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ASX Limited  
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(2 pages)

## OPERATING UPDATE

- **April and May 2026 Adjusted EBITDA from operations of approximately US\$80m**
- **Release of RKEF working capital, with approximately US\$70m to be received by early July 2026**
- **Shanghai Decent refund of US\$15m in relation to the ONI matte converter**
- **ENC commissioning with first ore received at the limonite feed preparation plant, MHP expected by July**

Nickel Industries Limited (**Nickel Industries** or **the Company**) advises that combined April and May 2026 Adjusted EBITDA from operations was approximately US\$80m. Adjusted EBITDA from operations of US\$29m for April was negatively impacted due to 8 days of downtime at the Hengjaya Mine, subcontractor standby charges and planned maintenance of the rotary kiln electric furnace (**RKEF**) 720 MW integrated power plants requiring third-party electricity supply for the RKEF operations. The Company's operations rebounded strongly in May to approximately US\$51m in Adjusted EBITDA.

The Company's RKEF operations unwound a substantial amount of working capital and Nickel Industries is expected to receive approximately US\$70m in distributions by early July.

The Company has chosen not to proceed with an investment in the ONI matte converter, given the stronger margins and carbon benefits of using high-pressure acid leach (**HPAL**) technology for class-1 nickel supply. Consequently, the Company's largest shareholder, Shanghai Decent, has refunded the US\$15m option fee previously paid in 2023 - a testament to the strong working relationship between the parties.

Commissioning at the Excelsior Nickel Cobalt HPAL project (**ENC**) is well underway, with the limonite feed preparation plant receiving first ore in May. In the coming week, the sulphuric acid plant will be ignited and the first of three autoclaves commissioned, after which the ore pipeline infrastructure will transport first slurry between Hengjaya Mine and the ENC Smelter. First ore to the autoclave is expected by early July, with mixed hydroxide precipitate (**MHP**) from the Smelter anticipated by mid-July. The Refinery, leach-circuit will commence commissioning in late June using MHP stock, with nickel cathode expected mid-August - enabling registration of ENC cathode on the London Metal Exchange (**LME**) and Shanghai Futures Exchange (**SHFE**).

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Commenting on the operating update, Managing Director Justin Werner said:

*“We are very pleased with the Company’s recent performance. After a softer April, impacted by downtime at the Hengjaya Mine and planned maintenance at the RKEFs, our operations rebounded strongly in May to deliver approximately US\$51m in Adjusted EBITDA, underscoring the quality and resilience of our asset base.*

*Our balance sheet also continues to strengthen, with our RKEF operations unwinding a substantial amount of working capital and Nickel Industries expects to receive around US\$70m in distributions by early July. Together with the US\$15m option-fee refund from Shanghai Decent, this reflects strong cash generation and disciplined capital management across our portfolio.*

*Commissioning of our transformational ENC project is well underway, with ore received at the limonite feed preparation plant in May, slurry to the ENC Smelter in the coming week, MHP anticipated by mid-July and nickel cathode expected by mid-August - defining milestones as we diversify our production towards the electric vehicle battery supply chain.”*

This announcement has been approved by the Executive Directors.

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**Overview of Nickel Industries:**

Nickel Industries Limited (NIC) is an ASX-listed company which owns a portfolio of mining and low-cost downstream nickel processing assets in Indonesia.

The Company has a long history in Indonesia, with controlling interests in the world-class Hengjaya Mine, as well as four rotary kiln electric furnace (RKEF) projects which produce nickel pig iron (NPI) for the stainless-steel industry.

Having established itself as a globally significant producer of NPI, the Company has transitioned its production to focus on the electric vehicle battery supply chain – the Company acquired a 10% interest in the Huayue Nickel Cobalt (HNC) HPAL project, adding mixed hydroxide precipitate (MHP) to its product portfolio.

Nickel Industries’ next transformative step is the current commissioning of Excelsior Nickel Cobalt (ENC), a next-generation HPAL project capable of producing MHP, nickel and cobalt sulphate and nickel cathode. The Company has a 46% interest in ENC. ENC is expected to produce in excess of 72,000 tonnes of nickel metal per annum, diversifying the Company’s production and reducing the Company’s carbon emissions profile – reflecting the strong commitment to sustainable operations.

To learn more, please visit: [www.nickelindustries.com/](http://www.nickelindustries.com/)

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