

Kolosori Nickel Project – Project Site Fully Operational

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**") project, which received financial support via a US\$22m¹ project specific debt facility provided by Glencore International AG ("**Glencore**").

Highlights

- Four barges have docked at the Kolosori wharf in preparation for ore loading
- The first 60,000 tonne ore transport ship has been booked via Glencore and is scheduled to arrive at Kolosori on 19 December 2023
- The average nickel grade for first shipment to Glencore is expected to be over 1.75% Ni.
- Arrival of the barges and the ore transport ship were delayed to avoid Cyclone Jasper which formed over the Solomon Islands last week
- The Project site is fully operational after last week's severe weather event with no loss of stockpiles, equipment or infrastructure.

Pacific Nickel CEO Geoff Hiller commented:

"The site and management team have done an incredible job to deliver the Kolosori Project this year. They are now preparing to load ore onto barges for transshipment onto the MV Fairfield Eagle which will deliver nickel ore to our offtake partner Glencore."

"We would specifically like to acknowledge the support from our landowner partners, the Provincial and National Governments who have all assisted in the development of the Kolosori Project. We look forward to that same cooperation extending through to the operational phase at Kolosori."

"The focus for the Company will soon move to our second project at Jejevo once we receive the Mining Lease from the National Government. The blueprint for Jejevo has been established on the back of the Kolosori development."

The Company is pleased to report that all four barges contracted with Marinepia Shipping Company Limited have now arrived on site as shown in Photo 1. The four 3,000t barges are expected to commence ore loading shortly in preparation for barging to a geared transport ship in the latter part of next week.

¹ ASX Announcement 19 April 2023 – Major Milestone Achieved with Glencore International AG Executing Kolosori Nickel Project Financing Agreements



Photo 1 – Barges docked at Kolosori Wharf for barging of ore to a geared transport ship

The Company is also pleased to advise that the first ore transport ship of approximately 60,000 tonnes capacity has been ordered by Glencore and is expected to arrive at Kolosori on 19 December 2023. The ship will be moored some 800m from the wharf in clear view of the operation.

The average nickel grade for the first shipment to Glencore is expected to be over 1.75%Ni.

Prior to ordering the ship, the Company has worked closely with Glencore to ensure that all stockpile sampling, testing and monitoring have been conducted in line with international shipping standards. The Company undertook additional measures, such as drilling of the stockpiles, to ensure results were known through the full depth and breadth of each stockpile. The testing and sampling program was supervised by an internationally regarded expert engaged by the Company.

This first shipment has been delayed due to the impact of severe weather in early December associated with a low pressure system which formed over the Solomon Islands and subsequently developed into Cyclone Jasper.

Importantly the site managed to handle a significant rainfall event without loss of stockpiles, equipment or infrastructure as can be seen from Photo 2 (taken on 12 December 2023) of the site and stockpiles located near to the Kolosori wharf.



Photo 2 – Kolosori Project Site and stockpiles located near to the Kolosori Wharf



Photo 3 – Kolosori Project Site and stockpiles located near to the Kolosori Wharf

The location of the Company's Kolosori and Jejevo projects are shown in Figure 1 below. The Jejevo project is approximately 70km NW of the Kolosori project.

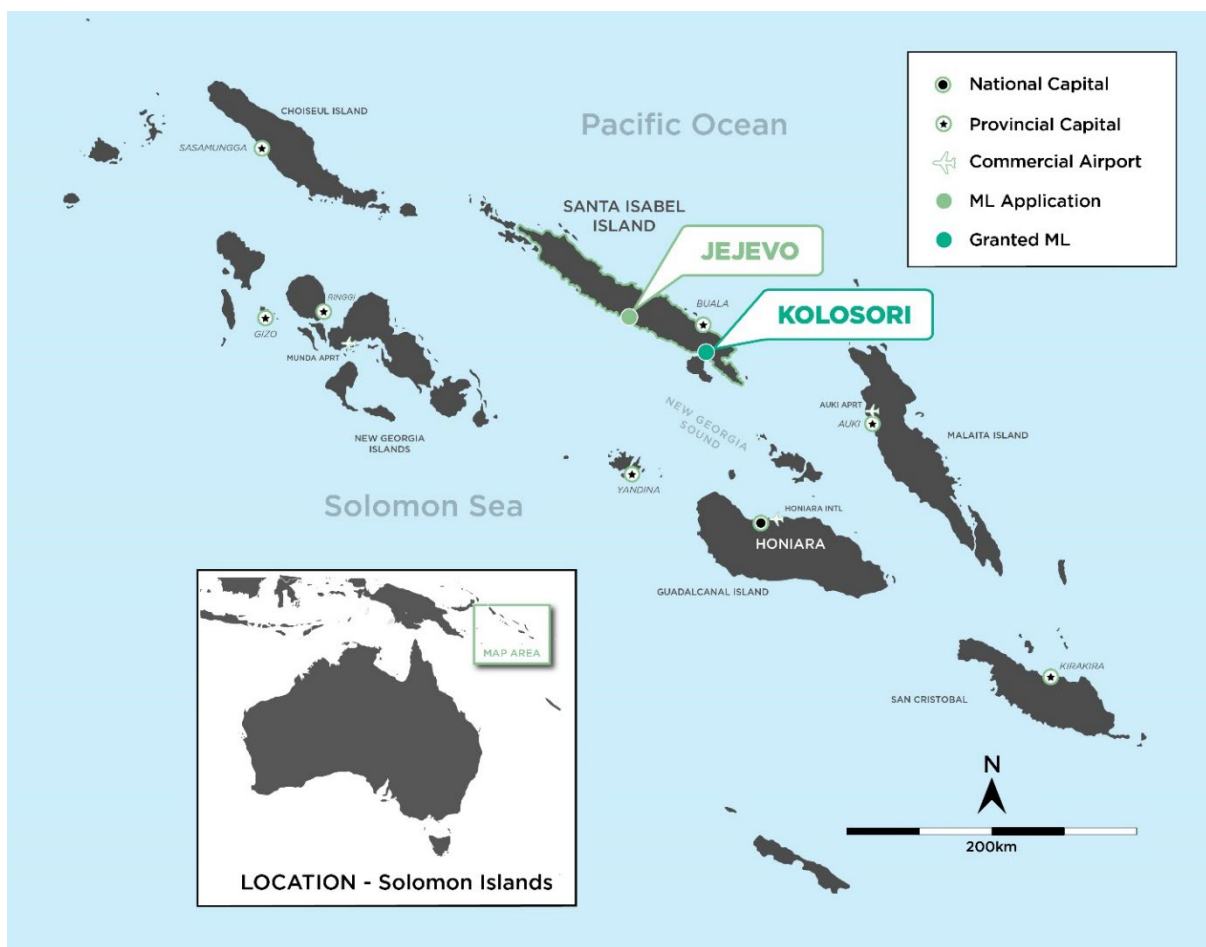


Figure 1 - Location of Kolosori and Jejevo projects on Isabel Island, Solomon Islands

Further information on Pacific Nickel is available at www.pacificnickel.com.

Authorised by the Board.

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