

# Q2 2021 REPORT



**GREEN MINERALS**  
*Enabling the green shift*

## Highlights for the quarter

- Granted development support from Forskningsrådet for three separate projects related to development of the company's exploration and production methodology. The total support amounts to NOK 16.5 million.
- Agreement involving the Project ULTRA signed with National Oceanography Centre and University of Southampton.
- Ståle Monstad named as Chief Geoscientist & Head of Exploration

### Operational review

Green Minerals had a busy 2<sup>nd</sup> quarter, closing several funding initiatives, key hires and agreements, of which the most important were:

On April 3<sup>rd</sup> the Company announced a NOK 1,9 million grant from Forskningsrådet through Skattefunn. The risk-reduction support was provided against further development of the Company's proprietary DeepMineX© software key to the decision gates in deep sea exploration and mining.

On April 14<sup>th</sup> the Company announced it had signed an agreement with National Oceanography Centre and University of Southampton regarding the Project ULTRA. The project will produce new knowledge of the formation and the evolution of SMS deposits which will be paramount for the Company's exploration strategy and subsequent production activities. Project ULTRA will include 2 research cruises on SMS areas located in international licenses. Through the Project ULTRA, the Company will collaborate with internationally leading scientists and support the education of the future professionals required for the marine minerals industry. Further, the Company will engage in two research cruises on SMS areas located in international licenses, of which the first as early as fall 2021.

On April 23<sup>rd</sup> The Company announced that Ståle Monstad had agreed to take up a position as Chief Geoscientist & Head of Exploration with the Company. Mr Monstad has more than 25 years of experience within exploration and geological management. He started his professional career in the exploration department of Norsk Hydro, gaining extensive experience in concession application work on the NCS. Ståle Monstad joins Green Minerals from the position of Chief Geologist Aker BP/Senior Vice President Exploration Aker Energy.

On April 27<sup>th</sup> the Company announced that Forskningsrådet had granted development support of NOK 3,6m to the Company through Skattefunn. The support was provided towards development of the Company's exploration methodology incl prospectivity modelling and technology mapping, selection and development.

On May 3<sup>rd</sup> the Company announced that Forskningsrådet had granted development support of NOK 11,048m to the Company towards development of the Company's offshore mineral production methodology and the development of a mineral processing flowsheet.

The market backdrop for the Company's main products continued to improve during the quarter. Copper prices improved another 7pc during the quarter, ending at USD 9,400 per tonne, which is about 4pc higher than basis used for the Company's profitability calculations. Nickel prices improved about 13pc while cobalt maintained its historically high USD 50,000 per tonne price. Considering peak supply situations emerging in several of the key battery metals markets over the next 3-5 years, the Company maintains a positive outlook for its key products.

### **Financial review**

The company did not have any revenues in the quarter. Total operating expenses was NOK 2.6 million, up from NOK 1.7 million in the previous quarter. The operating expenses are mainly related research and development projects. As of 30 June 2021 the company had NOK 23.7 million of cash. The equity ratio at the end of the quarter was 98.6%.

### **Outlook**

We are truly excited about the journey we have set out on. Inviting more investors in and capitalizing the Company early has proven to be the right strategy for the Company as it provides us with the resources necessary to hire the best talent in the industry, partner up with the preferred suppliers at an early stage and work with academia to enhance our knowledge and innovate on the technologies already available.

Green Minerals AS is in a good position to capitalize on the strong market developments for key battery metals as the green energy transition gathers pace. The Company has chosen the Norwegian Continental Shelf as the most attractive area to kickstart marine minerals exploration and production in. Norwegian authorities multi-decade history of successful management of natural resources offshore Norway is one of the main reasons for that, in combination with the large estimated resource potential. The Company expects the environmental standards for activity in the area to be among the very highest in the world, which is something we support and strive for in all our work during the opening process.

Green Minerals will continue to form partnerships with companies, industry groups, investors, authorities and academia to enable us to work together in the best way possible to provide for a responsible and successful opening for exploration and production of marine minerals in Norway.

Asker 22.07.2021

Board of Directors

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Ståle Rodahl

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Hans Christian Anderson

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Øivind Dahl-Stamnes

## Profit and loss statement

## Interim statement of income

<i>All figures in NOK 000's (except EPS)</i>	Q2 2021 (Unaudited)	Q1 2021 (Unaudited)	YTD 2021 (Unaudited)	2020 (Audited)
<b>Revenues</b>	-	-	-	-
Personnel expenses	-174	-345	-519	-114
Other expenses	-1877	-1307	-3184	-487
<b>EBITDA*</b>	<b>-2051</b>	<b>-1652</b>	<b>-3703</b>	<b>-601</b>
Depreciation and amortization	-	-	-	-
<b>Operating profit (loss) / EBIT</b>	<b>-2051</b>	<b>-1652</b>	<b>-3703</b>	<b>-601</b>
Net financials	-7	1	-5	-
<b>Profit / (loss) before income tax</b>	<b>-2058</b>	<b>-1651</b>	<b>-3708</b>	<b>-601</b>
Income tax	-	-	-	-
<b>Profit/loss</b>	<b>-2058</b>	<b>-1651</b>	<b>-3708</b>	<b>-601</b>
<b>Earnings per share</b>				
Basic	-0,16	-0,13	-0,29	-0,05
Deluted	-0,16	-0,13	-0,29	-0,05

\*Operating profit before depreciation, impairment gains (losses) on property, plant and equipment

## Balance Sheet

## Consolidated interim statement of financial position

<i>All figures in NOK 000's (except EPS)</i>	30 june 2021 (Unaudited)	31 march 2021 (Unaudited)	31 December 2020 (Audited)
<b>ASSETS</b>			
<b>Non current assets</b>			
Research & development	537	-	-
<b>Current assets</b>			
Other current assets	485	-	-
Cash and cash equivalents	23708	27791	29068
	<b>24193</b>	<b>27791</b>	<b>29068</b>
<b>Total assets</b>	<b>24730</b>	<b>27791</b>	<b>29068</b>
<b>EQUITY</b>			
Capital and reserves attributable to equity holders of the company			
Paid in capital	<b>28702</b>	<b>28702</b>	<b>29601</b>
Retained earnings	<b>-4309</b>	<b>-2252</b>	<b>-601</b>
	<b>24393</b>	<b>26450</b>	<b>29000</b>
EQ ratio	99 %	95 %	100 %
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	337	1341	68
	<b>337</b>	<b>1341</b>	<b>68</b>
<b>Total liabilities</b>	<b>337</b>	<b>1341</b>	<b>68</b>
<b>Total equity and liabilities</b>	<b>24730</b>	<b>27791</b>	<b>29068</b>

## Selected notes and disclosures

### Note 1: General information and basis for preparation

Green Minerals AS is a public limited liability company, incorporated and domiciled in Norway. The company's registered address is Hagaløkkveien 26, 1383 Asker, Norway. The quarterly accounts have been prepared in conformity with the Accounting Act and NRS 8 - Good accounting practice for small companies.

### Note 2: Related parties transactions

The company has a management service agreement with Seabird Exploration Norway AS, a subsidiary of the largest shareholder SeaBird Exploration Plc. USD 42 500 was booked under the agreement in 1H 2021. The Company has entered into an advisory agreement with Storfjell AS, a company controlled by Ståle Rodahl (Chairman of the Board of both the Company and SeaBird), where Storfjell AS is to assist the Company on business development and financial matters. NOK 1.1 million was booked under the agreement in 1H 2021.

### Note 3: Share capital and share base payments

The total number of ordinary shares at 30 June 2021 was 12 886 400 with a par value of NOK 0.003.

The company has granted warrants to key personnel. As of 30.06.2021 there are 700,000 outstanding warrants with a weighted average strike of NOK 18.29 per share.

### Note 4: Capitalization of Research and development expenses

Research and development expenses of NOK 537 440 related to exploration and production methodology projects for which the Company has been granted support from Forskningsrådet has been capitalized in Q2 2021.

## Note 4: Shareholders

The share capital in Green Minerals AS as of 30.06.2021 consists of:

**Ownership structure**

Shareholders in % at 30 June 2021:

<b>Name</b>	<b>Number of shares</b>	<b>Ownership</b>
SEABIRD EXPLORATION PLC	7 151 128	55,5 %
ANDERSON INVEST AS	542 217	4,2 %
ARTEL AS	454 500	3,5 %
MØSBU AS	405 241	3,1 %
DnB NOR Bank ASA	220 815	1,7 %
IKM INDUSTRI-INVEST AS	213 978	1,7 %
SILVERCOIN INDUSTRIES AS	183 939	1,4 %
IFG HOLDING AS	181 800	1,4 %
STORFJELL AS	158 400	1,2 %
JARLE NORMAN-HANSEN	136 300	1,1 %
NORDNET LIVSFORSIKRING AS	120 567	0,9 %
MIEL HOLDING AS	115 572	0,9 %
JALE NORDHAUG	109 000	0,8 %
GRUNNFJELLET AS	106 705	0,8 %
GTBA FORVALTNING AS	90 900	0,7 %
SVEIN TORE MOE	77 161	0,6 %
ALICERCE FORVALTNING AS	74 208	0,6 %
EUROPA LINK AS	73 347	0,6 %
HUSVIK HOLDING AS	68 100	0,5 %
TELINET ENERGI AS	60 419	0,5 %
Other	2 342 103	18,2 %
<b>Total</b>	<b>12 886 400</b>	<b>100,0 %</b>

