15 September 2026

ASX Limited
20 Bridge Street
Sydney NSW 2000 (2 pages)

OPERATING UPDATE

- **ENC ramp-up temporarily constrained by dry conditions in Central Sulawesi**
- **MHP exemption received, allowing MHP produced at ENC to be sold following receipt of IUI (expected in October 2026)**
- **3.1 million wmt nickel ore sales from Hengjaya Mine for July and August, with record 1.6 million wmt in August 2026 and record EBITDA for August of $28.2 million**
- **Combined July and August 2026 Adjusted EBITDA from operations of approximately US$90m**

Nickel Industries Limited (**Nickel Industries** or **the Company**) advises that the ramp-up of its Excelsior Nickel Cobalt HPAL project (**ENC**) has been interrupted by dry conditions in Central Sulawesi, Indonesia, which have constrained water supply to the operation. By way of comparison, rainfall at the nearby Hengjaya Mine has historically averaged 222mm in August, whereas less than 4mm was recorded in August 2026. Prior to the onset of the dry conditions, ENC had ramped up to approximately 50% of nameplate capacity within four weeks of the commencement of commissioning. Should the water supply constraints persist, ENC is expected to operate at approximately 30% of nameplate capacity until water availability normalises. Rainfall is inherently difficult to predict; however, the Company's base case is that water supply will normalise with the onset of the wet season, which is expected to commence by December 2026. The Company's RKEF operations have not been affected by the dry conditions and continue to operate normally.

ENC has received an exemption from the regulation introduced earlier this year restricting the export of mixed hydroxide precipitate (**MHP**), opening the path to the issuance of an Izin Usaha Industri (**IUI**) for all of ENC's products. The IUI is the industrial business licence that allows commercial sales to be undertaken. The next step for all products, inclusive of MHP, is the online submission of comprehensive documentation through the Indonesian Government's online submission portal. Following review, a site inspection is typically conducted before the IUI is granted. The Company expects the IUI to be received in October 2026, which will permit commercial sales of ENC's full product suite, including nickel and cobalt in cathode and sulphate.

The Hengjaya Mine continued its strong performance, with record monthly nickel ore sales of 1.6 million wet metric tonnes (**wmt**) in August 2026, following 1.4 million wmt in July 2026, contributing $53.2 million EBITDA for the two months. The same dry conditions that have constrained ENC have, conversely, supported mining and haulage productivity at the Hengjaya Mine. Year-to-date ore sales to 31 August 2026 total 9.0 million wmt, with the Company on track to fully utilise its current 2026 RKAB sales quota of 14.3 million wmt. Given the strength of production and ore sales, the Company has lodged an application to increase its 2026 RKAB quota and expects a response shortly.

Nickel Industries combined July and August 2026 Adjusted EBITDA from operations was approximately US$90 million. This reflects the Company's existing operating business only and includes no contribution from ENC, which had not commenced commercial sales during the period.

Commenting on the Operating Update, Managing Director Justin Werner said:

"ENC has performed exceptionally well since commissioning, reaching approximately 50% of nameplate capacity within four weeks, which is a genuine credit to our operating team. The dry conditions in Central Sulawesi are an unusual and temporary constraint on water supply, and we expect availability to normalise with the onset of the wet season. Importantly, the exemption we have received in relation to MHP has opened the path to ENC's IUI across all products, and with that licence expected in October we are well placed to begin commercialising ENC's full product suite. At the same time, the Hengjaya Mine delivered a record 1.6 million wmt of nickel ore sales in August. Combined July and August Adjusted EBITDA from operations of approximately US$90 million demonstrates the earnings capacity of the broader business."

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 matte for the electric vehicle (**EV**) supply chain and nickel pig iron (**NPI**) for the stainless-steel industry.

Having established itself as a globally significant producer of NPI, the Company is now rapidly transitioning its production to focus on the EV battery supply chain – the Company has a 10% interest in the Huayue Nickel Cobalt (**HNC**) HPAL project, providing mixed hydroxide precipitate (**MHP**) to its product portfolio.

Nickel Industries has commenced production at Excelsior Nickel Cobalt (**ENC**), a next-generation HPAL project capable of producing MHP, nickel and cobalt sulphate and nickel cathode. The Company currently holds 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/