Base	Expanded
3 years	5.8 years

Ore Mined

Base	Expanded
3.8 Mwmt @ 1.57% Ni	6.1 Mwmt @ 1.51% Ni

CAPEX

Base	Expanded
US\$21.3m	US\$21.3m

Payback

Base	Expanded
< 1 year	< 1 year

This section presents the financial outcomes of the Kolosori Project Definitive Feasibility Study. This evaluation considers the Project on a 100% basis.

Current DSO Ni Pricing into China

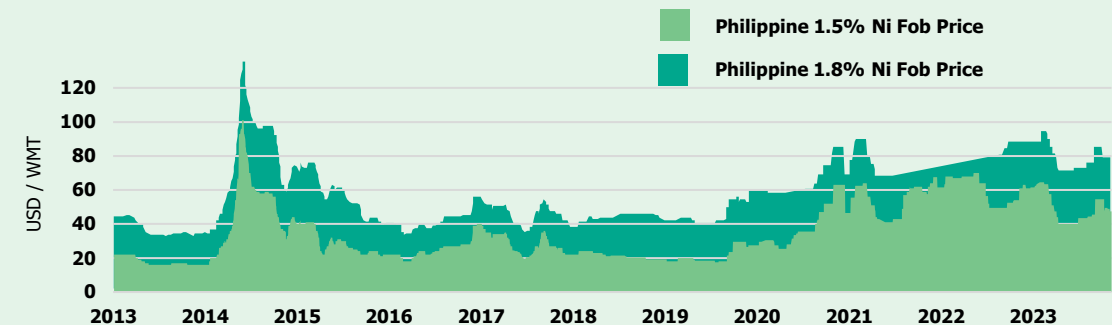
- DSO Prices down due to increase in NPI production in Indonesia and soft Chinese/global economy.
- DSO pricing significantly less volatile than LME Ni (-42% vs -11% YTD).
- New NPI supply out of Indonesia has come on more rapidly than expected.
- Demand for Ni expected to accelerate in the next two years as battery demand expands.
- Lower shipping costs partially offsets lower DSO prices.
- Prior to export ban in 2018, Indonesia supplying +1.6% Ni DSO.
- Philippine average DSO grades in decline.

Mining/development strategy at Kolosori:

- Higher grades earlier – approx. 2.0mt at 1.73% Ni.
- Approx 4.8mt at 1.63% Ni mined over the first 3 – 4 years.
- Ability to increase throughput and reduce costs once in production.
- Exploration will target additional high-grade ore sources.

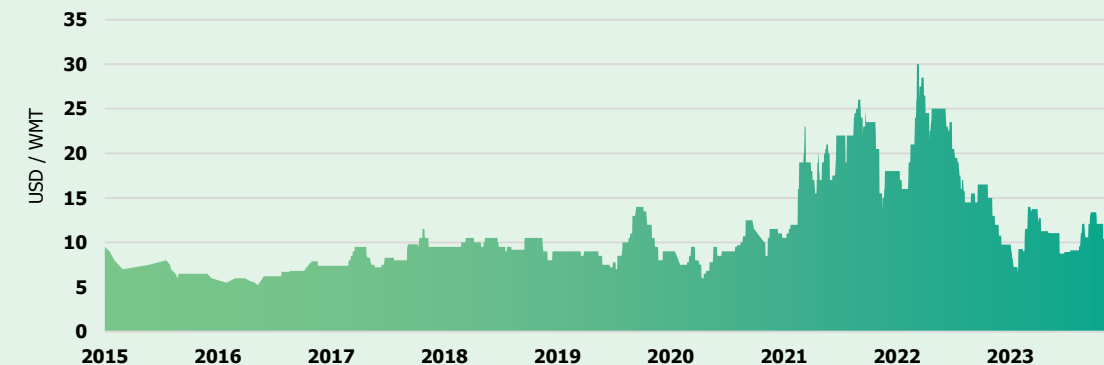
Philippine 1.5% & 1.8% Ni Fob Price 4 Jan 2013 - 9 Nov 2023

Source: FerroAlloyNet



Philippine (Zambales) Nickel Ore Ocean Freight 4 Jan 2015 - 9 Nov 2023

Source: FerroAlloyNet



Glencore Financing and Offtake

Financing Agreements Executed

Loan Agreement

- Project loan facility of US\$22 million – Fully Drawn.
- 3-year repayment term commencing after the first shipment and with no scheduled repayments due during the wet season months.
- Competitive margin above the US Secured Overnight Financing Rate.
- Early repayments permitted without penalty.
- No mandatory hedging.

Offtake Agreement

- 6-year Term.
- Take or pay contract.
- Price received linked to agreed 1.5% DSO Nickel benchmarks and adjusted for nickel and moisture bonus/penalty payments.
- Quantity to be 100% of mine production during the Term.
- FOB Kolosori delivery basis with 85% payment upon provisional invoicing.



Glencore team inspecting test pit



Glencore team inspecting trial stockpile

Development Activities



Project Overview



Camp and Project Offices



Mining Contractor Workshop



Sheet Piling for Wharf

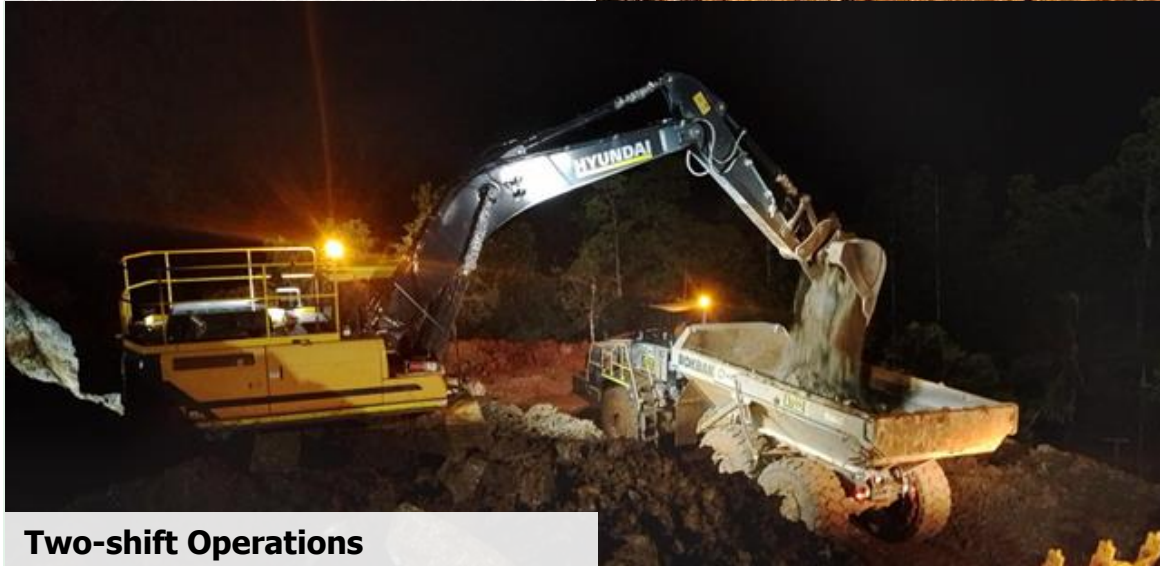
Mining and Stockpiling of Nickel Ore



Mining Saprolite Nickel Ore



Construction of Ore Stockpile Pads



Two-shift Operations



Nickel Ore Stockpiles and Loading Wharf

Stockpiles Growing



Contractors and Partnerships

Mining Contractor – HBS

- Experienced PNG contractor
- New large equipment via PNG
- Operates in tropical environments
- Workforce has cultural fit with SI – employs locally where possible and provides training

Subcontractor – GRP

- Ability to provide local workforce and smaller equipment
- Provides fuel supply

Barging – Marinepia

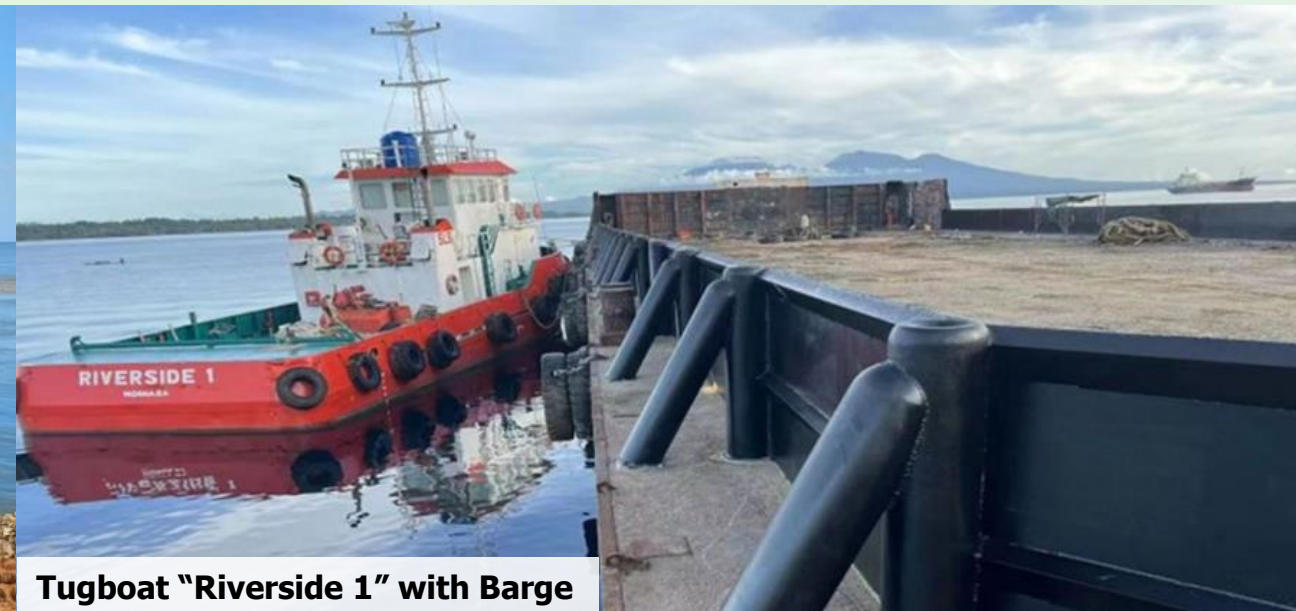
- Provides 4 barges and tugs
- Provides workforce

Shipping – Glencore

- Global shipping and nickel trading
- Arranges geared ships



HBS Mining Equipment on Site



Tugboat "Riverside 1" with Barge

ESG – Social Licence



Training Staff in Laboratory



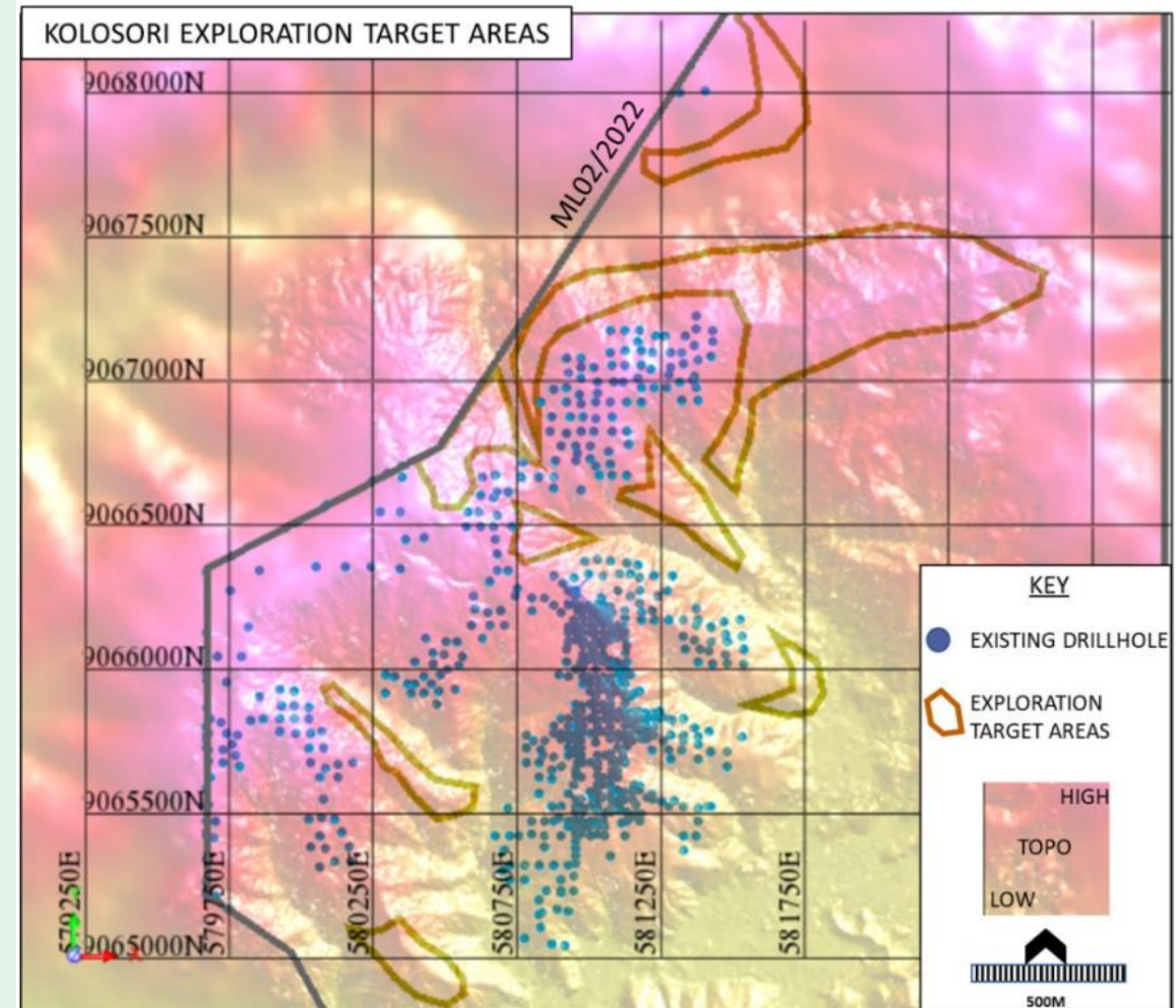
Site Inductions and Training



Plant Nursery Established

Kolosori Exploration Targets – Additional Resource Potential

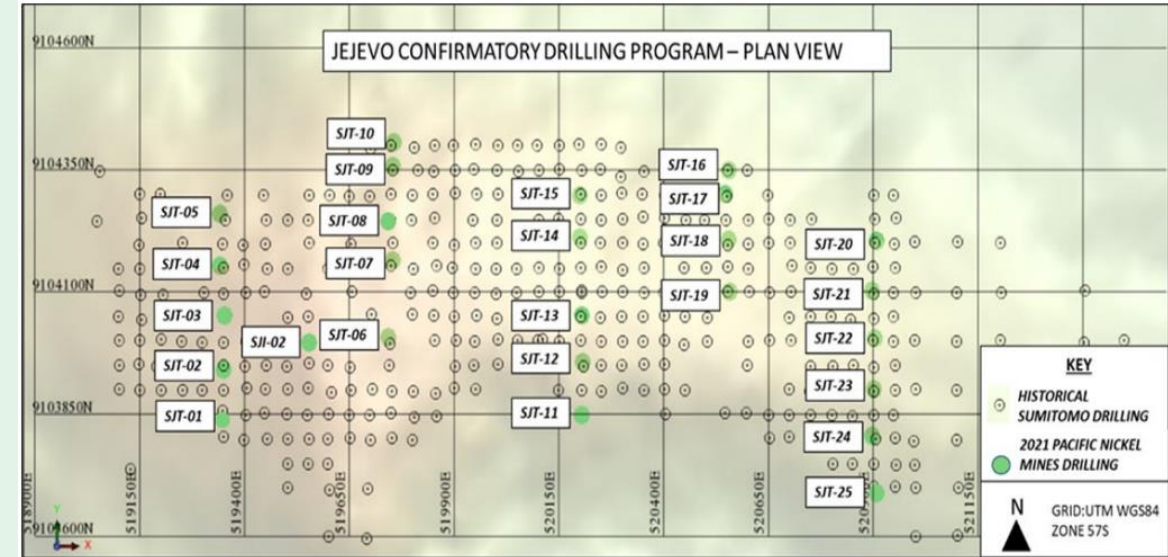
- High priority exploration targets have been identified in proximity of the current Mineral Resource envelope.
- Exploration target of **2.5Mt to 4.0Mt at 1.2% - 1.6% Ni.¹**
- Drilling to target extensions to known nickel mineralisation.
- Potential to significantly increase mine life for the Kolosori Nickel Project.



Jejevo Nickel Project (PNM 80%) – Our Second Nickel Operation

Following the same development blueprint as Kolosori

- Large high-grade saprolite MRE of **7.51Mt at 1.46% Ni (1.2% Ni cut-off). Similar to Kolosori.**
- Exploration target at Jejevo of a further **3.0 - 5.0 Mt at 1.2% to 1.6% Ni.**
- Mining Lease application submitted in December 2022 and progressing application through regulatory processes.
- Landowner Surface Access Agreement executed October 2023.
- DFS being progressed simultaneously with an Environmental and Social Impact Study.
- Similar size and development approach to Kolosori.
- Construction due to commence in 2024, subject to permitting and finance.



Significant high-grade intervals (>1.9% Ni) returned from the 26-hole program include:

- SJT-04: **8m @ 2.18% Ni from 2m**
- SJT-09: **8m @ 1.93% Ni from 2m**
- SJT-11: **5m @ 1.93% Ni from 2m**
- SJT-15: **9.4m @ 2.11% Ni from 2m**

Major Milestones for Kolosori Completed in 2023

Finance



Export Permit Granted
from the Solomon
Islands Government



Glencore Financing Executed
and Fully Drawn

Construction



Contracts with mining
and barging contractors



Camp, Haul Road and
Wharf Completed



Mining of Ore
and Stockpiling



First shipment in
early Dec 2023

Pacific Nickel: inexpensive, low capex nickel projects moving into production

DEVELOPMENT



Kolosori Project Attractive Economics

Capital payback less than 1 year.

First shipments due from the project this year.

Excellent exploration upside.

MANAGEMENT



Quality Technical Development Team

Glencore debt financing and off-take.

HBS experienced PNG mining contractor.

Experienced Management Team.

Successful implementation of the first DSO nickel project in the Solomons.

GROWTH



Jejevo Project to follow same development blueprint as Kolosori.

Kolosori exploration to extend mine life in 2024.

Jejevo exploration to increase resource in 2024.

Other in country nickel opportunities.



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