

Q3 2021 REPORT



GREEN MINERALS
Enabling the green shift

Operational review

Following a busy 1st half, the quarter was characterized by further developing the projects and agreements announced during the first six months of the year.

Notably, a research project in cooperation with NTNU has been initiated with the aim of directly supporting the development of the company's internal risk-evaluation framework DeepMineX®. DeepMineX® is one of the company's R&D projects which received public support earlier this year.

The Company's first research cruise has been moved to March/April of 2022. The insignificant delay in the start-up date will not impact the Company's time schedule as laid out in the business plan presented amidst the IPO. Rather, it allows for a more optimal weather window as well as improved preparatory work for our technical team including two Green Minerals PhD projects central to the Company's involvement in the Project ULTRA.

The activity towards license work internationally has increased in line with previous communication.

The most important milestones during the first 9 months were:

Key hires in engineering and geoscience

LOI with a consortium led by Oil States Industries (UK) Ltd for a FEED study on a turnkey HEDSMS for a longterm contract against exclusive use in Norwegian waters

Listing on Euronext Growth in Oslo

NOK 1,9 million grant from Forskningsrådet through Skattefunn for risk-reduction support against further development of the Company's proprietary DeepMineX® software key to the decision gates in deep sea exploration and mining.

Agreement with National Oceanography Centre and University of Southampton regarding the Project ULTRA was signed in April. 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.

Forskningsrådet granted development support of another NOK 3,6m to the Company through Skattefunn towards development of the Company's exploration methodology incl prospectivity modelling and technology mapping, selection and development.

NOK 11,048m development support from Forskningsrådet was granted 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 was mixed during the quarter. Copper prices slid approximately 5pc during the quarter, ending at USD 8,900 per tonne, which is about 1pc lower than the basis used for the Company's profitability calculations. Nickel prices weakened slightly by about 1,5pc while cobalt increased approx. 6pc to USD 52,900 per tonne.

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 2.9 million, up from NOK 2.6 million in the previous quarter. The operating expenses are mainly related to research and development projects. As of 30 September 2021, the company had NOK 21.5 million of cash. The equity ratio at the end of the quarter was 94 %.

Outlook

The outlook for the Company remains upbeat. 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. Notwithstanding the foregoing, the Company is exploring opportunities to win licenses also internationally.

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 21.10.2021

Board of Directors

Ståle Rodahl

Hans Christian Anderson

Øivind Dahl-Stamnes

Profit and loss statement

Interim statement of income					
All figures in NOK 000's (except EPS)	Q3 2021 (Unaudited)	Q2 2021 (Unaudited)	Q1 2021 (Unaudited)	YTD 2021 (Unaudited)	2020 (Audited)
Revenues	-	-	-	-	-
Personnel expenses	-911	-711	-345	-1 967	-114
Other expenses	-2 032	-1 877	-1 307	-5 217	-487
EBITDA*	-2 943	-2 588	-1 652	-7 184	-601
Depreciation and amortization	-	-	-	-	-
Operating profit (loss) / EBIT	-2 943	-2 588	-1 652	-7 184	-601
Net financials	-5	-7	1	-11	-
Profit/(loss) before income tax	-2 949	-2 595	-1 651	-7 194	-601
Income tax	-	-	-	-	-
Profit/(loss)	-2 949	-2 595	-1 651	-7 194	-601
Earnings per share					
Basic	-0,23	-0,20	-0,13	-0,56	-0,05

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

Balance Sheet

Consolidated interim statement of financial position				
All figures in NOK 000's	30 Sep 2021	30 June 2021	31 March 2021	31 December 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
ASSETS				
Current assets				
Other current assets	756	485	-	-
Cash and cash equivalents	21 522	23 708	27 791	29 068
	22 278	24 193	27 791	29 068
Total assets	22 278	24 193	27 791	29 068
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Paid in Capital	28 702	28 702	28 702	29 601
Retained earnings	-7 795	-4 847	-2 252	-601
Total equity	20 906	23 855	26 450	29 000
<i>EQ ratio</i>	94 %	99 %	95 %	100 %
LIABILITIES				
Current liabilities				
Short term liabilities	1 372	337	1 341	68
	1 372	337	1 341	68
Total liabilities	1 372	337	1 341	68
Total equity and liabilities	22 278	24 193	27 791	29 068

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 Green Energy Group. USD 15 000 was booked under the agreement in Q3 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 500 000 was booked under the agreement in Q3 2021.

Note 3: Share capital and share base payments

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

The company has granted warrants to key personnel. As of 30.09.2021 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 have been classified as other expenses in Q3 2021. Thus, previously capitalized expenses of NOK 537 440 in Q2 have been reversed from the balance and reclassified to other expenses in the Q2 P&L.

Note 4: Shareholders

Ownership structure

Shareholders in % at 30 September 2021:

Name	Number of shares	Ownership
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 %
Total	12 886 400	100,0 %

