



Q3 Report 2023



GREEN MINERALS

Enabling the green shift

Contents

Letter from the CEO 2

Key Highlights 4

Consolidated interim statement of income 5

Consolidated interim statement of financial position 6

Consolidated interim statement of cash flow 7

Selected notes and disclosures..... 8

Shareholders in Green Minerals as of 30 September 2023 9

Letter from the CEO

Steady progress towards the opening of Norway for marine minerals exploration!

Last quarter we reported that a Parliamentary Note recommended the opening of the extended Norwegian Continental Shelf for deep-sea mining activities. Today we know that a final decision for opening will be taken early next year. This means that we are contemplating a licensing round as early as the end of next year and actual assets for Green Minerals as soon as early 2025.

Nevertheless, Green Minerals continued working on securing other assets for other types of mineral commodities and in other jurisdictions – this was an effort to de-risk its future mineral portfolio. We hope to release news related to one of these options early next quarter which could materialize in the first licenses in Green Minerals portfolio.

The work related to Green Minerals' nodules license MOU in the Clarion-Clipperton Zone (CCZ) progresses at a slow but steady pace. We are in for the long run and are determined to see this process through as recent news reiterated the need for an independent metal supply chain. Indeed, the need for critical metals can only soar in the wake of green initiatives while in the meantime critical metal supplies are in effect controlled by few countries. Green Minerals' success here would provide the world with an expected 200 million tonnes of mineral resources packed with metals needed by battery manufacturers among others.

Since its beginning, Green Minerals has believed that correct and healthy value creation entails understanding the holistic character of the marine minerals value chain. Green Minerals does not want to only fulfill ESG requirements from others. Green Minerals believes a sustainable activity ensures a sustainable value delivery to its shareholders and eventually the world. This attitude is reflected in our Research and Development.

Regarding Project Ultra led by the National Oceanographic Centre (NOC) and the University of Southampton, we are delighted to see good progress from our 2 sponsored PhD students. The first project informs our future exploration activities in understanding how sediments can be a vector to find inactive deposits i.e. the ones that are technically minable. The second project will give us precious early information related to the in-situ value of deposits being explored. More excitingly, this research may lead us to consider additional material as ore which was previously considered as waste. In summary, this research axis helps us draft more efficient exploration strategies and refine our understanding of which portion of deposits are viable for production.

Secondly and in the frame of our in-house risk-analysis framework DeepMinex®, our collaboration with NTNU continues. Our collaboration works have been presented at the Underwater Mining Conference one of which tackled the effect of future tax regimes on the value of future portfolio and foreseeable exploration strategies. A new project started in September related to the Value of Exploration as it is unthinkable for Green Minerals to invest in exploration activities without a solid understanding of risks and underlying values.

Next, our partnership with Oil State Industries (OSI) has produced its first deliverables regarding a groundbreaking design for mining Seafloor Massive Sulphides (copper and cobalt). We expect to see this study completed early next year. The results will be used for future licensing activities and inform our exploration strategies by providing us with mining costs that are trustable.

Through this activity, Green Minerals reaches potential partners within the industry. By the end of this study, OSI will be a significant shareholder of Green Minerals which confirms the industry interests in our business.

Finally, we have been delighted to receive the first results of the processing study led by GTK which demonstrates that, without optimization, as much as 80% of the copper contained in SMS ore could be recovered in a concentrate. This confirms our assumptions of our revenue model. We are excited to see the upcoming results of the blendability testing which is currently being carried out using samples from a copper deposit in Finland. Positive results would confirm our assumptions related to the integration of the marine "super-ore" in the existing copper value chain.

Looking at our Q3 achievements, we believe our strategy is right: we de-risk our activity by holding options open. At the same time, we build up our holistic understanding of the value-creation processing in the nascent industry. We will keep heading for the next quarter and believe our chosen strategy will bear fruit very soon!



Oslo 30 October 2023

A handwritten signature in blue ink, appearing to read "Ståle Monstad".

Key Highlights

Key figures				
All figures in NOK '000 (except equity ratio)	Q3 2023 (Unaudited)	Q3 2022 (Unaudited)	2022 (Audited)	2021 (Audited)
Revenues	-	-	206	-
Operating expenses	-1,658	-585	-11,330	-10,651
EBITDA	-1,658	-585	-11,124	-10,651
EBIT	-1,658	-585	-11,124	-10,651
Profit/(loss)	-1,640	-584	-11,110	-10,645
Cash flow operating activities	-2,132	-1,610	-8,883	-8,848
Net cash flow	-2,132	9,458	2,185	-10,002
Total assets	14,833	24,309	21,998	19,718
Cash and cash Equivalents	13,744	23,610	21,252	19,067
Equity ratio	94%	94%	94%	97%

- EBITDA included a NOK 0.4 million non-cash reversal on company's share incentive program, hence underlying EBITDA was NOK -2.0 million, broadly in line with previous guiding and run rate.
- The date for the parliamentary decision on opening the Norwegian EEZ for marine minerals activities is set to January 9th, 2024.
- ISA is moving forward with the Mining Code for international waters, new target date in 2025.
- Mineral processing study at GTK (Finland) is progressing with encouraging results.

Consolidated interim statement of income

Consolidated interim statement of income				
All figures in NOK '000 (except EPS)	Q3 2023 (Unaudited)	Q3 2022 (Unaudited)	2022 (Audited)	2021 (Audited)
Revenues	-	-	206	-
Personnel expenses	-1,392	200	-6,586	-3,697
Other expenses	-266	-785	-4,744	-6,954
Total operating expenses	-1,658	-585	-11,330	-10,651
EBITDA*	-1,658	-585	-11,124	-10,651
Depreciation	-	-	-	-
Amortization	-	-	-	-
Impairment	-	-	-	-
Operating profit (loss) / EBIT	-1,658	-585	-11,124	-10,651
Interest income	5	-	16	-
Other financial income	13	1	4	15
Other financial expenses	-	-	-6	-9
Profit/(loss) before income tax	-1,640	-584	-11,110	-10,645
Income tax	-	-	-	-
Profit/(loss) for the period	-1,640	-584	-11,110	-10,645

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

Consolidated interim statement of financial position

Consolidated interim statement of financial position				
All figures in NOK '000 (except equity ra	Q3 2023	Q3 2022	2022	2021
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
ASSETS				
Non-current assets				
Research & development	654	-	-	-
Total non-current assets	654	-	-	-
Current assets				
Other current assets	360	624	672	643
Due from related parties	75	75	75	9
Cash and cash equivalents	13,744	23,610	21,252	19,067
Total current assets	14,179	24,309	21,998	19,718
TOTAL ASSETS	14,833	24,309	21,998	19,718

Consolidated interim statement of financial position				
All figures in NOK '000 (except equity ra	Q3 2023	Q3 2022	2022	2021
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
EQUITY				
Paid in Capital	41,723	40,853	40,853	29,601
Share options granted	1,529	762	2,188	718
Retained earnings	-29,332	-18,658	-22,356	-11,246
Total Equity	13,919	22,957	20,685	19,073
<i>EQ ratio</i>	94%	94%	94%	97%
LIABILITIES				
Non-current liabilities				
Borrowings	-	-	-	-
Total non-current liabilities	-	-	-	-
Current liabilities				
Trade payables	303	795	91	13
Public duties payable	249	219	432	333
Other payables	361	338	790	298
Total current liabilities	913	1,352	1,314	645
Total liabilities	913	1,352	1,314	645
TOTAL EQUITY AND LIABILITIES	14,833	24,309	21,998	19,718

Consolidated interim statement of cash flow

Consolidated interim statement of cash flow				
All figures in NOK '000	Q3 2023 (Unaudited)	Q3 2022 (Unaudited)	2022 (Audited)	2021 (Audited)
Cash flows from operating activities				
Profit / (loss) before income tax	-1,640	-752	-11,110	-10,645
<i>Adjustments for:</i>				
(Increase)/decrease in warrents	-360	-1,924	1,470	718
Other items	-0	184	184	1,154
Paid income tax	-	-	-	-
(Increase)/decrease in trade and other receivable	744	1,019	-96	-651
Increase/(decrease) in trade and other payables	-876	-137	669	576
Net cash from operating activities	-2,132	-1,610	-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	11,160	-
Transaction costs on issuance of ordinary shares	-	-92	-92	-
Other	-	-	-	-
Net cash from financing activities	-	11,068	11,068	-
Net (decrease)/increase in cash and cash equivalent	-2,132	9,458	2,185	-10,002
Cash and cash equivalents at beginning of the pe	15,876	14,152	19,067	29,068
Cash and cash equivalents at end of the period	13,744	23,610	21,252	19,067

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 Nedre Slottsgate 8, 0157 Oslo. 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 2021 and 2022 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 NOK 0.4 million was charged for the nine first months in 2023.

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 assists the Company on business development and financial matters. NOK 0.2 million was booked under the agreement in Q3 2023 and NOK 0.7 million for the nine first months in 2023.

Note 3: Share capital and share base payments.

The total number of ordinary shares on 30 September 2023 was 14 104 400 with a par value of NOK 0.003.

The company has granted warrants to key personnel. As of 30 September 2023, there are 900,000 outstanding warrants with a weighted average strike of NOK 13.22 per share. The market-to-market book value of these is NOK 1.5 million as of the end of Q3 2023, down from NOK 1.9 million in Q2 2023 and down from NOK 2.2 million in Q4 2022. This change results in a non-cash P&L effect of NOK +0.4 million in the third quarter and positive NOK 0.7 million for the nine six months of 2023.

Shareholders in Green Minerals as of 30 September 2023

SHAREHOLDER OVERVIEW		
Name	Number of shares	Ownership
Anderson Invest As	1,162,059	8.2%
Telinet Invest As	969,908	6.9%
Mh Capital As	724,982	5.1%
Grunnfjellet As	596,750	4.2%
Alden As	564,768	4.0%
Møsbu As	505,241	3.6%
Storfjell As	479,714	3.4%
Artel As	454,500	3.2%
Seabird Exploration Plc	446,801	3.2%
Europa Link As	308,936	2.2%
Dnb Bank Asa	306,050	2.2%
North Sea Group As	223,894	1.6%
Ikm Industri-Invest As	213,978	1.5%
Nordnet Livsforsikring As	211,855	1.5%
Silvercoin Industries As	195,053	1.4%
Clearstream Banking S.A.	194,159	1.4%
Ifg Holding As	181,800	1.3%
Gekko As	179,770	1.3%
Nordnet Bank Ab	164,530	1.2%
Myrseth	162,191	1.1%
Other	5,857,461	41.5%
Total	14,104,400	100.0%

Disclaimer

All statements contained in this presentation that are not statements of historical facts, including statements on projected operating results, financial position, business strategy, and other plans and objectives for future results, constitute forward-looking statements and are predictions of, or indicate, future events and future trends which do not relate to historical matters. No person should rely on these forward-looking statements because they involve known and unknown risks, uncertainties, and other factors which are, in many cases, beyond the company's control and may cause its actual results, performance, or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by the forward-looking statements and from past results, performance or achievements. These forward-looking statements are made as of the date of this presentation and are not intended to give any assurance as to future results. None of the company, its employees, and its representatives assumes any obligation to update these statements.

Green Minerals AS - org.no. 925 852 481

www.greenminerals.no