

# Q2 2022 REPORT



**GREEN MINERALS**

*Enabling the green shift*

## Letter from CEO

Following a busy 2021 where Green Minerals were able to deliver on all its main goals including the listing on Euronext Growth Oslo, onboarding of key personnel and receiving Government support and funding for our R&D activities, the first half of 2022 has continued to provide results according to our earlier stated milestones.

Green Minerals strongly believes in constructing strong partnerships and industrial ecosystems to kickstart this exciting new industry. To this end, the Company is pleased to announce signing of an agreement with a strong industrial consortium led by OSI and including Transocean, Weir and SMD. All world leading companies within their field.

But we will not stop there and continue to have discussions with potential new partners in every other part of the value-chain not covered by the core competencies of the consortium-members. Such as environmental studies, exploration technology and onshore processing.

Our first research cruise (Project ULTRA) which was led by internationally acknowledged experts from National Oceanography Centre, UK and University of Southampton, returned from successful operations on the Mid Atlantic Ridge late April this year. The two Green Minerals sponsored PhD students on the project are currently analysing and interpreting data from the cruise. Data collected during the cruise includes both samples in the form of sediment cores and rock cores in addition to geophysical data. We are eagerly awaiting more results from the research when all the sampled material are further analysed. We are happy to announce that some of the results will be presented at the Geonova Deep-Sea Minerals conference in Bergen in October. We remain confident that our involvement in the project will prove to be paramount for the Company's exploration strategy and subsequent production activities.

The metallurgy analysis and characterization study the Company initiated early 2022 is well underway. The study is performed on SMS-material from the Mid Atlantic Ridge and will provide us with crucial information on how and where to process the ore from deep-sea mining operations. First draft of the report was received in June 2022 and provided promising results. Final reporting was scheduled for August 2022, but the analytical work experienced a minor delay due to a severe power outage at the lab early summer. The final report is now scheduled for September 2022 and will be the first available study of its kind. The study will act as an important foundation for the Company in discussions with onshore processing facilities. We look forward to present the results at the Underwater Minerals Conference in St.Petersbourg, Florida in October.

In early June 2022, the NPD released a vast amount of data acquired through 5 years of exploration and research cruises. We received the data mid-June and are starting to implement them into our exploration models. The inclusion of these important data will greatly improve our knowledge around the geology and mineral-potential of the Mohns-Knipovitch ridges as well as surrounding basins in Norwegian waters. A key factor for successful future exploration campaigns for Green Minerals.

On the R&D side we continue our partnership with the University of Southampton & NOC (Project ULTRA) and NTNU in Trondheim (DeepMineX ©).

We have also established collaboration with the University of Bergen (UiB) and are currently offering sponsorship for two Master thesis' in Bergen on exciting and important areas within deep-sea geology. UiB is the most renowned Norwegian institution on the topic with knowledge and

data gathered through 20 years of activity on the mid ocean ridge in addition to extensive research cruise experience.

### **Financial review**

The Company did not have any revenues in the quarter. Total operating expenses was NOK 2.5 million from NOK 4,1 million in the previous quarter. The prior quarter was impacted by a NOK 2.0 million non-cash charge related to mark-to-market accounting for the company's share incentive program. These expenses were marginal during the second quarter. The operating expenses are mainly related to research and development projects. As of 30 June 2022 the company had NOK 14.2 million of cash, which compares to NOK 16.8 million the prior quarter. The equity ratio at the end of the quarter was 91%.

### **Outlook**

The outlook for the Company remains upbeat. We are truly excited about the journey we have set out on. Inviting more investors in and capitalizing the Company early have proven to be the right strategy for the Company as it provides us with the resources necessary to hire the best talent in the industry, partner up with the preferred suppliers at an early stage and work with academia to enhance our knowledge and innovate on the technologies already available. Green Minerals AS is in a good position to capitalize on the strong market developments for key battery metals as the green energy transition gathers pace. The Company has chosen the Norwegian Continental Shelf as the most attractive area to kickstart marine minerals exploration and production from. Norwegian authority's multi-decade history of successful management of natural resources offshore Norway is one of the main reasons for that, in combination with the large resource potential. The Company expects the environmental standards for activity in the area to be among the very highest in the world, which is something we support and strive for in all our work during the opening process. Notwithstanding the foregoing, the Company is exploring opportunities to win licenses also internationally. Green Minerals will continue to form partnerships with companies, industry groups, investors, authorities and academia to enable us to work together in the best way possible to provide for a responsible and successful opening for exploration and production of marine minerals in Norway.

Asker 30.08.2022



Ståle Monstad

CEO

## Profit and loss statement

All figures in NOK '000 (except EPS)	Q2 2022 (Unaudited)	Q1 2022 (Unaudited)	Q2 2021 (Unaudited)	YTD (Unaudited)	2021 (Audited)	2020 (Audited)
<b>Revenues</b>	-	-	-	-	-	-
Personnel expenses	-957	-3 331	-177	-4 288	-3 697	-114
Other expenses	-1 565	-811	-1 889	-2 376	-6 954	-487
<b>EBITDA*</b>	<b>-2 523</b>	<b>-4 142</b>	<b>-2 066</b>	<b>-6 664</b>	<b>-10 651</b>	<b>-601</b>
Depreciation and amortization	-	-	-	-	-	-
<b>Operating profit (loss) / EBIT</b>	<b>-2 523</b>	<b>-4 142</b>	<b>-2 066</b>	<b>-6 664</b>	<b>-10 651</b>	<b>-601</b>
Other financial income	4	-	1	4	15	-
Other financial expenses	-	-	-6	-	-9	-
Net financials	4	-	-5	4	6	-
<b>Profit/(loss) before income tax</b>	<b>-2 519</b>	<b>-4 142</b>	<b>-2 071</b>	<b>-6 661</b>	<b>-10 645</b>	<b>-601</b>
Income tax	-	-	-	-	-	-
<b>Profit/(loss)</b>	<b>-2 519</b>	<b>-4 142</b>	<b>-2 071</b>	<b>-6 661</b>	<b>-10 645</b>	<b>-601</b>
<b>Earnings per share</b>						
Basic	-0.20	-0.32	-0.16	-0.52	-0.83	-0.05

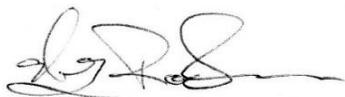
\*Operating profit before depreciation, impairment and gains (losses) on property, plant and equipment

## Balance Sheet

All figures in NOK 000's	Q2 2022 (Unaudited)	Q1 2022 (Unaudited)	Q4 2021 (Audited)	Q4 2020 (Audited)
<b>ASSETS</b>				
<b>Non current assets</b>				
<b>Total non current assets</b>	-	-	-	-
<b>Current assets</b>				
Other current assets	1 643	2 143	643	-
I/C accounts - group companies	75	75	9	-
Cash and cash equivalents	14 152	16 783	19 067	29 068
<b>Total current assets</b>	<b>15 870</b>	<b>19 001</b>	<b>19 718</b>	<b>29 068</b>
<b>Total assets</b>	<b>15 870</b>	<b>19 001</b>	<b>19 718</b>	<b>29 068</b>
<b>EQUITY</b>				
<i>Capital and reserves attributable to equity holders of the Company</i>				
Paid in Capital	29 601	29 601	29 601	29 601
Share options granted	2 686	2 695	718	-
Retained earnings	-17 907	-15 388	-11 246	-601
<b>Total equity</b>	<b>14 381</b>	<b>16 909</b>	<b>19 073</b>	<b>29 000</b>
<i>EQ ratio</i>	<i>91%</i>	<i>89%</i>	<i>97%</i>	<i>100%</i>
<b>LIABILITIES</b>				
<b>Non current liabilities</b>				
<b>Total non current liabilities</b>	-	-	-	-
<b>Current liabilities</b>				
Trade payable	1 015	1 500	13	17
Public duties payable	270	210	333	51
Other current liabilities	204	382	298	-
<b>Total current liabilities</b>	<b>1 489</b>	<b>2 093</b>	<b>645</b>	<b>68</b>
<b>Total liabilities</b>	<b>1 489</b>	<b>2 093</b>	<b>645</b>	<b>68</b>
<b>Total equity and liabilities</b>	<b>15 870</b>	<b>19 001</b>	<b>19 718</b>	<b>29 068</b>

Board of Directors

30.08.2022



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Ståle Rodahl



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Hans Christian Anderson



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Øivind Dahl-Stamnes

## Selected notes and disclosures

### Note 1: General information and basis for preparation

Green Minerals AS is a public limited liability company, incorporated and domiciled in Norway. The company's registered address is Hagaløkkveien 26, 1383 Asker, Norway. The quarterly accounts have been prepared in conformity with the Accounting Act and NRS 8 - Good accounting practice for small companies.

### Note 2: Related parties transactions

The company has a management service agreement with Seabird Exploration Norway AS, a subsidiary of the largest shareholder Green Energy Group. USD 76 665 was booked under the agreement in Q2 2022. The Company has entered into an advisory agreement with Storfjell AS, a company controlled by Ståle Rodahl (Chairman of the Board of both the Company and Green Energy Group (SeaBird Exploration Plc)), where Storfjell AS is to assist the Company on business development and financial matters. NOK 500 000 was booked under the agreement in Q2 2022.

### Note 3: Share capital and share base payments

The total number of ordinary shares at 30 June 2022 was 12 886 400 with a par value of NOK 0.003.

The company has granted warrants to key personnel. As of 30.06.2022 there are 800,000 outstanding warrants with a weighted average strike of NOK 15.50 per share. The market-to-market book value adjustments this quarter resulted in a non-cash P&L effect of NOK 8 750, this compares to NOK 1 976 922 in Q1 2022.

## Note 4: Shareholders

**Ownership structure**

Shareholders in Green Minerals as of 30 June 2022:

<b>Name</b>	<b>Number of shares</b>	<b>Ownership</b>
Seabird Exploration Plc	7 151 128	55.5%
Anderson Invest As	549 751	4.3%
Artel As	454 500	3.5%
Møsbu As	405 241	3.1%
Dnb Nor Bank Asa	230 611	1.8%
Silvercoin Industries As	225 218	1.7%
Telinet Energi As	224 447	1.7%
lkm Industri-Invest As	213 978	1.7%
Ifg Holding As	181 800	1.4%
Storfjell As	158 400	1.2%
Norman-Hansen	136 300	1.1%
Nordhaug	109 000	0.8%
Grunnfjellet As	106 705	0.8%
Gtba Forvaltning As	90 900	0.7%
Miel Holding As	77 048	0.6%
Alicerce Forvaltning As	74 208	0.6%
Europa Link As	69 544	0.5%
Myrseth	68 453	0.5%
Husvik Holding As	68 100	0.5%
Moe	65 322	0.5%
Other	2 225 746	17.3%
<b>Total</b>	<b>12 886 400</b>	<b>100.0%</b>

