



**MINERALS FOR A  
SUSTAINABLE FUTURE**



**Q2 2025 Interim presentation**  
August 19<sup>th</sup> , 2025





**HEALTH – SAFETY – ENVIRONMENT - QUALITY**

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## 1. Introduction

2. Engebø Rutile and Garnet

3. Financial update Q2-2025

4. Q & A





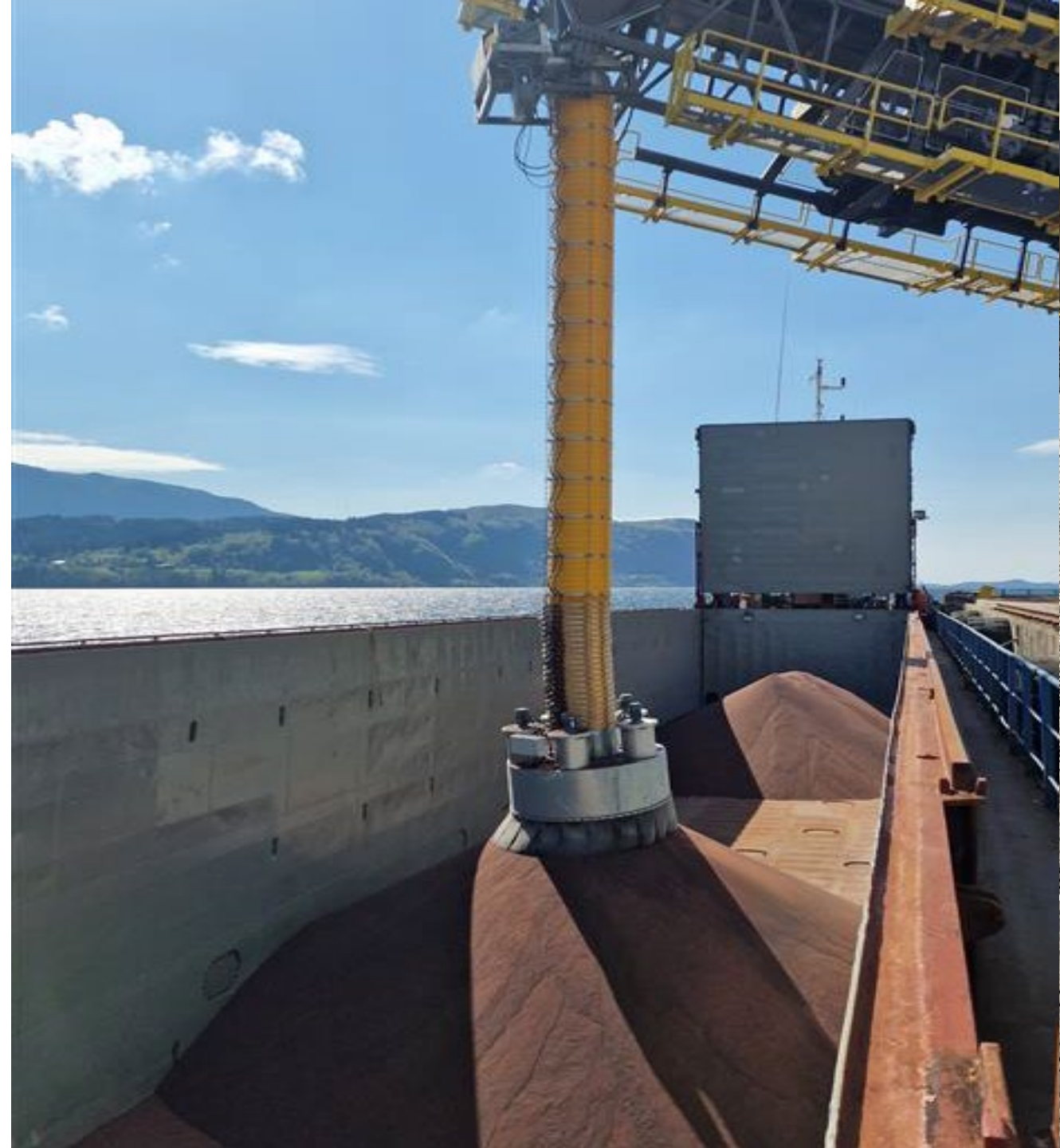


## Highlights and main events

- HSE: 1 LTI
- Official opening of Engebø Rutile and Garnet with representatives from local authorities and the government
- First shipment of garnet
- The ramp-up has continued with high operational activity but limited output in the second quarter
- Improvements carried out during the maintenance shutdown in June have been successful and appear to have the desired effect on the process plant
- Production of rutile and ramp-up of garnet and rutile will continue in the third quarter with the aim of being ready for the first shipment of rutile towards the end of the quarter
- Working on an updated strategy to be concluded later this fall
- Verdict in the appeals case between the NGOs and the government
- Remain committed to reaching stable production at design capacity for both rutile and garnet by year-end

# Market update

- The titanium dioxide prices were flat in Q2 across most regions compared to Q1
- The demand for titanium sponge remains strong while the pigment segment continues to be weak
  - We expect the market to be flat or slightly down in the next quarter
- The garnet abrasive market is quite tight with growing demand
  - Curtailments in supply from South Africa and delayed commissioning of new production in Australia





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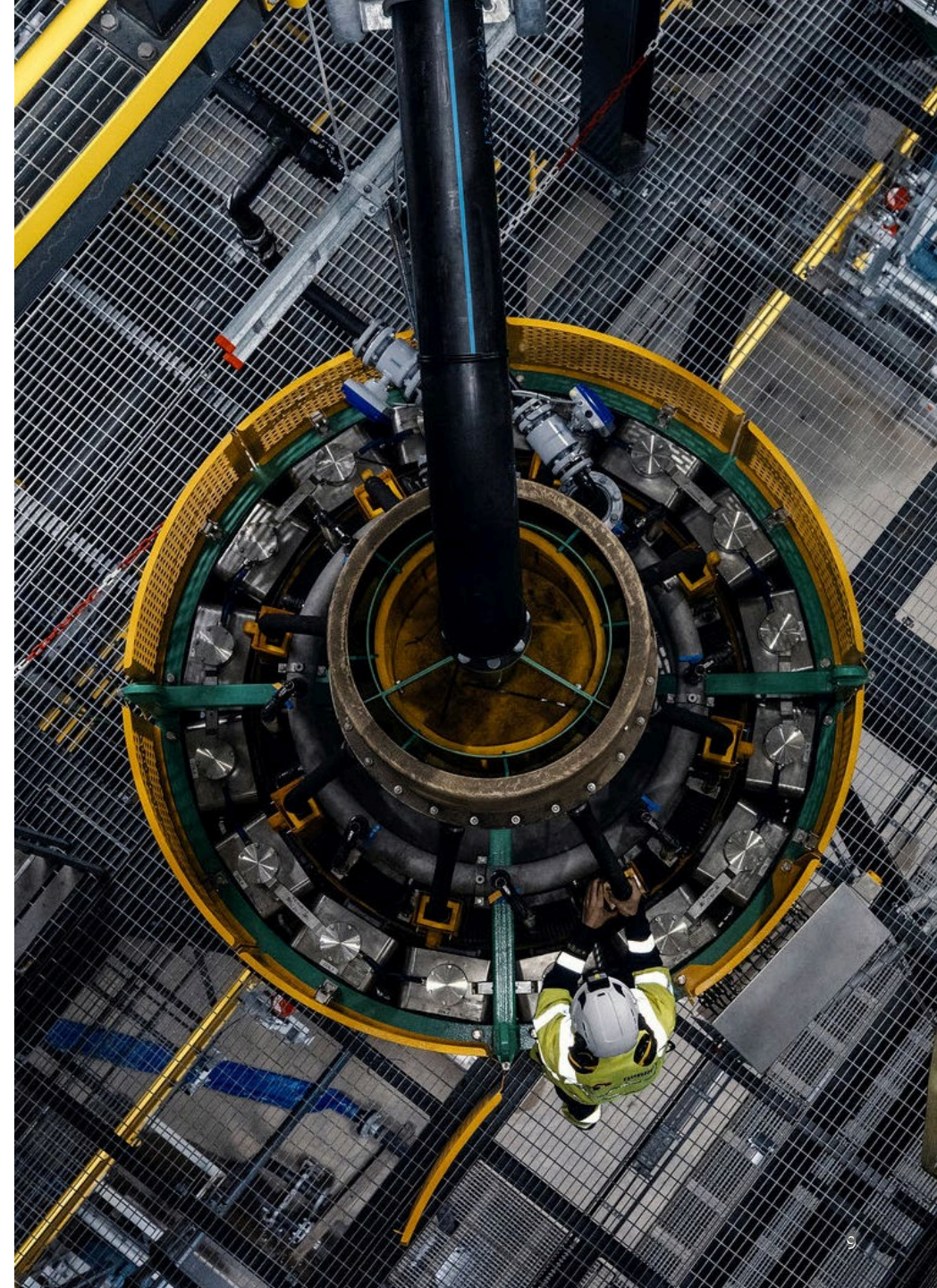






## Positive results after maintenance stop in July

- Underperforming slurry pumps were modified to achieve design flow rate according to plan
- Adjustments/changes to bulk material handling transfer chutes, were also carried out to improve material flow, reduce spillage and increase operational time on the equipment
- Initial production figures shows performance in line with expectations. The slurry pump performance is being closely monitored as ramp up progress
- Other Inspections, repairs and modifications were done throughout the plant to prepare for increased throughput from mining pit-to-port







## Production statistics

### **Threefold focus for the ramp-up**

- Increase towards designed throughput in each mineral liberation and separation step
- Increase operational time of the plant to design
- Increase recovery and production volume of mineral concentrates

### **Plant throughput achieved after maintenance stop**

- 85% design capacity achieved in crushing circuit
- 75% design load on primary mill and into wet plant
- 50% design capacity achieved in dry separation plant

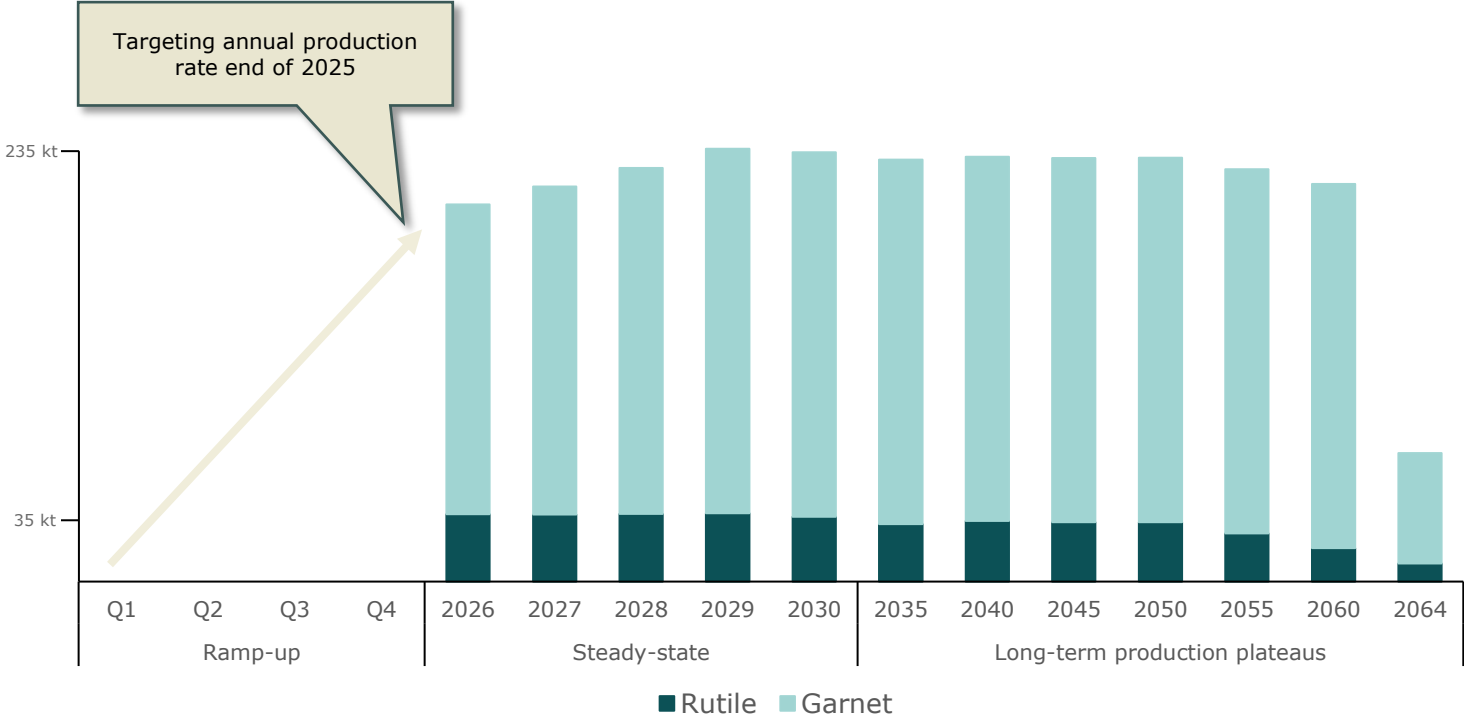
### **Mineral production**

- Mineral concentrates have met expected quality
- The production is still at low volumes to maintain quality
- Continuous tuning of mineral separation equipment



# Production continue ramp-up

## Mineral production volumes



- Production ramp-up continues with target of stable production at design capacity for rutile and garnet by year end
- Focus on maintaining quality of the mineral concentrates
- We are in a phase with uncertainty, where process equipment has increasing load and extended operating hours.
- We anticipate the need for continued adjustment and tuning in the coming months as we progress towards plant design capacity



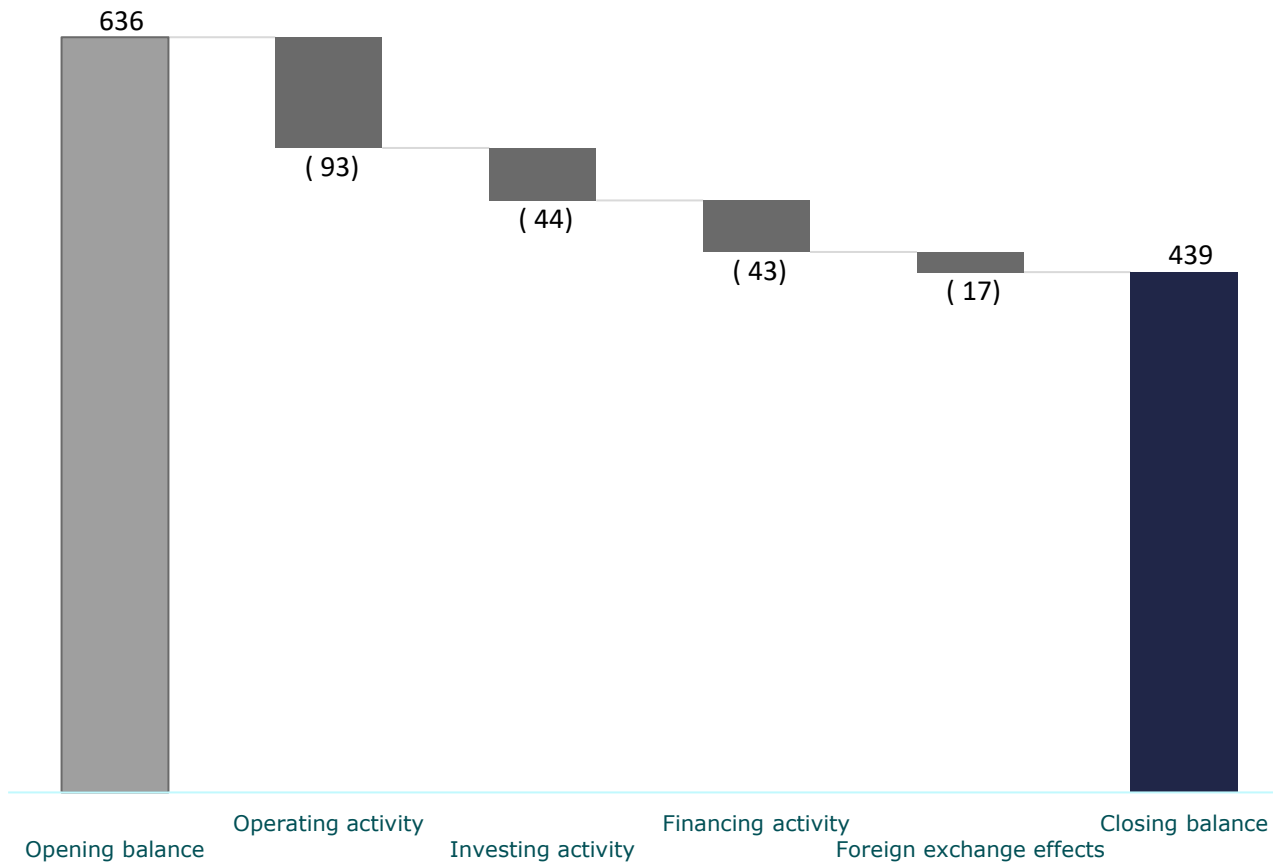
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# Cash flow impacted by high operational activity in the quarter

## Quarterly cash flow (mNOK)



### Operational activity of NOK 93 million

- High activity in the second quarter
- A negative operating cash flow influenced by timing effects on working capital in the quarter

### Investment activity of NOK 44 million

- Limited remaining CAPEX from the construction project

### MNOK 439 million in closing balance

- NOK 368 in Engebø Rutile and Garnet AS



# Financial results – first commercial sale

## Group level Profit and Loss (mNOK)

	Q2 2025	Q2 2024	1H 2025	1H 2024
Revenue	2.7	-	2.7	-
Payroll and related costs	(11.7)	(1.8)	(19.3)	(4.6)
Depreciation and amortization	(28.8)	(0.4)	(48.6)	(0.5)
Production expenses	(47.6)	-	(83.1)	
Other operating expenses	(18.0)	(10.5)	(33.2)	(7.7)
<b>Operating profit/(loss)</b>	<b>(103.4)</b>	<b>(12.7)</b>	<b>(181.5)</b>	<b>(12.8)</b>
Net exchange rate gain/loss (-)	70.2	18.9	185.4	(27.4)
Financial income	18.1	4.6	52.3	11.4
Financial costs	(66.5)	(0.5)	(115.8)	(1.6)
<b>Profit/(loss) before tax</b>	<b>(81.6)</b>	<b>10.3</b>	<b>(59.6)</b>	<b>(30.5)</b>
Income tax	-	-	-	-
<b>Profit/(loss) for the period</b>	<b>(81.6)</b>	<b>10.3</b>	<b>(59.6)</b>	<b>(30.5)</b>

## First commercial sale

- Revenue of NOK 2.7 million from sale of garnet

## Operating expenses

- High activity in the mine and process plant throughout the quarter
- Processing and maintenance cost affected by inconsistent operation and low production level
- Share-based compensation granted to key personnel in the second quarter have been charged to salary costs of NOK 4.8 million

## Net financial results impacted by currency fluctuations

- Unrealized currency gain from stronger NOK
- Financial costs from interest paid on bond loan and amortized costs under the royalty agreement



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# Consolidated statement of financial position

<i>NOK million</i>	<b>Q2 2025</b>	<b>Q1 2025</b>	<b>YE 2024</b>
Mine under construction	-	-	2 654
Producing mine	484	433	-
Property, plant and equipment	2 349	2 359	97
Intangible assets	21	20	-
Right-of-use assets	0	1	1
Pension assets	0	0	0
<b>Total non-current assets</b>	<b>2 855</b>	<b>2 813</b>	<b>2 752</b>
Trade and other receivables	42	38	28
Spare parts and inventory	29	14	10
Restricted cash	19	19	13
Cash and cash equivalents	420	617	455
<b>Total current assets</b>	<b>510</b>	<b>689</b>	<b>505</b>
<b>TOTAL ASSETS</b>	<b>3 365</b>	<b>3 501</b>	<b>3 257</b>
<b>Total equity</b>	<b>1 358</b>	<b>1 435</b>	<b>1 413</b>
Lease liabilities	0	0	0
Bond loan	1 262	1 315	1 044
Royalty liability	551	570	600
Other non-current liabilities	4	-	-
<b>Total non-current liabilities</b>	<b>1 817</b>	<b>1 886</b>	<b>1 644</b>
-	-	-	-
Trade payables	43	44	44
Other current liabilities	147	137	157
<b>Total current liabilities</b>	<b>190</b>	<b>181</b>	<b>201</b>
<b>Total liabilities</b>	<b>2 007</b>	<b>2 067</b>	<b>1 845</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3 365</b>	<b>3 501</b>	<b>3 257</b>

- Total combined carried amount of Producing mine, Property, plant and equipment and Intangible assets as of Q2 2025 of NOK 2.85 billion
- Cash balance of NOK 420 million, of which NOK 349 in Engebø Rutile and Garnet AS
- Equity ratio of 40 %