



Annual Report
2021



GREEN MINERALS
Enabling the green shift

Contents

Letter from the Chairman	2
Profit and loss statement	4
Balance Sheet	5
Notes to the financial statement	6
Note 1: General information	6
Note 2: Salary costs and benefits, remuneration to the chief executive, board and auditor and related parties	7
Note 3: Shareholders	7
Note 4: Equity capital	9
Note 5: Tax	9
Note 6: Intercompany items between companies in the same group	10
Auditors report	11

Letter from the Chairman

Looking back at the many challenges facing Green Minerals at the outset of 2021, I am pleased to report that the Company has been able to deliver on all its main goals for the year, of which the overriding target was to validate our strategy through

- Listing on Euronext Growth Oslo
- Onboarding key personnel
- Forming partnerships throughout the value chain
- Receive Government funding for our R&D activities
- Embark on our first research cruise
- Stay on our Timeline

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

Notably, our partnership with the Project ULTRA has allowed the Company not only access to the foremost expertise on Seafloor Massive Sulfides (SMS) in the world, but has also provided for a unique opportunity to embark on our first research cruise at an early stage. The first cruise has been successfully completed at the time of writing. In an embryonic industry like ours, we firmly believe in the importance of acquiring first-hand knowledge of the resource we have set out to turn to good use for the world. Importantly, this knowledge helps inform our exploration campaign, not only through the geological and biological knowledge acquired, but also by allowing research on the latter stages of the E&P process. A key project in this respect is a mineralogy study the Company is pioneering with an international partner in 2022. As these projects move forward the Company may apply for further grants from key institutions in Norway as well as the EU. The Company may enter into further collaboration agreements with partners in both mining and exploration in the future.

To stay on its stated schedule, Green Minerals is to a large extent dependent on the progression towards opening decision on the Norwegian Continental Shelf (NCS). We are therefore particularly pleased to see the solid progress the Norwegian authorities are having in preparing for opening, leading to no more than a 3 months deviation to our initial timeline some 18 months ago. Truly, this progress underpins our long-held belief that the NCS is the most attractive jurisdiction to kickstart the marine minerals industry from. More than 50 years of exemplary regulatory history, a world-class offshore services industry, a world class resource potential and a favourable ESG impact particularly in SMS are all important factors behind our focused investments and efforts in Norway. 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 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's potential clients are

growing increasingly concerned about their ability to source the minerals needed for the green shift. Minerals such as copper, cobalt, nickel and lithium are central to renewable technologies such as batteries, wind turbines and solar panels, but also the electric infrastructures for power distribution. Some of these metals are a source of concern due to uncertain future supply either due to inadequacy between future demand/supply projections or because of their current supply being limited to few countries. Take e.g. copper – the key enabler of electrical energy – where global demand is forecast to reach the same amount over the next 25 years as has been produced in all of the last 500 years together. The first quarter of 2021 looks set to have been the first quarter of inventory draw in the supercycle we may be in, with an increasing supply gap at least until 2028. The gap is projected to be approx. 8MT wide by then, about twice the levels seen at previous market peaks. Investment decisions in new capacity need to be taken very soon, or the green energy transition will be delayed.

Production at onshore mines is also challenged by controversial working conditions and puts severe stress on resources and the environment. Marine minerals can boost the supply of these resources and open up new opportunities for environmental impact reduction.

Assuming key metals prices like copper of USD 9,000 per ton and USD 50,000 per ton for cobalt, one Green Minerals production system may return more than USD 800 million p.a in revenues with EBITDA margins above 50pc. Current metals prices are even higher than this, providing a healthy backdrop for a sound risk/reward for our shareholders. Indeed, an investment in Green Minerals may be seen as a real option with a very low down payment of a handful of million dollars against an annual EBITDA opportunity above USD 400 million.

Together with this Annual Report, Green Minerals releases its first Sustainability Report. In pioneering a new industry, Green Minerals takes responsibility for establishing many global "firsts". Our 2021 Sustainability Report is one such. The report reflects our core values and establishes an ambitious and bold program. We hope that this report will be setting the standard for the new marine minerals industry, and with this invite the industry, academia and authorities alike to participate in building on the framework established in this report

I'd like to take this opportunity to thank all stakeholders for your support so far. It is of great significance for our industry that companies, industry groups, investors, authorities and academia form partnerships and work together in the best way possible to provide for a responsible and successful opening for exploration and production of marine minerals in Norway.



Ståle Rodahl
Executive Chairman
Green Minerals AS



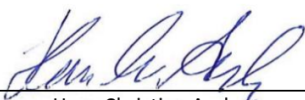
Profit and loss statement

All figures in NOK	Note	2021	2020
Operating income and operating expenses			
Employee benefits expenses	2	3 696 747	114 099
Other operating expenses	2	6 954 467	486 739
Total operating expenses		10 651 214	600 837
Operating profit		-10 651 214	-600 837
Financial income and expenses			
Other financial income		15 102	-
Other financial expenses		8 992	-
Net financial items		6 110	-
Net profit before tax		-10 645 104	-600 837
Net profit/(loss)		-10 645 104	-600 837
Brought forward			
Loss brought forward		10 645 104	600 837
Net brought forward		-10 645 104	-600 837

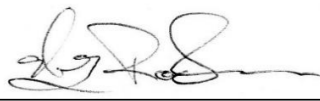
Balance Sheet

All figures in NOK	Note	2021	2020
ASSETS			
Current assets			
Debtors			
Intercompany accounts – group companies	6	8 646	-
Other receivables		642 667	-
Total receivables		651 313	-
Bank deposits		19 066 732	29 068 450
Total current assets		19 718 045	29 068 450
Total assets		19 718 045	29 068 450
EQUITY AND LIABILITIES			
Share capital	3	38 659	30 000
Share premium reserve		29 562 218	-
Other paid-up equity		718 300	29 570 877
Total paid-up equity		19 073 235	29 600 877
Retained earnings			
Uncovered loss		-11 245 942	-600 837
Total retained earnings		-11 245 942	-600 837
Total equity	4	19 073 235	29 000 040
LIABILITIES			
Current debt			
Trade payables		12 900	17 313
Public duties payable		333 414	51 098
Other current liabilities		248 496	-
Total current debt		644 810	68 410
Total liabilities		644 810	68 410
Total equity and liabilities		19 718 045	29 068 450

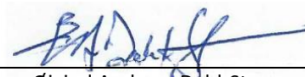
Bergen, 21.04.2022
The board of Green Minerals AS



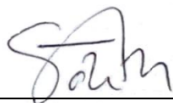
Hans Christian Anderson
member of the board



Ståle Roar Rodahl
Chairman of the board



Øivind Andreas Dahl-Stamnes
member of the board



Ståle Monstad
CEO

Notes to the financial statement

Note 1: General information

Accounting principles

The annual accounts have been prepared in conformity with the Accounting Act and NRS 8 - Good accounting practice for small companies.

Operating revenues and expenses

Income from the sale of goods is recognised on the date of delivery. Services are posted to income as they are delivered. Expenses is recognised in the same period as the related income.

Classification of current and non-current balance sheet items

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as non-current assets and non-current liabilities.

Current assets are valued at the lower of cost and fair value. Current liabilities are recognized at nominal value.

Non-current assets are valued at cost, less depreciation and impairment losses. Non-current liabilities are recognized at nominal value.

Receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessments of the different receivables.

Currency

Monetary foreign currency items are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as financial gain or losses.

Tax

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22% on the basis of tax-

reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net.

Note 2: Salary costs and benefits, remuneration to the chief executive, board and auditor and related parties

	2021	2020
Salaries	2 963 491	99 999
Employment tax	417 847	14 100
Other benefits	315 409	-
Total	3 696 747	114 099

As of year-end 2021 the company had three employees.

The company has three different projects with support through Skattefunn. Based on the reported project figures for 2021 related to these projects, the company will get a refund of NOK 403 921 related to personnel expenses that has been deducted from the 2021 salaries.

Board remuneration in 2021 was NOK 850.000.

The company has a management service agreement with Seabird Exploration Norway AS, a subsidiary of the largest shareholder Green Energy Group. USD 76 250 was booked under the agreement in 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 2 100 000 was booked under the agreement in 2021.

Auditor

Audit fees expensed for 2021 amounts to NOK 31 250.

In addition, there is a fee for other services of NOK 4 375.

Note 3: Shareholders

The share capital in Green Minerals AS as of 31.12 consists of:

	Total	Face value	Entered
Ordinary shares	12 886 400	0.003	38 659
Total		12 886 400	38 659

Ownership structure

Shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
Seabird Exploration Plc	7 151 128	55,49	55,49
Anderson Invest AS	548 651	4,26	4,26
Artel AS	454 500	3,53	3,53
Møsbu AS	405 241	3,14	3,14
IKM Industri-Invest AS	213 978	1,61	1,61
IFG Holding AS	181 800	1,41	1,41
Silvercoin Industries AS	177 614	1,38	1,38
Storfjell AS	158 400	1,23	1,23
Jarle Norman Hansen	136 300	1,06	1,06
DNB	121 176	0,94	0,94
Miel Holding AS	115 572	0,90	0,90
Jarle Nordhaug	109 000	0,85	0,85
Grunnfjellet AS	106 705	0,83	0,83
BofA Securities SA	103 022	0,80	0,80
GTBA Forvaltning AS	90 900	0,71	0,71
Nordnet Bank AB	81 055	0,63	0,63
Svein Tore Moe	77 161	0,60	0,60
Alicerce Forvaltning AS	74 208	0,58	0,58
Nordnet Livsforsikring AS	72 388	0,56	0,21
Europa Link AS	69 544	0,54	0,54
Ownership < 0,54%	2 438 057	19,00	19,00
Total number of shares	12 886 400	100,00	100,00

The parent company Seabird Exploration Plc has its registered offices in World Trade Center-Ariane House- 333 28th October street-3106 Limassol-Cyprus, where the consolidated accounts which include the company can be obtained. See also www.greenenergygroup.no for this information.

Note 4: Equity capital

	Share capital	Share premium	Uncovered loss	Other paid-up equity	Total equity capital
Equity capital as at 01.01.2021	30 000	29 570 877	-600 838	-	29 000 039
Registered capital increase	8 659	-8 659	-	-	-
Warrants	-	-	-	718 300	718 300
This years loss	-	-	-10 645 104	-	-10 645 104
As at 31.12.2021	38 659	29 562 218	-11 245 942	718 300	19 073 235

Per 31.12.2020 the capital increase of 29.576.447 NOK (decided in 2020) was presented as non-registered capital increase.

Note 5: Tax

This year's tax expense	2021	2020
Entered tax on ordinary profit/loss:		
Payable tax	-	-
Changes in deferred tax assets	-	-
Tax expense on ordinary profit/loss	-	-
Taxable income:		
Ordinary result before tax	-10 645 104	-600 837
Permanent differences	-506 431	-2 169 523
Taxable income	-11 151 535	-2 770 360
Payable tax in the balance:		
Payable tax on this year's result	-	-
Total payable tax in the balance	-	-

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences.

	2021	2020	Difference
Accumulated loss to be brought forward	-13 921 896	-2 770 360	11 151 536
Not included in the deferred tax calculation	13 921 896	2 770 360	-11 151 536

Deferred tax assets (22%)

Deferred tax not included in the balance sheet

Note 6: Intercompany items between companies in the same group

	2021	2020
Receivables		
Loans to companies in the same group	8 646	-
Total	8 646	-

Note 7: Share incentive scheme

As part of the company's share incentive program the Board of Directors has granted to key personnel. The program becomes vested over a period of three years from the grant date. As of 31.12.2021 there are 800 000 outstanding warrants with a weighted average strike of NOK 15.50 per share.

Auditors report



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To the General Meeting of Green Minerals AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Green Minerals AS (the Company) showing a loss of NOK 10 645 104. The financial statements comprise the balance sheet as at 31 December 2021, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Norge AS is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Norge AS er medlem av/Is a member of Den norske Revisorforening.

Independent Auditor's Report 2021 for Green Minerals AS



Oslo, 21 April 2022
RSM Norge AS

Marit M Vigrestad
State Authorised Public Accountant
(This document is signed electronically)

Green Minerals AS - org.no. 925 852 481

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