



OAX: NOM

Q4 2017 Presentation
Oslo, 16 February 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

Q4-2017	Q4-2016		Acc. 2017	2016
Unaudited	Unaudited	Amounts in NOK million	Unaudited	Audited
-	-	Sales	-	-
(2.7)	(2.1)	Payroll and related costs	(10.9)	(7.8)
-	-	Share-based payment	-	(1.4)
-	-	Depreciation and amortisation	(0.2)	-
-	-	Impairment of exploration assets	-	(1.3)
(6.4)	(6.6)	Other operating expences	(25.2)	(12.4)
(9.1)	(8.8)	Operating loss	(36.2)	(23.0)
(1.9)	(1.5)	Share of result of an associate	0.5	(4.2)
-	-	Financial items	0.1	0.1
(11.0)	(10.2)	Loss before tax	(35.6)	(27.1)
-	-	Income tax	-	-
(11.1)	(10.2)	Loss for the period	(35.6)	(27.1)



Consolidated Statements of Financial Position

Amounts in NOK million	31.12.2017 Unaudited	31.12.2016 Audited
ASSETS		
Evaluation and exploration assets	21.6	21.2
Property, plant and equipment	0.2	0.3
Investment in an associate	29.3	15.0
<i>Total non-current assets</i>	<i>51.1</i>	<i>36.6</i>
Cash	21.5	66.1
Trade and other receivables	4.5	1.3
<i>Total current assets</i>	<i>26.1</i>	<i>67.4</i>
Total assets	77.1	104.0
SHAREHOLDERS' EQUITY AND LIABILITIES		
<i>Total equity</i>	<i>70.2</i>	<i>97.0</i>
Non-current liabilities	0.6	1.1
Current liabilities	6.4	5.9
<i>Total liabilities</i>	<i>7.0</i>	<i>7.0</i>
Total equity and liabilities	77.1	104.0



Equity issues completed in December 2017/January 2018

- A private placement and a subsequent offering with gross proceeds of NOK 59.6 million have been completed
- In total, approximately 18.6 million shares have been issued at a subscription price of NOK 3.20 per share
- As per 15 February 2018, Nordic Mining's share capital is NOK 68,070,280.80 divided into 113,450,468 shares, each with a par value of NOK 0.60



Shareholder structure and share price development

Largest shareholders*

	Name of shareholder	No. of shares	%
1	NORDNET BANK AB (NOMINEE)	9 812 957	8,6 %
2	NORDEA BANK FINLAND (NOMINEE)	5 003 245	4,4 %
3	VPF NORDEA AVKASTNING	4 127 963	3,6 %
4	NORDNET LIVSFORSIKRING	3 023 397	2,7 %
5	B-L HOLDING COMPANY	2 579 620	2,3 %
6	CITIBANK N.A. S/A POHJOLA BANK PLC (NOMINEE)	2 450 838	2,2 %
7	DANSKE BANK A/S (NOMINEE)	2 141 474	1,9 %
8	DYBVAD CONSULTING AS	1 572 952	1,4 %
9	VIOLA AS	1 562 380	1,4 %
10	ADURNA AS	1 547 000	1,4 %
11	TIGERSTADEN AS	1 500 000	1,3 %
12	LITHION AS	1 405 977	1,2 %
13	MAGIL AS	1 350 000	1,2 %
14	INFOSAVE AS	1 296 026	1,1 %
15	JP MORGAN CHASE BANK (NOMINEE)	1 250 001	1,1 %
16	NATURLIG VALG AS	1 220 000	1,1 %
17	KNUT FOSSE AS	1 199 747	1,1 %
18	OVE KLUNGLAND HOLDIN NIL	1 067 536	0,9 %
19	SNATI AS	1 022 672	0,9 %
20	OLAV BIRGER SLETTEN	1 019 016	0,9 %
	Top 20 shareholders	46 152 801	40,7 %
	Others	67 297 667	59,3 %
	Total	113 450 468	100,0 %

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)	3.27
Market capitalisation (NOKm)	371
Trading range YTD (NOK)	3.18 - 3.75



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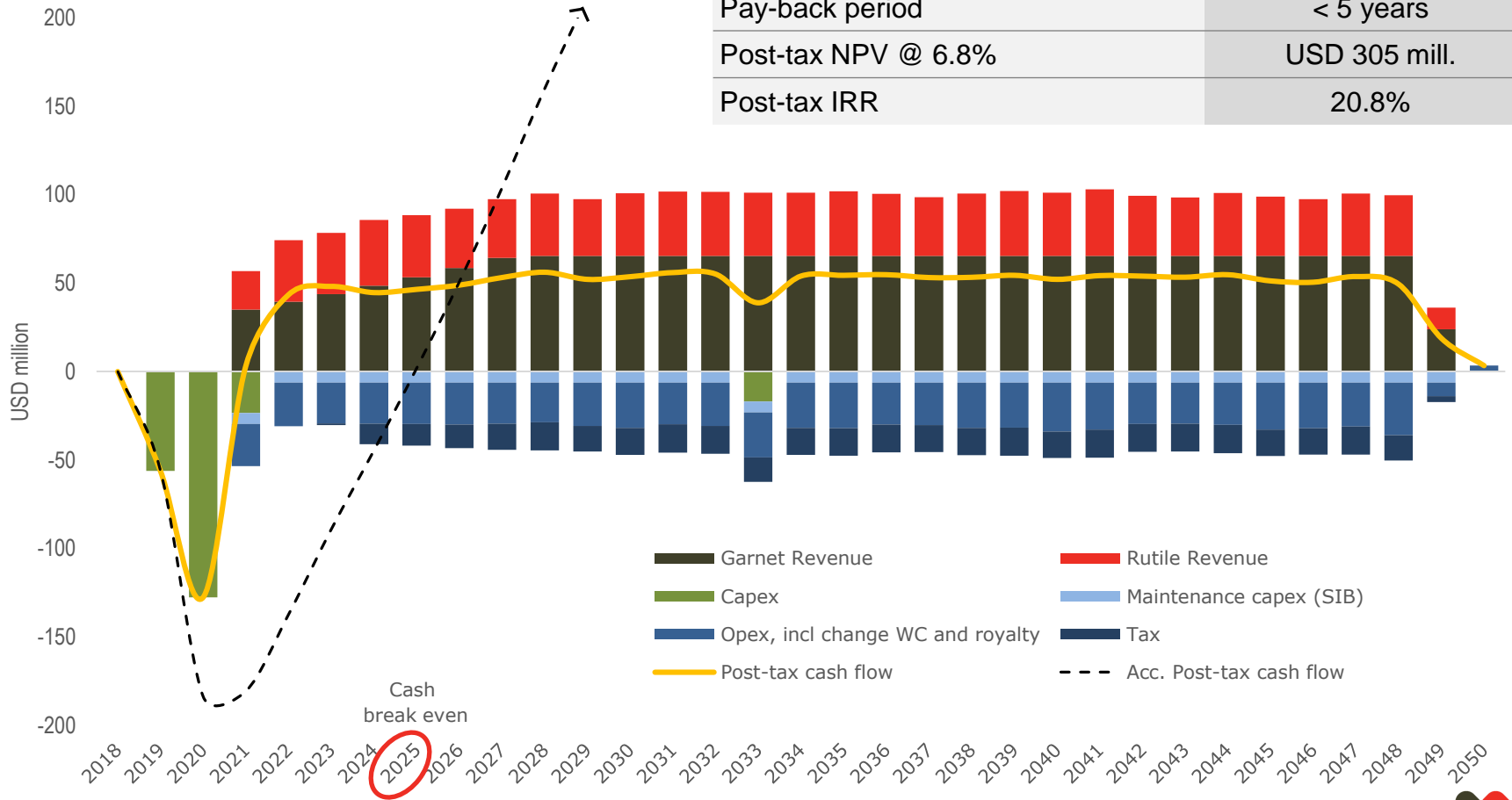




World class deposit of high grade
rutile and garnet
Efficient mining concept with minimal footprint

Attractive PFS project economics

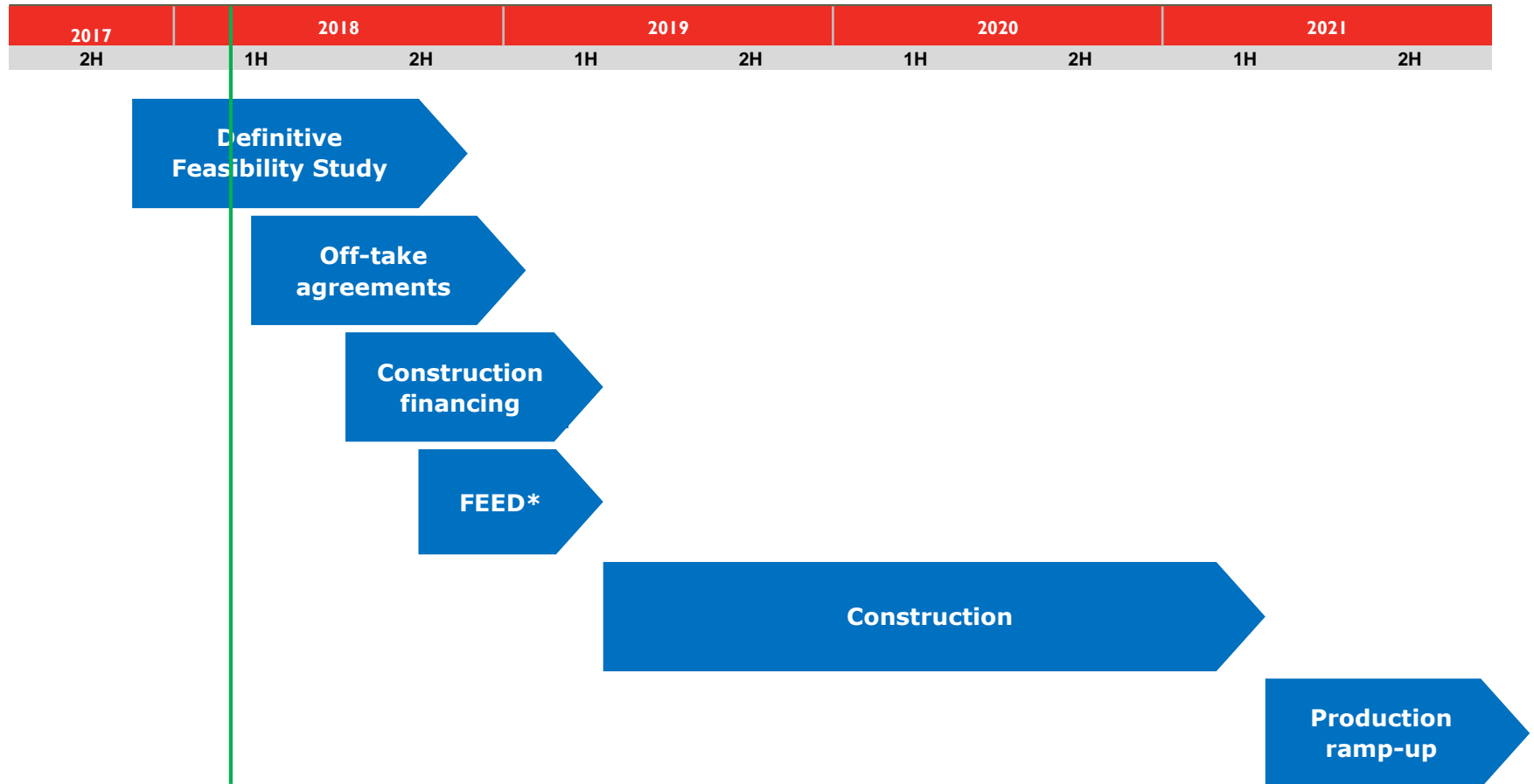
Metric	Value
Pre-tax NPV @ 8%	USD 332 mill.
Pre-tax IRR	23.8%
Life of mine	29 years
Pay-back period	< 5 years
Post-tax NPV @ 6.8%	USD 305 mill.
Post-tax IRR	20.8%



Post-tax cash margin of 55%



The way forward



* FEED: Front End Engineering & Design



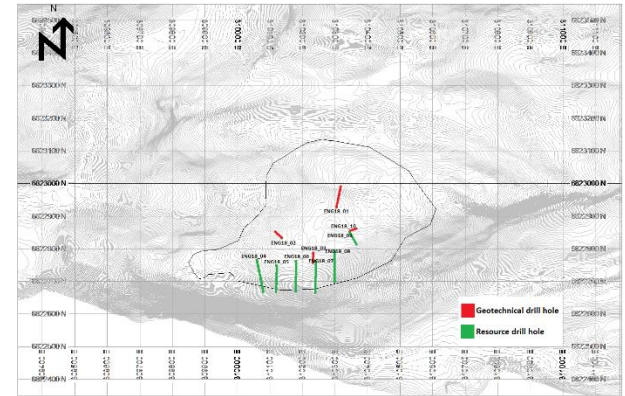
Definitive Feasibility Study moving forward

- ✓ Geotech and resource drilling campaign ongoing
- ✓ Modularisation vs stick build trade-off considerations
- ✓ Processing testwork, ore variability and flowsheet optimisations
- ✓ Infrastructure preparations, e.g. road and civil works
- ✓ Regulatory work for process area and water supply
- ✓ Recruitment of key project managers started



Drilling program January and February 2018

- Limited drilling program to verify geotechnical conditions related to pit design and further mapping of resource
- Drilling program from mid January to mid February 2018
- Drilling is carried out by Arctic Drilling AS



Core drilling



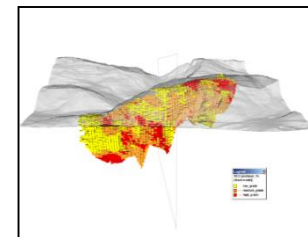
Logging of cores



**Splitting of
cores**



Analysis



**Modelling and
interpretation**



Drilling rig at Engebø



Down-hole tool for televue inspections



Core logging at NM test center in Naustdal



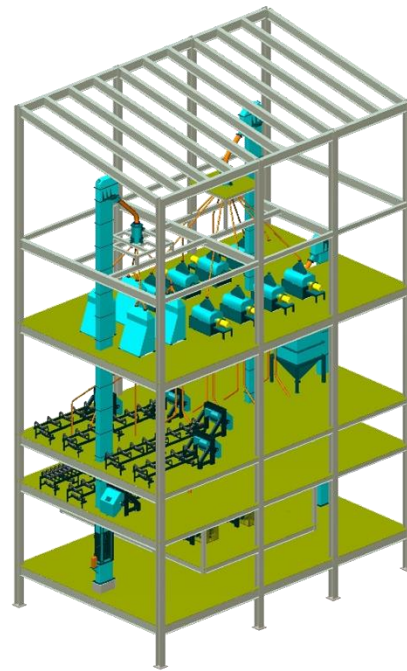
Preliminary lay-out, process plant



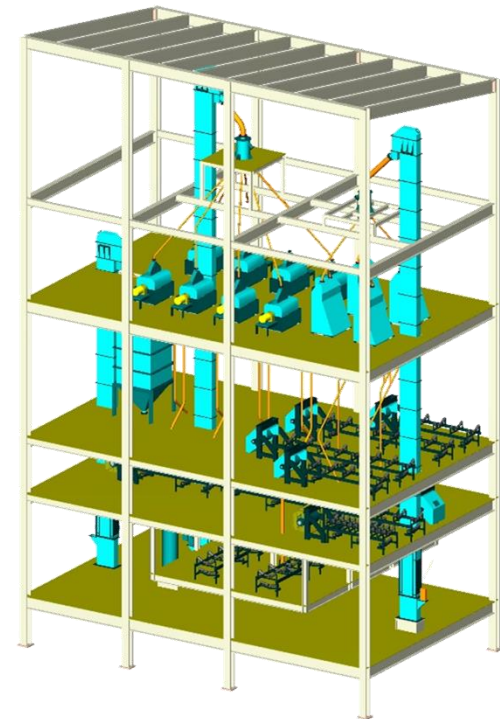
Enggebø deep sea key



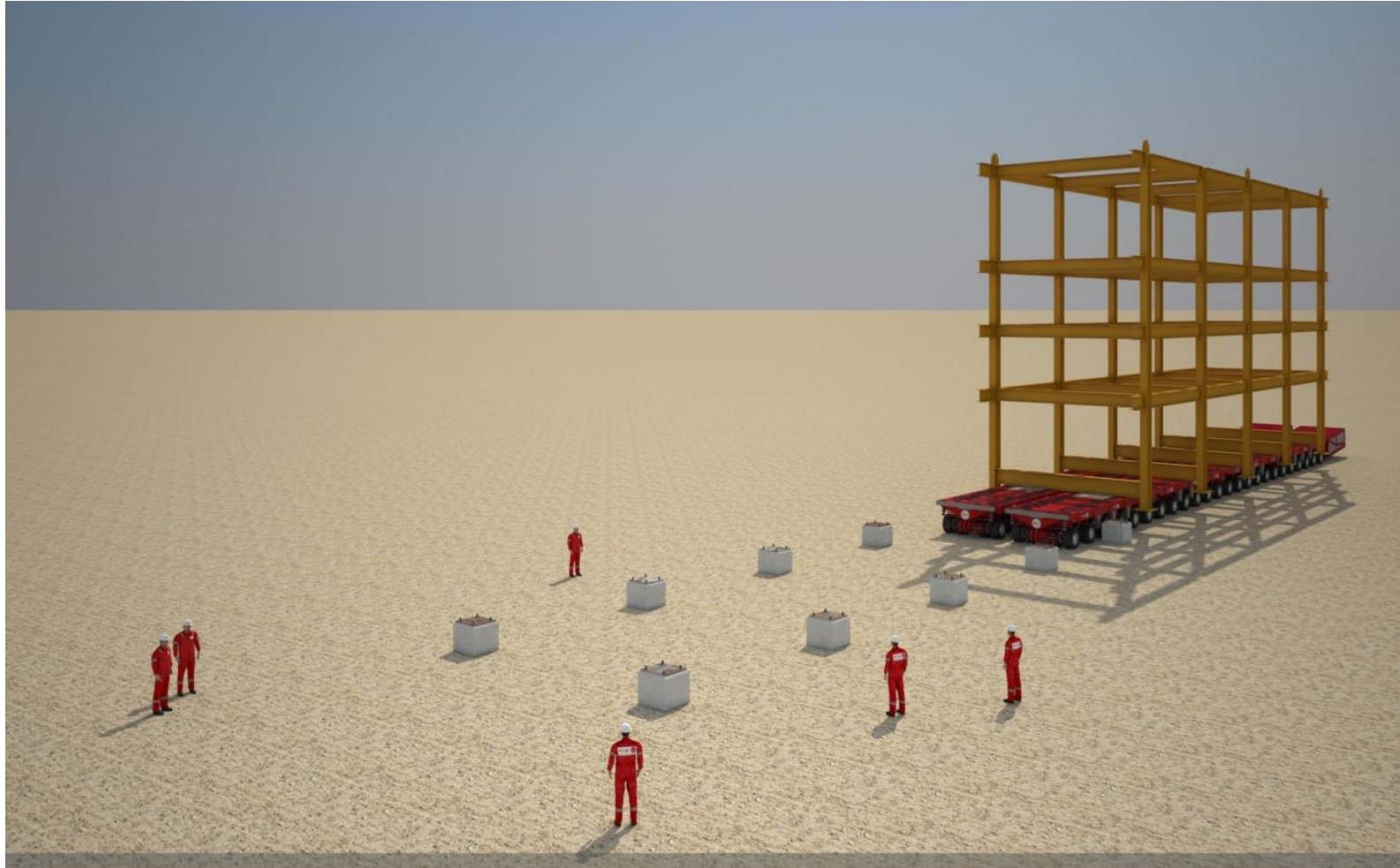
Module-build construction considerations



Length – 19 m
Width – 13 m
Height – 34 m
Weight – 414 tonnes



Module-build construction considerations



Rutile and Garnet - unique mineral properties, increasing demand

Garnet

Current world production: ~ 1.4 million tonnes



WATERJET CUTTING



SAND BLASTING



ABRASIVES



Tests have demonstrated that Engebø can produce coarse and fine garnet suitable for a broad range of applications

Rutile

Current world production: ~ 0.8 million tonnes



PIGMENT



WELDING RODS



TITANIUM



Tests have demonstrated that Engebø can produce 95% TiO₂ rutile suitable for pigment and titanium metal



Titanium feedstock market development

- ✓ China still the most important market
- ✓ China has introduced stronger environmental control on industries, including pigment plants
- ✓ World pigment inventories are declining
- ✓ Iluka has increased rutile prices by USD 70 per tonne in 2018; this indicates a price level above USD 900 per tonne
- ✓ Further tightening of supply/demand balance is expected



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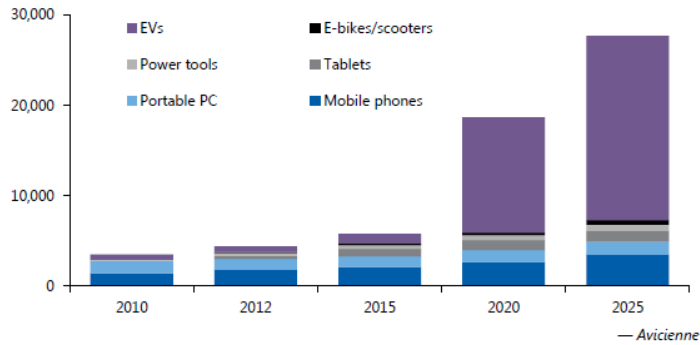
KELIBER - Lithium Mining for Rapidly Growing Markets

High-Purity Lithium Carbonate for Sustainable Energy

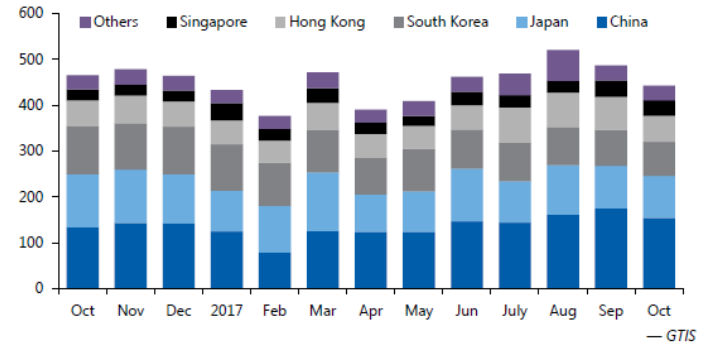


Lithium-ion markets

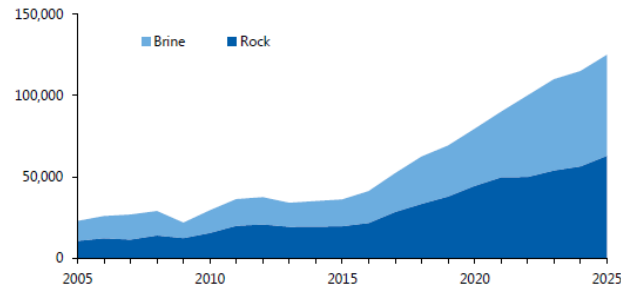
Forecast li-ion battery demand by sector, 2010-25mn cells



Monthly lithium-ion battery exports, 2016-17 mn cells





Global lithium supply by source, 2005-25



— Argus



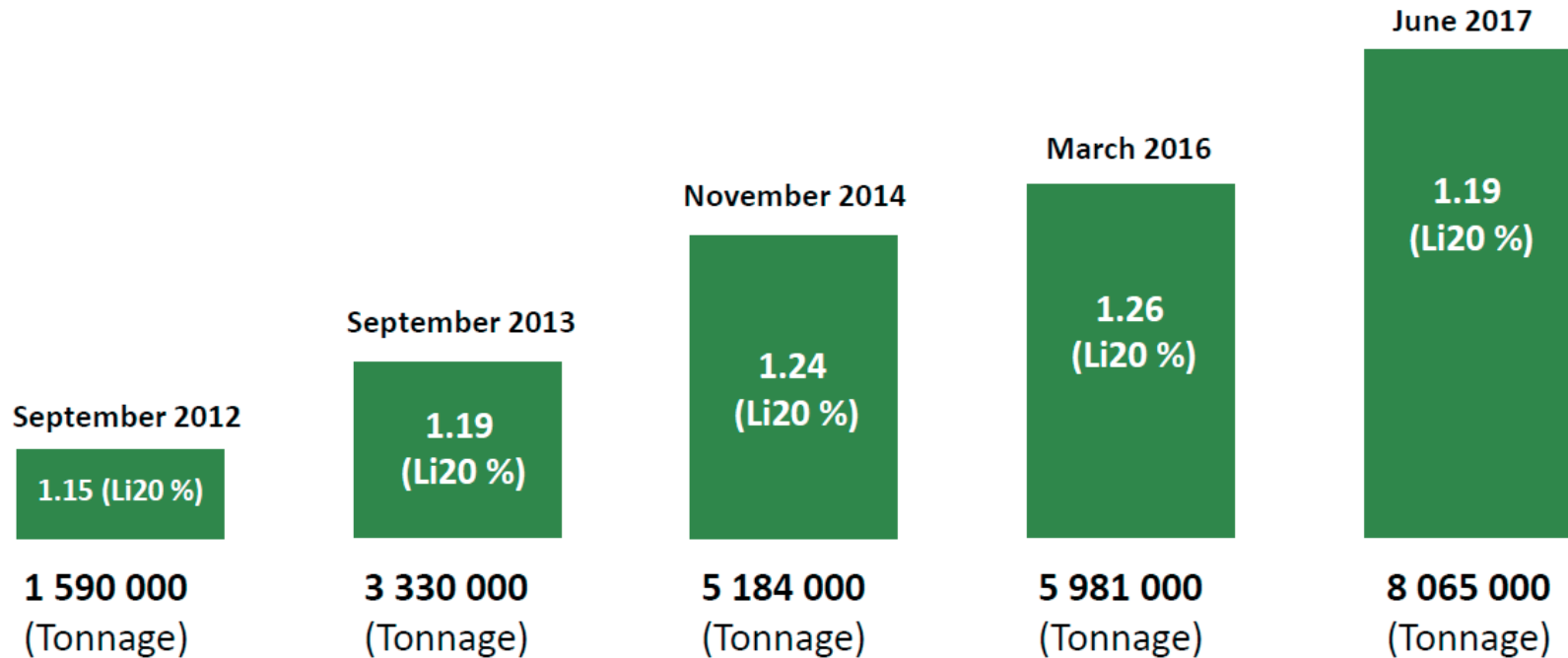
European car majors are entering the EV market

MANUFACTURER	EV STATUS AND ANNOUNCED PLANS
 The Audi logo consists of four interlocking rings in a silver color, positioned above the word "Audi" in a bold, red, sans-serif font.	<ul style="list-style-type: none">• Audi plans to roll out more than 20 electrified vehicles before 2025, with about a dozen designed to be battery-only. Audi's current EV sales in Europe are 6,000 units (June 2016 to June 2017)• Audi claims to be buying batteries at ~\$114/kWh for its upcoming electric cars.• The decisive factor for Audi is the lithium-ion battery module.• There will be two battery suppliers – LG Chem and Samsung SDI.
 The BMW logo is a circular emblem with a black outer ring containing the letters "B", "M", and "W" in white. The inner circle is divided into four quadrants of alternating blue and white.	<ul style="list-style-type: none">• By 2025, BMW will offer 25 electrified vehicles – 12 will be fully-electric.• BMW announced a 200 million euro investment in a new 'BMW Group Battery Cell Competence Centre' Nov. 27th 2017. BMW's four models sold some 24,000 units in from June 2016 to June 2017.• BMW becomes the latest major automaker to invest in bringing automotive grade solid-state batteries to production after announcing a new partnership with Solid Power - a solid-state cell with an energy capacity "2-3X higher" than conventional lithium-ion (exceptionally high capacity cathode with a high capacity lithium metal anode)• Delphi is BMW's biggest supplier for battery and electric vehicle charger components



Active resource exploration during recent years

Mineral Resources (0.5 % Li₂O cut-off)



Estimates prepared by Competent Persons in accordance with 2012 JORC code



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Safety – Environment - Innovation



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Appendix



Engerbø, high grade rutile and garnet mineralisation

Mineral resource and reserves classification*

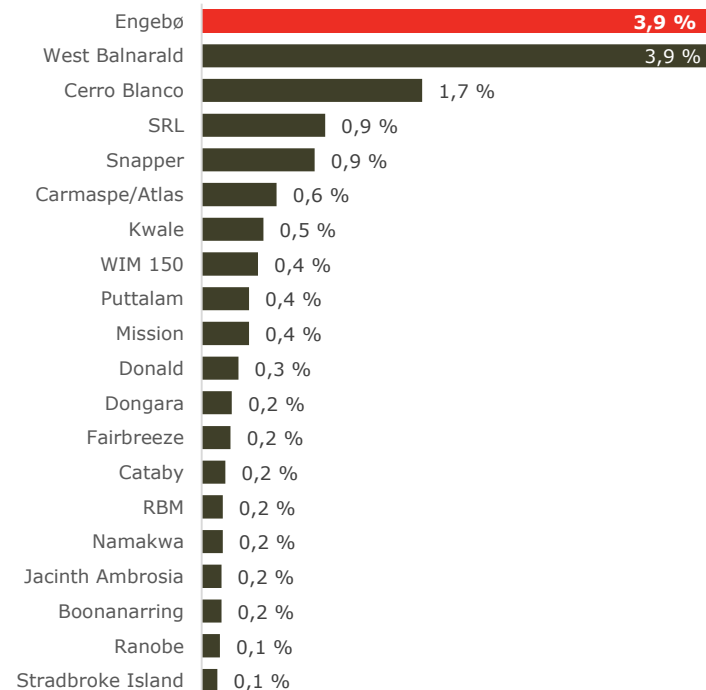
- ✓ Increased cut-off implies stronger financial performance in early mining years
- ✓ Large potential in inferred resources

	3% cut-off grade		
	Tonnage Mt	TiO ₂ %	Garnet %
Measured	15	3.97%	44.6%
Indicated	78	3.87%	43.6%
Measured & indicated	93	3.89%	43.7%
Inferred	138	3.86%	43.5%

	Ore reserves		
	Tonnage Mt	TiO ₂ %	Garnet %
Proven	10.194	3.81%	43.4%
Probable	31.702	3.35%	39.5%

Among the highest rutile grades

- ✓ Rutile grade for current producers and planned projects



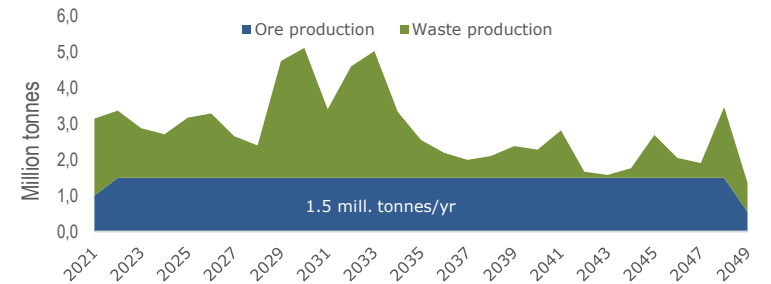
* Resource estimates and reserve statement completed by Competent Person Adam Wheeler, corresponding to the guidelines of the JORC Code (2012 edition).



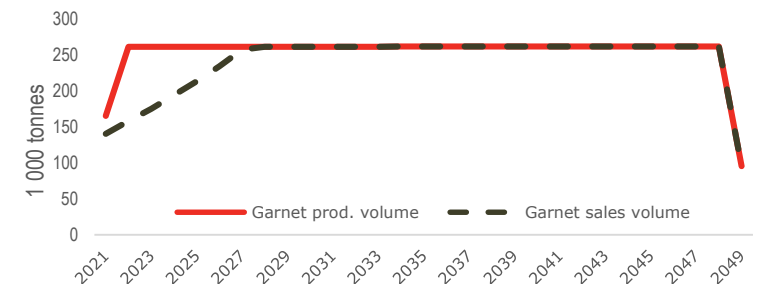
Key project assumptions, Engebø PFS

Assumptions	Value
Garnet price	USD 250/tonne
Rutile price	USD 1 070/tonne
Garnet sales (from ~2027)	261 000 tpa
Rutile sales (average)	32 500 tpa
Opex per sales tonne ¹⁾	USD 87 per tonne
Capex 2019-2021	USD 207 mill.
Open pit mining and comminution	26.8
Mineral processing and tailings handling	68.6
Infrastructure, storage and loadout	35.7
Indirects	41.8
20% contingency	34.2
Deferred capex 2033	USD 17 mill.
Underground mining and comminution	10.8
Indirects	2.7
25% contingency	3.4

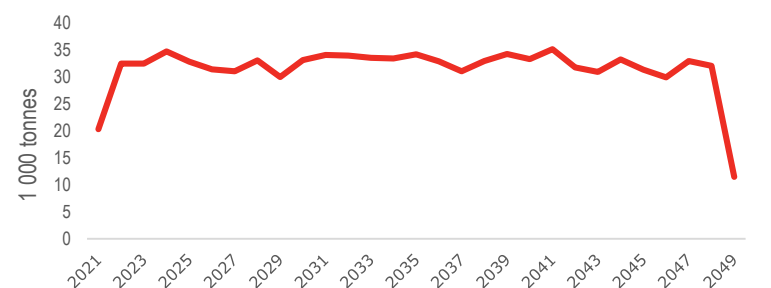
Mining production



Garnet sales and production volume



Rutile sales and production volume

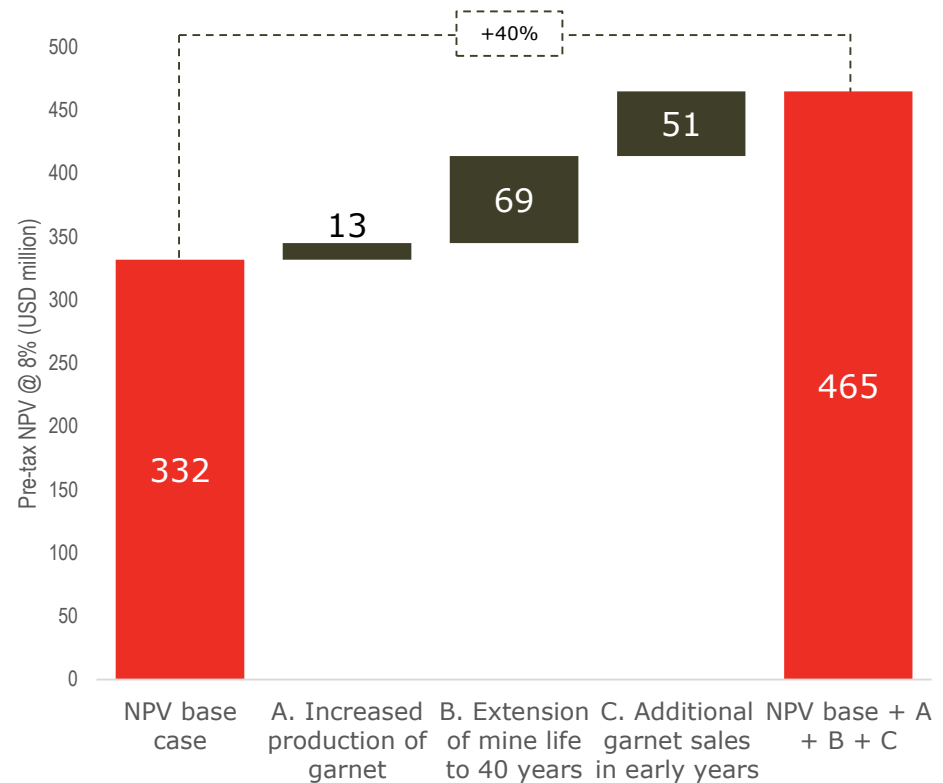


1) Based on total sales volume for rutile and garnet



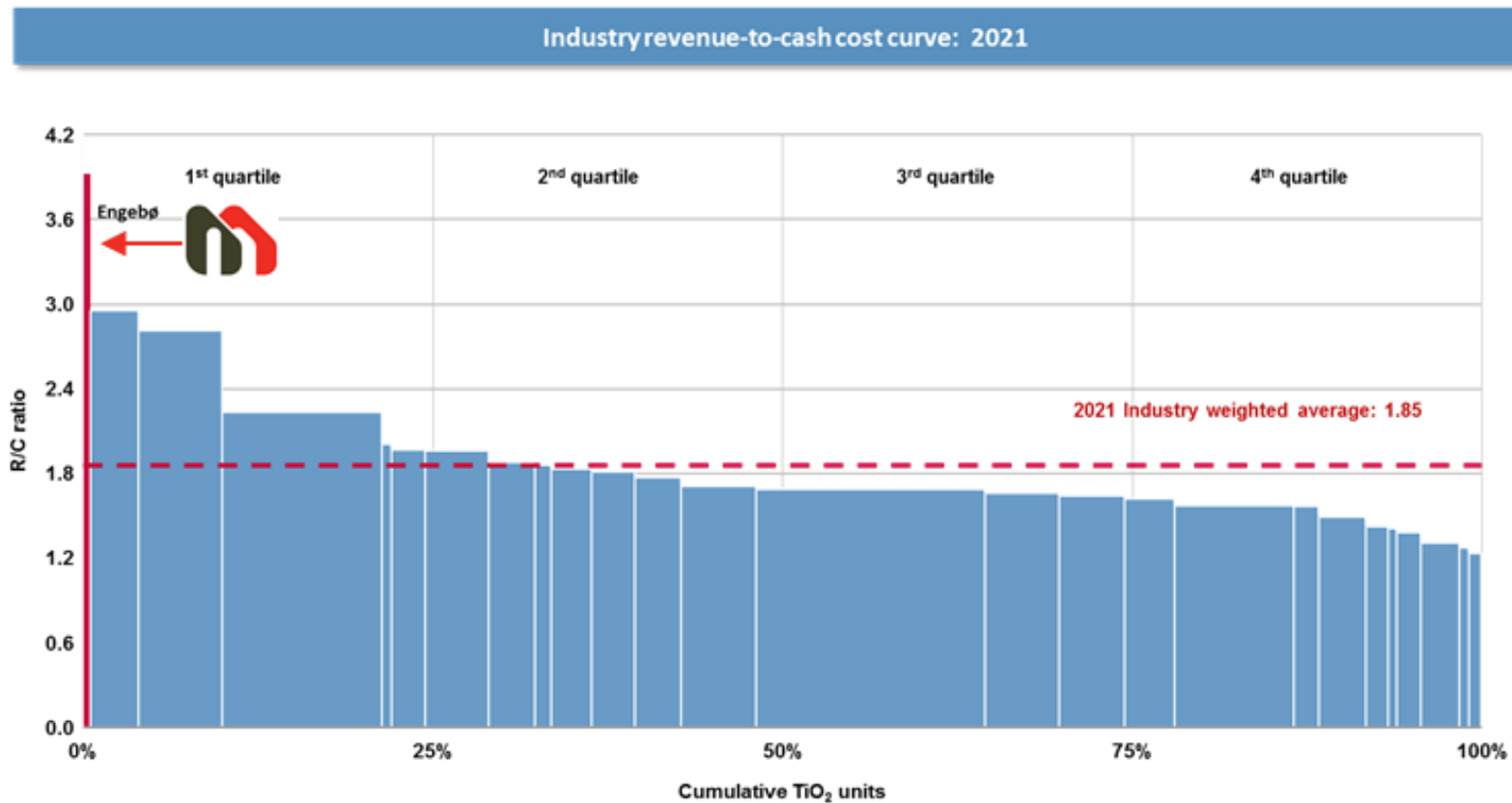
Engelbø PFS; Large upside potential

- A.** Increased production of garnet to 300 000 tonnes/year
- B.** Extension of mine life to 40 years by including Inferred Resources
- C.** Additional garnet sales in early years



Engelbø PFS; Competitive rutile revenue-to-cash cost position

- ✓ The revenue-to-cash cost ratio is based on the first ten years of operations
- ✓ Engelbø benefits from producing two high value products with low mining and processing costs



Source: TZMI

