



**NORDIC
MINING**

INTERIM REPORT Per 30 June 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. Nordic Mining also holds 8.6% of the shares in Keliber Oy, which is developing a lithium project in Finland to become the first European producer of battery grade lithium hydroxide. In June 2022, Nordic Mining ASA accepted to sell its shares in Keliber to Sibanye Stillwater Limited ("SSW") for EUR 46.9 million. The sale is expected to close in Q3 2022.

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 June 2022

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

CORPORATE

New Commercial Director appointed to Group Management

The Group's new Commercial Director Maurice Kok took up his position effective from 1 August 2022.

Keliber stake agreed sold for EUR 46.9 million; funds to be used toward Engebø Rutile and Garnet

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. SSWs offer, which was made based on an independently calculated fair market value as determined by two leading independent investment banks, Royal Bank of Canada and Bank of Montreal, was around 15% above of the Group's fair value assessment of the investment as per Q1 2022 of EUR 137 per share.

Nordic Mining has been a pioneer in the development of production of battery grade lithium in Europe, with the first investment in Keliber in 2008 up to the last investment in February 2021, in relation to the initial phased equity investment of EUR 30 million in Keliber from SSW. The sale will result in a gain of close to NOK 410 million, excluding any sales costs and assuming foreign exchange rate as per 30 June 2022. This means a return of over 540% on the historical investment of around NOK 75 million. Please see note 4 for further information.

The sale of the shares is expected to close in Q3 2022, and the funds will be contributed as equity towards the project financing for Engebø Rutile and Garnet, which is expected to be in excess of USD 250 million comprising of debt, equity and potential hybrid capital or royalty.

ENGEBØ RUTILE AND GARNET PROJECT (100% ownership)

Early construction progresses at Engebø

In April 2022 Nordic Mining started early construction works at Engebø, following the acquisition of the main properties. The early construction works is undertaken by EPC1, Sunnfjord Industripartner AS ("SIPA"), under the lump-sum EPC ("Engineering, Procurement and Construction") contract signed in November 2021. In total around 1,300 meters of construction road has been constructed. This will allow transportation of soil and stone up to a mass deposit, which has been set up at Stommelshaugane to start after summer holidays. Structures and constructions from previous industrial activity at the process plant area has been removed and prioritized building mass has been demolished to prepare for upper process plant area leveling. Forest, mainly Sitka spruce, has been cleared from the area immediate to the construction road and the tunnel portal. Levelling of the lower process plant area is almost complete, and rerouting of the high voltage line in near future, makes it possible to start with construction and blasting work on upper process plant area. Progress has been made on the Detail Engineering by the EPCs under the lump-sum EPC contracts. The early works secures important project developments that enables optimizations - and reduces risk on the construction schedule.

Engebø rutile documented as most climate friendly titanium feedstock

Minviro, UK has carried out 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. The study showed that rutile from Engebø is superior in terms of carbon footprint and water scarcity compared to other titanium feedstocks globally, including natural and synthetic rutile, and titanium slag.

Binding Offtake Agreement and USD 20 million Investment Agreement signed with Iwatani

In June, Nordic Mining ASA, through its wholly owned subsidiary Nordic Rutile AS, entered into a 5-year rutile offtake agreement with Iwatani Corporation ("Iwatani"), a reputable Japanese trading house. Iwatani will as part of the 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.

Highlights of the agreements executed with Iwatani:

- Long-term offtake for sale of 20,000 tonnes per annum of natural rutile from the Engebø Project over 5 years based on the market price for 95% natural rutile concentrate, adjusted for actual TiO₂ content
- Equity investment of NOK 191.7 million at the same subscription price as for the contemplated broader equity raise, subject to close of the project financing package for the Engebø Project

The offtake is subject to certain conditions relating to the equity investment in the Company having been fulfilled and inter alia subject to certain conditions precedent that must be satisfied by 31 March 2023.

Final decision on operating license from Ministry of Trade, Industry and Fisheries

In May 2022, the Ministry of Trade, Industry and Fisheries ("MTIF") confirmed that Nordic Mining's operating license is maintained as granted with full rights to the Engebø deposit, supporting the resolution from the Directorate of Mining ("DirMin"). The decision from the MTIF is final and cannot be appealed.

Further to the decision from MTIF, DirMin rejected in June 2022 several claims filed by Arctic Mineral Resources AS ("AMR"). AMR has applied for an operational license for mining of garnet and other minerals from the Vevring properties at Engebø. AMR's application covers an area that is comprised by the extraction rights and the operational license granted to Nordic Rutile. DirMin rejected AMR's application for an operational license since Nordic Rutile has exclusive rights to the eclogite containing titanium in the area.

Moreover, DirMin rejected AMR's claim that DirMin pursuant to section 32 of the Norwegian Minerals Act shall assess whether or not the garnet in the eclogite can be utilized independently. DirMin has reasoned its rejection by stating the fact that the entire eclogite, including all minerals contained therein, is comprised by Nordic Rutile's exclusive extraction rights to minerals owned by the state.

The appeal hearing in the case against AMR is scheduled to take place 19–28 September 2022 in Borgarting Court of Appeal. Nordic Rutile will continue to defend the case rigorously and maintain that AMR's claims have no merit, which is supported by the decisions from MTIF and DirMin.

Taking action to ensure sustainability

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 currently being implemented for the Project. Important management plans that have been finalized in Q1 2022. The Extractive Waste Management plan was submitted to the Environment Agency for approval in Q2. A Biodiversity Action Plan is being developed together with DNV. The Group has set an ambitious goal of biodiversity net-gain for the Engebø Project over life of mine. The plan includes measures to continuously work to reduce, restore, and compensate biodiversity loss at the mine site.

An environmental monitoring program using state of the art technology has been put in place at Engebø to monitor environmental effects from construction activities. The aim is to during construction supervise airborne dust, vibrations and noise, and risk for emissions to fjord surface water and freshwater bodies.

Q2 remained firm for both TiO2 pigment production and titanium metal

Second quarter showed strong market conditions for titanium dioxide pigment and the overall industry utilization rates remained high. All the major pigment producers reported increased sales and strong EBITDA margins for Q2. This resulted in remaining strong feedstock demand. The war in Ukraine still restricts rutile and ilmenite supply and therefore buyers of feedstock favor Western suppliers of titanium feedstock. The TiO2 pigment inventory levels remained low in Q2 and below seasonal norms.

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

Reported natural rutile prices in H1 2022 has been in excess of USD 1,500/mt FOB, with main producers expecting to continue to pricing increase in H2 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.

KELIBER LITHIUM PROJECT (12.0% ownership per Q2 2022)

Sibanye-Stillwater secures majority shareholding and proposes to increase shareholding to 80%

In June, SSW exercised their pre-emptive right to increase its shareholding in Keliber to 50% plus 1 share at a total subscription price of EUR 145.8 million. The share issue was approved in an extraordinary general meeting in Keliber on 11 July, and the total subscription amount of EUR 145.8 million was paid by SSW later in July,

diluting Nordic Mining's ownership in Keliber from 12.0% to around 8.6%. In parallel with the exercise of the pre-emptive right, SSW made a Voluntary Offer for a cash consideration of EUR 157.28 per share to the minority shareholders of Keliber, other than the Finnish Minerals Group, which target to increase its shareholding in Keliber to 80%.

Keliber reports maiden mineral resource estimate for new Tuoreetsaaret deposit

In June, Keliber reported that they have discovered a new lithium deposit, Tuoreetsaaret, located between the Rapasaari and Syväjärvi deposits. The maiden Mineral Resource estimate for the Tuoreetsaaret deposit was completed in June 2022. The Mineral Resources (all Inferred) of Tuoreetsaaret are 1.41 million tonnes with an average grade of 0.70% Li₂O, which increases Keliber's total Mineral Resources by 9 percent, to 17.03 million tonnes (previously 15.62 million tonnes).

Keliber's Mineral Resource estimate for the new Tuoreetsaaret lithium deposit comply with the JORC 2012 code.

Keliber pilot-scale test programme results in high conversion rate of 96.3%

In June 2022, Keliber completed the first three phases of a four-phase pilot-scale test programme. The pilot-scale test programme resulted in average conversion rate of 96.3% in a continuous high-temperature conversion pilot trial performed in cooperation with FLSmidth.

Keliber states that the purpose of the test programme is to verify the functionality of the ore from the company's largest deposit, Rapasaari, at all stages of the process, from ore mining to the end-product lithium hydroxide. Keliber has previously performed a similar pilot-scale test programme using ore from Syväjärvi, the deposit where mining will start first.

Keliber's Lithium Project value increases by 220% to EUR 1.2 billion

In March 2022, Keliber released the Updated Definitive Feasibility Study ("UDFS") for the Lithium Project in Central Ostrobothnia, Finland. The UDFS to produce battery-grade lithium hydroxide ("LiOH") confirmed a solid financial and technical feasibility of Keliber's project, with significant improvements in the key financials compared to the Definitive Feasibility Study from 2019.

Key economic figures from Keliber's UDFS (numbers in brackets relate to the comparable numbers from DFS from 2019)¹:

- Post-tax NPV@8% of EUR 1,228 million (EUR 384 million)
- Post-tax IRR 31% (24%)
- Payback period (from start of production) 3.5 years (4.1 years)

Nordic Mining owns 8.6% of the shares in Keliber at the time of this report. See Financial Performance and note 3 on fair value assessment of the investment in Keliber as per 30 June 2022.

Keliber's lithium hydroxide will have a smaller CO₂ footprint than majority of competitors' products

In March 2022 Keliber released the results of two emission analysis undertaken by the consulting company Wood Mackenzie based on analysis of seven existing or planned global lithium chemicals production chains and a Life Cycle Assessment ("LCA") undertaken by Vahanen Environment Oy, a Finnish environmental consultant. The comparative study indicates that Keliber's lithium hydroxide will have a smaller carbon footprint than most of the competitors' products, with the lowest emission intensity of 4.38 tonnes of CO₂/produced tonne of lithium hydroxide monohydrate (LiOH·H₂O). Keliber's total carbon footprint measured in the LCA is 10.0 t CO₂-eq/produced tonne of LiOH·H₂O. The LCA is according to Keliber a cradle-to-gate analysis that covers all production stages from the mine to a finished product leaving the lithium chemical plant. The production from Keliber is planned to begin in 2024.

FINANCIAL PERFORMANCE IN Q2

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 second quarter was NOK -11.3 million (NOK -12.3 million) and NOK -29.0 million for the first half of 2022 (NOK -28.2 million).

¹ Please see page 21 for description of Alternative Performance Measures ("APM") used for Engebø Rutile and Garnet and Keliber.

In June, Nordic Mining accepted an offer from SSW sell its shares in Keliber for a cash consideration of EUR 157.28 per share, in total EUR 46.9 million. SSW's offer was made on the basis of an independently calculated fair market value as determined by two leading independent investment banks, Royal Bank of Canada and Bank of Montreal, in May 2022. The cash consideration from SSW is assessed to represent the fair value of the investment as of 30 June 2022. The Group recognize a fair value gain on the investment of NOK 88.6 million in the quarter (NOK 2.1) and NOK 294.5 million for the first half of 2022 (H1 2021: loss NOK -2.9 million). Please see note 4 for further information. Nordic Mining's carrying amount for the investment was NOK 485.1 as of 30 June 2022 (Q1 2022: NOK 396.5 million). In the second quarter of 2022 the Group recognized a fair value loss of NOK 7.3 million on the NOK 132.5 million convertible loan from February (Q1 2022: NOK -5.5 million). Please see note 5 for further information.

Reported net profit was NOK 70.0 million in the quarter (loss NOK -10.4) and NOK 246.6 million year to date 2022 (loss NOK -31.3), driven by the fair value gain on the investment 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. The direct costs related to the construction work, together with the cost of acquiring the main properties at Engebø from the landowners, in total NOK 87.9 million, has been capitalized in the balance sheet as Mine under construction in the second quarter of 2022. In addition, Evaluation and exploration assets related to Engebø has been reclassified in the balance sheet to Mine under construction. Nordic Mining's carrying amount for Mine under construction was NOK 116.8 million as of 30 June 2022.

Net cash outflow from operating activities was NOK -13.7 million in the quarter (NOK -13.7 million) and NOK -27.4 million for the first half of 2022 (NOK -28.8 million). Net cash flow from the Group's investment activities in the second quarter was NOK -76.3 million and NOK -76.4 million for the first half of 2022 (NOK -23.9 million), deriving from the early construction work at Engebø. Net cash inflow from financing activities in the first half of 2022 was NOK 133.8 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 June 2022 was NOK 39.6 million (Q1 2022: NOK 32.2 million). In addition, the Group had NOK 22.5 million on Escrow account from convertible loan (Q1 2022: NOK 112.5 million). Please see note 5 for further information.

Nordic Mining's total assets as of 30 June 2022 was NOK 670.9 million (Q1 2022: NOK 574.4 million), and total equity was NOK 499.7 million (31.12.2021: NOK 245.7 million).

The Group will require long-term financing to develop its projects towards production. There is no assurance that the Group will be successful in obtaining the required financing, however the Company expects that the significant economic potential of the Engebø flagship project and agreed sale of the shares in Keliber, 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

Key economic figures²:

- Pre-tax NPV@8% of USD 355 million
- Pre-tax IRR of 22.5%
- Post-tax NPV@8% of USD 260 million
- Post-tax IRR of 19.8%
- High-margin cash flow and short pay-back support bankability:
 - Initial capital investment of USD 218 million
 - Life of Mine EBITDA of USD 2.1 billion, corresponding to an EBITDA-margin of 68%
 - Life of Mine Operating Cash Flow of USD 1.7 billion
 - Free Cash Flow the first 10 years of full operations of USD 51 million per annum
 - Pay-back period of 4.4 years from start of production
- 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

² Please see page 21 for description of Alternative Performance Measures (“APM”) used for Engebø Rutile and Garnet and Keliber.

- 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

Early construction work started at Engebø

In April 2022 Nordic Mining started early construction works at Engebø, following the acquisition of the main properties. The early construction works is undertaken by EPC1, Sunnfjord Industripartner AS ("SIPA"), under the lump-sum EPC ("Engineering, Procurement and Construction") contract signed in November 2021. In total around 1,300 meters of construction road has been constructed. This will allow transportation of soil and stone up to a mass deposit, which has been set up at Stommelshaugane to start after summer holidays. Structures and constructions from previous industrial activity at the process plant area has been removed and prioritized building mass has been demolished to prepare for upper process plant area leveling. Forest, mainly Sitka spruce, has been cleared from the area immediate to the construction road and the tunnel portal. Levelling of the lower process plant area is almost complete, and rerouting of the high voltage line in near future, makes it possible to start with construction and blasting work on upper process plant area. Progress has been made on the Detail Engineering by the EPCs under the lump-sum EPC contracts. The early works secures important project developments that enables optimizations - and reduces risk on 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 reports³. The comparative study was based on reported Scope 1 and Scope 2 emissions⁴.

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

³ 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.

⁴ 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.

currently being implemented for the Project. The aim is to ensure that the project adheres to permits and regulation and best international practices⁵ in construction, operation, and closure.

An ambitious goal of biodiversity net-gain has been adopted for the Engebø Project for the life of mine. 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.

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 set 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 construction site.

A Waste Management Plan has been developed for extractive waste handling. The plan builds on the EU's Best Available Techniques for extractive waste management⁶. 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 for approval in Q2 and will be subject to public hearings.

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 75% of 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 & Øvreid 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 around 75% of the total UDFS plant and mine capital expenditure of USD 203.4 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

⁵ In accordance with the IFC Performance Standards.

⁶ Best Available Techniques (BAT) Reference Document for the Management of Waste from Extractive Industries in accordance with Directive 2006/21/EC.

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.

Second quarter showed strong market conditions for titanium dioxide pigment and the overall industry utilization rates remained high. All the major pigment producers reported increased sales and strong EBITDA margins for Q2. This resulted in remaining strong feedstock demand. The war in Ukraine still restricts rutile and ilmenite supply and therefore buyers of feedstock favor Western suppliers of titanium feedstock. The TiO₂ pigment inventory levels remained low in Q2 and below seasonal norms.

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

Reported natural rutile prices in H1 2022 were has been excess of USD 1,500/mt FOB, with main producers expecting to continue to pricing increase in H2 2022.

In June 2022 Nordic Mining signed, through its wholly owned subsidiary Nordic Rutile AS, a 5-year rutile offtake agreement with Iwatani, a reputable Japanese trading house, for sale of 20,000 tonnes per annum of natural rutile from the Engebø Project based on the market price for 95% natural rutile concentrate, adjusted for actual TiO₂ content. The agreement can be renewed for 3-year periods unless terminated by either party. The offtake agreement builds on the term sheet signed in July 2021. Nordic Mining has earlier signed a term sheet for offtake of rutile with Kronos (US), INC., a globally leading pigment producer, and the parties are in the process to finalize the final offtake agreement. The agreements with Iwatani and Kronos will secure sales for up to all of the annual production of rutile for the first five years of production.

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.

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.

Keliber Oy – Lithium Hydroxide Project (12.0% ownership per Q2 2022)

Sibanye-Stillwater secures majority shareholding in Keliber and proposes to increase shareholding to 80%

In February 2021, Keliber entered into an investment agreement with the leading international mining company Sibanye Stillwater Limited ("SSW") for an initial phased equity investment of EUR 30 million for approximately

30% shareholding in Keliber. In line with the agreement with SSW the initial investment of EUR 30 million was closed in tranches over the period up to March 2022, with the Group's ownership diluted to 12.0%.

In June, SSW exercised their pre-emptive right to increase its shareholding in Keliber to 50% plus 1 share at a total subscription price of EUR 145.8 million. The share issue was approved in an extraordinary general meeting in Keliber on 11 July, and the total subscription price of EUR 145.8 million was paid by SSW later in July, diluting Nordic Mining's ownership in Keliber from 12.0% to around 8.6%. In parallel with the exercise of the pre-emptive right SSW made a Voluntary Offer for a cash consideration of EUR 157.28 per share to the minority shareholders of Keliber, other than the Finnish Minerals Group, which target to increase its shareholding in Keliber to 80%.

Keliber's Lithium Project value increases over 220% to EUR 1.2 billion in Updated Definitive Feasibility Study

Keliber is progressing its lithium project in Finland towards realization and targets to be the first European producer of battery-grade lithium hydroxide. Market outlook for batteries is positive, mainly driven by the ongoing transition to greener solutions for transportation and renewable energy production.

In March 2022, Keliber released the Updated Definitive Feasibility Study ("UDFS") for the project. The updated study confirmed, according to Keliber, a solid financial and technical feasibility, with significant improvements in the key financials compared to the Definitive Feasibility Study ("DFS") from 2019.

Key project figures from Keliber's UDFS (numbers in brackets relate to the comparable numbers from DFS from 2019)⁷:

- Post-tax NPV@8% of EUR 1,228 million (EUR 384 million)
- Post-tax IRR 31% (24%)
- Payback period (from start of production) 3.5 years (4.1 years)
- Life of Mine 16 years (13 years)
- Total Ore Reserves 12.3 Mt (7.5 Mt)
- Production battery-grade lithium hydroxide (own ore) 15,000 t/pa (12,500 t/pa)

For the UDFS, Keliber used a price forecast for the battery-grade lithium hydroxide prepared by Roskill - Wood Mackenzie, with the average LiOH price used in their financial evaluation of USD 24,936/t.

On a quarterly basis, Keliber presents progress reports to stakeholders. The reports and news releases are available at www.keliber.fi/en/.

Keliber's Mineral Resources continues to increase

Keliber announced on 15 September 2021 an update of the company's ore reserve estimate, with an effective date as of 31 August 2021. The update is based on the revised mineral resource estimate, published in May 2021. Keliber's total proven and probable ore reserves have increased to 12.30 million tonnes, representing a growth of 32 percent, compared to the previous estimate published in December 2019.

In June 2022, Keliber announced that they have discovered a new lithium deposit, Tuoreetsaaret, located between the Rapasaari and Syväjärvi deposits. The Mineral Resources (all Inferred) of Tuoreetsaaret are 1.41 million tonnes with an average grade of 0.70% Li₂O, which increases Keliber's total Mineral Resources by 9 percent, to 17.03 million tonnes (previously 15.62 million tonnes).

The total Measured and Indicated Mineral Resources of Keliber is [13.69] million tonnes. The average Li₂O grade of the Keliber's combined Mineral Resources is 1.05%.

Keliber's Mineral Resource estimates comply with the JORC 2012 code, and are reported at a cut-off grade of 0.50% Li₂O.

Strategic assets and initiatives

Alumina technology development

⁷ Please see page 21 for description of Alternative Performance Measures ("APM") used for Engebø Rutile and Garnet and Keliber.

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 AlSiCal project to further develop the patented technology. AlSiCal 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 AlSiCal project an ambitious 4-year work plan is in place to further develop the patented technology. The AlSiCal 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, 15 August 2022
The Board of Directors of Nordic Mining ASA

CONSOLIDATED INCOME STATEMENT

	Note	2022	2021	2022	2021	2021
		01.04-30.06	01.04-30.06	01.01-30.06	01.01-30.06	01.01-31.12
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
<i>(Amounts in NOK thousands)</i>						
Other income		-	-	-	188	188
Payroll and related costs		(1 545)	(4 504)	(5 925)	(8 712)	(16 220)
Depreciation and amortization		(34)	(33)	(67)	(71)	(138)
Other operating expenses		(9 705)	(7 775)	(23 017)	(19 604)	(44 504)
Operating profit/(loss)		(11 284)	(12 312)	(29 009)	(28 199)	(60 674)
Fair value gains/losses on investments	3	88 573	2 053	294 541	(2 890)	66 374
Fair value gains/losses on convertible loan	4	(7 287)	-	(12 764)	-	-
Financial income		65	(4)	78	59	127
Financial costs		(31)	(169)	(6 214)	(289)	(456)
Profit/(loss) before tax		70 036	(10 432)	246 632	(31 319)	5 371
Income tax		-	-	-	-	-
Profit/(loss) for the period		70 036	(10 432)	246 632	(31 319)	5 371
Earnings per share						
<i>(Amounts in NOK)</i>						
Basic earnings per share		0.30	(0.05)	1.07	(0.14)	0.02
Diluted earnings per share		0.26	(0.05)	0.94	(0.14)	0.02

STATEMENTS OF COMPREHENSIVE INCOME

	2022		2021		2021	
	Note	01.04-30.06 Unaudited	01.04-30.06 Unaudited	01.01-30.06 Unaudited	01.01-30.06 Unaudited	01.01-31.12 Audited
<i>(Amounts in NOK thousands)</i>						
Net profit/(loss) for the period		70 036	(10 432)	246 632	(31 319)	5 371
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		70 036	(10 432)	246 632	(31 319)	5 271

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(Amounts in NOK thousands)</i>	Note	30.06.2022 Unaudited	31.12.2021 Audited
ASSETS			
Non-current assets			
Evaluation and exploration assets		-	28 800
Mine under construction	3	116 789	-
Property, plant and equipment		200	200
Right-of-use assets		173	239
Financial investments	4	485 059	190 519
Total non-current assets		602 221	219 758
Current assets			
Trade and other receivables		6 608	3 444
Restricted cash	5	22 500	-
Cash and cash equivalents		39 553	32 086
Total current assets		68 661	35 530
Total assets		670 882	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)		28 085	(218 547)
Other comprehensive income/(loss)		(3 223)	(3 223)
Total equity		499 720	245 662
Non-current liabilities			
Lease liabilities		38	113
Pension liabilities		1 082	1 062
Total non-current liabilities		1 120	1 175
Current liabilities			
Trade payables		16 354	3 093
Convertible loan	5	145 264	-
Other current liabilities		8 425	5 358
Total current liabilities		170 043	8 451
Total liabilities		171 163	9 626
Total shareholders' equity and liabilities		670 882	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		-	-	-	-	(31 319)	(31 319)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		-	-	-	-	(31 319)	(31 319)
Share issue		19 200	60 800	-	-	-	80 000
Transaction costs		-	(4 133)	-	-	-	(4 133)
Share-based compensation		-	-	234	-	-	234
Equity 30 June 2021		137 695	529 491	16 038	(3 124)	(471 030)	209 070
Equity 1 January 2022		137 695	313 699	16 038	(3 223)	(218 547)	245 662
Profit/(loss) for the period		-	-	-	-	246 632	246 632
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		-	-	-	-	246 632	246 632
Share issue	6	1 695	5 731	-	-	-	7 426
Equity 30 June 2022		139 390	319 430	16 038	(3 223)	28 085	499 720

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		2022	2021
		01.01-30.06	01.01-30.06
<i>(Amounts in NOK thousands)</i>	<i>Note</i>	Unaudited	Unaudited
Operating activities:			
Net cash used in operating activities		(27 423)	(28 754)
Investing activities:			
Acquisition of licenses and properties		-	(225)
Investment in mine under construction		(76 409)	-
Financial investments		-	(24 030)
Sale of property, plant and equipment		-	363
Net investment in (-)/release of restricted cash	5	(22 500)	-
Net cash used in investing activities		(98 909)	(23 893)
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		(38)	(80)
Net cash from financing activities		133 800	75 787
Net change in cash and cash equivalents		7 467	23 140
Cash and cash equivalents at beginning of period		32 086	42 223
Cash and cash equivalents at end of period		39 553	65 363
Restricted cash at end of period		22 500	-
Restricted and unrestricted cash at end of period		62 053	65 363

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 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 15 August 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 of a project has sanctioned for construction. Accounting policies regarding new convertible loan in 2022 are described in note 4. 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 in 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 has in Q2 been reclassified in the balance sheet to Mine under construction.

Note 4 - FINANCIAL INVESTMENTS

Keliber Oy

The Group's only financial investment is the holding of shares in the Finnish mining company Keliber Oy. The investment is measured at Fair Value Through Profit and Loss under IFRS 9 ("FVPL Method"). The valuation as per 30 June 2022 has been based on level 2 inputs in the fair value hierarchy which is a change from previous periods when the valuation was based on level 3 inputs. The reason for the change from level 3 to level 2 is the offer for the shares from Sibanye-Stillwater Limited described below.

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. This value has been assessed to represent fair value as of 30 June 2022. The Group recognized a fair value gain of NOK 88.6 million on the investment in the second quarter of 2022 (Q2 2021: gain NOK 2.1 million). The sale of the shares is expected to close in Q3 2022. The Voluntary Offer is subject to condition that no material adverse change has occurred before completion of the sale.

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 will be released in tranches upon agreed milestones, at the decision of Nordic Mining. Per month end 30 June 2022, NOK 110 million of the loan had been drawn down, with the remaining NOK 22.5 million placed on a restricted Escrow account.

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 Q2 2022 the fair value of the convertible loan to NOK 145.3 million and the Group recognized a fair value loss of NOK 7.3 million in the second quarter of 2022. The valuation as per 30 June 2022 has been based on level 3 inputs in the fair value hierarchy.

In July 2022, Nordic Mining has drawn down the remaining NOK 22.5 million of the loan.

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.

Responsibility statement from the Board of Directors and the CEO

Today, the Board of Directors and the CEO have resolved the report and the interim condensed consolidated financial statements for Nordic Mining ASA per 30 June 2022 and for the first half year of 2022, including interim condensed consolidated figures for comparison per 30 June 2022 and for the first half year 2021.

The half year report is submitted in accordance with IAS 34 "Interim Financial Reporting" as adopted by EU, and in accordance with further requirements in the Norwegian Securities Trading Act.

The Board of Directors and the CEO confirm, to the best of our knowledge, that the interim financial statements for the first half year of 2022 have been prepared in accordance with prevailing accounting standards, and that the information given in the financial statements gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results as per 30 June 2022 and 30 June 2021, respectively. To the best of our knowledge, the Board of Directors' report for the first half year of 2022 gives a true and fair overview of the main activities in the period. Further, the most important risks and uncertainties, as well as related parties' significant transactions, are described in a best possible manner.

Oslo, 15 August 2022
The Board of Directors of Nordic Mining ASA

Kjell Roland
Chair

Kjell Sletsjøe

Eva Kaijser

Benedicte Nordang

Antony Beckmand

Ivar S. Fossum
CEO

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 and Keliber Project toward peers. 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