

INTERIM REPORT

Per 30 September 2022



Minerals for a sustainable future

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. 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".

Group interim report for the quarter ended 30 September 2022

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

CORPORATE

Keliber share sale for EUR 46.9 million closed in September 2022

In June Nordic Mining ASA accepted to sell its shares in Keliber Oy ("Keliber") to Sibanye Stillwater Limited ("SSW") for a cash consideration of EUR 157.28 per share, in total EUR 46.9 million, under a voluntary offer ("Voluntary Offer") provided by SSW to the shareholders of Keliber. The share sale was closed on 15 September 2022 with the transfer of shares and settlement of the cash consideration on 20 September. Following the sale, Nordic Mining holds no shares in Keliber. Please see note 4 for further information.

ENGEBØ RUTILE AND GARNET PROJECT (100% ownership)

Engerbø Rutile and Garnet Project value increases by over 70% to around USD 450 million

In October 2022, Nordic Mining revised the project economics for the Engebø Rutile and Garnet Project based on the latest available data and assumptions. The revised analysis confirmed significant improvements in the key financials compared to the Updated Definitive Feasibility Study ("UDFS") from 2021 with unlevered post-tax NPV@8% of USD 453 million (up from USD 260 million) and post-tax IRR of 24.4% (up from 19.8%).

High-margin cash flow and short pay-back support bankability (unlevered):

- Remaining initial capital investment of around USD 207 million (down from USD 218 million)
- Life of Mine EBITDA of USD 3.1 billion (up from USD 2.1 billion), corresponding to an EBITDA-margin of over 75% (up from 68%)
- Life of Mine Operating Cash Flow of USD 2.5 billion (up from USD 1.7 billion)
- Free Cash Flow the first 10 years of full operations of over USD 60 million per annum (up from USD 51 million)
- Pay-back period of around 4 years from start of production (down from 4.4 years)

Nordic Mining has secured over 75 % of the project financing for Engebø

In October 2022 Nordic Mining issued, through its wholly owned subsidiary Nordic Rutile AS ("Nordic Rutile"), USD 100 million in a new 5-year senior secured bond for the Engebø Rutile and Garnet Project. The bond has fixed coupon of 12.5% per annum and an issue price of 90%, giving a calculated yield to maturity of around 16.3%. The bond issue was well subscribed by domestic and international quality investors such as pension funds, long-only credit funds, hedge funds and family offices. The settlement of the bond is expected to be on or around the 9 November 2022. The net proceeds from the bond will be used for the development of the Engebø Rutile and Garnet Project.

Further to the bond, Nordic Mining ASA has conditionally agreed a USD 55 million investment from leading mining investment firm Orion Resource Partners ("Orion"). The proposed investment will comprise of a USD 50 million non-dilutive royalty instrument to Nordic Rutile AS and USD 5 million in equity, which will be contributed to Nordic Mining ASA. The royalty instrument is intended to be secured, subordinate to the senior secured lenders to Nordic Rutile AS, subject to the terms of an Intercreditor Agreement. The investment from Orion is subject to the parties signing binding agreements and the satisfaction of certain conditions and approvals.

This secured, combined with the funds from the sale of the shares in Keliber Oy for EUR 46.9 million, over 75% of the project financing package for the Engebø Rutile and Garnet Project of USD 277 million, which will include a project reserve of USD 30 million. The transaction structure, terms, and timing of the remaining project financing will be announced in due course.

Nordic Rutile wins in Artic Mineral Resources appeal case in Borgarting Court of Appeal

The Borgarting Court of Appeal ruled on 24 October 2022 in favor of Nordic Rutile in Artic Mineral Resources ("AMR") appeal of the ruling from Oslo District Court. The appeal case took place 19–28 September 2022. The Court of Appeal ruling confirmed the ruling from the Oslo District Court that Nordic Rutile has exclusive right to all minerals in the Engebø deposit within the limits of the Norwegian Mining Act, in line with the operating license granted by the Ministry of Trade, Industry and Fisheries in May 2022. The court ruled that AMR shall pay all legal expenses, which Nordic Rutile will now focus on securing. AMR has informed that it will appeal the ruling of the appeal court to the Supreme Court. Furthermore, two NGO's have stated in the press that they will summon the Norwegian Government claiming that Nordic Rutile's disposal permit granted by the Norwegian Government in 2015 is null and void. Nordic Rutile has also received a litigation notice from an heir to the estate that sold a

property that will constitute parts of the company's processing plant and granted land access rights to Nordic Rutile. It must be expected that Nordic Rutile may be summoned with a claim that the property sales agreement and land access agreement shall be reversed. The company will vigorously defend itself against the aforesaid legal actions.

Binding rutile Offtake Agreements secured for up to full production for the first 5-years of operations

In October 2020, Nordic Mining ASA signed the final rutile offtake agreement, through its wholly owned subsidiary Nordic Rutile AS, to secure committed sales for up to the full annual production of rutile from Engebø for the first 5 years of production, together with the offtake agreement signed with Iwatani Corporation in June 2022. Iwatani will as part of their agreement make an equity investment of NOK 191.7 million, corresponding to USD 20 million at the time of the signing of the agreement, in Nordic Mining ASA for the Engebø Rutile and Garnet Project. The agreement with Iwatani is subject to certain conditions relating to the equity investment having been fulfilled and the offtake agreements are inter alia subject to certain conditions precedent.

Engebø early construction works advances; enables optimizations of the construction schedule

Nordic Mining commenced in April 2022 early construction works at Engebø. Following the close of the sale of the stake in Keliber to SSW in September 2022, the Company resolved to contribute funds from the sale to continue to advance the early construction works. The groundwork in the process area is progressing in accordance with plan and we expect to be ready to start on concrete foundations in December 2022. The sea filling of the bay which is intended for future industry related to tailings will start early November and will allow a shorter transportation route for the material from blasting at the process area. The preparation of the tunnel portal is almost complete and work on the transport tunnel leading into the vertical shaft will start early November. The first half of the construction road up to the mountain is completed and work is ahead on the remaining part. The main construction works has been undertaken by local contractor, Sunnfjord Industripartner AS, under the lump-sum EPC ("Engineering, Procurement and Construction") contract signed in November 2021. In addition, Detail Engineering on the process plant is ongoing by Åsen & Øvrelid AS, Nordic Bulk AS and Normatic and we expect to complete the main parts of this work in Q1 2023. This will allow start of mechanical and electro installation work. The procurement of mechanical packages for the process plant is ongoing and we expect to procure the packages during before year-end 2022. The advancement of early works secures important project developments that enables optimizations of the construction schedule.

Q3 remained firm for both TiO2 pigment production and titanium metal

Third quarter showed strong results for participants in the titanium dioxide pigment market mainly driven by price increases combined with lower volumes. The major pigment producers reported slower market conditions in Europe and China and expect this to continue into Q4 due to de-stocking and the usual seasonal lower demand for pigment in Q4. Titanium feedstock demand however is expected to remain firm and high-grade feedstock producers report sold out conditions for the remainder of the year.

When it comes to titanium metal, aerospace application demand remains robust due to the revival of air traffic as well as demand for non-Russian products. Titanium metal producers report strong demand and increasing sales prices. Further, there is continuous strong demand for titanium metal into general industrial and semiconductor applications.

Reported natural rutile prices in Q3 2022 has been in excess of USD 1,500/mt FOB, with main producers expecting pricing to remain flat in Q4 2022.

There is ongoing growth in demand for high quality garnet in both waterjet cutting and abrasive blasting. Drivers are mainly the investments in infrastructure, oil and gas industry as well as shipbuilding and manufacturing. The aerospace industry is an important driver as well. Nordic Mining is experiencing strong interest for garnet from Engebø and is in process to finalize a long-term offtake agreement.

FINANCIAL PERFORMANCE IN Q3

Unless other information is given, numbers in brackets for comparison relate to the corresponding period in 2021.

The Group is under construction of the Engebø Project and has, so far, no sales revenues from operations. Reported operating loss for the third quarter was NOK -8.9 million (NOK -16.6 million) and NOK -37.9 million for the first three quarters of 2022 (NOK -44.8 million).

In June, Nordic Mining accepted an offer from SSW to sell its shares in Keliber for a cash consideration of EUR 157.28 per share, in total EUR 46.9 million. The sale of the shares has been completed in Q3 2022. This value

was assessed to represent fair value as of 30 June 2022. The Group recognized a loss of NOK 10.7 million on the investment in the third quarter of 2022 due to changes in foreign exchange (Q3 2021: gain NOK 72.6 million). In addition, the consideration received in EUR for the sale resulted in a foreign exchange gain included in financial income in Q3 2022 of NOK 21.8 million. Please see note 4 for further information. The Group has assessed at quarter end Q3 2022 the fair value of the convertible loan to NOK 143.4 million and recognized a fair value gain of NOK 1.9 million in the quarter and a fair value loss of NOK -10.9 million year-to-date 2022. Please see note 5 for further information.

Reported net loss was NOK -3.5 million in the quarter (gain NOK 56.0 million) and a gain of NOK 243.2 million in the first three quarters of 2022 (gain NOK 24.7 million), driven by the realized gain on the sale of the shares in Keliber.

In April, the Group started early construction works at Engebø, which 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. In the third quarter of 2022 the Group has capitalized in the balance sheet direct costs related to the early construction work of NOK 51.2 million (Q2 2022: NOK 87.9 million) under Mine under construction. Nordic Mining's carrying amount for Mine under construction was NOK 167.9 million as of 30 September 2022 (Q2 2022: NOK 116.8 million).

Net cash outflow from operating activities was NOK -25.4 million in the first three quarters of 2022 (NOK -44.3 million). Net cash flow from the Group's investment activities in the third quarter was NOK 469.4 million, driven by close of the sale of Keliber in September, and NOK 370.5 million year to date 2022 (NOK -25.8 million). Net cash inflow from financing activities in the first three quarters was NOK 133.7 million resulting from the convertible loan in February and share issue in May 2022 following exercise of 2,825,000 share options held by Management (NOK 75.8 million).

The Group's cash and cash equivalents as of 30 September 2022 was NOK 525.5 million (Q2 2022: NOK 62.1 million, including NOK 22.5 million Escrow account from convertible loan).

Nordic Mining's total assets as of 30 September 2022 was NOK 704.6 million (31.12.2021: NOK 255.3 million), and total equity was NOK 496.3 million (31.12.2021: NOK 245.7 million).

The Group has secured over 75% of the long-term financing to develop the Engebø Rutile and Garnet Project towards production. There is no assurance that the Group will be successful in obtaining the remaining financing, however the Company expects that the significant economic potential of the Engebø flagship, combined with a solid balance sheet, will provide a solid foundation for financing going forward.

For further information relating to the Company's risk assessments, reference is made to the annual report for 2021 which is available on the Company's webpage www.nordicmining.com.

MAIN PROJECTS AND ACTIVITIES

Engebø Rutile and Garnet Project (100% ownership)

World-class mineral resource developed according to world-class standards

The Engebø deposit is one of the largest unexploited rutile deposits in the world and has among the highest grades of rutile (TiO₂) compared to existing producers and other projects under development. The deposit also contains significant quantities of high-quality garnet. The scale of the mineral resource secures long-term operations.

The project will be developed in accordance with high international standards for environment, health, and safety. Regional hydroelectric power will supply the process plant with renewable energy. The deposit has a favorable location next to a deep-water quay and with efficient shipping/logistics to European and overseas markets. This limits the project's physical footprint and reduces environmental effects.

The Engebø deposit will be developed as a dual mineral operation with production and sale of high-quality rutile and garnet. The business concept provides efficient resource utilization, risk reduction, attractive and robust economics, and valuable future expansion opportunities.

Updated Definitive Feasibility Study reconfirms Engebø as a world class mineral project

In May 2021 Nordic Mining ASA completed the Updated Definitive Feasibility study ("UDFS") for the Engebø Rutile and Garnet Project. The UDFS is an update of the DFS which was completed in January 2020. The updated study confirmed Engebø as a sustainable and economically robust mineral project with reduced financing risk, improved financial resilience, and attractive financial returns. The complete summary report is available at the corporate website, and main improvements and risk-reducing measures in the UDFS are:

- Reduced environmental footprint; 99% reduction in consumption of approved chemicals in the production process (compared with the 2016 environmental permit), around 80% reduction of CO2 emissions and approximately 40% reduction of the process plant facilities footprint compared with the DFS
- Contract and execution strategy based on EPC partnerships and early vendor engagement
- Stick-build construction methodology and improved ore flow logistics
- Reduced initial investment needed to realize the project from USD 311 million to USD 218 million, maintaining a Run-of-Mine ("ROM") of 1.5 Mtpa
- Reduced process operating cost by more than 25% following from flowsheet optimizations, including reduction in energy costs from use of electrical dryers for drying of minerals
- Improved mining design for open pit and underground focusing on practical and cost-effective operations. Mining schedule in open pit has been optimized for the initial years and the underground mining schedule targets higher grades and a simplified infrastructure
- Reduced market risk based on post-pandemic market forecasts for rutile and garnet, retaining flexibility to increase garnet production in line with increasing demand
- Robust project economics with considerable reductions in market, financing, and execution risks

- Optimized schedule and dual mineral production provide competitive strength:
 - Outcropping and geotechnically stable orebody
 - Low stripping ratio (waste to ore ratio) of 0.6 in open pit
 - High-grade rutile and garnet
 - Short distance and gravity supported ore transportation minimize transportation
 - 1st quartile revenue-to-cash cost position for rutile

- Optimized mining plan and scheduling support an initial 39-year Life of Mine:
 - 15 years of open pit mining and high-grade processing, and stockpiling of medium/low-grade ore
 - 19 years underground production
 - 6 years production based on stockpiled ore
 - Extension of Life of Mine expected based on substantial inferred resources

- All main permits granted:
 - Extraction permits for the whole deposit
 - Operational license for open pit and underground mining
 - Landowner agreements for open pit, infrastructure, and process plant areas
 - Detailed zoning plan
 - Environmental permit

- High environmental and social standards in accordance with IFC Performance Standards and relevant Equator Principles

For latest key economic figures see page 2.

Early construction work advancing at Engebø

In April 2022 Nordic Mining started early construction works at Engebø, following the acquisition of the main properties. In September 2022, the Company resolved to contribute funds from the sale to continue to advance the early construction works. The groundwork in the process area is progressing in accordance with plan and we expect to be ready to start concrete work in December 2022. The sea filling of the bay which is intended for future industry related to tailings will start early November and will allow a shorter transportation route for the material from blasting at the process area. The preparation of the tunnel portal is almost complete and work on

the transport tunnel leading into the vertical shaft will start early November. The first half of the construction road up to the mountain is completed and work is ahead on the remaining part. The main construction works has been undertaken by local contractor, Sunnfjord Industripartner AS, under the lump-sum EPC ("Engineering, Procurement and Construction") contract signed in November 2021. In addition, Detail Engineering on the process plant is ongoing by Åsen & Øvreid AS, Nordic Bulk AS and Normatic and we expect to complete the main parts of this work in Q1 2023. This will allow start of mechanical and electro installation work. The procurement of mechanical packages for the process plant is ongoing and we expect to procure the packages during before year-end 2022. The advancement of early works secures important project developments that enables optimizations of the construction schedule.

Engebø rutile superior carbon footprint

Natural rutile (~95% TiO₂) is known as a superior titanium feedstock due to its high purity and TiO₂ content. Other alternative titanium feedstocks such as ilmenite has a substantially lower TiO₂ content (~50% TiO₂). Natural rutile can be used directly in chlorination plants to make titanium pigment or as feed for titanium metal production, while the other raw materials have to go through additional processing steps. Ilmenite must be converted to upgraded synthetic rutile or titanium slag. This is done through carbon intensive leaching or smelting processes that produces substantial amounts of waste. The favorable logistics combined with the purity of the rutile product gives the Engebø rutile environmental benefits as a raw material.

In June 2022, Minviro, UK concluded an independent Life Cycle Assessment ("LCA") of the rutile product to be produced at Engebø Rutile and Garnet. The LCA was a cradle-to-gate assessment of the production of natural rutile concentrate from Engebø and covers all production stages from the mine to the final product. The study included calculations of the Global Warming Potential ("GWP") and the water scarcity footprint and showed that rutile from Engebø is top rated in terms of carbon footprint and water scarcity impact compared to other titanium feedstocks globally, including natural and synthetic rutile, and titanium slag.

Earlier in 2022, SRK Consulting (UK) Ltd, conducted an analysis to compare the Green House Gas ("GHG") emissions associated with Engebø Rutile and Garnet, 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 study was based on available information published by the respective companies, predominantly in annual reports¹. The comparative study was based on reported Scope 1 and Scope 2 emissions².

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 being implemented for the Project. The aim is to ensure that the project adheres to permits and regulation and best international practices³ in construction, operation, and closure.

An ambitious goal of biodiversity net-gain has been adopted for the Engebø Project. This means that we will continuously work to reduce, restore, and compensate biodiversity loss at the mine site. Where we are not able to restore 100 percent, we will look at increasing biodiversity in the region. A Biodiversity Action Plan is under development in collaboration with DNV and Asplan Viak.

In order to assure that the construction phase meet our standards on sustainability, a Construction Environmental Management Plan ("CEMP") has been implemented to ensure adherence to environmental obligations for owners' team, contractors, and suppliers throughout the construction phase. Potential environmental risks are identified, and action plans put in place to reduce the risk of environmental accidents and to enhance performance.

An Environmental Monitoring Program has been put in place at Engebø to monitor environmental effects from construction activities. The program includes monitoring related to airborne dust, vibrations and noise, and risk of emissions to fjord surface water and freshwater bodies at the constructions site.

¹ GHG is reported in tons of CO₂ equivalent (tCO₂e), meaning emission of non- CO₂ GHGs have been "normalized" to CO₂ using their 100-year global warming potentials.

² Scope 1 refers to direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the reporting company.

³ In accordance with the IFC Performance Standards.

A Waste Management Plan has been developed for extractive waste handling. The plan builds on the EU's Best Available Techniques for extractive waste management⁴. The aim is to ensure that proper measures and procedures are in place to reduce effects on the environment, and any resultant risks to human health related to our waste rock and tailings facility. The plan also addresses measures to reduce and utilize waste streams. The Waste Management plan was submitted to the Environment Agency July 2022. The plan has been subject to public hearings and is awaiting approval.

A Conceptual Rehabilitation and Closure plan was completed early 2022 and outlines a management system to ensure that we can successfully rehabilitate the mine site at closure. In line with our biodiversity goal, we aim for a high degree of restoration to return the area to nature and enable meaningful use for the local population post-closure.

Lump sum EPC contracts signed for over 60% of the remaining construction cost

The execution strategy for the Project was as part of the UDFS revised to enable an efficient and compact stick build methodology. By bundling around 80 equipment packages into 4 main EPC contracts, as well as free issued items to the EPC contractors, the execution structure has been simplified. In second half of 2021 and year-to-date 2022, Nordic Rutile has signed lump sum contracts for the Engineering, Procurement and Construction ("EPC") for the Engebø Rutile and Garnet project with selected EPC partners Sunnfjord Industripartner AS, Åsen & Øvrelid AS and Nordic Bulk AS and Normatic AS. The four EPC contracts comprise lump sum price for the agreed scope of work agreed in the EPC contracts and cover over 60% of the remaining plant and mine capital expenditure of around 196 million.

Engebø operating license completes the main regulatory permits

In May 2022, the Ministry of Trade, Industry and Fisheries ("MTIF") resolved that Nordic Mining's operating license is maintained as granted with full rights to the Engebø deposit, confirming the resolution from the Directorate of Mining. The decision from MTIF is final and cannot be appealed. The operating license is granted for the life of mine of the project which includes an open pit and underground phase, however, with a possibility for revision after 10 years. The license regulates operational scope, methodology and procedures to secure safe and efficient production of the mineral resources and follows the strict regulation practice for Norwegian mining operations which implies high standards for environment, health, and safety. The operating license completes the main regulatory framework required for the project, including extraction permits, approved zoning plan for the mining and processing areas and the environmental permit.

In June 2020, the Company submitted, after extensive test work proving that the consumption of chemicals could be significantly reduced, an application to the Environment Agency for substitution of chemicals from the original environmental permit of 2015. In January 2021, the Agency granted the revised environmental permit, commenting that the significant reduction in chemical consumption will have lower impact on the environment than the previous planned consumption. The decision was confirmed by the Ministry of Climate and Environment in November 2021 concluding that the complaints received in relation to the revised discharge permit do not provide any basis to revoke or change the permit. The decision from the Ministry of Climate and Environment is final and cannot be appealed.

In February 2022, Sunnfjord Municipality approved the building permit for all infrastructure groundworks for the Engebø Project. The permit is in line with the UDFS and the EPC contracts. The building permit complaints was rejected by the Municipality Body of Complaints in April 2022 following an appeals process. The approved building permit for infrastructure groundworks 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 EPC in line with the construction plan.

Positive commercial outlook for rutile and garnet

Europe has a significant supply deficit of titanium feedstock, including rutile, and no garnet production. Supply from Engebø represent a substantial opportunity for logistical optimization. The long-term fundamentals are strong and support a new source of supply in Europe.

⁴ Best Available Techniques (BAT) Reference Document for the Management of Waste from Extractive Industries in accordance with Directive 2006/21/EC.

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The main applications for garnet are in waterjet cutting and sand blasting. Prices vary depending on quality and application. The garnet demand in 2020 was impacted by reduced economic activity and lower oil price. Selling prices in the main markets in Europe and USA have to a large extent been reported to remain unaffected, despite demand having contracted with an estimated 20–25%.

There is currently no production of garnet in Europe and the global supply of high-quality garnet for high-end applications has over the last years been short of the demand. The existing main producers are in Australia, China, India, and South-Africa. Regulatory measures introduced by the Indian government in 2016 continue to affect a substantial part of the Indian garnet production. It is uncertain when and to what extent Indian production will re-enter the market. In the USA, domestic production is significantly short of the demand.

Nordic Mining is experiencing strong interest and in process to finalize long-term offtake agreement for garnet.

Strategic assets and initiatives

Alumina technology development

Nordic Mining has since 2009 been engaged in development of a new technology for alumina production as a sustainable alternative to the current production. The technology has successfully been developed together with Institute for Energy Technology ("IFE") and has been patented in several countries including Norway, Russia, USA, Canada and with the European Patent Office. In June 2019, the Company announced that the EU's Horizon 2020 program has granted EUR 5.9 million for the AISiCal project to further develop the patented technology. AISiCal is an ambitious research and innovation project to further research, develop and de-risk the technology. The technology, named the Aranda-Mastin technology ("AM technology"), is a low waste and low carbon footprint alternative, to the current alumina production which is mainly based on bauxite resources refined through the Bayer process. Bauxite mining and processing is known to have substantial environmental impact due to production of toxic waste, substantial carbon emissions and extensive land use. The new technology is an innovative alternative based on alumina/calcium-rich rocks such as anorthosite. Anorthosite is an alumina-rich feldspar rock with approximately 30% alumina. With the new technology, anorthosite can be close to fully utilized to produce alumina together with silica and calcium carbonate by-products. The technology includes a carbon consumption process-step allowing for a low carbon footprint.

The production process is based on leaching with hydrochloric acid at moderate temperature and pressure. Aluminum is extracted through a sparging process and subsequently calcined to form alumina. Precipitated calcium carbonate ("PCC") is produced as a by-product by integrating CO₂ utilization in the process. Silica forms a residue in the leaching process and is also extracted as a by-product. PCC is a commodity used as filler in paper, plastics and paint, and silica is used as filler in tires and plastics, and in the production of cement. The process can potentially consume close to 500,000 tonnes of CO₂ per million tonne of alumina which corresponds to the emission from a medium sized oil and gas platform. The CO₂ can either be stored safely or utilized as part of the production of PCC. The process aims at being waste free since nearly all the components of the anorthosite are expected to be saleable products.

With the granting of the AISiCal project an ambitious 4-year work plan is in place to further develop the patented technology. The AISiCal Project consortium comprise of 16 international partners from 9 countries. The aim of

the project is to further research and de-risk the technology and assess the technical and economic feasibility. The project has a goal of developing the technology towards a zero-carbon emission production process by including integrated CO₂ capture. Nordic Mining is actively participating in the project, leading one of the work packages focused on raw material sources and leaching optimization.

Seabed minerals

Nordic Mining has taken pioneering initiatives related to seabed mineral exploration and knowledge building in Norway through the fully owned subsidiary Nordic Ocean Resources. Research assessments indicate an attractive potential for discovery of metallic ore deposits with possible significant economic values within Norway's exclusive economic zone.

Nordic Mining participated in the MarMine project on marine mineral resources which was concluded in 2020. The project was coordinated by the Norwegian University of Science and Technology. The Norwegian Research Council granted NOK 25 million to the project which had a strong industrial basis and participation, with an exploration cruise including mineral sampling and assessments related to seabed mineral operations having been executed in selected areas along the Mid-Atlantic Ridge.

In 2019, the new Seabed Minerals Act came into force as result of systematic mapping of seabed minerals by the Norwegian Petroleum Directorate. Prior to opening for seabed mineral extraction, an environmental impact assessment must be carried out and in January 2021 the Ministry of Petroleum and Energy on sent out a proposal for an impact assessment program.

Nordic Mining have, in light of the positive developments on the regulation of seabed minerals, and increased focus on how the Norwegian mining industry can play an important role on seabed minerals to support the green transition, increased the efforts to commercializing the Groups understanding and positioning on seabed minerals developed through the pioneering initiatives of NORA.

Oslo, 7 November 2022

The Board of Directors of Nordic Mining ASA

CONSOLIDATED INCOME STATEMENT

	Note	2022	2021	2022	2021	2021
		01.07-30.09	01.07-30.09	01.01-30.09	01.01-30.09	01.01-31.12
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
<i>(Amounts in NOK thousands)</i>						
Other income		-	-	-	188	188
Payroll and related costs		(2 816)	(3 751)	(8 741)	(12 463)	(16 220)
Depreciation and amortization		(33)	(33)	(100)	(104)	(138)
Other operating expenses		(6 085)	(12 769)	(29 102)	(32 373)	(44 504)
Operating profit/(loss)		(8 934)	(16 553)	(37 943)	(44 752)	(60 674)
Fair value gains/losses on investments	4	(10 697)	72 624	283 844	69 734	66 374
Fair value gains/losses on convertible loan	5	1 880	-	(10 884)	-	-
Financial income	4	21 911	6	21 989	65	127
Financial costs		(7 622)	(87)	(13 836)	(376)	(456)
Profit/(loss) before tax		(3 462)	55 990	243 170	24 671	5 371
Income tax		-	-	-	-	-
Profit/(loss) for the period		(3 462)	55 990	243 170	24 671	5 371
Earnings per share						
<i>(Amounts in NOK)</i>						
Basic earnings per share		(0.01)	0.24	1.05	0.11	0.02
Diluted earnings per share		(0.01)	0.24	0.91	0.11	0.02

STATEMENTS OF COMPREHENSIVE INCOME

	2022	2021	2022	2021	2021
	01.07-30.09	01.07-30.09	01.01-30.09	01.01-30.09	01.01-31.12
<i>(Amounts in NOK thousands)</i>	Note	Unaudited	Unaudited	Unaudited	Audited
Net profit/(loss) for the period		(3 462)	55 990	243 170	24 671
Other comprehensive income:					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Changes in pension estimates		-	-	-	(100)
Other comprehensive income directly against equity		-	-	-	(100)
Total comprehensive income/(loss) for the period		(3 462)	55 990	243 170	24 671

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(Amounts in NOK thousands)</i>	Note	30.09.2022 Unaudited	31.12.2021 Audited
ASSETS			
Non-current assets			
Evaluation and exploration assets		-	28 800
Mine under construction	3	167 943	-
Property, plant and equipment		200	200
Right-of-use assets		139	239
Financial investments	4	-	190 519
Total non-current assets		168 282	219 758
Current assets			
Trade and other receivables		10 830	3 444
Restricted cash	5	-	-
Cash and cash equivalents		525 477	32 086
Total current assets		536 307	35 530
Total assets		704 589	255 288
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	6	139 390	137 695
Share premium		319 430	313 699
Other paid-in capital		16 038	16 038
Retained earnings/(losses)		24 622	(218 547)
Other comprehensive income/(loss)		(3 223)	(3 223)
Total equity		496 257	245 662
Non-current liabilities			
Lease liabilities		-	113
Pension liabilities		614	1 062
Total non-current liabilities		614	1 175
Current liabilities			
Trade payables		45 782	3 093
Convertible loan	5	143 384	-
Other current liabilities		18 552	5 358
Total current liabilities		207 718	8 451
Total liabilities		208 332	9 626
Total shareholders' equity and liabilities		704 589	255 288

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited

Attributed to equity holders of the parent							
<i>(Amounts in NOK thousands)</i>	<i>Note</i>	Share capital	Share premium	Other-paid-in capital	Other comprehensive income	Accumulated losses	Total equity
Equity 1 January 2021		118 495	472 824	15 804	(3 124)	(439 711)	164 288
Profit/(loss) for the period		-	-	-	-	24 671	24 671
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		-	-	-	-	24 671	24 671
Share issue		19 200	60 800	-	-	-	80 000
Transaction costs		-	(4 133)	-	-	-	(4 133)
Share-based compensation		-	-	234	-	-	234
Equity 30 September 2021		137 695	529 491	16 038	(3 124)	(415 040)	265 060
Equity 1 January 2022		137 695	313 699	16 038	(3 223)	(218 547)	245 662
Profit/(loss) for the period		-	-	-	-	243 170	243 170
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		-	-	-	-	243 170	243 170
Share issue	6	1 695	5 731	-	-	-	7 426
Equity 30 September 2022		139 390	319 430	16 038	(3 223)	24 622	496 257

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		2022	2021
	Note	01.01-30.09 Unaudited	01.01-30.09 Unaudited
<i>(Amounts in NOK thousands)</i>			
Operating activities:			
Net cash used in operating activities		(25 400)	(44 304)
Investing activities:			
Acquisition of licenses and properties		-	(2 097)
Investment in mine under construction		(103 864)	-
Financial investments		-	(24 030)
Proceeds from sale of financial investments	4	474 363	-
Sale of property, plant and equipment		-	363
Net investment in (-)/release of restricted cash	5	-	-
Net cash used in investing activities		370 499	(25 765)
Financing activities:			
Share issuance	6	7 426	80 000
Transaction costs, share issue		-	(4 133)
Net proceeds from borrowings, convertible loan	5	126 412	-
Payment of lease liabilities		(113)	(118)
Net cash from financing activities		133 724	75 749
Net change in cash and cash equivalents		478 824	5 680
Cash and cash equivalents at beginning of period		32 086	42 223
Effect of exchange rate fluctuation on cash held		14 568	-
Cash and cash equivalents at end of period		525 477	47 903
Restricted cash at end of period		-	-
Restricted and unrestricted cash at end of period		525 477	47 903

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 22

Note 1 – ACCOUNTING PRINCIPLES

These interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting". They do not include all the information required for full annual financial reporting and should be read in conjunction with the consolidated financial statements of Nordic Mining ASA and the Group for the year ended 31 December 2021.

This report was authorized for issue by the Board of Directors on 7 November 2022.

The accounting policies adopted are consistent with those followed in the preparation of the Company's and the Group's annual financial statements for the year ended 31 December 2021. In the second quarter of 2022, Evaluation and Exploration assets ("E&E assets") related to Engebø was reclassified in the balance sheet to Mine under construction. The Company's accounting policy is to test E&A assets for impairment and transfer to Mines under construction as soon as a project has sanctioned for construction. Accounting policies regarding new convertible loan in 2022 are described in note 5. New standards, amendments and interpretations to existing standards effective from 1 January 2022 did not have any significant impact on the financial statements.

Note 2 – SEGMENTS

The Group presents segments based on of the Group's mineral projects. The only reportable segment of the Group is the Titanium and Garnet segment. These are the minerals which can be produced from the mineral deposit at Engebø. The zoning plan and the discharge permit for the project are approved and final, without possibility for appeals, and the operating license for the project was granted in June 2020. The Definitive Feasibility Study was presented in January 2020 and an Updated Feasibility Study was presented in May 2021.

For further information relating to the Company's risk assessments, reference is made to the annual report for 2021 which is available on the Company's webpage www.nordicmining.com.

Note 3 - MINE UNDER CONSTRUCTION

In April 2022 Nordic Mining has, through its wholly owned subsidiary Nordic Rutile AS, exercised the agreements with landowners to acquire the main properties at Engebø, which includes immediate access to the process plant area. The Group has started early construction works at Engebø, which 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 direct costs related to the work described above has since Q2 been capitalized in the balance sheet as Mine under construction, together with the cost of acquiring the land properties at Engebø. In addition, Evaluation and exploration assets related to Engebø was in Q2 been reclassified in the balance sheet to Mine under construction.

Note 4 - FINANCIAL INVESTMENTS

Keliber Oy

The Group has in Q3 2022 completed the sale of the shares in the Finnish mining company Keliber Oy. The investment has been measured at Fair Value Through Profit and Loss under IFRS 9 ("FVPL Method").

2022:

In June 2022, the Group accepted an offer from Sibanye-Stillwater Limited to divest its shares in Keliber for a cash consideration of EUR 157.28 per share, in total EUR 46.9 million. The sale of the shares has been completed in Q3 2022. This value was assessed to represent fair value as of 30.06.2022. The Group recognized a loss of NOK 10.7 million on the investment in the third quarter of 2022 due to changes in foreign exchange (Q3 2021: gain NOK 72.6 million). In addition, the consideration received in EUR has resulted in foreign exchange gains included in financial income in Q3 2022 of NOK 21.8 million.

2021:

In February 2021 Keliber Oy and leading international mining company Sibanye-Stillwater Limited announced that they had entered into an investment agreement for an initial phased equity investment of EUR 30 million for approximately 30% shareholding in Keliber at a share price of EUR 40 per share. 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. The Group assessed the fair value of Keliber to EUR 64 per share at year end 2021, corresponding to NOK 190.5 million.

Note 5 - CONVERTIBLE LOAN AND RESTRICTED CASH

In January 2022, Nordic Mining entered into a NOK 132.5 million 5% interest bearing convertible loan in favor of Fjordavegen Holding AS, a local investor group led by two of the EPC partners for the Engebø project. This transaction is the first step in the project financing of the Engebø project. The convertible loan will upon conversion contribute as part of the equity for the project financing package.

The loan has been released in tranches upon agreed milestones, at the decision of Nordic Mining. Per month end 30 September 2022, the entire loan of NOK 132.5 million has been drawn down.

The lenders may, and is contractually obliged to, convert all tranches from the loan, together with accrued interests, into shares in Nordic Mining upon a share issue in Nordic Mining in relation to final investment decision (or delay of final investment decision) for the Engebø Rutile and Garnet Project, however, at latest 1 August 2023. The conversion price will as a starting point be NOK 3.355 per share, however, shall be the lowest of NOK 3.355 and the subscription price in a subsequent share issue in Nordic Mining in relation to final investment decision/delay of final investment decision, or if no such share issue occurs, the lowest of NOK 3.355 and the volume-weighted average trading price the Nordic Mining's share for the last 20 trading days prior to 30 June 2023.

The convertible loan is measured at fair value with changes in fair value recognized in the income statement. The Group has assessed at quarter end Q3 2022 the fair value of the convertible loan to NOK 143.4 million and the Group recognized a fair value gain of NOK 1.9 million in the third quarter of 2022. The valuation as per 30 September 2022 has been based on level 3 inputs in the fair value hierarchy.

Note 6 - SHARE CAPITAL - EXERCISE OF SHARE OPTIONS

In May 2022 a total of 2,825,000 options held by Management were exercised. Following the exercise there are no outstanding options for shares in the Company held by Management. Gross proceeds were NOK 7.4 million in accordance with the authorization to the Board to increase the share capital granted by the general meeting on 14 May 2020. Following registration of the new share capital Nordic Mining's share capital has increased by NOK 1,695,000 to NOK 139,390,063.20 divided into 232,316,772 shares, each with a par value of NOK 0.60.

Note 7 - EVENTS AFTER BALANCE SHEET DATE

In October 2022 Nordic Mining ASA, through its wholly owned subsidiary Nordic Rutile, has conditionally agreed a USD 55 million investment from leading mining investment firm Orion, subject to the parties signing binding agreements and the satisfaction of certain conditions and approvals. The proposed investment will comprise of a USD 50 million non-dilutive royalty instrument to Nordic Rutile AS and USD 5 million in equity, which will be contributed to Nordic Mining ASA. Royalty payments will be equal to 11% of gross revenue from the sale of rutile and garnet from Engebø. Later in October 2022 Nordic Rutile issued USD 100 million in a new 5-year senior secured bond. The bond has fixed coupon of 12.5% per annum and an issue price of 90%, giving a calculated yield to maturity of around 16.3%. The bond issue was well subscribed by domestic and international quality investors such as pension funds, long-only credit funds, hedge funds and family offices. The settlement of the bond is expected be on or around the 9 November 2022. The net proceeds from the bond will be used for the development of the Engebø Rutile and Garnet Project. This secured, combined with the funds from the sale of the shares in Keliber Oy for EUR 46.9 million, over 75% of the project financing package for the Engebø Rutile and Garnet Project of USD 277 million, which will include a project reserve of USD 30 million. The transaction structure, terms, and timing of the remaining project financing will be announced in due course.

In October 2022 Nordic Mining ASA, through its wholly owned subsidiary Nordic Rutile AS, has entered into a rutile offtake agreement. Nordic Mining secures with this offtake agreement, together with the agreement signed with Iwatani Corporation in June 2022, committed sales for up to the full annual production of rutile from Engebø for the first 5 years of production with highly reputable buyers. The agreement is inter alia subject to certain conditions precedent.

In October 2022 the Borgarting Court of Appeal has ruled in favor of Nordic Mining's wholly owned subsidiary, Nordic Rutile AS, regarding AMR appeal of the previous ruling from Oslo District Court. The ruling confirmed that Nordic Rutile has exclusive right to all minerals in the Engebø deposit, within the limits of the Norwegian Mining Act, in line with the operating license granted by the Ministry of Trade, Industry and Fisheries in May 2022. The court ruled that AMR shall pay all legal expenses. As the ruling was after quarter end, no refund of legal expenses has been recognized as per third quarter. AMR has informed that it will appeal the ruling of the appeal court to the Supreme Court.

Definitions

Alternative Performance Measures

Nordic Mining's financial information is prepared in accordance with International Financial Reporting standards ("IFRS"). In addition, the Group use selected Alternative Performance Measures ("APMs") intended to enhance the understanding and comparability of the project economics of the Engebø Rutile and Garnet Project. Nordic Mining's experience is that these APMs are used by analysts, investors, and other parties. The Alternative Performance Measures presented may be determined or calculated differently by other companies.

The main APMs used are the following:

- EBITDA: Projected revenues minus projected operating costs and royalties
- EBITDA-margin: Projected EBITDA divided by total projected revenues
- Free Cash Flow (Unlevered): Projected operating cash flow minus net cash flow from investing activities
- IRR: Projected Internal Rate of Return ("IRR") derived from the Free Cash Flow
- NPV: Net Present Value ("NPV") of the Free Cash Flow discounted using a real discount rate of 8%
- Operating Cash Flow (Unlevered): Projected EBITDA minus projected corporate income tax and changes in net operating working capital