



Nordic Mining ASA (EN Expand:NOM) - Interim report per 31 March 2022

Please find enclosed Nordic Mining's interim report and company presentation for the first quarter of 2022. The interim report and company updates will be presented digitally today, Tuesday 10 May 2022 at 10.00 (CET). The presentation and Q&A session will be held in English and transferred via webcast. You will have the opportunity to post questions online throughout the webcast session. The webcast will be available on:

https://channel.royalcast.com/landingpage/hegnarmedia/20220510_9/

Summary of important events in the first quarter of 2022 and year to date:

KEY EVENTS

- Ministry of Trade, Industry and Fisheries confirms Engebø operating license
- Permit for groundworks at Engebø approved by Sunnfjord Municipality
- Landowner properties acquired and early construction work started at Engebø
- Keliber's Lithium Project value increases by 220% to EUR 1.2 billion

CORPORATE

New Commercial Director appointed to strengthen Group Management

In March, Nordic Mining appointed Maurice Kok as new Commercial Director effective from 1 August 2022. Mr. Kok has broad and international experience from sales and marketing of alloys and mineral products from Elkem, TiZir/Eramet and Kalbar Operations. In addition to sales management, Mr. Kok has specific experience from the mineral sands industry as well as business development and has been involved with mining projects at an early stage ahead of operations commencing.

Milestone first part of project financing for the Engebø Rutile and Garnet Project completed

In January 2022, Nordic Mining completed the first part of the project financing equity for the Engebø Rutile and Garnet Project of NOK 132.5 million from a group of local Sunnfjord investors led by two of the Engineering, Procurement and Construction ("EPC") partners for the Engebø Project.

The equity contribution is structured as a loan with conversion rights to shares in Nordic Mining ASA, with certain obligations on specific terms and milestones as the project development progresses. The convertible loan will upon conversion contribute as part of the equity for the project financing package for the Engebø Project.

The loan was resolved by the Extraordinary General Meeting ("EGM") on 4 February 2022.

The Group is progressing its assessment of several financing structures, with discussion on possible participation in the project financing from selected strategic investors in final stages. The remaining project financing package is expected to be in excess of USD 250 million comprising debt, equity and potential hybrid capital or royalty. Financial close is targeted before end H1 2022, pending continued constructive progress on various workstreams and receptive capital market conditions.

ENGEBØ RUTILE AND GARNET PROJECT (100% ownership)

Ministry of Trade, Industry and Fisheries confirms Engebø operating license

In May 2022, the Ministry of Trade, Industry and Fisheries ("MTIF") confirmed that Nordic Mining's operating license is maintained as granted with full rights to the Engebø deposit, supporting the resolution from the Directorate of Mining. The decision from the MTIF is final and cannot be appealed. The resolution from the Ministry includes requirements related to operations and environment:

- Maximize resource utilization and minimize waste based on Best Available Technologies
- Mine plans for underground to be approved by Directorate of Mining latest one month before start of underground operations and optimizing possible backfill
- Utilize a fossil free mining fleet based on available technology and implement goals for reduction of climate gas and waste

The requirements are to a large extent already part of the current permits and operational plans for Engebø.

Nordic Mining starts early construction work at Engebø

In April 2022, Nordic Mining started early construction works at Engebø after closing of the acquisition of the main properties at Engebø. The early works includes preparing the properties for construction, continuation of detailed project planning and process for procurement of critical process equipment, and commencement of groundworks on process plant area and preparatory works for tunnelling. The early works is expected to secure important project developments that enables optimizations of the construction schedule. In preparation for start of construction Nordic Mining has undertaken initial environmental monitoring, which will continue throughout construction and will form the basis for a new environmental baseline for start of operations.

Superior carbon footprint at Engebø

In March 2022 SRK Consulting (UK) Ltd, conducted an analysis to compare the Green House Gas ("GHG") emissions associated with the Engebø Project, with existing operators in the global titanium value-chain. The comparative study shows that Engebø Rutile and Garnet has the lowest carbon footprint compared to five major operators. The annual GHG footprint of the Engebø project is 3,058 tons of CO₂e with an estimated carbon intensity of 0.01 tCO₂e per ton finished product, which is one to two orders of magnitude lower than comparable operators.

Permit for groundworks at Engebø approved by Sunnfjord Municipality

In February 2022, Sunnfjord Municipality approved the building permit for all infrastructure groundworks for the Engebø Rutile and Garnet Project. The permit is fully in line with the UDFS and the EPC contracts.

The approved building permit by the municipality together with already approved demolition permit for existing buildings and agreement with county road authority, completes the formal requirements for starting construction work at Engebø. Permits for general and process plant buildings will be applied for in due course according to finalization of detail engineering by the EPCs.

Taking action to ensure sustainability at Engebø

Nordic Mining is taking a proactive approach to ensure that the Engebø project will be developed based on high standards for sustainability. A comprehensive Environmental and Social Management System ("ESMS") is currently being implemented for the Project. Important management plans that have been finalized in Q1 2022 are Extractive Waste Management plan, Construction Environmental Management Plan ("CEMP") and a Conceptual Closure and Rehabilitation Plan. Further, a Biodiversity Action Plan is being

developed together with DNV. The Group has set an ambitious goal of biodiversity net-gain for the Engebø Project over life of mine. The plan includes measures to continuously work to reduce, restore, and compensate biodiversity loss at the mine site.

An environmental monitoring program using state of the art technology has been put in place at Engebø to monitor environmental effects from construction activities. The aim is to supervise potential effects related to airborne dust, vibrations and noise, and risk for emissions to fjord surface water and freshwater bodies.

Tightness in supply for high-grade feedstock - significantly increase in rutile prices through Q1 2022

Record high titanium dioxide demand for pigment production continues to exacerbate tight supply of rutile feedstocks, with prices expected to rise further in 2022. The tightness in supply for high-grade feedstock is expected to continue driven by uncertainties over supply from major producers, including Iluka, Tronox and Rio Tinto, and no new major sources of supply likely to impact the market. Declining ore grades at Richards Bay Minerals in South Africa require investment from Rio Tinto, but protest and violence at the site in recent years have disrupted production, including over the summer, and the expansion is on hold. Major western pigment producers have reported that a lack of titanium feedstock is limiting their production rates and inhibiting their ability to meet demand from their end customers. Rutile prices increased significantly through the first quarter, with reported rutile prices in excess of USD 1,500/mt FOB in March 2022.

Nordic Mining progressing negotiations with potential partners for long-term offtake of garnet. Product samples has been supplied for testing, with results that compare well with industrial reference qualities.

KELIBER LITHIUM PROJECT (12.0% ownership)

Keliber's Lithium Project value increases by 220% to EUR 1.2 billion

In March 2022, Keliber released the Updated Definitive Feasibility Study ("UDFS") for the Lithium Project in Central Ostrobothnia, Finland. The UDFS to produce battery-grade lithium hydroxide ("LiOH") confirmed a solid financial and technical feasibility of Keliber's project, with significant improvements in the key financials compared to the Definitive Feasibility Study from 2019.

Key economic figures from Keliber's UDFS (numbers in brackets relate to the comparable numbers from DFS from 2019):

- Post-tax NPV@8% of EUR 1,228 million (EUR 384 million)
- Post-tax IRR 31% (24%)
- Payback period (from start of production) 3.5 years (4.1 years)

Nordic Mining owns 12.0% of the shares in Keliber. See Financial Performance and note 3 on fair value assessment of the investment in Keliber as per 31 March 2022.

Keliber's lithium hydroxide will have a smaller CO2 footprint than majority of competitors' products

In March 2022 Keliber released the results of two emission analysis undertaken by the consulting company Wood Mackenzie based on analysis of seven existing or planned global lithium chemicals production chains and a Life Cycle Assessment ("LCA") undertaken by Vahanen Environment Oy, a Finnish environmental consultant. The comparative study indicates that Keliber's lithium hydroxide will have a smaller carbon footprint than most of the competitors' products, with the lowest emission intensity of 4.38 tonnes of CO₂/produced tonne of lithium hydroxide monohydrate (LiOH·H₂O). Keliber's total carbon footprint measured in the LCA is 10.0 t CO₂-eq/produced tonne of LiOH·H₂O. The LCA is according to Keliber a cradle-to-gate analysis that covers all production stages from the mine to a finished product leaving the lithium chemical plant. The production from Keliber is planned to begin in 2024.

Sibanye-Stillwater closes last EUR 5 million tranche of equity investment in Keliber

In February 2021 Keliber Oy and Sibanye-Stillwater Limited ("SSW") entered into agreement for an initial phased equity investment of EUR 30 million. In line with the agreement the final tranche of SSWs initial investment was closed on 14 March 2022 with SSW subscribing for 125,000 shares for EUR 5 million.

Nordic Mining owns 12% of the shares in Keliber after SSWs last tranche of the initial phased EUR 30 million investment.

Oslo, 10 May 2022
Nordic Mining ASA

Nordic Mining ASA (www.nordicmining.com)

Nordic Mining ASA ("Nordic Mining" or the "Company") is a resource company with focus on high-end industrial minerals and metals. The Company's project portfolio is of high international standard and holds significant economic potential. The Company's assets are in the Nordic region.

Nordic Mining is undertaking a large-scale project development at Engebø on the west coast of Norway where the Company has rights and permits to a substantial eclogite deposit with rutile and garnet. Nordic Mining also holds 12.0% of the shares in Keliber Oy, which is developing a lithium project in Finland to become the first European producer of battery grade lithium hydroxide.

In addition, Nordic Mining holds interests in other initiatives at various stages of development. This includes patented rights for a new technology for production of alumina and exploration of seabed minerals.

Nordic Mining is listed on Euronext Expand Oslo with ticker symbol "NOM".