Nickel 28 Announces Financial Results and Large Debt Repayment

written by Raj Shah | June 1, 2022

June 1, 2022 (Source) – Nickel 28 Capital Corp. ("**Nickel 28**" or the "**Company**") (TSXV: **NKL**) (FSE: **3JC0**) has released its results for the year ended January 31, 2022.

The Company's President, Justin Cochrane is pleased to announce that "with continued significant cash generation from Ramu in 2021, and higher nickel prices, the Company repaid the first tranche of its Joint Venture debt, and we received our first cash distribution from Ramu." Mr. Cochrane continued, "operating results from Ramu continue to be exceptional and for this we would like to thank our Joint Venture partner and operator MCC."

Full Year Highlights

The Company's principal asset, an 8.56% joint-venture interest in the Ramu Nickel-Cobalt ("**Ramu**") integrated operation in Papua New Guinea, had another outstanding year in terms of production, sales and cash flow. Highlights from Ramu and the Company during the year include:

– Full year debt repayment of US$38 million, fully repaying the operating debt balance during the year and reducing the remaining construction debt balance to $73.4 million as at January 31st, 2022.

– Production of 31,594 tonnes of contained nickel and 2,953 tonnes of contained cobalt in mixed hydroxide (MHP) placing Ramu as the number one producer of MHP globally.

– Total Ramu project revenue of over US$690 million.

– Average cash costs for the year, net of by-product sales, of US$2.06/lb. of contained nickel.

– Total net and comprehensive income of $11.2 million ($0.13/share)

– Strong year end cash balance of US$4.0 million, providing ample liquidity for the Company.

“We continue to see significant tightness in the nickel market, with LME nickel prices currently trading above US$12.50 per pound of nickel, approximately 50% higher than the nickel price at this time last year. We are expecting another outstanding year of production, sales and cash flow from our Ramu JV,” stated Anthony Milewski, chairman of the Company’s board of directors.

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.

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; 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; statements related to the production impacts of the Covid-19 pandemic; 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.

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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