



Q4 2022 REPORT



GREEN MINERALS

Enabling the green shift

Letter from CEO

The marine minerals industry is gaining momentum!

In Norway, the environmental impact assessment is complete and has been out on Public Hearing. We expect a proposition from the Oil and Energy Department to the Norwegian Parliament before Easter and that we will see a decision to open Norwegian waters for exploration activity by Q2 2023. On the international stage, both The Metals Company and GSR have successfully tested production systems for polymetallic nodules in the Clarion Clipperton zone (CCZ) in the Pacific Ocean. We also see that the activity is attracting attention from oil & gas players, exemplified by a major global drilling contractor taking up a minority interest in GSR and their nodule license in CCZ. In addition, many cruises, and expeditions in the Norwegian Sea, the Atlantic, and the Pacific, focusing on exploration and environmental baseline studies have added to the general knowledge of the Deep Sea. Green Minerals takes an active role in this emerging industry and is involved in scientific cruises and discussions and conferences with authorities, other relevant stakeholders, and peers.

We strongly believe in constructing strong partnerships and industrial ecosystems to kickstart this exciting new industry. To this end, the Company is pleased to announce that the collaboration with the OSI-led industrial consortium, tasked with developing a concept study for a Harsh Environment Deep-Sea Mining System, is well underway. All participants are on-board, and the first workshop is concluded. The consortium includes a major global drilling contractor, a global pump supplier, and a subsea equipment contractor. All world-leading companies within their field.

Green Minerals continue to have discussions with potential new partners in every part of the value chain, and we are thrilled to have announced that we signed an MoU in January with a company holding a prime-area license in the Clarion Clipperton zone.

Research and development activity is vital to the industry, and we continue our partnership with the University of Southampton & NOC (Project ULTRA) and NTNU in Trondheim (DeepMineX®). We have also established collaboration with the University of Bergen (UiB) and are currently offering sponsorship for two Master theses in Bergen on exciting and important areas within deep-sea geology. UiB is the most renowned Norwegian institution with knowledge and data gathered through 20 years of activity on the mid-ocean ridge and extensive research cruise experience.

The two Green Minerals-sponsored Ph.D. students in Southampton are currently analysing and interpreting data from the first Project ULTRA cruise. We eagerly await more research results when all the sampled materials are further analysed. We remain confident that our involvement in the project will prove to be paramount for the Company's exploration strategy and subsequent production activities.

The 1st phase of the metallurgy analysis and characterization study the Company initiated in early 2022 was completed in late 2022, and we are now preparing for Phase 2. Green Minerals is happy to have secured new SMS samples that are fit for the planned processing studies. This final study will be an important step toward proving the blendability with typical onshore copper ore.

Financial review

The Company reported its first-ever revenue of NOK 0.3 million during the fourth quarter. Total operating expenses for the quarter were NOK 4.3 million slightly reduced from the prior year's quarter of NOK 4.6 million. The operating expense was negatively impacted by a NOK 1.4 million non-cash charge related to mark-to-market accounting of the company's share incentive program. By adjusting for this charge, the operating expense was NOK 2.9 million in the quarter, compared to NOK 3.9 million in the prior year's quarter. The operating expenses are mainly related to research and development projects and are representative of the level we expect going forward on an annualized basis.

For 2022, the company delivered revenues of NOK 0.3 million, which compares to nil in 2021. The operating expenses for the year were NOK 11.5 million, or NOK 10.1 million if adjusting for the non-to mark-to-market adjustments of the company's share incentive program. This compares to NOK 10.7 million and 9.9 million for 2021 respectively. The net cash flow for 2022 was a negative NOK 2.2 million, mainly related to personal expenses and research and development projects, which was offset by a NOK 11.2 million equity issue in Q3 2022. The corresponding number for 2021 was a negative NOK 10.0 million.

As of 31 December 2022, the company had NOK 21.3 million of cash, which compares to NOK 19.1 million the prior year. The equity ratio on 31 December 2022 was 96%, compared to 97% in the prior year.

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 have 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 and other license holders 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. The Norwegian authority's multi-decade history of successful management of natural resources offshore Norway is one of the main reasons for that, in combination with the large resource potential. The Company expects the environmental standards for activity in the area to be among the highest in the world, which we support and strive for in all our work during the opening process. Notwithstanding the foregoing, the Company is exploring opportunities to win licenses internationally. We are truly excited about the opportunities emerging in the CCZ following the MoU signed in January 2023. 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 the exploration and production of marine minerals in Norway.

Asker 16 February 2023



Ståle Monstad, CEO

Profit and loss statement

| Consolidated interim statement of income | | | | |
|---|--------------------------------|--------------------------------|-----------------------------|---------------------------|
| All figures in NOK '000 (except EPS) | Q4 2022 (Unaudited) | Q4 2021 (Unaudited) | 2022 (Unaudited) | 2021 (Audited) |
| Revenues | 258 | - | 258 | - |
| Personnel expenses | -2,900 | -2,254 | -6,987 | -3,697 |
| Other expenses | -1,377 | -2,321 | -4,538 | -6,954 |
| Total operating expenses | -4,276 | -4,576 | -11,526 | -10,651 |
| EBITDA* | -4,018 | -4,576 | -11,268 | -10,651 |
| Depreciation | - | - | - | - |
| Amortization | - | - | - | - |
| Impairment | - | - | - | - |
| Operating profit (loss) / EBIT | -4,018 | -4,576 | -11,268 | -10,651 |
| Other financial income | 15 | 12 | 19 | 15 |
| Other financial expenses | -12 | -0 | -12 | -9 |
| Profit/(loss) before income tax | -4,016 | -4,563 | -11,260 | -10,645 |
| Income tax | - | - | - | - |
| Profit/(loss) for the period | -4,016 | -4,563 | -11,260 | -10,645 |

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

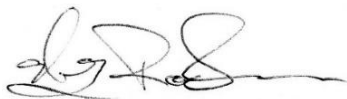
Balance Sheet

| Consolidated interim statement of financial position | | | | |
|---|--------------------------------|--------------------------------|-----------------------------|---------------------------|
| All figures in NOK '000 (except equity ratio) | Q4 2022 (Unaudited) | Q4 2021 (Unaudited) | 2022 (Unaudited) | 2021 (Audited) |
| ASSETS | | | | |
| Non-current assets | | | | |
| Research & development | - | - | - | - |
| Property, plant and equipment | - | - | - | - |
| Long term investments | - | - | - | - |
| Total non-current assets | - | - | - | - |
| Current assets | | | | |
| Inventories | - | - | - | - |
| Trade receivables | - | - | - | - |
| Other current assets | 164 | 643 | 164 | 643 |
| Due from related parties | 75 | 9 | 75 | 9 |
| Cash and cash equivalents | 21,252 | 19,067 | 21,252 | 19,067 |
| Total current assets | 21,491 | 19,718 | 21,491 | 19,718 |
| TOTAL ASSETS | 21,491 | 19,718 | 21,491 | 19,718 |
| EQUITY | | | | |
| Paid in Capital | 40,853 | 29,601 | 40,853 | 29,601 |
| Share options granted | 2,188 | 718 | 2,188 | 718 |
| Retained earnings | -22,506 | -11,246 | -22,506 | -11,246 |
| Total Equity | 20,535 | 19,073 | 20,535 | 19,073 |
| <i>EQ ratio</i> | 96% | 97% | 96% | 97% |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| Borrowings | - | - | - | - |
| Total non-current liabilities | - | - | - | - |
| Current liabilities | | | | |
| Trade payables | 91 | 13 | 91 | 13 |
| Public duties payable | 395 | 333 | 395 | 333 |
| Other payables | 470 | 298 | 470 | 298 |
| Provisions | - | - | - | - |
| Loans and borrowings | - | - | - | - |
| Current tax liabilities | - | - | - | - |
| Total current liabilities | 956 | 645 | 956 | 645 |
| Total liabilities | 956 | 645 | 956 | 645 |
| TOTAL EQUITY AND LIABILITIES | 21,491 | 19,718 | 21,491 | 19,718 |

Q4 2022 REPORT

Board of Directors

Asker, Norway, 16 February 2023



Ståle Rodahl



Hans Christian Anderson



Øivind Dahl-Stamnes

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. The quarterly financial statements are unaudited, except the annual 2020 and 2021 figures that have been derived from the audited annual financial statement.

Note 2: Related parties transactions

The company has a management service agreement with Seabird Exploration Norway AS, where Nil was charged in Q4 2022, and NOK 0.8 million for the twelve months in 2022. The Company has an advisory agreement with Storfjell AS, a company controlled by Ståle Rodahl (Chairman of the Board of both the Company and Seabird Exploration Plc, where Storfjell AS is to assist the Company on business development and financial matters. NOK 0.3 million was booked under the agreement in Q4 2022 and NOK 1.8 million for the twelve months of 2022.

Note 3: Share capital and share base payments

The total number of ordinary shares at 30 September 2022 was 14 046 400 with a par value of NOK 0.003.

The company has granted warrants to key personnel. As of 31 December 2022, there are 800,000 outstanding warrants with a weighted average strike of NOK 15.50 per share. The market-to-market book value of these is NOK 2.2 million as of the end of Q4 2022, up from NOK 0.8 million in Q3 and NOK 0.7 million in Q4 2021. This change results in a non-cash positive P&L effect of NOK 1.4 million in the fourth quarter and NOK 1.5 million for 2022.

Note 4: Year to date cash flow

| Consolidated interim statement of cash flow | | | | |
|---|--------------------------------|--------------------------------|-----------------------------|---------------------------|
| All figures in NOK '000 | Q4 2022 (Unaudited) | Q4 2021 (Unaudited) | 2022 (Unaudited) | 2021 (Audited) |
| Cash flows from operating activities | | | | |
| Profit / (loss) before income tax | -3,848 | -4,563 | -11,260 | -10,645 |
| <i>Adjustments for:</i> | | | | |
| Depreciation, amortization and impairment | - | - | - | - |
| Unrealized exchange (gain) /loss | - | - | - | - |
| (Increase)/decrease in warrents | 1,426 | 718 | 1,470 | 718 |
| Other items | - | 2,053 | 184 | 1,154 |
| Paid income tax | - | - | - | - |
| (Increase)/decrease in trade and other receivables | 459 | 136 | 412 | -651 |
| Increase/(decrease) in trade and other payables | -396 | -799 | 311 | 576 |
| Net cash from operating activities | -2,359 | -2,455 | -8,883 | -8,848 |
| Cash flows from investing activities | | | | |
| Capital expenditures | - | - | - | -1,154 |
| Other | - | - | - | - |
| Net cash used in investing activities | - | - | - | -1,154 |
| Cash flows from financing activities | | | | |
| Proceeds from issuance of ordinary shares | - | - | 11,160 | - |
| Transaction costs on issuance of ordinary shares | - | - | -92 | - |
| Receipts from borrowings | - | - | - | - |
| Repayment of borrowings | - | - | - | - |
| Interest paid | - | - | - | - |
| Other | - | - | - | - |
| Net cash from financing activities | - | - | 11,068 | - |
| Net (decrease)/increase in cash and cash equivalents | -2,359 | -2,455 | 2,185 | -10,002 |
| Cash and cash equivalents at beginning of the period | 23,610 | 21,522 | 19,067 | 29,068 |
| Cash and cash equivalents at end of the period | 21,252 | 19,067 | 21,252 | 19,067 |

Note 5: Shareholders

Shareholders in Green Minerals as of 31 December 2022.

| Name | Number of shares | Ownership |
|--------------------------|-------------------------|------------------|
| Seabird Exploration Plc | 7,151,128 | 50.9% |
| Anderson Invest As | 621,480 | 4.4% |
| Møsbu As | 505,241 | 3.6% |
| Artel As | 454,500 | 3.2% |
| Telinet Energi As | 358,923 | 2.6% |
| Dnb Bank Asa | 321,634 | 2.3% |
| Silvercoin Industries As | 319,742 | 2.3% |
| Ikm Industri-Invest As | 213,978 | 1.5% |
| Storfjell As | 208,400 | 1.5% |
| Ifg Holding As | 181,800 | 1.3% |
| Grunnfjellet As | 173,809 | 1.2% |
| Mh Capital As | 150,000 | 1.1% |
| Norman-Hansen | 136,300 | 1.0% |
| Nordhaug | 109,000 | 0.8% |
| Sander Invest As | 105,244 | 0.7% |
| Alden As | 100,000 | 0.7% |
| Gtba Forvaltning As | 90,900 | 0.6% |
| Vicama Capital As | 75,000 | 0.5% |
| F Storm As | 74,604 | 0.5% |
| Nordnet Bank Ab | 73,323 | 0.5% |
| Other | 2,621,394 | 18.7% |
| Total | 14,046,400 | 100.0% |

