



NEWS RELEASE

TSX Venture: **NKL**  
FSE: **3JC0**

## NICKEL 28 ANNOUNCES Q3 2021 FINANCIAL RESULTS

TORONTO, ONTARIO, November 9, 2021 —Nickel 28 Capital Corp. (“**Nickel 28**” or the “**Company**”) (TSXV: **NKL**) (FSE: **3JC0**) is pleased to release its operating results for the nine-month and three-month periods ending September 30, 2021, for the Company’s principal asset, an 8.56% joint-venture interest in the Ramu Nickel-Cobalt (“**Ramu**”) integrated operation in Papua New Guinea. Additionally, Nickel 28 is pleased to announce the receipt of its first free cash flow from Ramu, a US\$3.2 million payment, as further detailed below.

“The Ramu mine continued its outstanding performance in the 3<sup>rd</sup> quarter of 2021,” stated Anthony Milewski, Chairman of the Board of Directors. “With another strong quarter of operations and sales, and the repayment of the Ramu operating debt, Nickel 28 will continue to receive 35% of our attributable cash flow on a semi-annual basis, which will ensure that the Company can pursue its ongoing strategy of increasing shareholder value.”

### Q3 2021 Highlights

The Company’s principal asset Ramu continued to have another strong quarter. Highlights from Ramu during the quarter include:

- Total project revenue in YTD 2021 of over US\$560 million, as a result of continued strong nickel/cobalt commodity prices and improved payability for mixed hydroxide (“**MHP**”).
- Completed repayment of the Company’s operating debt from Ramu’s half year results, the first of two debt tranches from Ramu, which triggered the payment of attributable cash-flow to the Company.
- Nickel 28’s cash distribution from Ramu in H1 2021 was US\$19.3 million of which \$10.2 million was used to retire the operating debt and \$5.9 million was used to pay down the construction debt netting the balance of \$3.2 million which has been received by Nickel 28.
- Ramu produced 8,649 tonnes of contained nickel and 841 tonnes of contained cobalt in MHP in Q3 with YTD production of 25,227 tonnes of nickel and 2,359 tonnes of cobalt contained in MHP placing Ramu as the world’s largest producer of nickel and cobalt in MHP.
- Ramu actual cash costs of US\$1.55 per pound of nickel produced as MHP (net of byproduct credits) in Q3 and YTD cash costs of US\$ 2.00 per pound of nickel, placing Ramu in the top quartile of global nickel producers and the lowest cost producer from HPAL operations according to Wood Mackenzie.
- Ramu sales of 8,084 tonnes of contained nickel in Q3 on track to exceed 2020 sales.

## Ramu Production and Cost Table

Ramu's unaudited operating and financial performance for the periods noted are presented below.

	2020		2021	
	Q3	Q3 YTD	Q3	Q3 YTD
Ore Processed (dry kt)	954	<b>2,688</b>	924	<b>2,705</b>
MHP Produced (dry tonne)	23,015	<b>63,167</b>	22,224	<b>65,290</b>
Contained Nickel (tonne)	9,048	<b>25,286</b>	8,649	<b>25,227</b>
Contained Cobalt (tonne)	821	<b>2,941</b>	841	<b>2,359</b>
Nickel Capacity Utilization (% of design <sup>1</sup> )	111%	<b>103%</b>	106%	<b>103%</b>
MHP Shipped (dry tonne)	16,529	<b>50,674</b>	20,423	<b>71,113</b>
Contained Nickel (tonne)	6,584	<b>20,247</b>	8,084	<b>27,803</b>
Contained Cobalt (tonne)	584	<b>1,750</b>	767	<b>2,556</b>
<b>Cash Cost Actual<sup>2</sup></b>	<b>\$1.84</b>	<b>\$2.02</b>	<b>\$1.55</b>	<b>\$2.00</b>

Note (1) Ramu design capacity of 32,600 tonne/year contained Ni

Note (2) Actual Cash Cost net of byproduct credit

A. Nickel 28 has included certain performance measures in this press release that do not have any standardized meaning prescribed under International Financial Reporting Standards ("IFRS"), including "Cash Cost Actual". The presentation of these non-IFRS measures is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Other companies may calculate these non-IFRS measures differently.

B. These figures have not been audited and are subject to change. The information presented above has not been audited by the Company's independent accountants, should not be considered a substitute for audited financial statements and should not be regarded as a representation by the Company as to the actual financial results.

"Despite the challenges brought on by Covid-19, the operational team at Ramu and our partner MCC continue to deliver exceptional performance" stated Anthony Milewski. "Although there have been some inflation pressures from input commodities, those have been more than offset by improved cobalt prices and increased payables for nickel and cobalt in MHP given its growing importance as a feed source for lithium-ion battery production" continued Mr. Milewski. "YTD cash costs of \$2.03 per pound of nickel are back in line with expectations and reflect strong byproduct credits from cobalt".

## Ramu Mineral Resource and Reserve Update

The continued impact of Covid-19 has resulted in a delay to a planned visit by the Company's representatives to the Ramu operations to conduct a further review of mineral resource depletion.

"Our intention is to provide investors a general update on the status of mineral resources and reserves as provided to the Company from MCC. Given the tremendous challenges in conducting any drilling and inability to visit the mining operations in 2020 and 2021 by our own technical staff, we believe this update provides the necessary information that supports expected depletion rates of mineral resources and reserves" stated Anthony Milewski. "We are in regular discussions with our partners at Ramu and expect to mobilize our technical staff to visit the mine site and verify all mineral resource and reserve data in 2022, provided travel restrictions to and from PNG allow" continued Mr. Milewski. "The rate of depletion of mineral reserves is consistent with expected values. Once MCC is able to mobilize drill crews again, we expect that infill drilling and exploration drilling will recommence which we expect will lead to the conversion of mineral resources to reserves and the delineation of additional mineral resources to Ramu".

The Company previously disclosed that Ramu mineral reserves were 54 million tonnes as of December 31, 2019 and have been depleted approximately 4.1 million dry metric tonnes (“DMT”) in 2020, as 3.6 million DMT of ore was processed in the Basumuk Refinery operations according to operational data that has been reviewed. “The 3.6 million DMT processed in 2020 is consistent with the 3.6 million DMT processed in 2019 which represented a reserve depletion of approximately 4 million DMT,” noted Mr. Milewski.

The Company had previously disclosed the following resource and reserve tables dated as of December 31, 2019.

**Table 1: Ramu Mineral Resources – Effective Date December 31, 2019<sup>1,2</sup>**

Category	Tonnage (Mt)	Nickel Grade (%)	Cobalt Grade (%)
Measured	77	0.86	0.09
Indicated	67	0.83	0.09
<b>Measured &amp; Indicated</b>	<b>145</b>	<b>0.84</b>	<b>0.09</b>
Inferred	21	0.90	0.10

**Table 2: Ramu Mineral Reserves – Effective Date December 31, 2019<sup>2</sup>**

Category	Tonnage (Mt)	Nickel Grade (%)	Cobalt Grade (%)
Proven	21	0.91	0.10
Probable	33	0.85	0.09
<b>Total Reserves</b>	<b>54</b>	<b>0.88</b>	<b>0.09</b>

**Notes:**

1. Mineral resources at a cut off of 0.5% Ni and a minimum mineable thickness of 0.5m; mineral resources are inclusive of mineral reserves; the figures may not add exactly due to rounding; mineral resources do not include the +2mm rock fragments in the rocky saprolite layers; mineral resources that are not mineral reserves do not have demonstrated economic viability.
2. Mineral reserves at a cut off of 0.5% Ni and a minimum mineable thickness of 0.5m; mineral reserves are included in mineral resources; the figures may not add exactly due to rounding; mineral reserves do not include the +2mm rock fragments in the rocky saprolite layers.

**About Nickel 28**

Nickel 28 Capital Corp. is a nickel-cobalt producer through its 8.56% joint-venture interest in the producing, long-life and world-class Ramu Nickel-Cobalt Operation located in Papua New Guinea. Ramu provides Nickel 28 with significant attributable nickel and cobalt production thereby offering our shareholders direct exposure to two metals which are critical to the adoption of electric vehicles. In addition, Nickel 28 manages a portfolio of 13 nickel and cobalt royalties on development and exploration projects in Canada, Australia and Papua New Guinea.

**Scientific and Technical Information**

The majority owner and operator of Ramu is MCC Ramu Nico Ltd., a 67.02% owned subsidiary of MCC, and is operated by Ramu NiCo Management (MCC) Limited, a wholly-owned subsidiary of MCC. MCC is listed on the Hong Kong Stock Exchange and on the Shanghai Stock Exchange. The scientific and technical information in this news release, as well as additional material scientific and technical information with respect to the Ramu project, has been prepared by MCC in its capacity as operator of Ramu.

Disclosures of a scientific or technical nature in this news release have been reviewed on behalf of Nickel 28 by R. Mohan Srivastava, P. Geo., an independent consultant to Nickel 28 and a “qualified person” as defined by NI 43-101.

All estimates of mineral reserves and mineral resources in respect of Ramu in this news release are presented in compliance with JORC. For reporting in a NI 43-101 format, the inferred resources are not totaled with the measured and indicated mineral resources. The Ramu data has been reviewed and verified in relation to CIM best operating practices for reporting and for scope and content of JORC and NI 43-101 reporting through a due diligence conducted by an independent qualified person on behalf the Company. The technical report in respect of the updated mineral resource and reserve estimate, when filed, will contain more detailed information concerning individual responsibilities, associated quality assurance and quality control, and other data verification matters, and the key assumptions, parameters and methods used by the Company. Ramu is an operating mine and there are no known legal, political, environmental, or other risks that could materially affect the potential development of the mineral resources or mineral reserves.

For additional scientific and technical information in respect of Ramu, including an overview of the sampling, analytical, and test data underlying the Company’s previous mineral resource and reserve estimates (and associated quality assurance and quality control, and other data verification matters, and the key assumptions, parameters and methods used by the Company), please refer to the Company’s current NI 43-101 technical report entitled “*Ramu Nickel Cobalt Project, Located in Madang Province, Papua New Guinea, NI 43-101 Technical Report*” dated effective as of October 25, 2019 filed under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Cautionary Note Regarding Forward-Looking Statements**

This news release contains certain information which constitutes ‘forward-looking statements’ and ‘forward-looking information’ within the meaning of applicable Canadian securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expect”, “potential”, “believe”, “intend” or the negative of these terms and similar expressions. Forward-looking statements in this news release include, but are not limited to: statements and figures with respect to the operational and financial results of the Ramu project; statements with respect to the prospects of nickel and cobalt in the global electrification of vehicles; statements related to the repayment of the Company’s Ramu operating debt (and the timing thereof); statements related to the Company’s attributable cash flow and future cash flow receivable by the Company (and the receipt and timing thereof); statements related to the production impacts of the Covid-19 pandemic; statements related to future evaluation of mineral resource and reserve estimates by representatives of MCC and the Company; and statements with respect to the business and assets of the Company and its strategy going forward. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, most of which are beyond the Company’s control. Should one or more of the risks or uncertainties underlying these forward-looking statements materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements.

This news release also contains references to estimates of mineral reserves and mineral resources. The estimation of mineral reserves and mineral resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral reserve and mineral resource estimates may have to be re-estimated based on, among other things: (i) fluctuations in nickel, cobalt or other mineral prices; (ii) results of drilling; (iii) results of metallurgical testing and other studies; (iv) changes to proposed mining operations, including dilution; (v) the evaluation of mine plans subsequent to the date of any estimates; and (vi) the possible failure to receive or maintain required permits, approvals and licences.

The forward-looking statements contained herein are made as of the date of this release and, other than as required by applicable securities laws, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. The forward-looking statements contained in this release are expressly qualified by this cautionary statement.

**Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. No securities regulatory authority has either approved or disapproved of the contents of this news release.**

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