

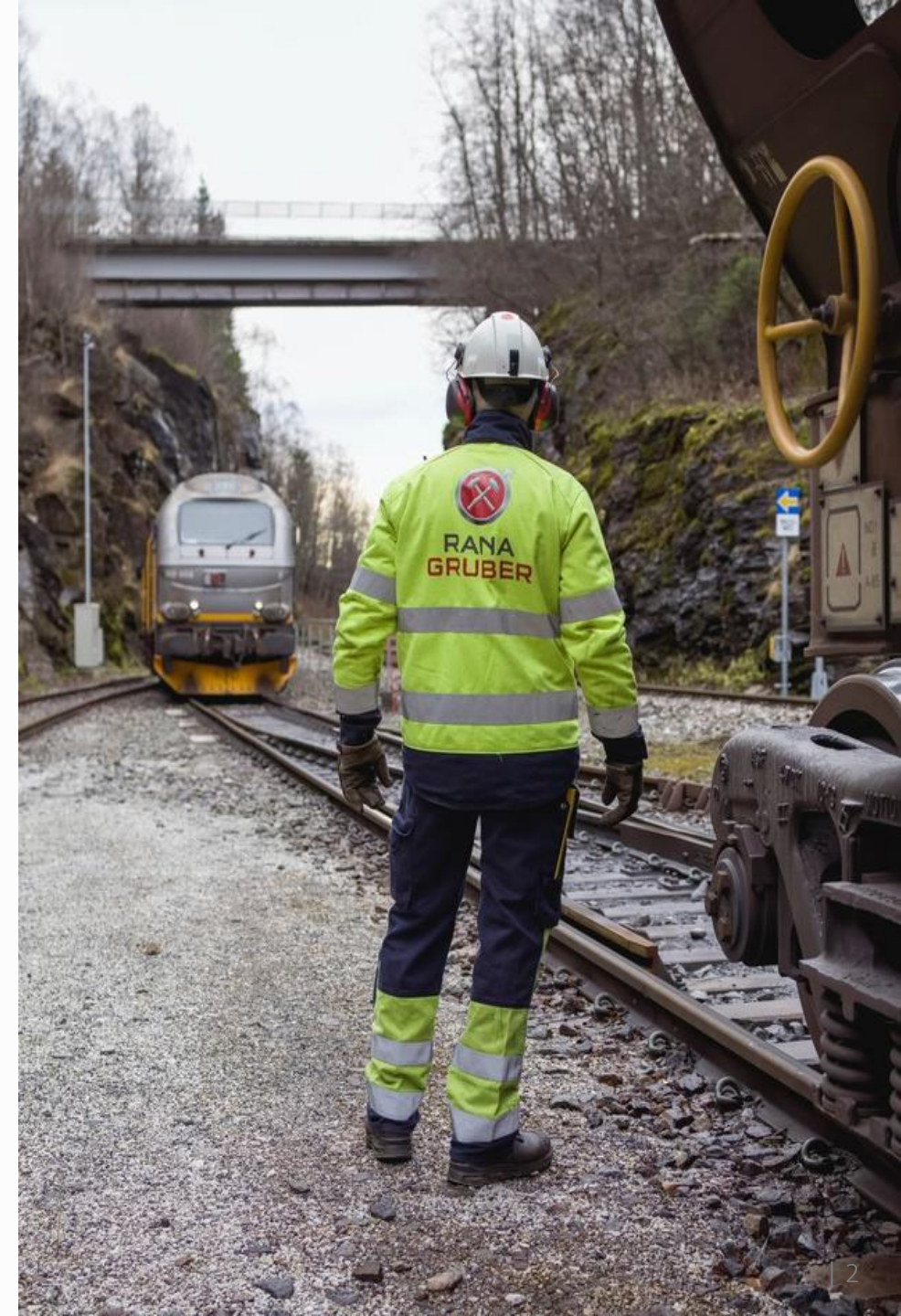
Capital Markets Update

Oslo, 10 November 2022



Programme

Topic	Presenter
Introduction and strategy update	Gunnar Moe, CEO
Carbon free production	Nancy Stien Schreiner, Environment and Sustainability Manager
State of the art equipment	Jan Ove Stene, MD and Territory Manager of Sandvik Group
Resources and reserves	Stein Tore Liljenström, COO
Break	
Key market drivers	Leon Davies, Sustainability Lead and Atlantic Customer Lead of Cargill Metals
Financials	Erlend Høyen, CFO
Q&A session and closing remarks	Gunnar Moe, CEO
Lunch	



Introduction and strategy update

Gunnar Moe

CEO of Rana Gruber

10 November



Rana Gruber is well-positioned to lead the mining transition

One of the industry's lowest carbon emissions and aim to be carbon free by end of 2025

Advantageous location ensuring energy-efficient logistics

Vast resources and reserves, and stable production

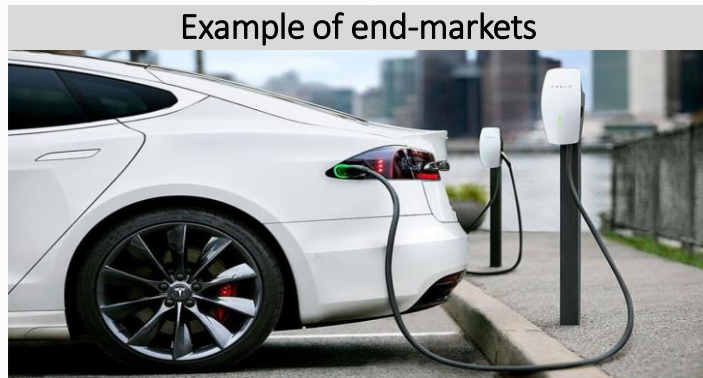


Value chain

Rana Gruber operates at the beginning of the value chain



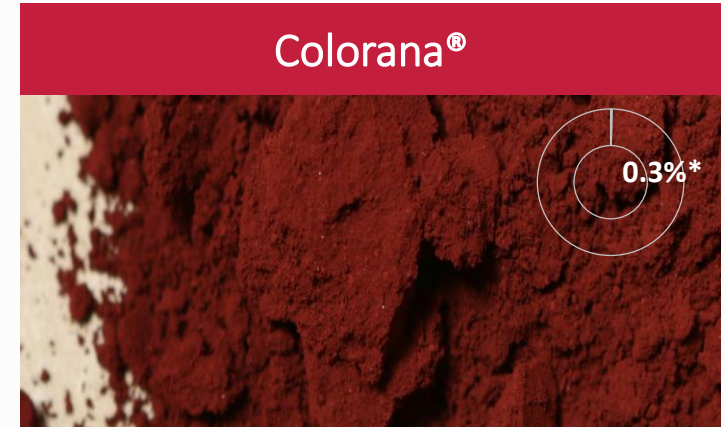
Our products play a fundamental role for a variety of end-markets



Cars and EV's, buildings, wind turbines, etc.



Water treatment



Brake linings, magnetic stripes, colourants, etc.

*Percentages represent production split in 2021

Cost-reduction from insourcing of workstreams

Insourcing of exploration drilling and mine tunnel infrastructure

More underground mining requires staff to be part of day-to-day operations

Insourcing expected to reduce cost, improve cash flow predictability, and secure operational stability



Three strategic development projects

Fe65 – increase minimum iron content in hematite product



M40 - Increase magnetite production



Zero carbon emissions



The upgrade to Fe65 is progressing according to plan

Strategic project: Fe65 – increase minimum iron ore content in hematite product to 65%

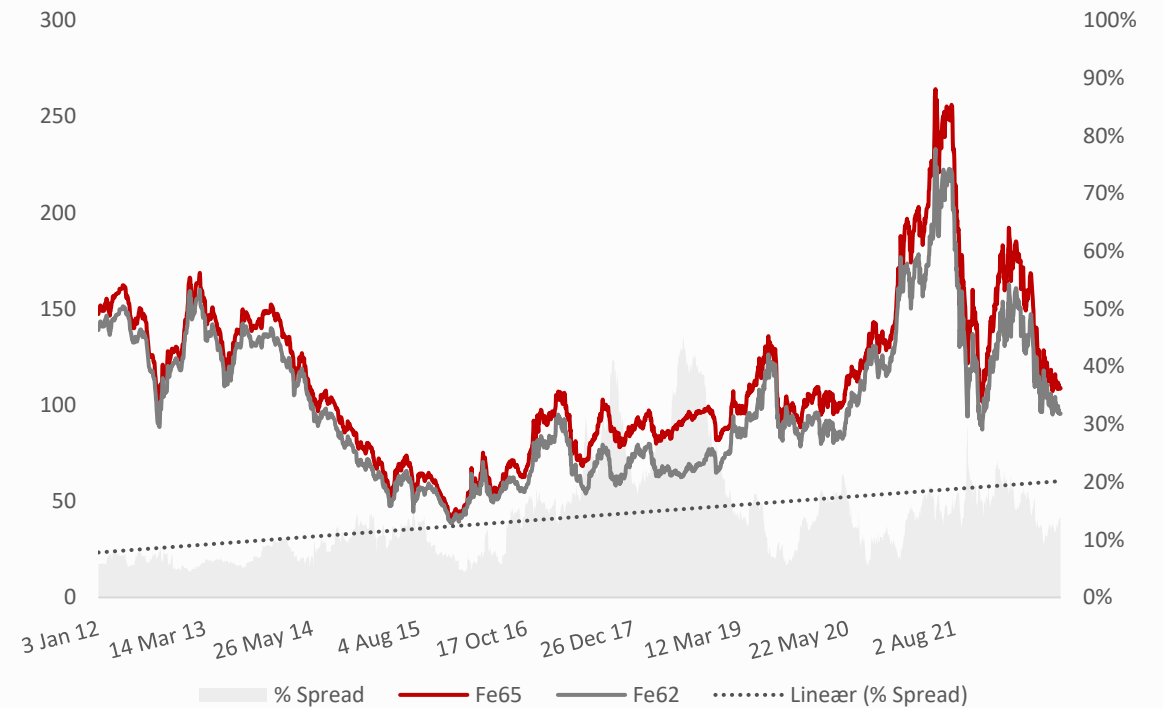
Increased focus on low-emission steel production causes increased demand for higher iron content in hematite products

Product to be linked to premium price index

Project completion expected by end of 2024

Cargill prepares customers to pay for and receive the improved product - expected during 2025

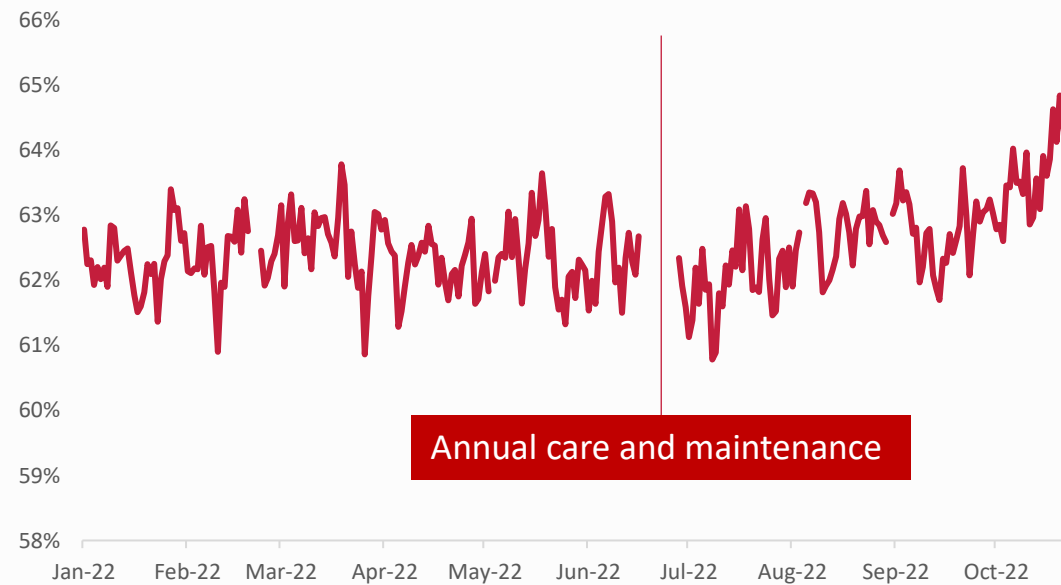
Price development Fe62 vs. Fe65 (USD/mt)



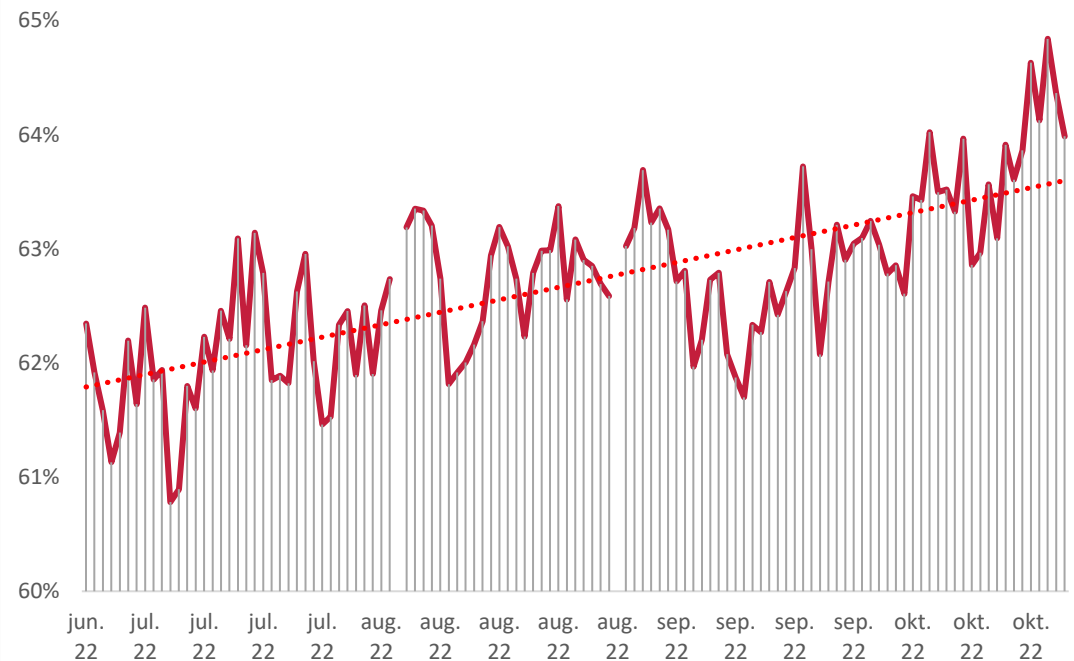
A clear upward trend in iron ore content since the summer

Strategic project: Fe65 – increase minimum iron ore content in hematite product to 65%

Development of Fe content in hematite production in 2022



Development of Fe content in hematite production since July 2022



Ramp-up of magnetite volume continues according to plan

Strategic project: M40 – Increase magnetite production

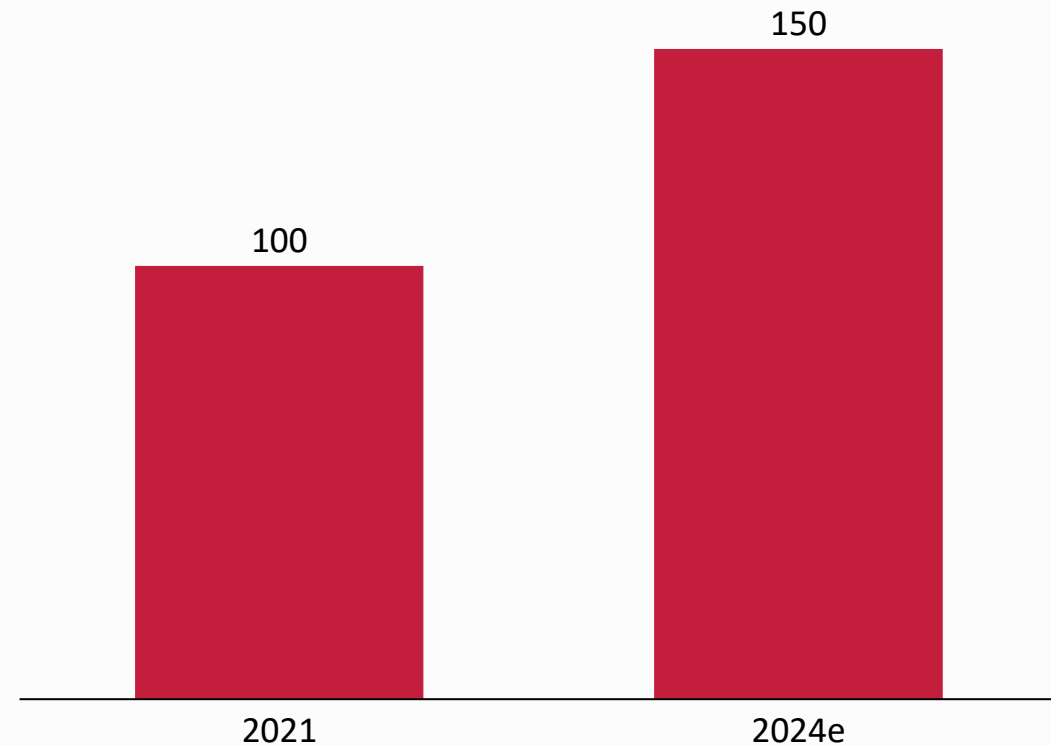
High demand for water treatment chemicals based on magnetite

Revenues from magnetite provide security in times with fluctuating prices for hematite

Design of processing plant completed, and organising of upgrade is planned

Project completion expected by end of 2024

Planned increase in magnetite production by 50 per cent (thousand mt)



Zero carbon emissions

Nancy Stien Schreiner

Environment and Sustainability
Manager of Rana Gruber

10 November



Our pathway to carbon free production

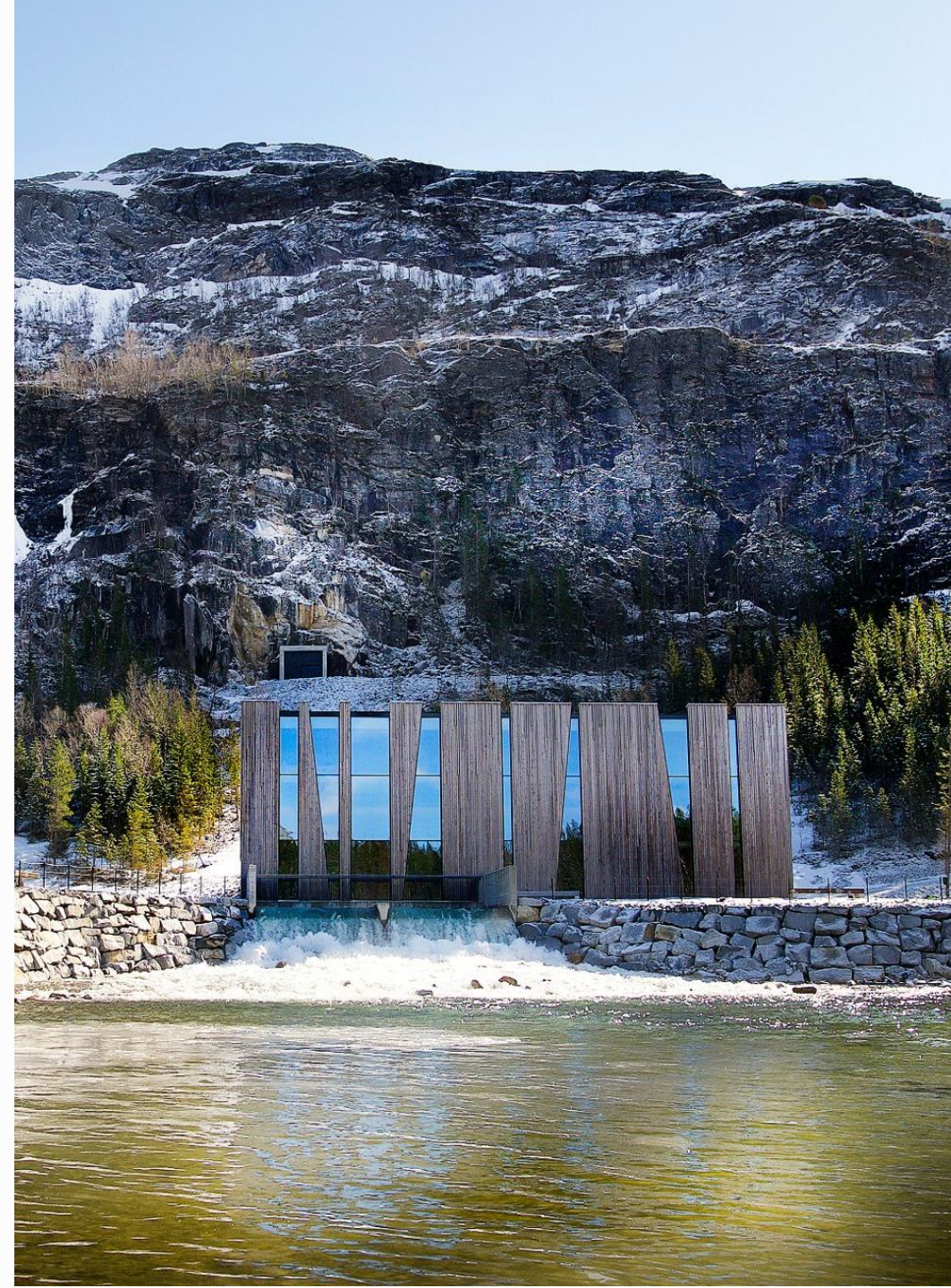
Strategic project: Carbon free production

Project motivated by

- Social responsibility
- Reduction in operating costs
- Price premium
- Increased investment attractiveness

Advantages of Rana Gruber include

- Location of deposits
- Reliable access to renewable power



Project completion expected by end 2025

Strategic project: Carbon free production

Underground mine



- Process of replacing equipment started
- Planning of on-site infrastructure started

Open-pit mine



- Open-pit production in Ørtfjell to continue with today's operations facilities until completion in 2024
- Future open-pit production in Stensundtjern to be carbon free

Rail transport



- On-going project with Sintef and other players to investigate electric vs. hydrogen solution
- External recommendation expected to be finalised during first half of 2023

Leading the mining transition

Sustainable mining is part of Rana Gruber's DNA

Sustainable mining

Commit to highest ESG standards

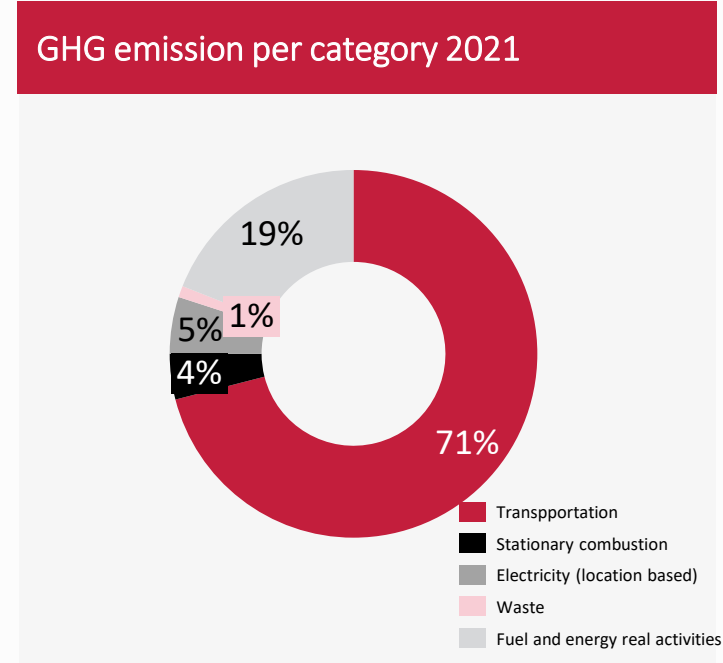
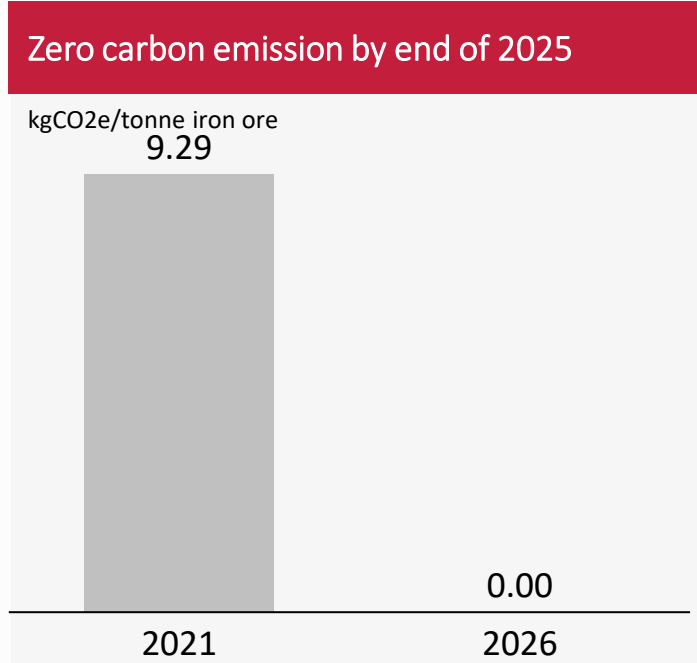


0 Zero serious injuries past ten years
Zero lost time injury frequency in 2021
Zero accidents in 2021

Health and safety our top priority

Continue to score high on rewards



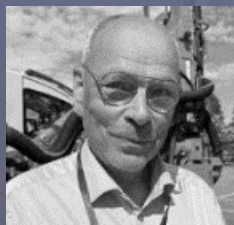


State of the art equipment

Jan Ove Stene

MD and Territory Manager
of Sandvik Group

10 November



39,000
EMPLOYEES

86

BILLION SEK IN REVENUES

68

R&D CENTERS
GLOBALLY

SALES IN ABOUT

150

COUNTRIES
AROUND THE GLOBE

3.5 BILLION SEK
IN R&D
INVESTMENT

5,520
ACTIVE PATENTS



WORLD-LEADING POSITIONS

TECHNOLOGY LEADERSHIP



**METAL CUTTING AND
MACHINING SOLUTIONS**



**MINING AND
ROCK SOLUTIONS**

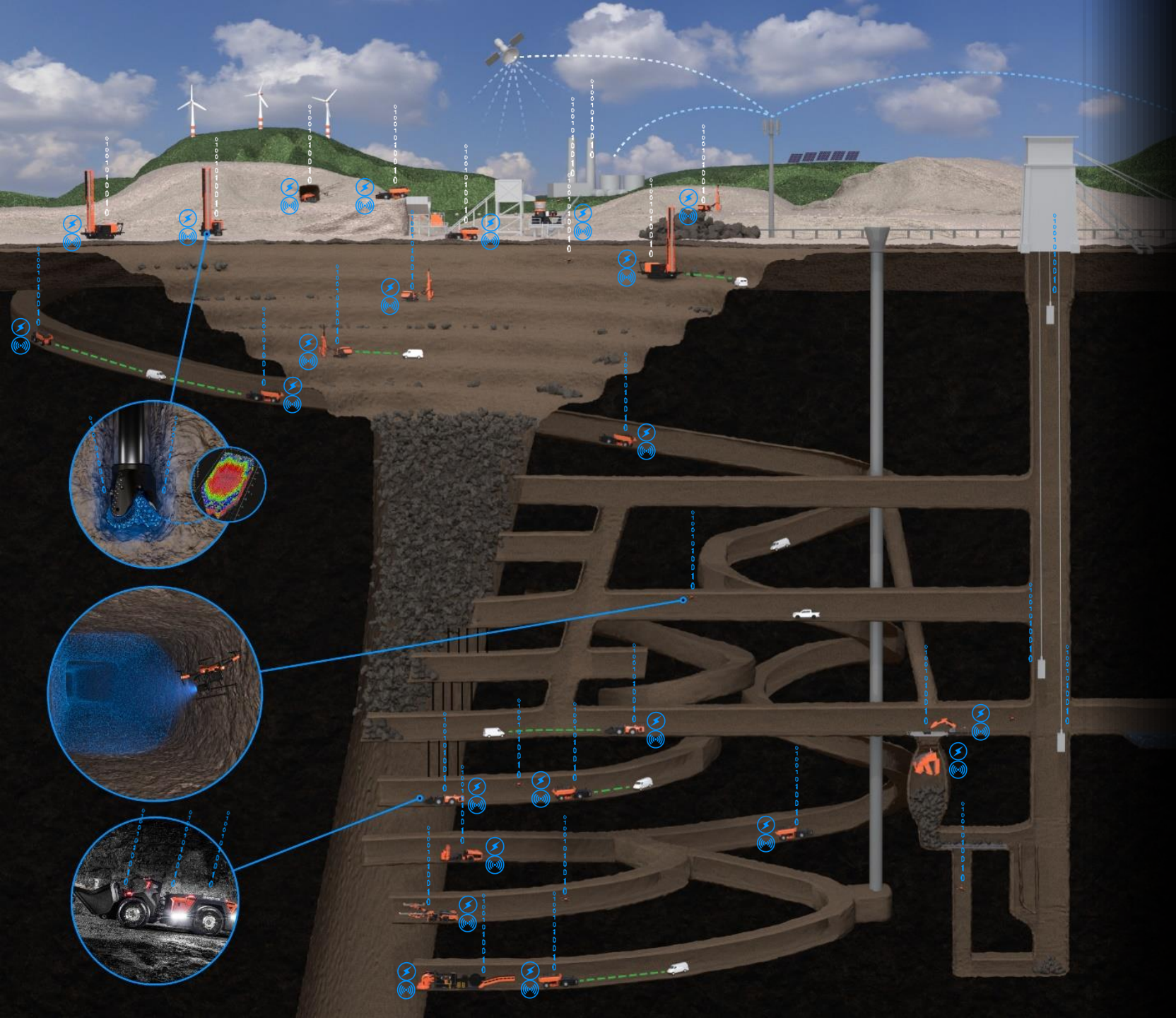


**ROCK PROCESSING
SOLUTIONS**

AMONG THE LEADING BEV MANUFACTURING COMPANIES GLOBALLY

- Currently there is a very high global demand from the Mining Industry for BEV/E UG units.
- Sandvik now ramping up production to cope with the high demand seen.
- Sandvik BEV/E units are produced at our production units in USA, Canada and Finland.
- Sandvik has our own battery technology through our acquisition of Artisan (USA) in 2019, strong focus on UG mine safety.





THE SUSTAINABLE UNDERGROUND MINE



ELECTRIFICATION



AUTOMATION



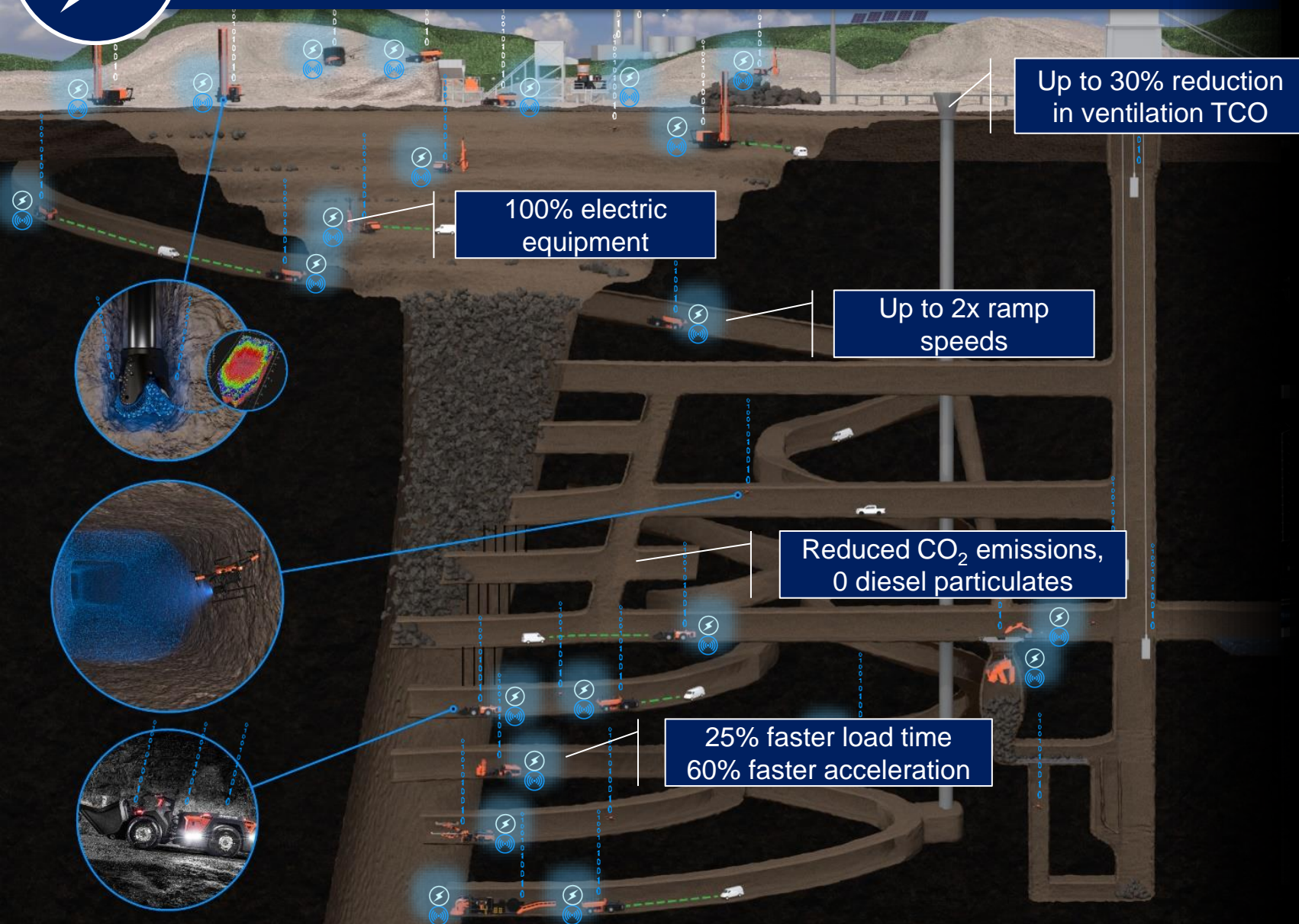
DATA & ANALYTICS



END-TO-END
OPTIMIZATION



ELECTRIFICATION



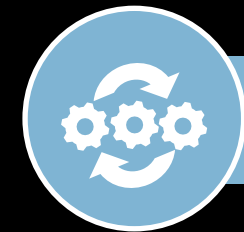
THE SUSTAINABLE UNDERGROUND MINE



AUTOMATION



DATA & ANALYTICS



END-TO-END OPTIMIZATION

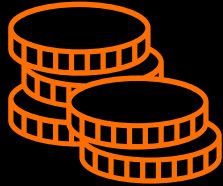
3 DRIVERS FOR ELECTRIFICATION IN MINING

WORKERS'
HEALTH



- DIESEL PARTICULATES
- HEAT
- NOISE

MINE
ECONOMICS



- VENTILATION
- COOLING
- PRODUCTIVITY

GLOBAL
SUSTAINABILITY



- GHG EMISSIONS
- FOSSIL FUEL USE
- ENERGY EFFICIENCY

NEED FOR SAFER,
MORE PRODUCTIVE
AND SUSTAINABLE
SOLUTIONS

✓ ELECTRIFICATION

COOPERATION AGREEMENT (LOI)

Signed November 2022 with purpose to:

- Build a long-term development plan with clear targets for a successful relationship
- Develop the work process for the next phases
- Establish a clear fleet
- Commit jointly to determine the need for training and education for Rana Gruber's personnel
- Bring up Product and Application development needs together
- During 2022 a Trans4Mine* study is being carried out together with Rana Gruber for the existing mine and the planned new mine level. This study will result in a proposed proposed UG fleet of needed Battery Electric Vehicles

*Trans4Mine's purpose is to assist strategic customers realize best practice and sustainable safety, cost and productivity benefits and performances within their operations.



Resources and Reserves

Stein Tore Liljenström

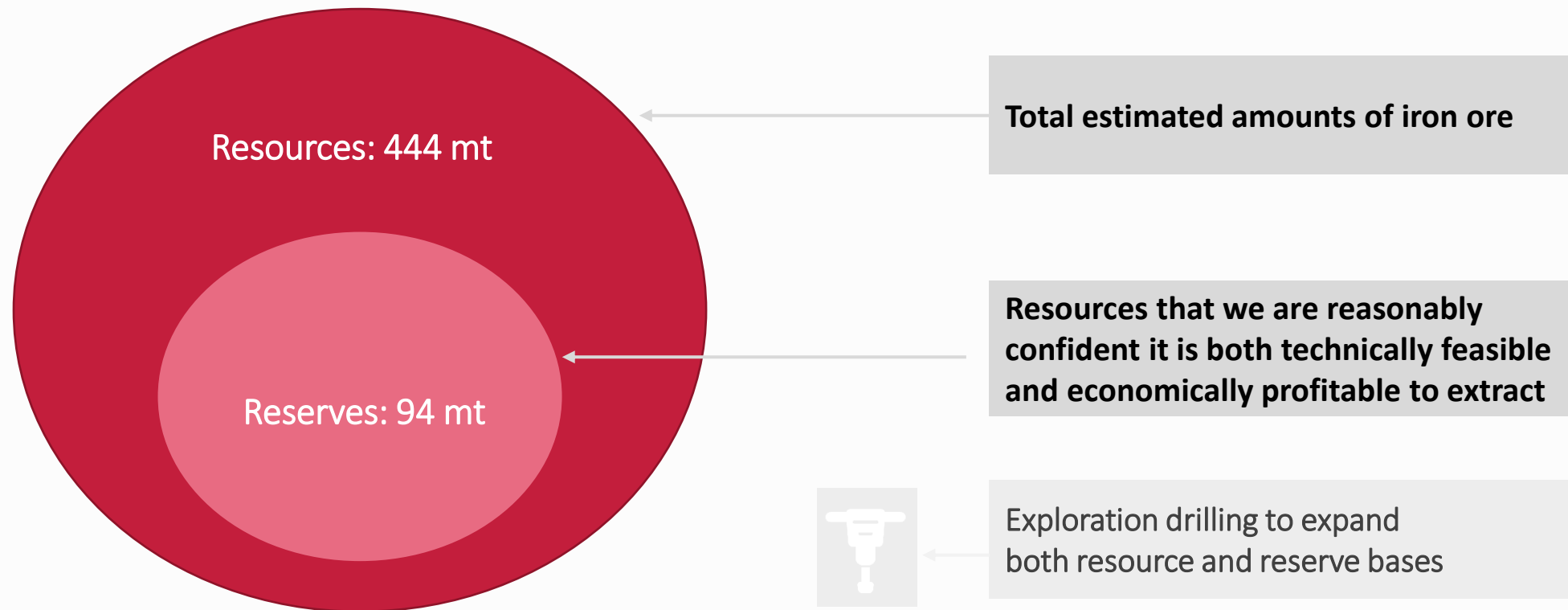
COO of Rana Gruber

10 November



Vast resources and reserves enabling decades of production

Total estimated resources and reserves of iron ore
(Million metric tons)



Existing infrastructure sufficient for long-term mine plan

Map of deposits

Dunderland Valley, Norway



Location	Status
1 Finnkåteng	<ul style="list-style-type: none">Not part of current mine plan
2 Stensundtjern	<ul style="list-style-type: none">Current process to obtain operating licenseContains 8% of resources and 31% of reserves
3 Ørtvann	<ul style="list-style-type: none">Not part of current mine plan
4 Ørtfjell	<ul style="list-style-type: none">Main deposit with existing infrastructureContains 72% of resources and 69% of reserves
5 Dunderland	<ul style="list-style-type: none">Not part of current mine plan

Coffee break

Key market drivers

Leon Davies

Sustainability and Atlantic Customer
Lead of Cargill Metals

10 November





Rana Gruber Investor Presentation

Leon Davies

Atlantic Customer Lead and
Global Sustainability Lead

Cargill Metals

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• **END**



Helping the world thrive

155K
employees

Working in **70**
countries

More than **155**
years of experience
in global commodities markets

Over **40**
years insight
in ferrous industry

A trusted partner for food, agriculture, financial and industrial customers in more than 125 countries.



Agriculture



Food



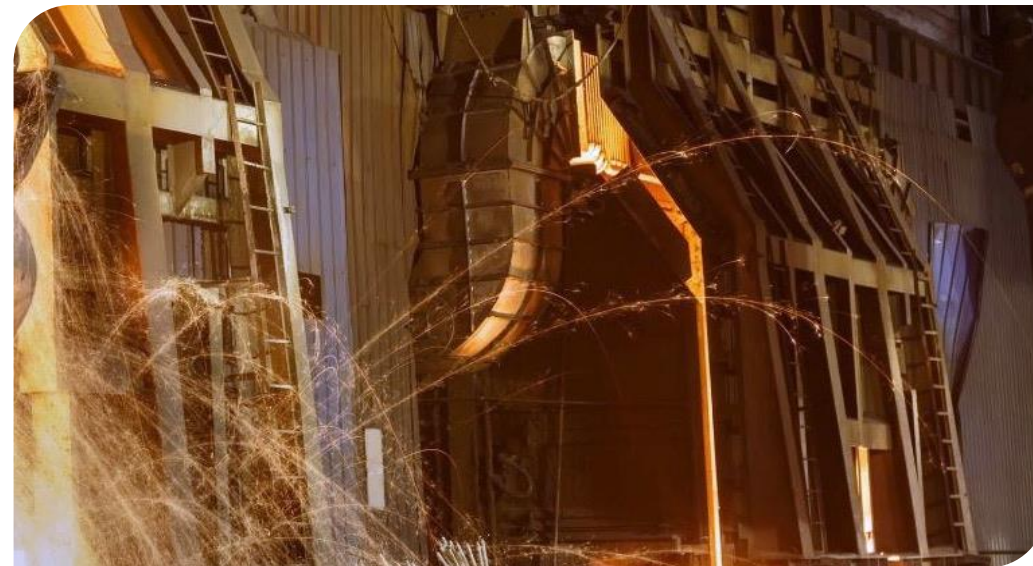
**Animal nutrition
and protein**



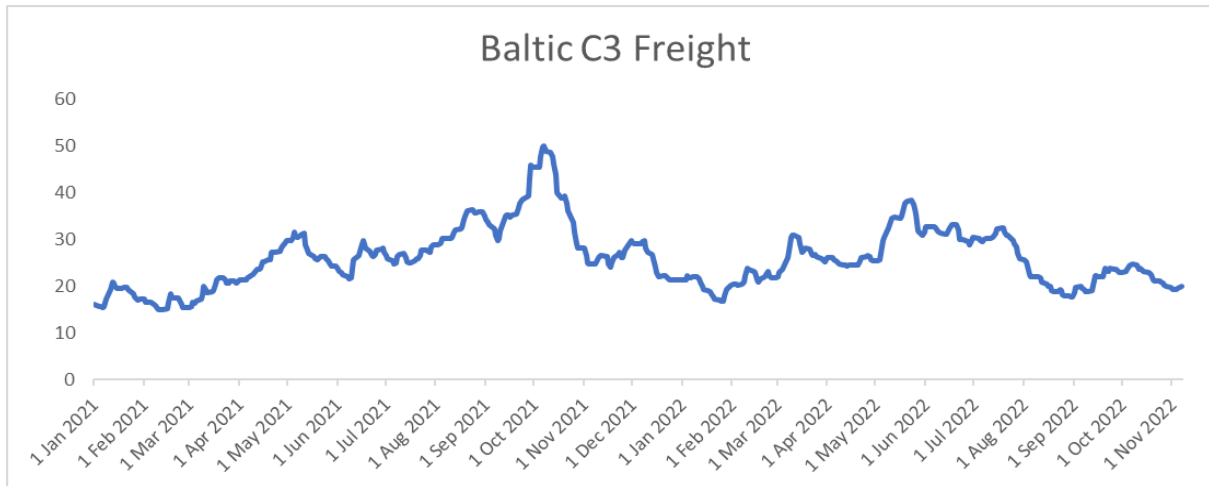
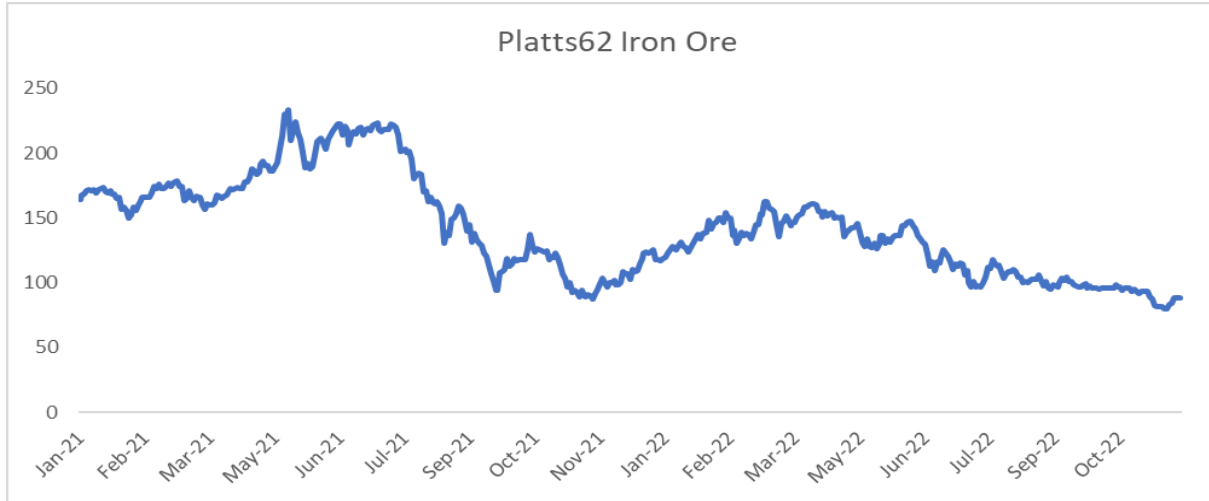
**Financial and
industrial**



Iron Ore Market Today

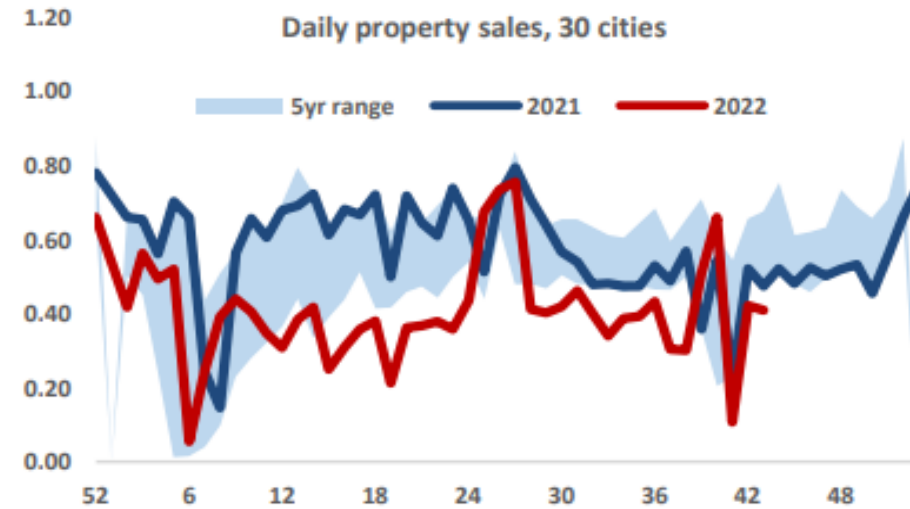


Themes Driving Price Actions



- China Market sentiment
 - China Covid Policy, Real Estate, energy crisis
- Steel production (Ore Demand)
 - Capacity utilization, margin, energy cost impact
- Iron ore supply
 - Inventories in China
 - Supply side disruptions

China



- Zero covid policy of Chinese central government has been pursued through 2022
- Government tones: no immediate change regarding stimulus and importance to stabilize economy
- Property sector remains weak and October data

Steel Production (Ore Demand)

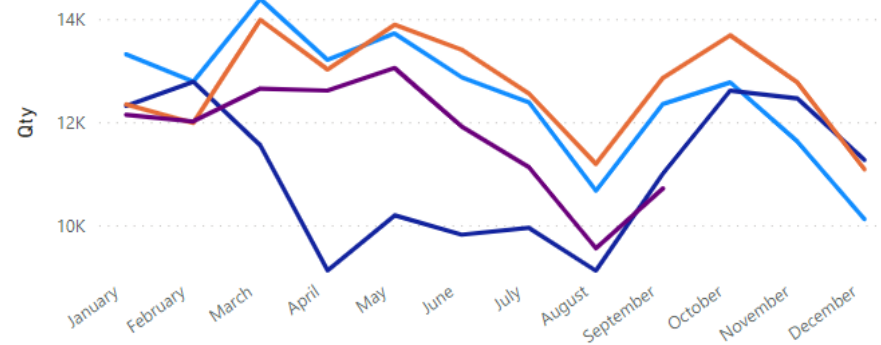
Billet Mgn Jiangsu/Tangshan

Attribute ● Jiangsu Billet Mgn ● TS Billet Mgn



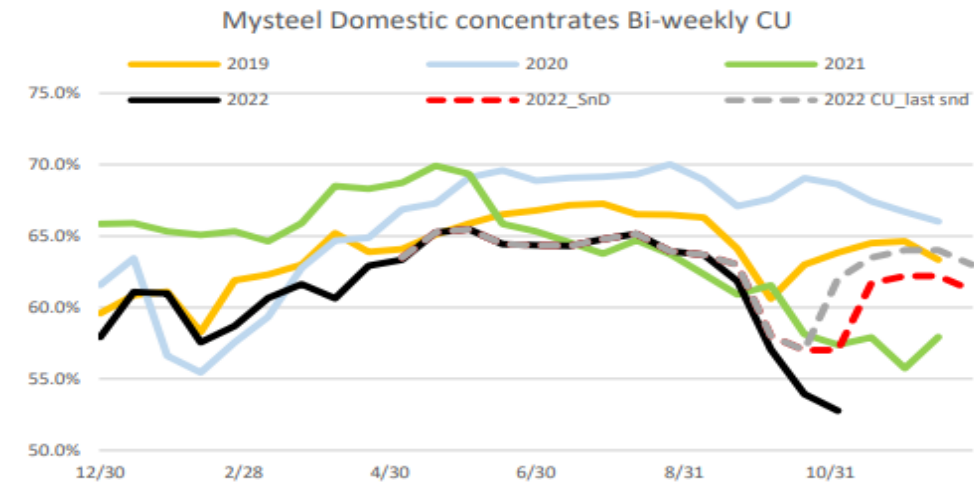
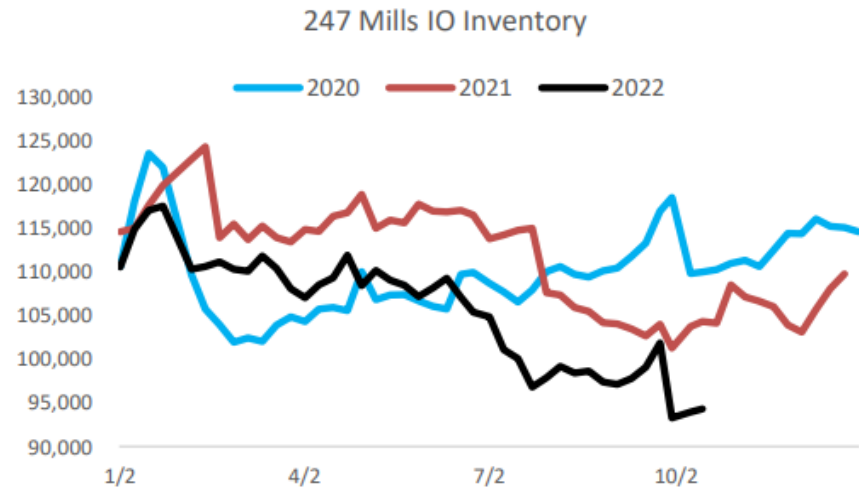
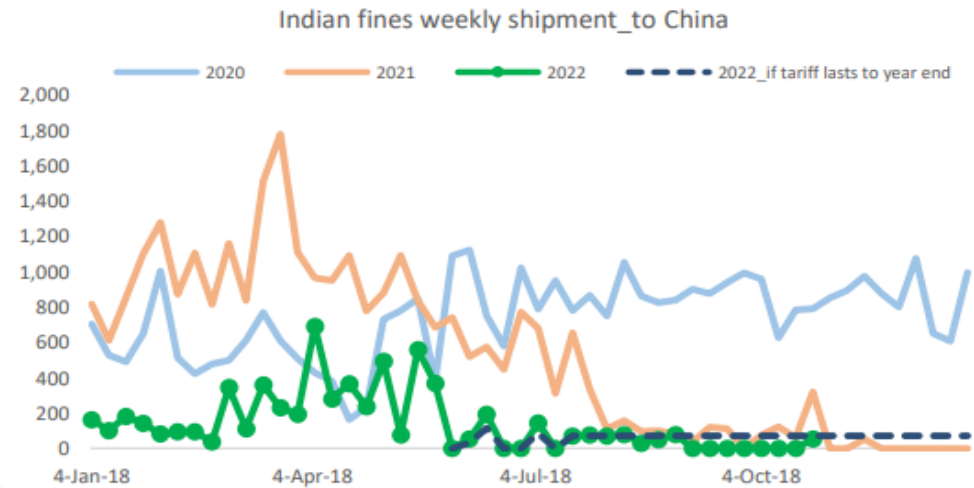
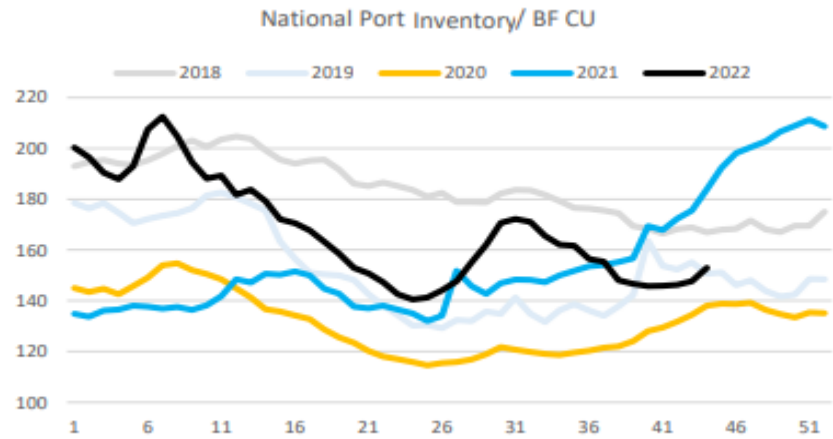
EU Crude Steel Production

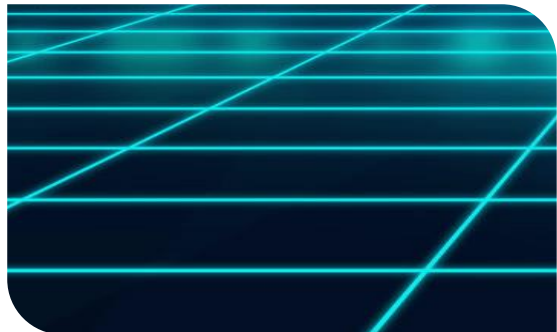
Year ● 2019 ● 2020 ● 2021 ● 2022



- The steel industry has been in a negative stage of the cycle through 2022;
- Profits for steel mills in China are small or breakeven. Capacity utilization (CU) is low;
- Non-China steel market is also weak, with steel sales in automobile, construction, and other industries under pressure;
- European gas prices have fallen, releasing some pressure from ferrous supply chain but remain a significant cost component.

Iron Production and Shipments (Ore Supply)





Longer Term Market Themes

The Journey

**Pre-2000
Industrial Era**



**2010~2020
The Commodity
Era**

**2000~2010
Super Cycle Era**



The future is uncertain...

Geopolitical
uncertainty



COVID



Climate
change



Resources
security



3 Emerging Themes

Cargill believes will shape the world in next 5-10 years



**Value chains converging
around carbon**



Shortage of “green steel”



**Need for green &
transparent supply chains**



The Age of Disruption

The future is now

A responsible & sustainable
ferrous supply chain
helps the world thrive

Connect | Empower | Sustain | Innovate



Financial update

Erlend Høyen

CFO of Rana Gruber

10 November



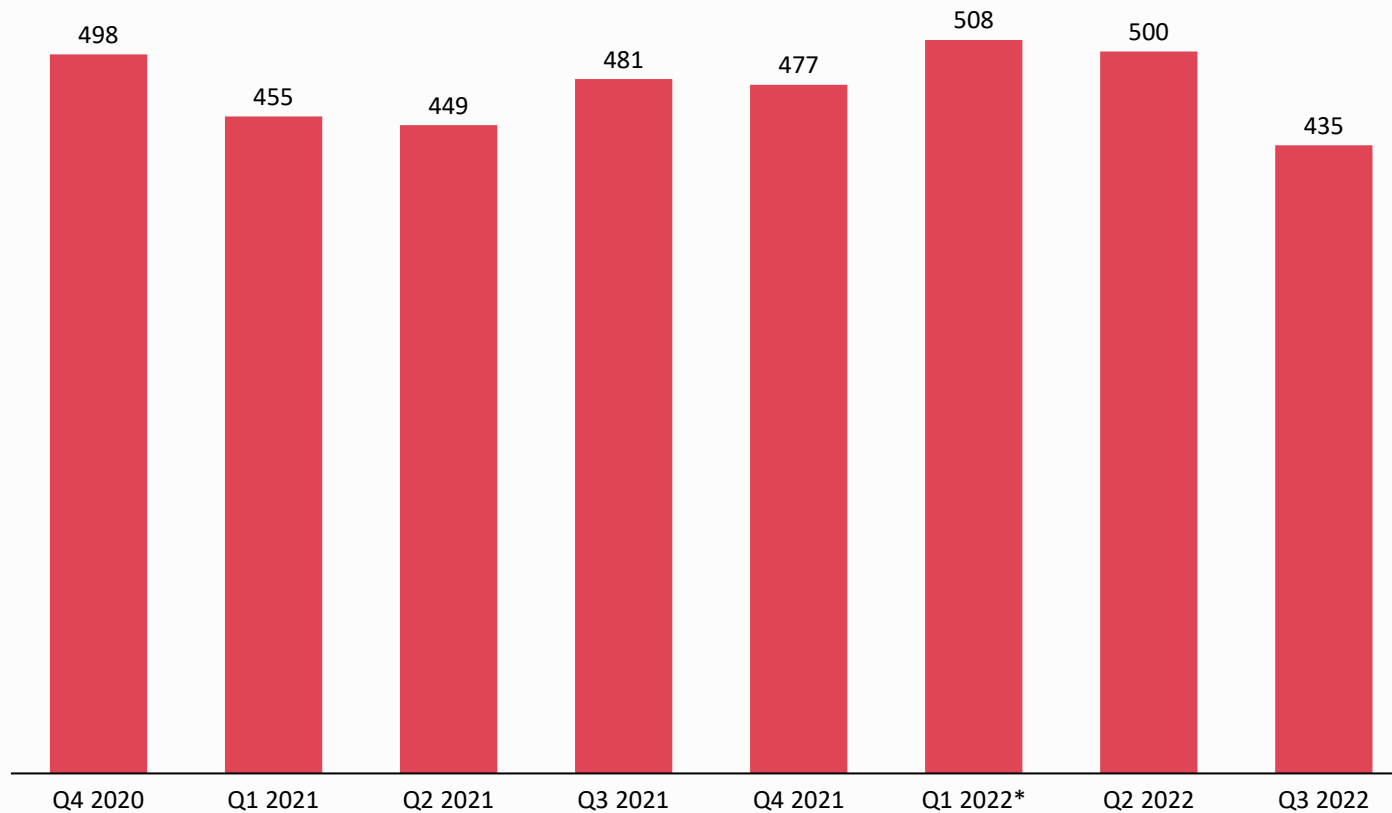
Financial targets for value-creation remain firm

1	Continued focus on efficient operations
2	Low financial leverage
3	Strong cash generation
4	Fully fund capex through operations
5	Attractive dividend policy



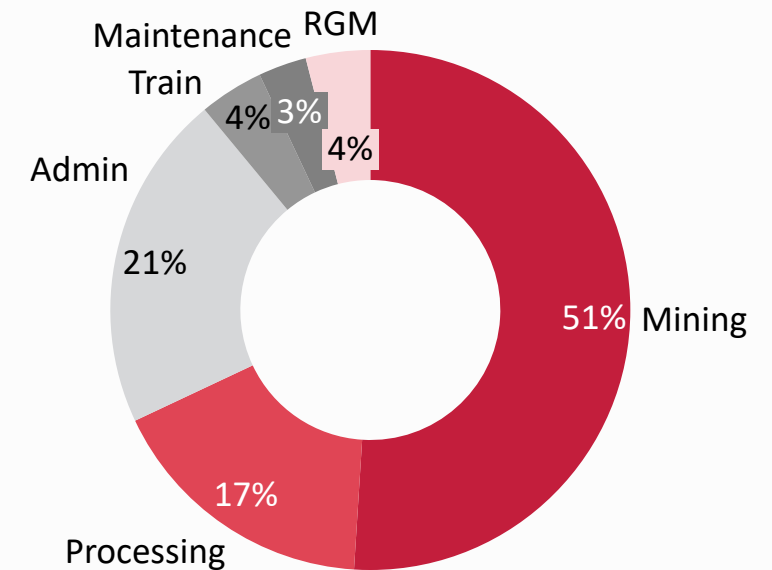
Continued focus on cost efficiency in an inflationary environment

Cash cost per ton of iron ore concentrate produced¹
(NOK/mt)



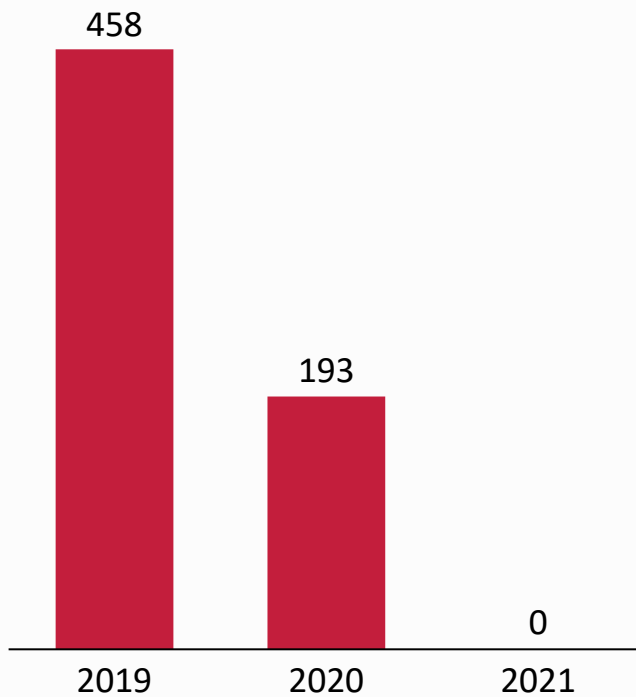
*Adjusted for larger one-off costs

Cost breakdown %
(FY 2021)



Solid financial position

Development in long term debt
(Bank debt and credit facility NOKm)



Unused credit facility
(NOKm)

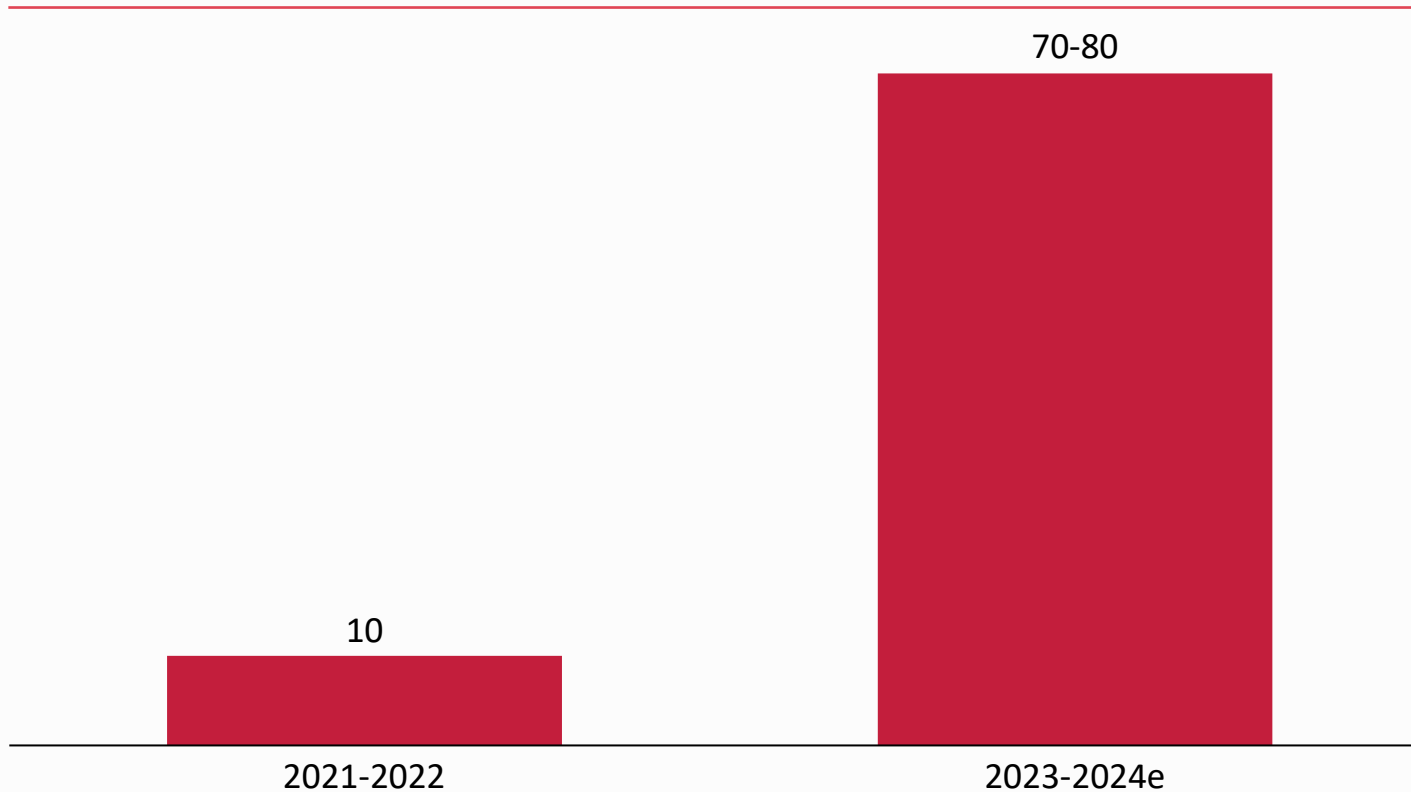
100

Solid balance sheet
(Equity ratio at 30 September 2022)

45.5%

Financial position enables investing in the business and growth

Capex plan for Fe65 and M40 projects
(NOK million)



Total capex estimate of NOK 80-90 million for Fe65 and M40, of which NOK 10 million is already invested

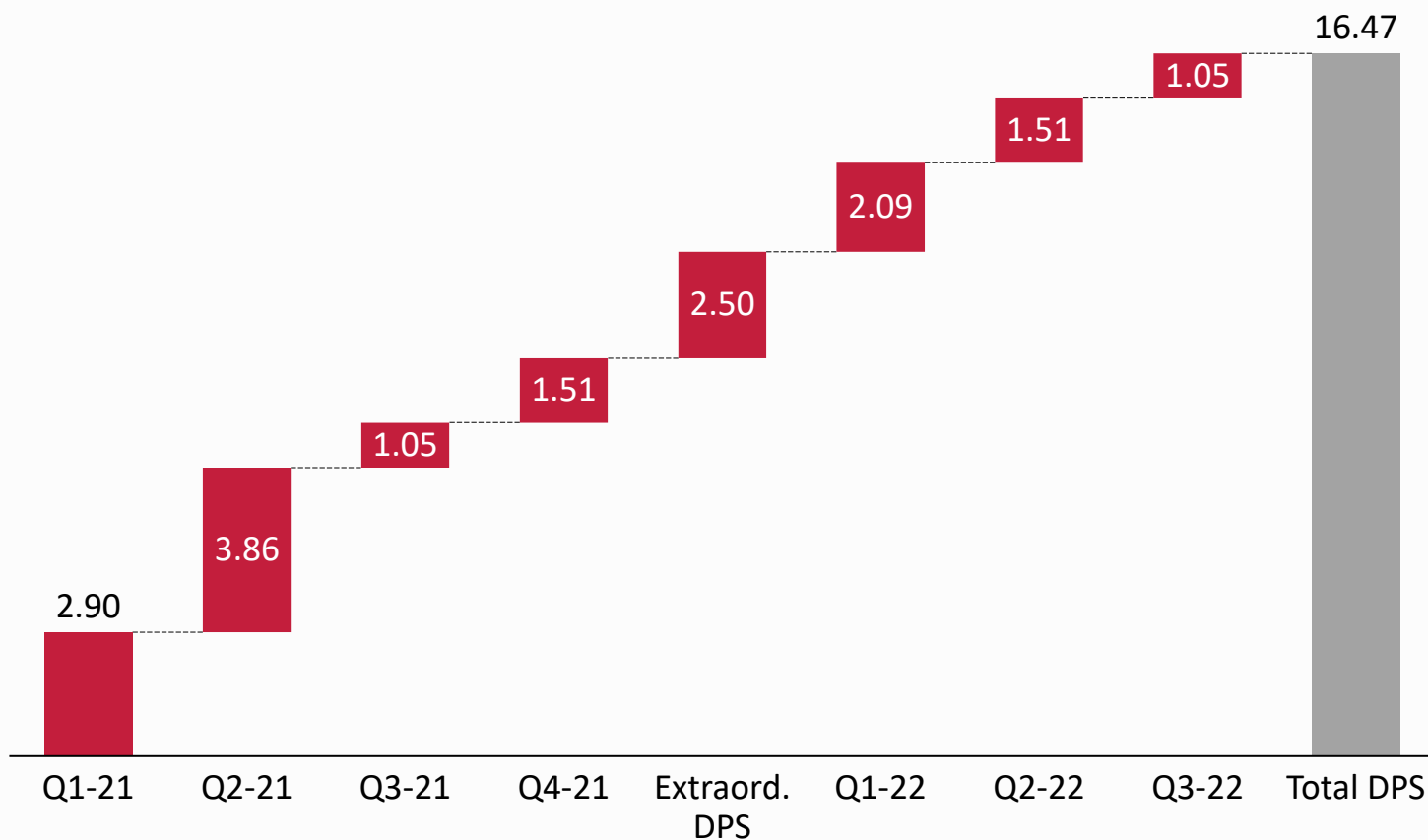
Plan to finance all strategic projects with earnings from operations and lease obligations for vehicles and mobile machinery

Zero carbon emission project expected to be partly financed through governmental support

Attractive dividends remain paramount

Consistent track-record of shareholder return

(Dividend per share NOK)



More than NOK 600 million paid out in dividends since admission for trading in 2021

Aim to pay out 50-70 per cent of adjusted net profit* each quarter

Up to 30 per cent of the allocated dividend amount can be applied for acquisition of own shares

A closer look at price mechanism and booking of revenues I

Final price settled three months after shipment has left Mo i Rana

Final price based on average spot price for the month in which the price will be settled, adjusted for cost of freight

Revenue booked at final date of reporting period, based on avg. fwd. price for settlement month, adjusted for expected cost of freight



A closer look at price mechanism and booking of revenues II

Illustrative example

(For educational purpose)

Q3			Q4			Booked revenue for Q3
July	August	September	October	November	December	
Shipment 1	—————					Revenue booked at 30/9, based on average forward price for October
Shipment 2	—————					Revenue booked at 30/9, based on average forward price for October
	Shipment 3	—————				Revenue booked at 30/9, based on average forward price for November
	Shipment 4	—————				Revenue booked at 30/9, based on average forward price for November
		Shipment 5	—————			Revenue booked at 30/9, based on average forward price for December
		Shipment 6	—————			Revenue booked at 30/9, based on average forward price for December

A closer look at hedging positions

Key hedging assessment criteria

Large market
fluctuations



Securing large portion
of operating costs



Timing of larger
investments and cash
draws



Hedging iron ore and FX to secure sustainable and stable cash flow

Hedging policy: maximum 50 per cent of the annual production volume, for a period of up to 24 months

According to IFRS, changes in the portfolio value is included in the P&L under net financial income/expenses

An aerial photograph of a mining site. A wide, light-colored gravel road winds through a landscape of yellow-green trees and dark, rocky terrain. In the foreground, a large yellow mining truck is driving on the road. The background shows a large, rocky hillside under a blue sky with scattered white clouds.

Q&A

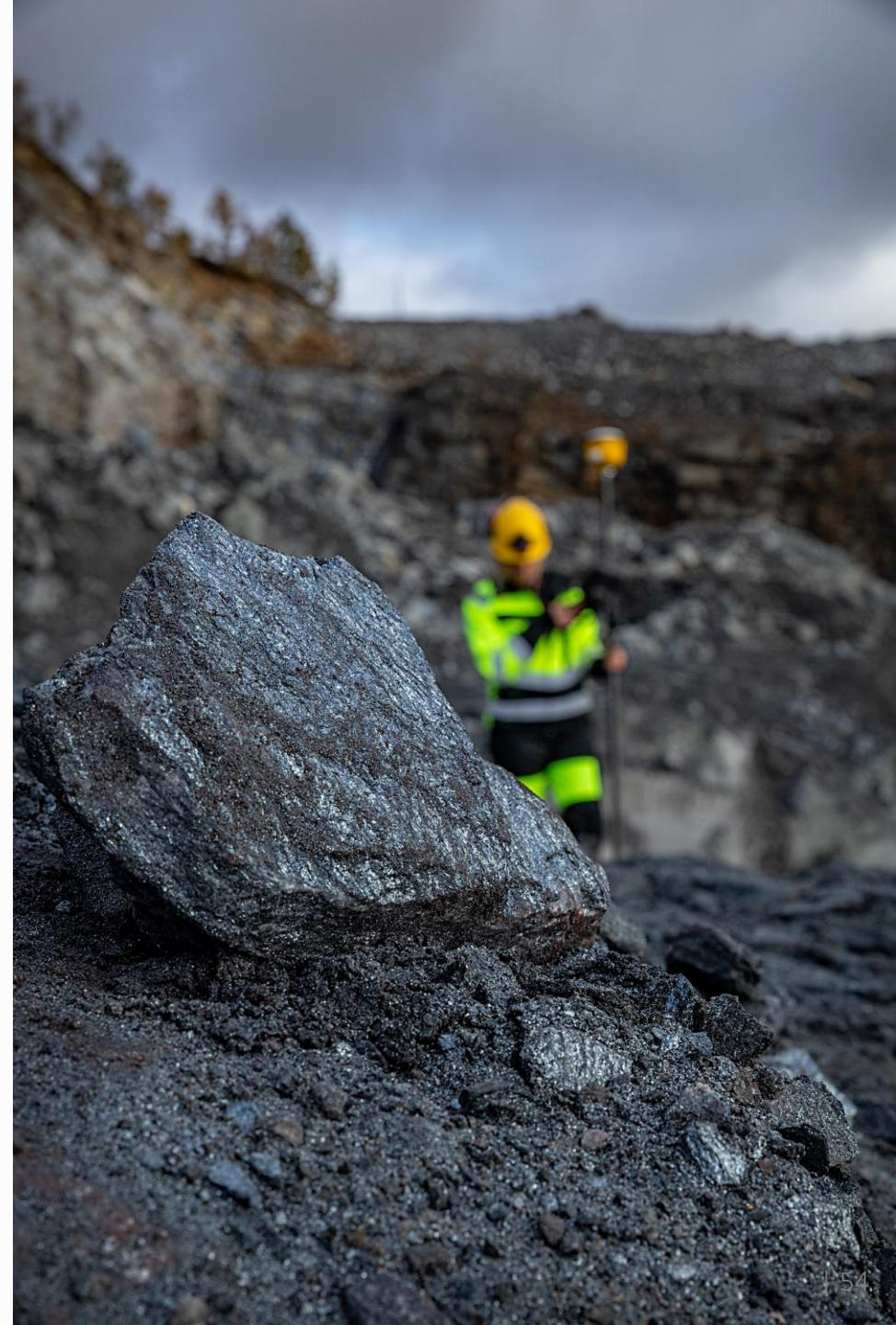
Contact: ir@ranagruber.no

Key takeaways

On track with strategic projects

Vast resources and reserves

Solid financial position





RANA
GRUBER