NICKEL INDUSTRIES

ACN 127 510 589

ASX ticker: NIC

ASX release: 28 October 2025

Shares on issue: 4.34B

Market capitalisation: A$3.21B (@ A$0.74)

Board of Directors

Executive Chairman
Norman Seckold

Managing Director
Justin Werner

Executive Director and CFO
Chris Shepherd

Non-Executive Directors
James Crombie
Emma Hall
William Shangjaya
Muliady Sutio
Haijun Wang
Yuanyuan Xu

Substantial shareholders
(as per last substantial holder notices)

Shanghai Decent	22.7%
PT DTN	20.0%
L1 Capital	6.8%

Further enquiries

Cameron Peacock
cpeacock@nickelindustries.com
+ 61 (0) 439 908 732

info@nickelindustries.com
+61 2 9300 3311

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NICKEL INDUSTRIES

QUARTERLY ACTIVITIES REPORT

For the quarter ended 30 September 2025

US$87m Adjusted EBITDA from Operations

RKEF operations

Key reporting metrics	Units	Q2 2025	Q3 2025	Variance
Production	Ni tonnes	30,463	31,148	2%
Sales	Ni tonnes	30,458	30,622	1%
Cash costs	US$/t Ni	10,348	9,846	(5%)
Adjusted EBITDA	US$m	33.7	40.5	20%
Adjusted EBITDA/t	US$/t Ni	1,107	1,324	20%

HPAL operations

Key reporting metrics	Units	Q2 2025	Q3 2025	Variance
Attributable production	Ni tonnes	2,075	2,166	4%
Cash costs	US$/t Ni	7,881	7,610	(3%)
Attributable EBITDA	US$m	10.8	13.1	21%

Mining operations

Key reporting metrics	Units	Q2 2025	Q3 2025	Variance
Ore production	wmt	5,923,539	5,917,957	(0%)
Ore sales	wmt	3,021,678	3,094,230	2%
Unit operating cost	US$/wmt	12.5	14.6	17%
Adjusted EBITDA	US$m	41.4	32.8	(21%)
Adjusted EBITDA/wmt	US$/wmt	13.7	10.6	(23%)

Highlights

- US$800m 5-year Senior Unsecured Notes Issued
- US$400m Senior Unsecured Notes and US$150m bank loans repaid after quarter end
- ENC acquisition payment deferrals (until second half of 2026)
- Record monthly Mine sales of 1.4M wmt in July and 1.5M wmt in August
- Record quarterly Mine sales of 3.1M wmt

[1] Adjusted EBITDA is defined by the Company as profit/(loss) for the period, plus depreciation and amortisation costs, plus impairment, plus foreign exchange gains/(losses), plus interest income/(expenses), plus tax expense, plus ITDA on equity accounted investees. EBITDA reconciliation included on page 9.

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The Directors are pleased to present the September 2025 Quarterly Activities Report for Nickel Industries Limited (**Nickel Industries** or **the Company**) and its controlled entities (t**he Group**).

For the quarter under review, the Company held an 80% interest in the Hengjaya Nickel (**HNI**), Ranger Nickel (**RNI**), Angel Nickel (**ANI**) and Oracle Nickel (**ONI**) rotary kiln electric furnace (**RKEF**) projects, an 80% interest in the Hengjaya Mine and a 51% interest in the Siduarsi nickel ore resource project (**Siduarsi**), a 10% interest in the Huayue Nickel Cobalt HPAL project (**HNC**) and a 44% interest in the Excelsior Nickel Cobalt HPAL project (**ENC**), which is under construction and nearing production. Additionally, the Company has entered into binding agreements to acquire a 60% interest in the Sampala nickel ore resource project (**Sampala**).

Commenting on the September quarter's activities, Managing Director Justin Werner said:

"We are pleased to deliver another strong quarter of EBITDA, with both our RKEF and HPAL operations delivering a 20% and 21% increase in EBITDA respectively vs Q2 2025. US$87m of EBITDA was delivered during the quarter despite significantly reduced sales from our Hengjaya Mine operations in September.

At the end of the quarter, the Company achieved a 12-month rolling LTIFR of 0.00, with no lost time injuries recorded over 18.5 million man-hours worked during the past twelve months, this is a tremendous achievement, and we commend all of our dedicated staff for their continued focus on safety and best operating practices.

New monthly records were set at the Hengjaya Mine operations in July and August, with deliveries of over 1.4m and 1.5m wmt per month respectively for total sales of over 2.9m tonnes in the first two months of the quarter. Unfortunately, sales were reduced in September to just over 200,000 wmt as the Company continued to work on securing its increased RKAB quota. This drop in production saw Hengjaya Mine combined EBITDA for July and August of US$36.3m fall to a US$3.7m loss in September. Had this not occurred the Company believes that the Hengjaya Mine would have delivered over US$50m in EBITDA for the quarter.

During the quarter we continued to make good progress towards final approval of a Analisis Mengenai Dampak Lingkungan (AMDAL), including in recent days a key letter of support from the Ministry of Environment (ESDM) recommending the AMDAL, to support our application to increase our annual Rencana Kerja dan Anggaran Belanja (RKAB) from its current level of 9 million wmtpa to 19 million wmtpa, having satisfied all of the technical and reporting requirements we remain confident of imminent approval.

Our RKEF operations performed strongly during the quarter with EBITDA up 20%, driven by a 5% decrease in RKEF costs.

HPAL EBITDA was up 21% on increased sales, and strong increased by-product credits from cobalt. Good progress continues to be made at our ENC Project, where we are progressing towards full commissioning early in 2026. We also announced at the end of the quarter a 6 month payment deferral of the final US$253m of acquisition payments, with US$126.5m now due on 1 July 2026 and a further US$126.5m on 1 October 2026.

We were honoured once again to receive the Gold award for Biodiversity Management at the 2025 Indonesia Sustainable Responsible Awards (ISRA) and to secure a further two platinum, two gold, and three silver trophies.

On the corporate front, the Company issued US$800m of senior unsecured notes at a coupon of 9%. The issuance attracted strong support from global investors, including from North America and Europe, underscoring the growing international recognition of our business and long-term strategy. Proceeds were used to tender the existing US$400m senior unsecured notes (which had a coupon of 11.25%) and US$150m of existing amortising bank loans. The transaction extends our debt maturities, reduces our cost of debt and removes US$88m in annual note amortisation and approximately US$31m in annual loan amortisation.

Overall, the quarter once again demonstrated the advantages of our integrated and diversified operations with EBITDA increases across our RKEF and HPAL operations helping to smooth out the effect of limited ore sales in September.

Safety

The Company-wide 12-month lost time injury frequency rate (**LTIFR**) as at the end of September 2025 was 0.00, with no lost time injuries (**LTI**) recorded during the quarter, against 4.5 million safe man hours registered. For the twelve months to 30 September 2025, there were 18.5 million safe man hours registered, with no LTI's occurring.

The Company-wide 12-month rolling total recordable injury frequency rate (**TRIFR**) as at the end of September 2025 was 0.92.

Sustainability

Nickel Industries' leadership in sustainability was recognised through multiple external awards and media features during the quarter. The Company received the Gold award for Biodiversity Management at the Indonesia Sustainable Responsible Awards (**ISRA**) 2025 in July and secured two platinum, two gold, and three silver trophies at the Environmental and Social Innovation Awards (**ENSIA**) 2025 in September. In addition, the Company's commitment to promoting the sustainability of nickel mining in Indonesia has again received national recognition at the Innovation Technology for Social and Environmental Awards (**IntechSEA**) 2025 event held by Hasanuddin University in Makassar. These accolades, along with features in national and international publications, underscore the Company's ongoing commitment to ESG excellence and its role as a thought leader in the mining sector.



Award ceremonies

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RKEF operations (80% indirect interest held by Nickel Industries)

Production	Units	Q2 2025	Q3 2025	Variance
NPI production	tonnes	260,071	263,430	1%
Nickel grade	%	11.7	11.8	1%
Total nickel production	**tonnes**	**30,463**	**31,148**	**2%**
Cash costs	US$/t Ni	10,348	9,846	(5%)

Sales	Units	Q2 2025	Q3 2025	Variance
Sale price	US$/t Ni	11,449	11,078	(3%)
Sales	tonnes	30,458	30,622	1%
Revenue	US$m	346.0	345.0	(0%)
Adjusted EBITDA	**US$m**	**33.7**	**40.5**	**20%**
Adjusted EBITDA/t	US$/t Ni	1,107	1,324	20%

RKEF production of 31,148 tonnes of nickel metal was up 2% from the June quarter (30,463 tonnes). Combined operating cash costs were 5% lower quarter on quarter, primarily due to lower fixed costs per tonne from higher production, as well as decreased electricity costs. The higher production during the quarter was achieved despite ongoing maintenance at ONI due to the flooding earlier this year, which reduced nickel production by approximately 1,000 tonnes during the September quarter.

Realised NPI contract pricing increased month on month during the quarter with an average NPI contract price of US$10,902/t in July increasing to an average of in September of US$11,336/t Ni. Despite this, the average NPI contract price for the quarter of US$11,078/t Ni was 3% lower than the June quarter. Decreased operating costs and higher sales resulted in Adjusted EBITDA increasing 20% during the quarter.

Further RKEF detail is contained in Appendix A.



World Mental Health Day

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HPAL operations

Huayue Nickel Cobalt (10% indirect interest held by Nickel Industries)

Production	Units	Q2 2025	Q3 2025	Variance
HNC production (100%)	Ni tonnes	20,750	21,656	4%
	Co tonnes	1,877	1,924	3%
Attributable HNC production (10%)	Ni tonnes	2,075	2,166	4%
	Co tonnes	188	192	3%
Cash costs[2]	US$/t Ni	7,881	7,610	(3%)

Sales	Units	Q2 2025	Q3 2025	Variance
HNC sales (100%)	Ni tonnes	22,520	21,965	(2%)
	Co tonnes	2,030	1,949	(4%)
Attributable HNC sales (10%)	Ni tonnes	2,252	2,197	(2%)
	Co tonnes	203	195	(4%)
NIC trading division sales	Ni tonnes	1,233	2,441	98%
	Co tonnes	115	212	83%

EBITDA	Units	Q2 2025	Q3 2025	Variance
HNC EBITDA (100%)	US$m	100.5	96.2	(4%)
HNC EBITDA/t	US$/t Ni	4,461	4,381	(2%)
Attributable HNC EBITDA (10%)	US$m	10.0	9.6	(4%)
NIC trading division EBITDA	US$m	0.8	3.5	343%
Combined attributable EBITDA	**US$m**	**10.8**	**13.1**	**21%**

HNC distributes offtake to shareholders on a pro-rata ownership basis, with Nickel Industries holding a 10% interest via its trading entity (**NIC trading division**). This division's profit is driven by profit on provisional sales during the quarter and final contract settlements from previous quarters.[3] Since operating the NIC trading division from October 2023, the Group has incrementally profited approximately US$2,100/t Ni on mixed hydroxide precipitate (**MHP**) sales. During 2025, the NIC trading division has delivered an incremental profit of approximately US$1,300/t Ni.

During the quarter, HNC produced 21,656 tonnes of nickel and 1,924 tonnes of cobalt in MHP, outperforming nameplate capacity (60,000 tonnes of nickel per annum) by 44%. Combined operating cash costs decreased by 3% quarter on quarter, primarily due to lower nickel ore costs. Meanwhile, the MHP sale price increased, supported by higher metal payability and stronger cobalt prices. Although the cash costs do not include credits from byproducts, the cobalt byproduct increased from an equivalent of ~$2,300/t Ni during the quarter to ~$3,000/t Ni in October. Cobalt hydroxide stocks have been drawn down outside DRC since the DRC government export ban in February and the recently announced quota system at levels inadequate to meet demand.

HNC EBITDA for the quarter of US$4,381/t Ni was 2% lower than the June Quarter, driven by lower MHP sales volumes and higher operating expenditure from stockpiled MHP earlier this year. The increase in the NIC trading division EBITDA for the quarter from US$0.8m to US$3.5m, was driven by delaying June sales to the September quarter due to changes in the ENC integrated refinery commissioning schedule and final contract settlements from previous months. Ignoring the quarterly timing impacts, the quarterly "underlying" combined HPAL margin is estimated at approximately US$5,681/t Ni (including the NIC trading division's 2025 average profit of approximately US$1,300/t Ni).

[2] Cash costs do not include credits from byproducts. The cobalt byproduct increased to an equivalent of ~$2,300/t Ni during the quarter.

[3] MHP sold by NIC trading division is exported and the provisional price is linked to the nickel and cobalt price on the month of shipment, whilst the final price is based on a period after the month of shipment. Consequently, the final invoice price differs from the original pro forma invoice price, and adjustments cross over quarterly periods.

Excelsior Nickel Cobalt Project (44% indirect interest currently held by Nickel Industries)[4]

During the quarter, integration commenced for water, steam, electricity and key reagents at the HPAL Smelter, connecting via pipe racks and bridges to all major process equipment. Integration of key shared infrastructure of Smelter and Refinery continued, which will enable ENC to take advantage of common reagents and economies of scale across the integrated plants. Power and water infrastructure are now largely complete and along with the acid plant, will be some of the first commissioned processes later in the quarter.

Nearby at the Refinery, key reagents that will be used to extract valuable metals have commenced delivery in anticipation of commissioning solvent extraction. Final optimisations are being completed to the Refinery to enable full commissioning of the end-to-end process next quarter, which will result in finished nickel and cobalt products suitable for the battery chemical and super alloys markets.



ENC HPAL Smelter construction progress



ENC integrated Sulfate and Cathode refinery construction progress

[4] The Company is scheduled to move to a 55% equity interest in ENC by 1 October 2026.

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Mining operations

Hengjaya Mine (80% interest held by Nickel Industries)

Production	Units	Q2 2025	Q3 2025	Variance
Saprolite	wmt	1,411,238	1,290,014	(9%)
Limonite	wmt	4,512,301	4,627,943	3%
Total	**wmt**	**5,923,539**	**5,917,957**	**(0%)**
Overburden	BCM[5]	822,550	832,247	1%
Strip ratio	BCM/wmt	0.14	0.14	1%

Sales	Units	Q2 2025	Q3 2025	Variance
Saprolite sales[6]	wmt	1,395,152	1,144,020	(18%)
Limonite sales	wmt	1,626,526	1,950,210	20%
Total ore sales	**wmt**	**3,021,678**	**3,094,230**	**2%**
Saprolite grade	%	1.43	1.47	3%
Limonite grade	%	1.13	1.09	(3%)
Saprolite sale price	US$/wmt	25.6	26.3	3%
Limonite sale price	US$/wmt	26.8	24.6	(8%)
Average sale price	**US$/wmt**	**26.2**	**25.2**	**(4%)**
Unit operating costs[7]	US$/wmt	12.5	14.6	17%
Adjusted EBITDA	**US$m**	**41.4**	**32.8**	**(21%)**
Adjusted EBITDA/wmt	US$/wmt	13.7	10.6	(23%)

During the quarter, the Hengjaya Mine production was consistent whilst sales increased 2% for a quarterly record of 3,094,230 tonnes. Despite the quarterly record, the sales volumes were negatively impacted by the unexpected delay in the increased RKAB approval during September, which meant the majority of nickel ore sales occurred in July and August.

During the quarter, the limonite contract price decreased by 8%, driven by lower grades and a slight decrease in demand. Operating costs increased 17% during the quarter, driven by the unexpected delay in the approval of the increased RKAB sales quota – despite minimal sales in September, the Company incurred mining contractor standby charges. Adjusted EBITDA for the quarter of US$32.8m was 21% lower than the US$41.4m reported in the June quarter. This result was driven by lower ore prices and higher operating costs.

[5] BCM represents 'bank cubic metres'.
[6] Sales of saprolite ore by Hengjaya Mine to HNI, RNI and ONI are intra-group transactions and are eliminated on consolidation. Profit from saprolite ore sales is recognised on a consolidated level as a reduction in the cost of operations, once the saprolite ore has been consumed by the group in NPI operations.
[7] Unit operating costs include mining, transport, royalty and administration costs.

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Sampala Project (Nickel Industries with a right to acquire a 60% interest)

The Sampala Project continues to progress well; the Company completed a detailed mine plan for the PT Erabaru Timur Lestari (**ETL**) IUP[8], targeting a production license of 6 million wmt of ore per annum. The mine plan, along with the accompanying feasibility study, has been submitted to the Indonesian Mines Department. The Company expects to receive approval for the RKAB by the end of the year. Additionally, a feasibility study is being prepared for the PT ANN (formerly MJN) IUP tenement, with the intention to submit it before the end of 2025.

Construction of 8km of haul road, a 60-metre bridge, internal road systems and stage one accommodation is progressing well. The construction activities have resulted in the creation of approximately 800 new jobs. During the quarter, drill rigs completed 767 drill holes for 23,133 metres. Exploration drilling focus has shifted to the GF exploration area whilst infill drilling programs have commenced in the ANN IUP area to support detailed mine planning.



Sampala Mine camp and bridge construction

Siduarsi Project (51% interest held by Nickel Industries, with a right to acquire a 100% interest)

During the quarter, 1,200 hectares of ground penetrating radar surveying northwest of the current IUP were completed. Surface sampling was completed and is currently in transit for laboratory testing. The Company continued to advance approval of its feasibility study which will target a production license of 3 million wmt of ore per annum.

[8] Operation and production mining license.

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Finance[9]

Balance sheet – 30 September 2025

	Units	Cash and cash equivalents	Trade receivables	Inventories
RKEF	US$m	82.6	169.4	107.2
HPAL	US$m	23.9	0.4	-
Mining	US$m	26.5	44.9[10]	113.2
Head office	US$m	853.9	-	-
Total	**US$m**	**986.9**	**214.7**	**220.4**

During the quarter, Hengjaya and Oracle RKEF entities made distributions to Nickel Industries and Shanghai Decent (and its associates), in proportion to the respective ownership interests. Nickel Industries received US$21.8m, and Shanghai Decent received US$5.4m.

The Company also received distributions from the NIC trading division totalling US$8.0m.

During the quarter, the Company issued US$800m of 5-year bullet senior unsecured notes at a coupon of 9%. Proceeds from the notes were used during October to tender the existing US$400m senior unsecured notes and repay US$150m of existing amortising bank loans. The transaction extends our debt maturities, reduces our cost of debt and removes US$88m in annual note amortisation and approximately US$31m in annual loan amortisation.

EBITDA from operations reconciliation

	Units	Q2 2025	Q3 2025	Variance
RKEF Adjusted EBITDA	US$m	33.7	40.5	20%
HPAL Attributable EBITDA	US$m	10.8	13.1	21%
Mining Adjusted EBITDA	US$m	41.4	32.8	(21%)
Adjusted EBITDA	**US$m**	**85.9**	**86.6**	**1%**
FX gains / (losses)[11]	US$m	3.2	(6.1)	(291%)
EBITDA	**US$m**	**89.1**	**80.4**	**(10%)**

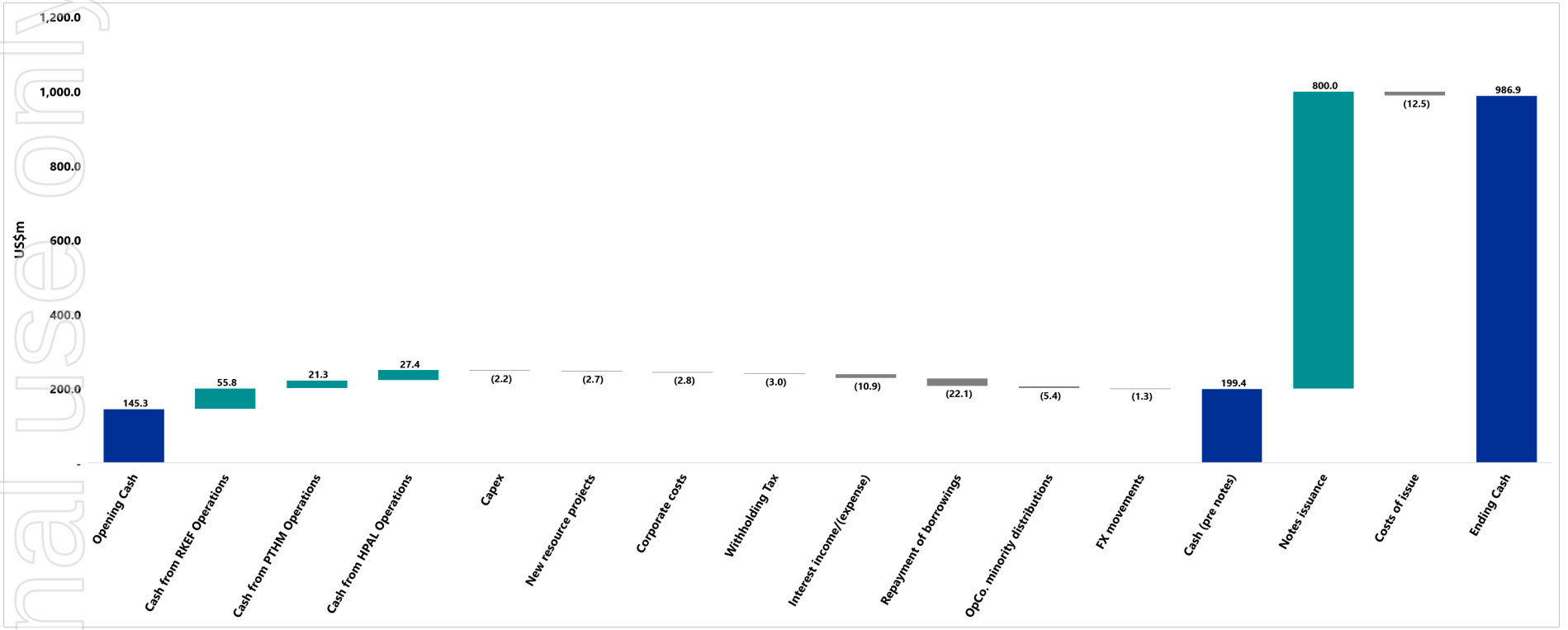
[9] Unaudited numbers from monthly operating entity financial reporting.
[10] Trade receivables exclude saprolite ore receivables which are eliminated on consolidation.
[11] The FX exposure is arising predominantly from the RKEF operations working capital IDR exposure. This includes ~ US$110m of historical value-added tax (VAT) receivable between ANI and ONI. The Company anticipates receiving this remaining historical VAT receivable over the next twelve months.

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Cashflow

The following cashflow waterfall provides a reconciliation of cash movements for the Group during the September 2025 quarter.

Cash flow waterfall – September 2025 quarter



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Expenditures

Expenditure on mine production and development activities at the Hengjaya Mine during the quarter totalled US$52.6m, of which US$1.3m was capex.

Expenditure on exploration activities undertaken at the Hengjaya Mine during the quarter totalled US$0.1m.

Exploration expenditure at the Sampala Project was US$2.6m and the Siduarsi Project totalled US$0.2m.

Related party expenditures

During the quarter, the aggregate amount of payment to related parties and their associates totalled US$669,571, comprising US$572,141 of payments to Directors or Director-related entities for Directors' consulting fees and US$97,430 in fees were paid to The Trustee for Mining Services Trust (**MIS**), an entity in which Director Norman Seckold has a controlling interest. MIS provides full administrative services, including administrative, accounting, company secretarial and investor relations staff both within Australia and Indonesia, office premises, services and supplies to the Group.

Corporate highlights

23 September 2025 – ENC Acquisition Payment Schedule

25 September 2025 – US$800 Million Senior Unsecured Notes Issued

Contact information

For further information please contact:

Justin Werner
Managing Director
jwerner@nickelindustries.com
+62 813 8191 2391

Cameron Peacock
Investor Relations & Business Development
cpeacock@nickelindustries.com
+61 439 908 732

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Appendix A

RKEF operations – additional details

Production	Units	HNI	RNI	ANI	ONI	Total
Total nickel production	**tonnes**	**4,072**	**4,047**	**11,599**	**11,431**	**31,148**
- June quarter	tonnes	4,038	4,205	11,444	10,777	30,463
Cash costs	**US$/t Ni**	**10,874**	**11,155**	**9,605**	**9,262**	**9,846**
- June quarter	US$/t Ni	11,150	11,192	10,343	9,724	10,348

Sales	Units	HNI	RNI	ANI	ONI	Total
Tonnes sold	**tonnes**	**4,072**	**4,047**	**11,072**	**11,431**	**30,622**
- June quarter	tonnes	4,038	4,205	11,438	10,777	30,458
Adjusted EBITDA	**US$m**	**1.0**	**(0.1)**	**15.2**	**24.4**	**40.5**
- June quarter	US$m	0.8	0.8	12.8	19.4	33.7
Adjusted EBITDA/t	**US$/t Ni**	**243**	**(20)**	**1,375**	**2,130**	**1,322**
- June quarter	US$/t Ni	195	187	1,118	1,796	1,107

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