



**OAX: NOM**

Q1 2018 Presentation  
Oslo, 15 May 2018



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1. Introduction
2. Financial status
3. Update on projects
  - Engebø, rutile and garnet
  - Keliber, lithium
4. Q & A



# Developing high-value assets in the Nordic Region



**Engerbø Rutile and Garnet (100%)**



High Purity Quartz



Seabed minerals



Platinum, Palladium



**Keliber  
Lithium (22%)**



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# Consolidated Income Statements

Q1-2018	Q1-2017		Acc. 2018	Acc. 2017	2017
Unaudited	Unaudited	Amounts in NOK million	Unaudited	Unaudited	Audited
-	-	Sales	-	-	-
(1.9)	(2.6)	Payroll and related costs	(1.9)	(2.6)	(10.9)
-	-	Depreciation and amortisation	-	-	(0.2)
(10.1)	(7.6)	Other operating expenses	(10.1)	(7.6)	(25.2)
<b>(12.1)</b>	<b>(10.1)</b>	<b>Operating loss</b>	<b>(12.1)</b>	<b>(10.1)</b>	<b>(36.2)</b>
(1.5)	10.2	Share of result of an associate	(1.5)	10.2	0.5
(0.1)	-	Financial items	-	-	0.1
(13.7)	0	Profit/(loss) before tax	(13.7)	0	(35.6)
-	-	Income tax	-	-	-
<b>(13.7)</b>	<b>0</b>	<b>Profit/(loss) for the period</b>	<b>(13.7)</b>	<b>0</b>	<b>(35.6)</b>



# Consolidated Statements of Financial Position

Amounts in NOK million	31.03.2018 Unaudited	31.12.2017 Audited
<b>ASSETS</b>		
Evaluation and exploration assets	24.0	21.6
Property, plant and equipment	0.2	0.2
Investment in an associate	27.2	29.3
<i>Total non-current assets</i>	<i>51.4</i>	<i>51.1</i>
Cash	64.6	21.5
Other current assets	3.8	4.5
<i>Total current assets</i>	<i>68.4</i>	<i>26.1</i>
<b>Total assets</b>	<b>119.8</b>	<b>77.1</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<i>Total equity</i>	<i>111.3</i>	<i>70.2</i>
Non-current liabilities	0.5	0.6
Current liabilities	7.9	6.4
<i>Total liabilities</i>	<i>8.4</i>	<i>7.0</i>
<b>Total equity and liabilities</b>	<b>119.8</b>	<b>77.1</b>



# Shareholder structure and share price development

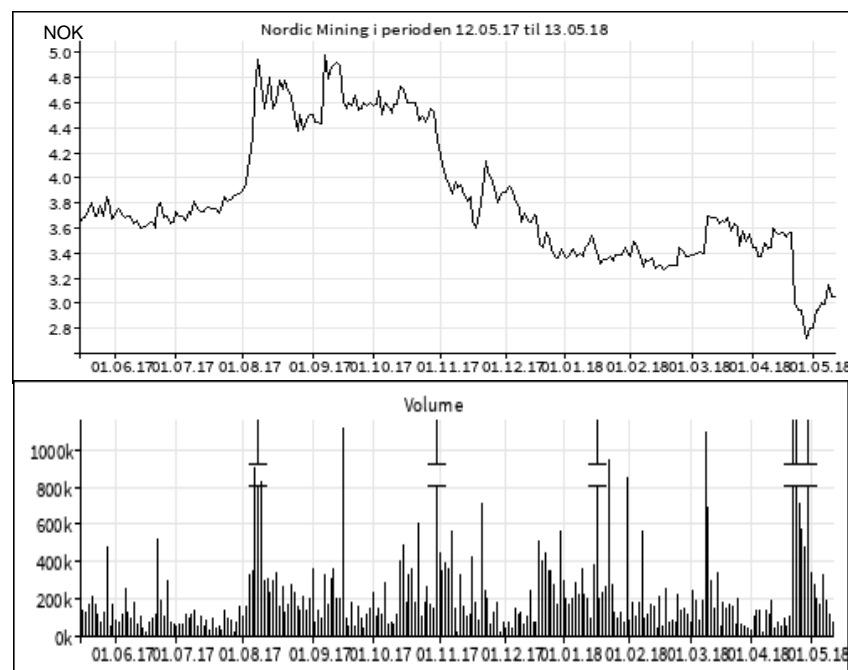
## Largest shareholders\*

	Name of shareholder	No. of shares	%
1	NORDNET BANK AB (NOMINEE)	10 474 025	9,2 %
2	NORDEA BANK FINLAND (NOMINEE)	5 021 688	4,4 %
3	VFP NORDEA AVKASTNING	4 127 963	3,6 %
4	NORDNET LIVSFORSIKRING	2 864 115	2,5 %
5	B-L HOLDING COMPANY	2 579 620	2,3 %
6	CITIBANK N.A. S/A POHJOLA BANK PLC (NOMINEE)	2 532 870	2,2 %
7	DANSKE BANK A/S (NOMINEE)	2 277 343	2,0 %
8	ADURNA AS	1 620 000	1,4 %
9	DYBVAD CONSULTING AS	1 573 052	1,4 %
10	VIOLA AS	1 562 380	1,4 %
11	NATURLIG VALG AS	1 540 000	1,4 %
12	LITHION AS	1 405 977	1,2 %
13	MAGIL AS	1 350 000	1,2 %
14	KNUT FOSSE AS	1 304 747	1,2 %
15	INFOSAVE AS	1 296 026	1,1 %
16	OVE KLUNGLAND HOLDIN NIL	1 194 536	1,1 %
17	CROSS AS	1 134 505	1,0 %
18	OLAV BIRGER SLETTEN	1 067 200	0,9 %
19	SNATI AS	1 022 672	0,9 %
20	ODDMUND HOLMEFJORD	839 332	0,7 %
	Top 20 shareholders	46 788 051	41,2 %
	Others	66 662 417	58,8 %
	<b>Total</b>	<b>113 450 468</b>	<b>100,0 %</b>

## Share overview and share price development\*

### Share overview

Number of issued shares	113 450 468
Owned by management	1.9%
Options	2 630 000
- of which owned by management	2 466 667
Fully diluted number of shares	116 080 468
Current share price (NOK)	3.05
Market capitalisation (NOKm)	346
Trading range YTD (NOK)	2.70 - 3.78





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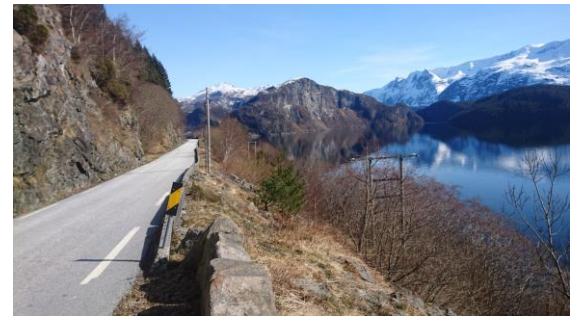
An aerial photograph of a mining operation. In the background, a large, terraced open-pit mine is visible on a hillside. The surrounding landscape is a mix of green forest and rocky terrain. In the foreground, a processing plant with several large white storage tanks and buildings is situated on a peninsula. A large red and blue cargo ship is docked at a pier in the dark water of a fjord. The sky is clear and blue.

World class deposit of high grade  
rutile and garnet

Efficient mining concept with minimal footprint

# Definitive Feasibility Study – steady progress

- Geotech and resource drilling program completed  
The program has provided important information for optimization and lay-out of the open pit
- Lay-out details and configuration for process and mining service area carried out
- Preparations for contract and execution strategy are ongoing
- Regulatory work for process area and water supply  
Asplan Viak is carrying out the land regulation process for laying of the fresh water pipeline as well as detailed zoning plan regulation
- DNV GL has been contracted to establish environmental monitoring programs in accordance with the granted environmental permit



# Definitive Feasibility Study – steady progress

- Process test work; repeatability and variability tests and optimization studies are ongoing
- Certain aspects of the mineralogy and texture of the Engebø deposit is complex. Therefore, the ongoing process testwork is comprehensive and time consuming.
- Additional testwork will impact the DFS timeline which will be extended into 2019
- The timeline for the study will be reviewed and updated later based on the progress of ongoing testwork activities.



# Definitive Feasibility Study – building the team

- Nordic Mining targets to establish a local project team of 6-10 employees in Naustdal
- This will include key personnel that also will be responsible for recruitment and training of the operational staff
- In addition to ongoing recruitment processes for Project manager and Process engineer, this will include:
  - Plant manager
  - Mining engineer
  - Communication and CSR
  - Manager contract and procurement
  - Health, safety and environment
  - Human relation



# Mining rights at Engebø

- On 20 April 2018, Arctic Mineral Resources published information of a mineral project scenario focusing solely on garnet in the future underground mining area for Nordic Mining's Engebø project
- Nordic Mining holds all rights and permits necessary for its current operations related to the Engebø rutile and garnet project
- According to the Directorate of Mining; This includes extraction permits for rutile (state mineral) which as a general rule also imply the right to extract garnet and possible other minerals (landowners' minerals) when required to extract rutile
- Nordic Mining can apply for operational permit based on its existing rights at Engebø



Nordic Mining extraction rights



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# Keliber – progressing towards important milestones

- DFS well underway, targeted for completion in June 2018
- Updated resource estimates following from last year's drilling targeted prior to DFS
- Environmental permitting process is progressing:
  - Application submitted for Syväjärvi deposit
  - Supplement of EIA program for the lithium chemical plant catering for increased capacity from 12,000 to 24,000 tpy of lithium carbonate
  - Applications for the Kalavesi mineral processing plant and the KIP chemical plant in progress
- Dialogues ongoing with potential customers related to offtake agreements
  - Lithium markets are developing positively
  - Continued price increase in Q1 2018

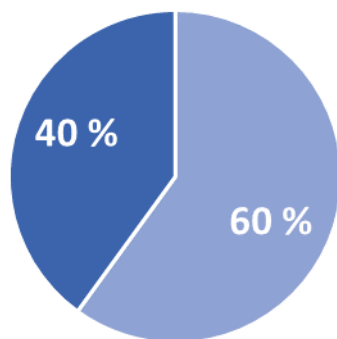




# Financing

- ✓ Sufficiently financed until Q4 2018, based on current activity plans
- ✓ Consideration of various opportunities for further financing is ongoing
  - New equity
  - Divestments
  - Strategic partnerships
  - Debt instruments

Tentative outline of construction financing:



■ Debt ■ Equity

## Sources of capital

- Equity (industrial partners, shareholders and others)
- Bank loans
- Bonds
- Streaming/Royalty
- Leasing
- Supplier credits
- Hybride instruments (i.e. convertible bonds)

Target to establish financing in H1 2019



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*Safety – Environment - Innovation*



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