

Remuneration report 2023

About the remuneration report

- This report outlines the remuneration Nordic Mining ASA Group Management in 2023. The report is prepared in accordance with the Public Limited Companies Act section 6-16b and the European Commission guidelines on the standardized presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828, as regards the encouragement of long-term shareholder engagement.
- Pursuant to the Norwegian Public Limited Companies Act section 6-16b (2) the statement will be presented to the Annual General Meeting ("AGM") for 2024, which shall hold an advisory vote on the report.
- The report is available on Nordic Mining ASAs website for ten years from the time of publishing.

Remuneration guidelines for Group Management

- Nordic Mining's guidelines for remuneration of Group Management aims to incentivize management in line with maximizing long-term sustainable value creation to the Group's shareholders and other stakeholders, and to offer competitive terms to secure the company's competitiveness in the labor market, nationally as well as internationally, in order to ensure the strategic development of the Group
- The key principles underlying the remuneration policy is that the remuneration should reflect the responsibilities and duties undertaken by the individual member in Group Management, as well as their contribution to the long-term value creation in the Group
- The main components of the guidelines for Group Management remuneration are as follows:
 - The compensation package should reflect the responsibility and tasks of the individual members of Group Management, and the members' contribution towards ensuring the long-term creation of value for Nordic Mining's shareholders and other stakeholders
 - Nordic Mining will offer competitive remuneration packages to attract relevant expertise and experience for the development of the Group
 - The remuneration package consists as principle of fixed salary, plus participation in a share option program that has been approved by the AGM
 - Members of Group Management participates in the company's pension and insurance plans
- The remuneration of Group Management in 2023 has been in line with the guidelines for Remuneration of Management as outlined on page 24 in the Annual Report for 2023, available on our website: www.nordicmining.com.

Group Management remuneration overview 2023

Fixed remuneration:

- The annual fixed remuneration for the members of Group Management is shown in Table 3. The base salary is reviewed annually and determined based on salary development in the society in general and in particular the industrial sector. The annual salary increases for 2023 was decided, in accordance with the guidelines, as a general salary increase for Group Management of 5.0%.
- In addition to the general increase, the CEO was granted a one-time NOK 500,000 increase to his annual fixed remuneration in connection with the Board of Directors' final investment decision ("FID") for the Engebø Project. The CEO is granted benefits in kind according to the applicable market standard, the main element being a company car. The other members of Group Management are granted benefits in kind typically cell phone, internet connection, etc.
- In addition to the general increase, the Managing Director, ERG was granted a salary increase in 2023 in connection with his appointment to Managing Director, ERG to reflect his increased responsibility.

Short-Term Incentive Program:

- In 2021, employees in the Group was, as result of the critical period for the company to ensure the success of the Engebø Project, offered a one-year incentive program. The bonus was limited up to 3 monthly salaries per employee per annum. Following the completion of the project financing for the Engebø Project in March 2023, employees that were employed at the time the offer of the bonus program was made, was paid a bonus corresponding to 40% of 3 monthly salaries, in line with the bonus program. Bonus under the short-term incentive program are not subject to claw-back.
- In 2022, the CEO was offered an additional incentive program with a NOK 500,000 bonus tied to the completion of the project financing for the Engebø Project and to be paid upon the board of directors' FID for the Engebø Project. Following the board of directors' FID in March 2023, the CEO received the bonus.

Group Management remuneration overview 2023

Extraordinary items

- The Board of Directors decided to temporarily deviate from the remuneration guidelines as it was deemed necessary in order to safeguard the Company's long-term interest as the share option program meant to provide an incentive to Group Management resulted in negative economic consequences for Group Management. Group Management succeeded in fully funding the Engebø Project yet suffered losses tied to the option program. To rectify part of this adverse effect to the incentive program, the following extraordinary remuneration items were implemented:
 - The CEO, the former CFO and the Managing Director, ERG each received a bonus to compensate for 90% of the tax they paid on the options they exercised in May 2022 at levels far above the tender offer in March 2023.
 - The CEO and the Managing Director, ERG were offered a long-term incentive program related to the shares they acquired through exercising options in May 2022. If they are employed by the Company in 2025 and sell the relevant shares in the second half of 2025 at a loss, the program will cover an amount that net of taxes is equal to 80%, after adjusting for the above-mentioned tax compensation bonus, of such loss. No payments under the incentive program were paid or accrued for during 2023. The program relates to:
 - 1,050,000 shares (52,500 shares after the 20:1 reverse split in March 2024) for the CEO, and;
 - 400,000 shares (20,000 after the 20:1 reverse split in March 2024) for the Managing Director, ERG.
- The former VP Resource and Sustainability received a bonus in 2023 for her continued assistance with the legal proceedings against AMR and assistance related to the NGOs lawsuit against the Norwegian Government after her last day with the Company.

Group Management remuneration overview 2023

Share Option Program:

- Members of the Group Management and qualified resource persons are entitled to participate in Nordic Mining ASAs equity settled share-based compensation program which was approved by the General Meeting in May 2023. No options were granted to the members of Group Management or qualified resource persons in 2023.

Pension and personal insurance plans:

- The Group has a defined benefit plan or a defined contribution plan (for new employees) for its employees in the parent company, Nordic Mining ASA and a defined contribution plan for its employees in Engebø Rutile and Garnet AS. The plans meet the Norwegian statutory requirements for pension plans for employees. The members of the Group Management are covered by the personal insurance plans applicable to the Group's employees.

Remuneration of the Board of Directors

The remuneration of the Board is proposed by the Nomination Committee and resolved by the general meeting. The remuneration of the Board is not linked to the Company's performance and Directors are not granted share options. The remuneration of the Board reflects the Board's responsibility, expertise, time commitment and the complexity of the Company's activities.

Table 1 - Remuneration of the Board of Directors for 2022 and 2023		
<i>(Amounts in NOK thousands)</i>		
Board members	Year	Board fees
Kjell Roland Chairman	2023	500
	2022	350
Kjell Sletsjøe Deputy chairman	2023	300
	2022	210
Eva Kaijser Board member	2023	300
	2022	210
Benedicte Nordang Board member	2023	300
	2022	210
Tom Lileng ¹⁾ Board member	2023	-
	2022	-
Antony Beckmand ²⁾ Former board member	2023	300
	2022	210

1) Tom Lileng was appointed to the board by the 2023 AGM.

2) Antony Beckmand left the board at the 2023 AGM.

Development in the Board members' remuneration

Table 2 - Comparative table over the remuneration over the last five reported financial years					
<i>(Amounts in NOK thousands)</i>					
Annual change in total remuneration	2019	2020 (2019/2020)	2021 (2020/2021)	2022 (2021/2022)	2023 (2022/2023)
Kjell Roland ¹⁾ Chairman	210	350	350	350	500
	-	67 %	0 %	0 %	43 %
Tarmo Tuominen ²⁾ Former Chairmain	350	350	-	-	-
	-	0 %	-	-	-
Kjell Sletsjøe ³⁾ Deputy chairman	210	210	210	210	300
	-	0 %	0 %	0 %	43 %
Eva Kaijser Board member	210	210	210	210	300
	-	0 %	0 %	0 %	43 %
Benedicte Nordang ⁴⁾ Board member	-	210	210	210	300
	-	0 %	0 %	0 %	43 %
Antony Beckmand ⁵⁾ Board member	-	210	210	210	300
	-	0 %	0 %	0 %	43 %
Mari Thjømoen ⁶⁾ Former Board member	210	210	-	-	-
	-	0 %	-	-	-

Note: Board fees shown as annualized figures, i.e. the annual compensation stipulated by the AGM. The actual fee paid to a board member in a given year is dependent on when the board member was appointed to and/or resigned from the board.

1) Kjell Roland was appointed chairman at the 2019 AGM. The remuneration increase from 2019 to 2020 is due to his change from a regular board member to chairman.

2) Tarmo Tuominen left the board at the 2019 AGM.

3) Kjell Sletsjøe was appointed to the board by the 2019 AGM.

4) Benedicte Nordang was appointed to the board by the 2019 AGM.

5) Antony Beckmand was appointed to the board by the 2019 AGM and left the board at the 2023 AGM.

6) Mari Thjømoen left the board at the 2019 AGM.

Remuneration of the CEO and Group Management in 2023

Table 3 - Remuneration of the Group Management for the reported financial year 2022 and 2023

(Amounts in NOK thousands)

Members of Group Management ¹⁾		1 Fixed remuneration			2 Variable remuneration	3 Extraordinary items	4 Pension expenses	5 Total remuneration	6 Proportion of fixed and variable remuneration	
		Base salary	Other	Fringe benefits	One-year variable					
Ivar S. Fossum CEO	2023	2 763	-	210	735	654	530	4 891	85 %	28 %
	2022	2 355	-	218	-	-	389	2 962	100 %	0 %
Jens Gisle Schnelle ²⁾ CFO	2023	414	-	3	-	-	-	417	100 %	0 %
	2022	-	-	-	-	-	-	-	0 %	0 %
Kenneth Nakken Angedal Managing Director, Engebø	2023	1 761	-	16	158	249	91	2 275	93 %	18 %
	2022	1 591	-	7	-	-	86	1 684	100 %	0 %
Maurice Kok ³⁾ Commercial Director	2023	1 225	-	13	-	-	99	1 337	100 %	0 %
	2022	521	-	8	-	-	40	568	100 %	0 %
Christian Gjerde ⁴⁾ Former CFO	2023	1 617	-	9	170	277	83	2 156	92 %	21 %
	2022	1 727	-	21	-	-	104	1 851	100 %	0 %
Mona Schanche ⁵⁾ Former VP Resource and Sustainability	2023	969	-	7	153	275	178	1 583	90 %	27 %
	2022	1 535	-	21	-	-	253	1 808	100 %	0 %
Terje Gundersen ⁶⁾ Former Project Director	2023	690	-	7	-	-	43	740	100 %	0 %
	2022	1 356	-	9	-	-	88	1 453	100 %	0 %

1) Individuals who are no longer part of the Executive Management team as of 31 Dec 2022 are not included.

2) Jens Gisle Schnelle joined the Company 15 October 2023.

3) Maurice Kok joined the Company 1 August 2022.

4) Christian Gjerde left the Company 30 September 2023.

5) Mona Schanche left the Company 31 July 2023

6) Terje Gundersen left the executive management group 2 June 2023, and compensation shown for 2023 is for the period up until this date.

Development Group Management remuneration and average FTE remuneration

Table 4 - Comparative table over the remuneration over the last five reported financial years					
<i>(Amounts in NOK thousands)</i>					
Annual change in total remuneration	2019	2020 (2019/2020)	2021 (2020/2021)	2022 (2021/2022)	2023 (2022/2023)
Group Management					
Ivar S. Fossum CEO	3 120	2 914	3 110	2 962	4 891
	-	-7 %	7 %	-5 %	65 %
Jens Gisle Schnelle ¹⁾ CFO	-	-	-	-	417
	-	-	-	-	N/A
Christian Gjerde ²⁾ Former CFO	-	718	2 075	1 851	2 156
	-	N/A	N/A	-11 %	16 %
Kenneth Nakken Angedal Managing Director, Engebø	1 585	1 632	1 740	1 684	2 275
		3 %	7 %	-3 %	35 %
Maurice Kok ³⁾ Commercial Director	-	-	-	568	1 337
	-	-	-	N/A	N/A
Mona Schanche ⁴⁾ Former VP Resource and Sustainability	1 774	1 732	1 886	1 808	1 583
	-	-2 %	9 %	-4 %	-12 %
Terje Gundersen ⁵⁾ Former Project Director	-	-	-	1 453	740
	-	-	-	N/A	N/A
Financial Performance					
Other Operating Costs ⁶⁾ (excluding Project Costs Engebø)	15 294	9 666	9 352	16 112	31 041
	0 %	-37 %	-3 %	72 %	93 %
Other employees					
Change average remuneration other employees	5 %	7 %	9 %	14 %	5 %

1) Jens Gisle Schnelle joined the Company 15 October 2023.

2) Christian Gjerde started as CFO on 1 August 2020 and left the Company 30 September 2023.

3) Maurice Kok joined the Company 1 August 2022.

4) Mona Schanche left the Company 31 July 2023

5) Terje Gundersen left the executive management group 2 June 2023, and compensation shown for 2023 is for the period up until this date.

6) Other Operating Costs excluding Project Costs Engebø, Research Tax Credit and Rewarded Legal Costs

Shareholdings of Group Management and Board of Directors

There were no outstanding share options at year-end 2022 or 2023.

Ivar S. Fossum participate in a long-term incentive program tied to 1,050,000 of the shares he held at year-end 2023, please refer to page 5.

Kenneth N. Angedal participate in a long-term incentive program tied to 400,000 of the shares he held at year-end 2023, please refer to page 5.

Table 5 - Shareholdings of Group Management and Board of Directors

	Shareholding per 31 December 2023	Change year-on-year	Shareholding per 31 December 2022
Kjell Roland, Chairman of the Board	590 475	300 000	290 475
Kjell Sletsjøe, Board member	355 009	333 333	21 676
Ivar S. Fossum, CEO	2 459 230	700 000	1 759 230
Kenneth N. Angedal, Managing Director, ERG	445 822	0	445 822

1) The Company completed a 20:1 reverse split in March 2024 which is not reflected in the number of shares shown in the table.

2) The chairman of the board, the deputy chairman and the CEO participated in the subsequent offering in April 2023.

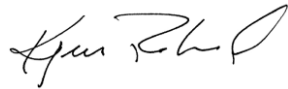
Board of Director's Statement

The Board of Directors has today considered and adopted the Remuneration Report of Nordic Mining ASA for the financial year 2023.

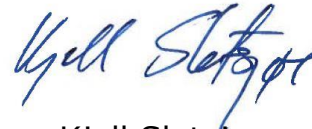
The Remuneration Report is prepared in accordance with section 6-16b of the Public Limited Companies Act.

The Remuneration Report will be presented to the Annual General Meeting for 2024 for an advisory vote.

The Board of Directors Nordic Mining ASA, Oslo 10 May 2024.



Kjell Roland
Chair



Kjell Sletsjøe
Deputy Chair



Benedicte Nordang
Board member



Eva Kaijser
Board member



Tom Lileng
Board member

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REMUNERATION REPORT

To the General Meeting of Nordic Mining ASA

Opinion

We have performed an assurance engagement to obtain reasonable assurance that Nordic Mining ASA's report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2023 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our independence and quality control

We are independent of the company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. The firm applies International Standard on Quality Management, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Oslo, 10 May 2024
ERNST & YOUNG AS

The auditor's assurance report is signed electronically

Johan Lid Nordby
State Authorised Public Accountant (Norway)