

2026

First quarter results



**NORDIC
MINING**



ENGEBØ RUTILE AND GARNET INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2026¹

Engerbø Rutile and Garnet AS (“Engerbø Rutile and Garnet” or the “Company”) is a wholly owned subsidiary of Nordic Mining ASA. The Company is undertaking a large-scale industrial development at Engebø on the west coast of Norway where the Company has mining rights and permits to a substantial eclogite deposit with rutile and garnet. Nordic Mining ASA is listed on Oslo Stock Exchange.

The Engebø deposit 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 Engebø life of mine is 39 years, comprising 15 years of open pit mining followed by underground mining and stockpile depletion. Favourable location, topography and local hydropower connectivity enable efficient and climate friendly production of high-quality natural rutile and garnet.

Main events

The Company recorded zero Lost Time Injury (LTI) related to the Engebø operation in the first quarter of 2026.

230 metric tons of rutile and 5,587 metric tons of garnet were produced in the first quarter of 2026. Both products remain below design capacity levels as set out in our Annual Report, which reflects the ongoing ramp-up challenges described below. By comparison, total production for the full year 2025 was 150 metric tons of rutile and 12,729 metric tons of garnet.

In January 2026, Nordic Mining completed a private placement raising gross proceeds of NOK 200 million to fund continued ramp-up activities at Engebø.

In January 2026, Systemex, a Canadian commissioning and ramp-up specialist, completed an independent technical assessment of the

Engerbø processing plant. Systemex confirmed that the plant is capable of achieving design throughput and meets the relevant technical performance standards. The assessment supports management's view that the primary challenge at this stage is operational optimisation rather than fundamental plant design. The Company continues to work with Systemex and other technical partners to close the gap between current performance and design capacity.

A reorganization was conducted in January adding important industrial competence, followed by adjustments in the organizational structure to ensure alignment with strategic objectives.

The company has worked through, and continues to address, a series of operational and technical challenges, as previously announced. The company has brought in international expertise and support from specialists who are working intensively to ramp the plant up towards design capacity as quickly as possible.

Notable gains are achieved in plant throughput and operational stability in the quarter and moving into the second quarter. These include: (a) optimisation of the separation circuits to improve mineral recovery rates; (b) continued modifications to plant equipment to improve equipment reliability and operational uptime; and (c) tuning of process control systems to achieve stable operation at design parameters. We are actively implementing several targeted measures intended to deliver immediate increase in end product output, which include metallurgical tuning of the operation, continued work on plant equipment drivers and reliability issues and tuning of control systems to allow operation management of process equipment in the design state.

In April, the company won an injunction against the NGO's, marking a significant milestone in its continuing legal permit disputes. Additionally,

¹ Unless other information is given, numbers in brackets for comparison relate to the corresponding period in 2025.

the NGOs case against the state was brought before the Supreme Court in May, and we are now awaiting a ruling that is expected to resolve the uncertainty regarding our license to operate. A verdict is expected in June.

An investment was made in Barton Europe distribution, along with partial settlement of a potential penalty resulting from lower-than-expected sales volumes in contract year one. This action aims to strengthen distribution capabilities and address contractual obligations.

The Company's liquidity position reflects the capital-intensive nature of the current production ramp-up phase, and the Company is not yet generating revenues sufficient to cover its operating and financing costs from operations alone. Available cash reserves remain limited and sensitive to adverse changes in operating costs or further delays in the ramp-up to design capacity, as previously disclosed. The Company is actively pursuing a range of measures to manage and strengthen its liquidity position. These include cost optimization, improvements in working capital, execution of a proposed subsequent offering and potentially examining alternative liquidity financing options such as additional equity. Stakeholders are referred to the liquidity risk disclosures in the 2025 Group annual report for the framework within which these matters are being managed.

Market development

Rutile

Titanium feedstock demand was subdued in Q1. Demand in China has picked up some, while weakening consumer confidence, because of the war in Iran, is expected to dampen demand. The titanium feedstock demand growth for 2026 has by TZMI been revised down slightly, to 6% for the year.

The titanium feedstock supply has not been significantly impacted by the war in Iran, except for the pigment producers relying on sulphate slag, where sulfur prices has almost doubled since the start of the Iran war.

Garnet

No major markets developments for garnet in the first quarter of the year, except an increase in transportation costs, making it more costly shipping products from Australia and China. That is positive the Company when introducing garnet to the European and American markets.

Offtake agreements

Iwatani: The current production plan is not expected to breach the delivery terms in the offtake agreement. The long-stop date for giving the buyer notification that the plant is ready to commence normal delivery of rutile is the 30th of June 2026. We are in positive talks with Iwatani in case we need to push out the timeline.

US pigment producer: The long-stop date for announcing start-up of normal delivery volumes has, according to the agreement, passed which gives the buyer the right to cancel the contract. The buyer has not given notification of cancellation and has announced that they want the volumes as stipulated in the contract, but that they want to revisit the pricing mechanism. Discussions regarding a new pricing mechanism is expected to be concluded by year end.

Barton: The current production plan is not estimated to deliver the minimum volumes as specified in the offtake agreement. A partial settlement has been concluded with Barton, with Nordic Mining paying USD 2 million and receiving a 13,85% stake in Barton Europe and a reduction of USD 2 million of any potential future potential fee to Barton. The parties have for the next six months agreed to negotiate a joint venture for Europe and a revised offtake agreement. Nordic Mining has a right to sell back the 13.85% stake in Barton Europe to Barton Group in case the negotiations does not result in a positive conclusion regarding a joint venture for sales and distribution in Europe.

First quarter 2026 financial review

The Engebø Project is currently in production ramp-up and in the first quarter the Company had NOK 4.3 million in operating revenue (NOK 0.0

million). Reported operating loss for the first quarter was NOK -141.9 million (NOK -70.3 million). This includes an additional provision of USD 1 million recognized in the first quarter for a potential penalty fee payable to Barton if agreed garnet offtake volumes in the first contract year are not met by mid-December 2026, due to delays in the production ramp-up. A provision of USD 2 million related to this was recognized in the fourth quarter of 2025.

Net financial items were NOK -13.5 million in the first quarter (NOK 91.3 million). The main financial items in the first quarter were net gain on foreign exchange related to the bond loan and royalty liability of NOK 69.9 million, other foreign exchange loss of NOK -6.3 million, interest on cash held of NOK 2.1 million, change in estimate of royalty liability of NOK 12.6 million, interest cost on bond loan of NOK -53.5 million and amortized cost of royalty liability of NOK -26.7 million. Please see note 6 for further information.

Reported net loss in the first quarter was NOK -155.4 million (NOK 21.0 million).

Net cash flow from operating activities for the first quarter was NOK -77.5 million (NOK -13.9 million). Net cash flow from the Company's investment activities related to Investment in mine under construction for the first quarter was NOK 0.0 million (NOK -84.0 million) and Investment in producing mine, property, plant and equipment and intangible assets for the first

quarter was NOK -14.8 million (NOK -26.0 million). Interest on the bond loan for the first quarter was USD 4.8 million, corresponding to NOK 47.1 million, is included in interest and financing fees paid (per Q1 2025: NOK 35.6 million). Please see note 4 for further information related to the bond loan.

The Company's cash and cash equivalents as of 31 March 2026 were NOK 229.6 million (Fourth quarter 2025: NOK 276.3 million). In addition, the Company had NOK 16.9 million in a restricted account pledged toward Directorate of Mining ("DirMin") for clean-up measures in accordance with the operating license and NOK 4.0 million in a restricted account pledged towards the Norwegian Environment Agency.

Engebø Rutile and Garnet's total assets as of 31 March 2026 were NOK 3.3 billion (31 December 2025: NOK 3.4 billion), and total equity was NOK 339.2 million (31 December 2025: NOK 494.4 million).

For further information relating to the Company's risk assessments, reference is made to the annual report for 2025 which is available on the Company's webpage www.nordicmining.com.

Oslo, 11 May 2026

The Board of Directors of Engebø Rutile and Garnet AS

INCOME STATEMENT

All figures in NOK thousands	Note	Q1 2026 Unaudited	Q1 2025 Unaudited	Dec 31, 2025 Audited
Revenue		4 291	-	4 774
Other income		15	-	-
Payroll and related costs		(5 560)	(3 767)	(19 176)
Depreciation and amortization		(31 179)	(19 692)	(107 053)
Production expenses		(79 639)	(35 496)	(214 989)
Other operating expenses		(29 852)	(11 306)	(74 426)
Operating profit / (loss)		(141 924)	(70 261)	(410 870)
Net exchange rate gain/loss (-)	6	63 589	115 212	190 659
Financial income	6	14 779	33 268	112 746
Financial costs	6	(91 869)	(57 226)	(322 998)
Profit / (loss) before tax		(155 424)	20 993	(430 462)
Income tax		-	-	-
Profit / (loss) for the period		(155 424)	20 993	(430 462)

STATEMENT OF FINANCIAL POSITION

All figures in NOK thousands	Note	Mar 31, 2026 Unaudited	Dec 31, 2025 Audited
ASSETS			
Non-current assets			
Producing mine	2	557 900	550 160
Property, plant and equipment	2	2 374 601	2 398 845
Intangible assets	2	21 763	21 616
Total non-current assets		2 954 265	2 970 621
Current assets			
Trade and other receivables		21 849	29 987
Spare parts and inventory	3	72 939	61 670
Restricted cash		20 860	19 552
Cash and cash equivalents		229 598	276 295
Total current assets		345 246	387 504
Total assets		3 299 511	3 358 125
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		26 078	26 078
Share premium		467 039	467 039
Other paid-in-capital		1 517	1 234
Retained earnings/(losses)		(155 424)	-
Total equity		339 210	494 351
Non-current liabilities			
Bond loan	4	1 449 961	1 492 024
Royalty liability	5	545 013	567 192
Liability to parent company		661 340	551 046
Other non-current liabilities		50 497	70 572
Total non-current liabilities		2 706 811	2 680 834
Current liabilities			
Trade payables		50 683	26 216
Other current liabilities		202 807	156 724
Total current liabilities		253 490	182 940
Total liabilities		2 960 301	2 863 774
Total shareholders' equity and liabilities		3 299 511	3 358 125

STATEMENT OF CHANGES IN EQUITY

Figures in NOK thousands	Note	Share capital	Share premium	Other-paid-in-capital	Accumulated losses	Total Equity
Equity 1 January 2026		26 078	467 039	1 234	-	494 351
Profit/(loss) for the period		-	-	-	(155 424)	(155 424)
Share-based compensation		-	-	283	-	283
Equity 31 March 2026		26 078	467 039	1 517	(155 424)	339 210

CONDENSED CASH FLOW STATEMENT

All figures in NOK thousands	Note	Mar 31, 2026 Unaudited	Mar 31, 2025 Unaudited
Operating activities:			
Net cash from/used (-) in operating activities		(77 541)	(13 925)
Investing activities:			
Investment in mine under construction		-	(83 954)
Investment in producing mine, property and equipment and intangible assets		(14 823)	(26 028)
Net cash used in investing activities		(14 823)	(109 982)
Financing activities:			
Net proceeds from borrowings, tap issue bonds		-	349 000
Royalty payments		(112)	-
Interest paid		(47 119)	(35 629)
Net proceeds from borrowings from parent company		100 000	279
Net cash from financing activities		52 769	313 649
Net change in cash and cash equivalents		(39 596)	189 742
Cash and cash equivalents at beginning of period		276 295	361 737
Effect of exchange rate fluctuation on cash held		(7 102)	(15 983)
Cash and cash equivalents at end of period		229 598	535 497

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD 31 MARCH 2026

Note 1 – ACCOUNTING PRINCIPLES

These interim financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. They do not include all the information required for full annual financial reporting and should be read in conjunction with the annual financial statements of Engebø Rutile and Garnet AS for the year ended 31 December 2025.

This report was authorized for issue by the Board of Directors on 11 May 2026.

The accounting policies adopted are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2025.

Note 2 – PRODUCING MINE, PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Figures in NOK thousands	Producing Mine	Property, plant and equipment	Intangible assets	Total
Cost				
1 January 2026	553 554	2 503 410	23 166	3 080 131
Additions	10 000	4 085	738	14 823
Disposals	-	-	-	-
Reclassifications	-	-	-	-
31 March 2026	563 554	2 507 495	23 904	3 094 54
Depreciation				
1 January 2026	(3 394)	(104 565)	(1 550)	(109 510)
Depreciation expense	(2 260)	(28 329)	(590)	(31 179)
Disposals	-	-	-	-
Reclassifications	-	-	-	-
31 March 2026	(5 654)	(132 894)	(2 141)	(140 689)
Net book value:				
31 March 2026	557 900	2 374 601	21 763	2 954 265
1 January 2026	550 160	2 398 845	21 616	2 970 621

The main categories of depreciation plans are:

- Buildings and facilities: straight-line basis over an estimated useful life, which corresponds to the expected life of the mine of 39 years
- Machinery, equipment and systems: straight-line basis over an estimated useful life of 5 - 20 years
- Producing mine: Unit of Production
- Intangible assets: consisting of IT systems and depreciated on a straight-line basis over an estimated useful life of 5 - 10 years.

Note 3 – SPARE PARTS AND INVENTORY

The value of spare parts per Q1 2026 was NOK 52.1 million, the value of long-term stockpile per Q1 2026 was NOK 4,0 million and the inventory value of finished goods and goods under production per Q1 2026 was NOK 16.9 million.

Note 4 - BOND LOAN

The Company's total outstanding amount under its senior secured bonds 2022/2027 is USD 155.5 million. The bonds are listed on Nordic ABM with ticker ERUGA01 PRO, are administered by Nordic Trustee, have fixed coupon of 12.5% per annum, with interest payable quarterly in arrears, and maturity in November 2027.

The bond agreement includes financial covenants requiring (i) Engebø Rutile and Garnet AS to maintain cash on its account of no less than USD 10 million at all times, and (ii) Nordic Mining ASA to maintain a minimum equity ratio of 25% at Group level measured at each quarter end. The Company was in compliance with both covenant requirements as at 31 March 2026. A breach of either covenant could result in a default under the bond agreement, and if not remedied or waived, could cause the bond loan to become repayable on demand. The liquidity headroom is limited and remains sensitive to adverse changes in operating costs and delays in the planned production ramp-up. As a result, there is increased uncertainty related to the Company's ability to maintain the required minimum cash balance over the next twelve months. Management is actively monitoring the liquidity and has identified and is pursuing several initiatives aimed at strengthening its liquidity position and mitigating the risk of a potential breach. These include cost optimization, improvements in working capital, execution of a proposed rights issue, and potentially examining alternative financing options such as additional equity.

Note 5 – ROYALTY LIABILITY

In November 2023 Engebø Rutile and Garnet AS completed drawdown of the USD 50 million non-dilutive royalty instrument from OMRF (Zr) LLC which is managed by the Orion Resource Partners Group. The future royalty payments under the royalty agreement equal 11% of gross revenue from the Engebø Project.

The Company is subject to production milestones under its royalty agreement. Pursuant to this agreement, the Company is required to demonstrate sustained operation at specified capacity levels by 31 March 2027. In the first quarter of 2026, the Company and Orion formally agreed to extend the Commercial Longstop Date from 31 March 2026 to 31 March 2027.

A fee payable in connection with the extension of the Commercial Longstop Date has been recognised as an adjustment to the carrying amount of the royalty liability and is amortised over the remaining term as part of the effective interest rate. The fee was not settled as of 31 March 2026. The modification of the contractual terms did not result in a derecognition of the financial liability. In accordance with IFRS 9, the modification was accounted for as an adjustment to the existing liability, with the impact recognized through a recalculation of the amortized cost using the effective interest method.

The royalty liability was initially recognized at the USD 50 million drawdown received net of directly attributable transaction costs at drawdown. After initial recognition the liability under the royalty agreement is subsequently measured at amortized cost using the effective interest method.

Total amortized cost YTD 2026 is NOK 26.7 million.

In first quarter of 2026 the Company revised its estimates of future cash flows related to the royalty agreement. The net effect of the change in estimate in Q1 2026 of NOK 12.6 million has been recognized as financial income.

Next year's estimated royalty payments of NOK 21.3 million have been reclassified to other current liabilities.

Note 6 – NET EXCHANGE RATE GAIN/LOSS (-), FINANCIAL INCOME AND FINANCIAL COSTS

2026:

Net exchange rate gain/loss (-) in Q1 2026 consists mainly of:

- foreign exchange gain of NOK 50.9 million on the USD bond loan,
- foreign exchange gain of NOK 19.0 million on the USD royalty liability, and
- other foreign exchange loss of NOK 6.3 million.

Financial income in Q1 2026 consists mainly of:

- interest on cash held of NOK 2.1 million, and
- change in estimate royalty liability of NOK 12.6 million.

Financial costs in Q1 2026 consist mainly of:

- interest costs on bond loan of NOK 53.5 million,
- amortized cost royalty liability of NOK 26.7 million,
- interest costs on liability to parent company of NOK 10.3 million, and
- interest cost on liability mining workshop building of NOK 1.2 million.

2025:

Net exchange rate gain/loss (-) in Q1 2025 consists mainly of:

- foreign exchange gain of NOK 83.7 million on the USD bond loan,
- foreign exchange gain of NOK 47.0 million on the USD royalty liability, and
- other foreign exchange loss of NOK 15.5 million.

Financial income in Q1 2025 consists mainly of:

- interest on cash held of NOK 3.8 million, and
- change in estimate royalty liability of NOK 29.5 million.

Financial costs in Q1 2025 consist mainly of:

- interest costs on bond loan of NOK 29.4 million,
- amortized cost royalty liability of NOK 19.7 million, and
- interest costs on liability to parent company of NOK 8.0 million.

Borrowing costs of NOK 24.1 million have been capitalized to Mine under construction until commencement of production in Q1 2025.

Note 7 – EVENTS AFTER THE BALANCE SHEET DATE

In April 2026, ERG entered into an agreement with the Barton Group related to a joint venture structure for the sales and distribution of garnet in Europe. The total consideration of the transaction amounted to USD 2.0 million, comprising of an equity investment in the European entity and a partial settlement of the Company's obligation under

the offtake agreement. On 31 December 2025, the Company had recognized a provision of USD 2.0 million related to this obligation, which was further increased to USD 3.0 million on 31 March 2026. ERG retains the right to sell back the shares in the European entity at the initial investment price of USD 2.0 million if a final joint venture is not concluded within 6 months.

In April 2026, the Gulating Court of Appeal ruled in favor of ERG in the injunction case filed by the NGOs Friends of the Earth Norway and Nature and Youth against Nordic Mining's subsidiary ERG. The Gulating Court of Appeal concluded that the conditions for an injunction are not met. The operation at the mine continues as planned.