

21 December 2023

Kolosori Nickel Project – First DSO Shipment Underway

Pacific Nickel Mines Limited (ASX Code: PNM) (“**Pacific Nickel**” or “**the Company**”) is pleased to announce that the first shipment of high-grade Direct Shipping Ore (“**DSO**”) from the Kolosori Nickel Project (“**Kolosori Nickel Project**” or “**the Project**”) in the Solomon Islands. is currently being loaded aboard the MV Fairfield Eagle.

Highlights:

- As planned, the first 60,000 tonne bulk carrier arrived at the Project site on 19 December 2023 and is currently being loaded.
- All four 3,000 tonne barges were loaded ahead of the ship’s arrival to expedite loading operations, which is anticipated to take six days depending on the weather.
- The average grade for the first DSO shipment to offtake partner Glencore International AG (“**Glencore**”) is over 1.75% nickel.
- The Company continues to stockpile high-grade nickel ore in preparation for further shipments in early 2024.

Pacific Nickel CEO Geoff Hiller commented:

“This is a great achievement for management and the team onsite to deliver on our ambitious goal of becoming a nickel producer in 2023. Our first shipment of high grade nickel ore is now being loaded from our barges. Our offtake partner Glencore takes delivery of the nickel ore once the ship sails.”

The onsite team has successfully loaded barges by truck (Photo 1), and expedited transshipment by preloading the four 3,000t barges prior to the arrival of the carrier on 19 December (Photo 2).

The first ship, of 60,000t capacity, is now moored just offshore (Photos 3 and 4). Loading is anticipated to take six to seven days, subject to weather conditions.

Additional stockpiles are being developed to ensure that the future shipments can be sequenced in a timely manner (Photo 5).

Offtake terms

Under the terms of the Offtake Agreement with Glencore, the Company receives 85%¹ of the value of the shipment once loaded, with the balance payable upon adjudication at the discharge port.

¹ PNM ASX Announcement 19 April 2023 – Major Milestone, Glencore Execute Kolosori Finance Agreement



Photo 1: Truck loading barges for transit to offshore bulk carrier



Photo 2: Barges pre-loaded ready for transshipment.



Photo 3: Bulk carrier moored 800m from the Kolosori loading wharf

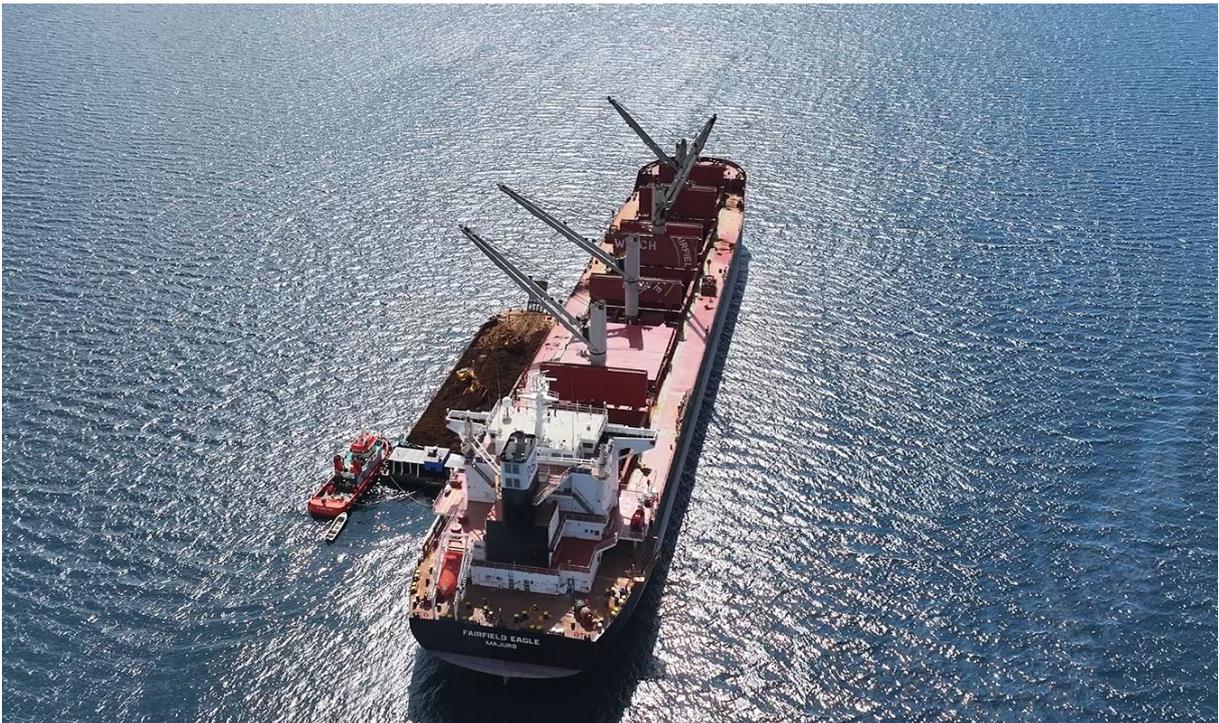


Photo 4: Barge alongside geared bulk carrier for loading



Photo 5: Preparation of stockpiles for future shipments

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

Authorised by the Chief Executive Officer.

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