



# **NORDIC MINING ASA: PRIVATE PLACEMENT SUCCESSFULLY PLACED**

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Reference is made to Nordic Mining ASA's ("Nordic Mining" or the "Company") stock exchange release on 2 February 2023 and earlier today regarding the contemplated private placement to raise NOK 940 million (USD 90 million equivalent) in order to fully finance the Engebø Project and satisfy relevant financing conditions (the "Private Placement").

## **Private Placement:**

The Company hereby announces that it has successfully raised NOK 940 million (USD 90 million equivalent) in gross proceeds through the allocation of 1,566,666,667 new shares (the "New Shares"), at a subscription price per New Share of NOK 0.60 (the "Offer Price"). The new capital subscribed corresponds to around 165% of the current market capitalization of the Company and will, together with other sources of committed equity, debt, and other financing, fully finance the Engebø Project up to start of production.

Clarksons Securities AS and SpareBank 1 Markets AS acted as joint bookrunners (together the "Managers") in the Private Placement.

The consummation of the Private Placement by the issuance of the New Shares will be subject to approval by the Company's extraordinary general meeting, scheduled to be held tomorrow 3 March 2023 at 10 a.m. CET (the "EGM"). The EGM will approve the issuance of New Shares for gross proceeds of NOK 900 million (the "EGM Resolution"), the board of Directors (the "Board") will approve the issuance of New Shares for gross proceeds of NOK 40 million pursuant to a board authorization (the "Board Resolution"). The EGM Resolution and the Board Resolution will be made contemporaneously, and completion of each transaction thereunder will be subject to completion of the other.

Settlement of the New Shares in the Private Placement is expected to take place on 7 March 2023, subject to registration of the share capital increase in the Company pertaining to the issuance of the New Shares by the Norwegian Register of Business Enterprises (the "NRBE"), on a delivery-versus-payment ("DVP") basis. DVP settlement to investors in the Private Placement, save for Iwatani Corporation, is facilitated through a prepayment agreement entered into between the Company and the Managers.

The New Shares are expected to be tradable from 6 March 2023, but not before (i) registration of the share capital increase in the Company pertaining to the issuance of the New Shares by the NRBE and (ii) approval by the Financial Supervisory Authority of Norway (the "NFSA") of, and publication by the Company of, a listing prospectus (the "Prospectus"). The Prospectus is expected to be approved on or about 6th March 2023.

## **Use of proceeds:**

The net proceeds from the Private Placement will be used to finance the remaining equity component for the development and construction of the Engebø Rutile and Garnet Project,

which together with other sources of committed equity, debt, and other financing will fully finance the project up to start of production.

### **Conversion of convertible loan:**

The Company's convertible loan with Fjordavegen Holding approved by the Company's general meeting, held on 4 February 2022 will be converted as a consequence of the Private Placement. Fjordavegen Holding will, pursuant to the convertible loan agreement, convert the loan with accrued interests, in total NOK 139,621,875, at the same subscription price as in the Private Placement, i.e. NOK 0.60 per share. Fjordavegen Holding will receive 232,703,125 new shares in the Company at a subscription price per share of NOK 0.60 ("Convertible Loan Shares").

### **Number of shares and share capital following issuance of the New Shares and the Convertible Loan Shares:**

Following registration of the New Shares pertaining to the Private Placement and the Convertible Loan Shares, the Company will have a share capital of NOK 1,219,011,938.40 divided into 2,031,686,564 shares, each with a par value of NOK 0.60.

### **Equal treatment considerations:**

The Private Placement represents a deviation from the shareholders' pre-emptive right to subscribe for and be allocated the Offer Shares. The Board has considered the Private Placement in light of the equal treatment obligations under the Norwegian Securities Trading Act and Oslo Børs' Circular no. 2/2014 and is of the opinion that the waiver of the preferential rights inherent in a private placement is considered necessary in the interest of time and successful completion in order to secure funding of the Engebø Project and its progress. Further, the Private Placement was launched after a market sounding process with a number of investors (including both new investors and existing shareholders) to reduce the transaction risk, and the transaction has been marketed through a publicly announced bookbuilding to secure a market-based offer price. In addition, the issuance of New Shares for NOK 900 million is conditioned upon the EGM Resolution at which the Company's shareholders will be given an opportunity to express their opinion and vote over the related share capital increase. Taking into consideration the time, costs and expected terms of alternative methods of securing the necessary funding, as well as the proposed Subsequent Offering (as described below), the Board has concluded that the completion of the Private Placement, including the waiver of the preferential rights inherent to the Private Placement, is in the common interest of the shareholders of the Company.

### **Subsequent Offering:**

Subject to completion of the Private Placement and certain other conditions, the Board will resolved to carry out a subsequent offering of up to 216,666,667 new shares which, if applicable and subject to applicable securities laws, will be directed towards existing shareholders in the Company as of the end of trading 2 March 2023 (as registered in the VPS two trading days thereafter), who (i) did not participate in the market sounding of the Private Placement, (ii) are not allocated New Shares in the Private Placement and (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (the "Subsequent Offering"). The subscription price in the Subsequent Offering will be equal to the Offer Price. The Subsequent Offering will be subject to (i) a resolution by an extraordinary general meeting of the Company, to be convened and expected to be held on or about 30 March 2023, (ii) the prevailing market price of the Company's shares and (iii) approval and publication of the Prospectus. The subscription period in the Subsequent Offering is expected to commence following approval of the Subsequent Offering by the extraordinary general meeting, expected to be held on 30 March 2023. Further information about the Subsequent Offering will be given in a future stock exchange notice. The Board reserves the right not to carry out the Subsequent Offering in the event that the Company's shares trade at or below the subscription price in the Subsequent Offering (i.e. the Offer Price) at meaningful volumes.

### **Advisors:**

Clarksons Securities AS and SpareBank 1 Markets AS acted as Managers in the Private Placement. Kvale Advokatfirma DA acted as legal counsel to the Company. Advokatfirmaet Thommessen AS acted as legal counsel to the Managers.

For further information, please contact CFO Christian Gjerde, telephone +47 980 60 909 or CEO Ivar S. Fossum, telephone +47 930 96 850.

Oslo, 2 March 2023  
Nordic Mining AS

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.

*Nordic Mining ASA ([www.nordicmining.com](http://www.nordicmining.com))*

*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. 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".*

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