



ANNUAL REPORT  
2024



GREEN MINERALS

# ANNUAL AND SUSTAINABILITY REPORT 2024

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## LETTER FROM THE EXECUTIVE CHAIRMAN

Dear Shareholders and Stakeholders,

It is with great enthusiasm and optimism that I present this year's Annual Report for Green Minerals AS. We stand at a historic crossroads as the global momentum in deep sea mining (DSM) accelerates, driven by progressive decisions and groundbreaking initiatives from around the world, in a race to secure critical minerals to prevent China from "weaponizing market power for political gain" (US Energy Secretary Granholm, August 2023).

Recent notable developments include:

- Norway – 9 January 2024 Decision: A landmark step that opened the door for DSM as the first country in the world, underscoring a bold commitment to technological innovation.
- The United States: A pivotal moment for the industry emerged on 24 April 2025 when President Trump signed a US Executive Order expediting permits to both domestic and international waters. The order seeks to jumpstart deep sea mining in a bid to offset China's increasing control of critical minerals. A control that lately has been used to halt exports of minerals necessary to maintain NATO's military capabilities.
- India: Applications for two new licenses in the Indian Ocean were submitted to the ISA in 2024, in addition to the licenses already held by India, China, Germany and South Korea in the Indian Ocean Ridge area. In 2022, India joined the Minerals Security Partnership to invest in responsible critical minerals supply chains.
- Sweden: With the first exploitation application expected in 2025, Sweden as an EU member is poised to join Europe's emerging deep sea mining landscape.
- Japan: Japan has taken a significant leap forward by initiating its DSM licensing regime. Spearheaded by METI (the Ministry of Economy, Trade, and Industry), this framework is designed to integrate cutting-edge technology and stringent environmental standards into its resource development strategy.
- New Zealand: Shifting perspectives are emerging as the country contemplates lifting its DSM ban—challenging long-held notions based on "shrill environmental alarmism" (Resources Minister Jones, February 2025) and paving the way for science-based policy reforms.

### **Norway Update**

Building on Norway's parliamentary decision, our focus on Norway has evolved with a strategic update fully aligned with the revised timeline that reinforces our commitment to the Norwegian Continental Shelf. Recent highlights include:

- 1st License Round: The anticipated first license round in Norway was delayed by 12 months in a surprise 1 December 2024 "budget deal" between the Government and the far-left Socialist Party despite an 80/20 majority in the Norwegian Parliament to push ahead with this new, promising industry for the country. Our clear understanding is that the license round will continue as planned following the end of the current budget year.

- **Reassessment of Timeline:** The delay prompted a reassessment of our timeline for project development and resource acquisition in 2025/26. The company has adjusted its operational strategy and resources, prioritizing technology readiness and flexible scheduling while awaiting the new licensing framework. I am grateful for the commitment and dedication of my co-founders at this important juncture in our journey.
- **Strategic Runway Extension:** We are pleased to have successfully preserved our core competencies while implementing strategic cost reductions. At the same time, we raised new capital, significantly extending our runway and improving our position relative to the industry. This proactive approach follows our clearly communicated target of becoming a licensee in one of the world's most attractive resource areas for critical minerals with a minimum use of capital. Indeed, these measures along with the strong support from new and existing shareholders have strengthened our financial foundation, extended our runway by multiple years and set the stage for exciting opportunities in the future. And, importantly for future license wins, we have proven our ability to raise the capital necessary even in the most difficult of times.
- **Increased Investment in Exploration:** A substantial NOK 150 million has been allocated to exploration and environmental work by the Government in the 2025 national budget—a fivefold increase over previous years. Notably, these data are made available to the industry, indicating that Green Minerals by the end of the current year will have received USD 65m worth of exploration data from the Norwegian authorities at zero cost. This PPP-regime and its fit with our financial strategy, together with a competent and strong regulatory regime, are some of the most important factors underlying our focus on Norway.
- **Regulatory Preparations:** Regulatory efforts are progressing steadily. A hearing round on new regulations was initiated in Q1 2025, with finalization expected in Q2/Q3 2025 and license awards projected for Q2 2026.
- **Legal Developments:** In a notable development bolstering our strategic outlook, the WWF lost its DSM opening case against Norway in February 2025—further validating the country's progressive regulatory approach.

By integrating rigorous financial discipline with innovative technological solutions, we aim to drive industry excellence without compromising our ecological responsibilities. This balanced approach not only positions us for long-term success but also reinforces our commitment to a future where profitability, innovation, and environmental stewardship go hand in hand.

### **CCZ Update**

21 April 2025 we announced an important update on our marine minerals license MoU in the Clarion Clipperton Zone (CCZ). We have extended our Memorandum of Understanding with a renowned international license holder until 2027, ensuring that we can secure our first license in this highly prospective resource area. Preliminary assessments of the CCZ indicate a global-scale resource of critical minerals such as nickel, cobalt, copper and manganese, with over 200 Mt of measured, indicated, and inferred wet nodules identified across the license area. This development marks a significant milestone in our commitment to advancing marine mineral exploration and reinforces our belief in the CCZ's long-term strategic value. This view was indeed reinforced with President Trump's Executive Order described above to be signed only four days later.

## Looking Ahead

At Green Minerals, our vision is to demonstrate that responsible and innovative mineral extraction in the deep sea can be an important contributor to meet the demand for critical minerals. We remain dedicated to forging strategic partnerships and investing in advanced research that aligns with our commitment to operational excellence and environmental stewardship. We continue to believe that adherence to strict capital discipline is key as the

deep-sea mining industry is emerging and have experienced that this differentiator indeed has been decisive in securing funding and extending runway even in the difficult period following the delay to the 1st license round in Norway.

Green Minerals' leading position on the NCS is firmly anchored in our differentiating full value chain approach. Our HEDSM work together with globally leading partners in our "Partnership for Responsible Production" and the world first SMS/VMS co-processing study testifies to this. Going forward, I expect the Company to further capitalize on this.

I extend my sincere gratitude to our employees, board members, partners, shareholders and founders. Your unwavering dedication and innovation propel us forward as we explore new frontiers and work together towards a sustainable future for the mining industry, a future where innovation, responsibility and profitability walk hand in hand.

Sincerely,



Ståle Rodahl  
Executive Chairman, Green Minerals AS  
30 April 2025

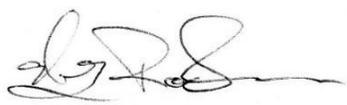
## KEY FIGURES

### Key figures

All figures in NOK 000's	Year ended 31 December	
	2024	2023
Revenues	-	6
Operating expenses	-	-16,507
EBITDA	-	-16,501
EBIT	-	-16,501
Profit/(loss)	-	-16,529
	-	-
Cash flow operating activities	-	-16,460
Net cash flow	-	-8,630
Total assets	-	3,224
Cash and cash Equivalents	-	3,093
Equity ratio	-	37%

Oslo, 30 April 2025

The Board of Directors and CEO of Green Minerals AS



**Ståle Rodahl**  
Chairman



**Hans Christian Anderson**  
Board Member



**Øivind Dahl Stamnes**  
Chief Executive Officer

# SUSTAINABILITY REPORT 2024

## INTRODUCTION

Green Minerals AS presents its updated Sustainability Report 2024. This report reflects our commitment to transparency and provides information to our stakeholders on progress towards our sustainability strategy and goals.

## ABOUT THIS REPORT

Green Minerals' Sustainability Report 2024 covers initiatives from January 1 through December 31, 2024. The company publishes an update of this report annually. The report was produced in accordance with the Global Reporting Initiative standards. The Sustainable Development Goals and the Ten Principles of the UN Global Compact are used as the main frameworks for our ESG work.

The report will be published on 30 April 2025, together with the company's annual report.

After careful consideration under the guidance of the Board of Directors, Green Minerals has decided to continue to defer external assurance. The matter will be again discussed further in our next update.

Any errors or outdated information should be corrected or updated in the next report.

The purpose of the report is to strengthen our sustainability framework by informing our stakeholders about the company's ESG strategy and open a new channel of communication, which allows for more contribution and makes room for improvements.

## ABOUT US

Green Minerals AS is a public company listed on the Oslo Stock Exchange.

The company is headquartered in Norway and is a global pure marine minerals player actively pursuing license opportunities in several locations, both in Norway and internationally.

A capital-light partnership strategy across the entire value chain supports Green Minerals. The company timeline has been established with all the currently available information. It makes provision for exploration activities as early as 2026 and production activities as early as 2029/30 towards full-scale production in 2031/32.

## MISSION

To deliver minerals necessary to the Green Shift in a responsible and sustainable manner.

- Deep sea mining of minerals and rare earth elements (REE) is key to the green energy transition, eliminating the huge social costs in onshore mining while reducing the environmental footprint by more than 90%.

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## VISION

To be a pioneer in offshore mining and the leader in Marine Minerals on the Norwegian Continental Shelf.

## VALUES

Our values are driven by a sense of urgency to take action toward the meaningful changes our planet and people need.



## BUSINESS STRATEGY



## THE CHALLENGE

Many studies have confirmed the huge discrepancy between demand and supply of critical minerals essential for key clean energy technologies needed to meet the global climate ambitions. The onshore mining industry leaves an unsustainable environmental footprint to extract the marginal tonne of mineral, as ore grades decline, deforestation increases and waste per tonne ore soars. Moreover, terrestrial mining exhibits significant social costs. Because mineral supply is currently concentrated in a few countries, sourcing critical raw materials has also become a national security matter for the EU and the USA. The following questions arise: how can we mine the metals needed for the green energy transition in a sustainable manner and where should they come from?

## OUR SOLUTION

70% of our planet is covered by oceans. The seafloor contains vast amounts of minerals needed for the green shift. Careful deep-sea mining of these raw materials can reduce the environmental footprint in mining up to 90%, while solving the challenges related to social costs and the strategic supply to the EU and USA. With an estimated resource potential of more than NOK 1000bn combined with the vast knowledge of deep-water operations acquired through decades of offshore activity and a high quality, stable regulatory framework, the Norwegian Continental Shelf is the most attractive area in the world to kickstart the deep-sea mining industry from.

Side-by-side comparison offshore vs onshore mining (impact of minerals to 1 bn electric cars)

	ONSHORE	OFFSHORE	%CHANGE
CO <sub>2</sub> EQUIVALENT EMISSIONS, Gt	1.5	0.4	-70%
ORE USE, Gt	25	6	-75%
DEFORESTATION, km <sup>2</sup>	66,000	5,200	-92%
SOLID WASTE, Gt	64	0	-100%
FRESHWATER ECOTOXICITY, 1,4-DCB equivalent Gt	21	0.1	-99%
MEGAFUNA WILDLIFE AT RISK, TRILLION ORGANISMS	47	3	-93%
Source: Paulikas et al 2020			

## SUSTAINABLE DEVELOPMENT

Sustainable development is intrinsic to our business. Providing the minerals critical to the green energy transition - responsibly and sustainably – not only meets current needs but also safeguards the ability of future generations to meet their own.

Our sustainability strategy is built on two key dimensions:

- External: we supply critical minerals that help mitigate climate change by enabling entire industries to create products with significant positive global impact, such as renewable energy technologies and electric vehicles.
- Internal: We assess and manage the impacts of our exploration and production

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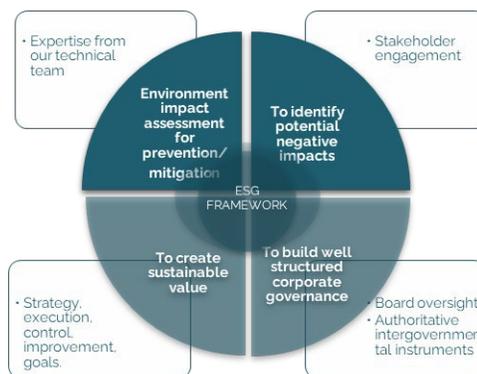
activities, aiming to improve our environmental performance, create lasting value for our stakeholders, including local communities, and foster a safe, equitable, diverse, and inclusive workplace.

Our ESG framework allows us to control our processes and manage their impact. Through stakeholder engagement, Green Minerals identifies potential negative impacts. Based on international authoritative intergovernmental instruments and internal expertise, the company develops policies and procedures to prevent and mitigate these impacts. This process enables us to identify opportunities and threats and to develop corporate sustainability strategies.

To realise our ambitions, we commit to systematically integrating sustainability across our business and throughout our operations and value chain.

Our policies and procedures reflect how the company sustainably performs its business. We expect our business partners to comply with our policies and procedures, respect regulations, and act with high moral and ethical standards. It is in progress the development of processes to outline our expectations for our partners to commit to ambitious climate targets and to respect human rights.

An integral component of the company's sustainable development strategy involves conducting environmental impact assessments. The Ultra project, unveiled in 2021, employs research cruises to gather crucial data pertaining to environmental impacts. As an illustration, the research conducted by one of our Ph.D. students on the alteration of extinct seafloor massive sulfides will yield valuable insights that can inform an environmental baseline study prior to extraction, helping to identify potential release of toxic metals. This data will play a pivotal role in shaping strategies for the forthcoming exploration phase expected to start in 2026.



## SUSTAINABLE DEVELOPMENT GOALS



The 2030 Agenda for Sustainable Development was adopted by all United Nations Member States in 2015 and has 17 Sustainable Development Goals, which aim to guide society to a better future for all.

Companies play a significant role in the achievement of the Goals due to the relevance of the impact they have on the economy, people, and the environment. As a

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responsible company, Green Minerals has the ambition to act on all the Goals, but focus on the following:

**7** AFFORDABLE AND CLEAN ENERGY



By contributing to increasing the share of renewable energy.

**8** DECENT WORK AND ECONOMIC GROWTH



By creating decent jobs and sustainable economic growth.

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE



By sustainably supply rare earth elements and base metals.

**AND PRODUCTION**



By reducing waste generation and enabling the green energy transition.

**13** CLIMATE ACTION



By reducing CO2 emissions through multiple actions, like promoting the use of energy efficient technology combined with renewable energies.

**14** LIFE BELOW WATER



By making assessments of potential negative impacts from deep-sea mining and creating effective actions for prevention and mitigation, aiming to protect the oceans and biodiversity.

**16** PEACE, JUSTICE AND STRONG INSTITUTIONS



By creating tools to ensure that our company and all our value chain acts in accordance with the law, respects human rights and encourage people to report any deviation.

**WE SUPPORT**



In December 2022, Green Minerals became a participant of the United Nations Global Compact, a voluntary corporate sustainability initiative to align strategies and operations with universal principles on human rights, labour, environment, and anti-corruption, and take actions that advance societal goals. Green Minerals' participation is an opportunity to continuously enhance its ESG program, through valuable support and information on how to turn strategies into action.

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The company must report to UNGC on its progress yearly.

More about the Ten Principles [here](#). Visit our page on UNGC [here](#).

### STAKEHOLDERS

The company's current activities are focused on research and development. An initial stakeholder identification was carried out based on internal experience and expertise, with an update completed in 2024. The stakeholders identified are presented in the table below.

<b>National Authorities</b> <ul style="list-style-type: none"><li>• Engagement: to ensure regulatory compliance, and contribute to building a new industry</li><li>• Channel: Regular reporting, meetings, conferences, seminars, forums, public consultations.</li></ul>	<b>Non-Governmental Organisations (NGOs)</b> <ul style="list-style-type: none"><li>• Engagement: To address social and environmental concerns, foster dialogue, and build mutual trust.</li><li>• Channel: Website, direct interactions, news, social medias, meetings.</li></ul>	<b>3<sup>rd</sup> Party Verification Bodies</b> <ul style="list-style-type: none"><li>• Engagement: To ensure transparency, quality, safety and performance assessments.</li><li>• Channel: Independent audits, certifications, formal verification processes, collaborative workshops.</li></ul>	<b>Suppliers</b> <ul style="list-style-type: none"><li>• Engagement: To promote responsible sourcing, ensure alignment on sustainability standards, and strengthen supply chain resilience.</li><li>• Channel: Supplier audits, codes of conduct, training session.</li></ul>
<b>Local Communities</b> <ul style="list-style-type: none"><li>• Engagement: to understand and address local impacts, support community development.</li><li>• Channel: community meetings, grievance mechanisms, social investment programs, partnerships.</li></ul>	<b>Shareholders</b> <ul style="list-style-type: none"><li>• Engagement: To ensure transparency, communicate performance, and align on long-term value creation.</li><li>• Channel: reports, webcasts, website, press releases, investor meetings.</li></ul>	<b>Employees</b> <ul style="list-style-type: none"><li>• Engagement: to foster a safe, inclusive and purpose-driven workplace, and to support development and retention.</li><li>• Channel: Internal communications, training programs, surveys, performance dialogues.</li></ul>	<b>Peer group</b> <ul style="list-style-type: none"><li>• Engagement: to exchange best practices, align on industry standards, and collaborate on common challenges.</li><li>• Channel: Industry forums, conferences, seminars, benchmarking initiatives.</li></ul>
<b>Independent Research Institutions</b> <ul style="list-style-type: none"><li>• Engagement: to access scientific expertise, ensure credibility of data, and support evidence-based decision-making.</li><li>• Channel: Research partnerships, academic collaborations, expert consultations, and knowledge-sharing platforms.</li></ul>	<b>Public Opinion</b> <ul style="list-style-type: none"><li>• Engagement: to foster trust, enhance corporate reputation, and understand social expectations that influence the social license to operate.</li><li>• Channel: public campaigns, social media, surveys, and public forums.</li></ul>	<b>Midia</b> <ul style="list-style-type: none"><li>• Engagement: to ensure accurate and timely dissemination of information, manage reputation, and promote transparency.</li><li>• Channel: website, interviews, social media, reports, press conferences.</li></ul>	

### STAKEHOLDER ENGAGEMENT

Engaging with stakeholders aids the company in identifying actual and potential impact. This interaction also offers valuable opportunities for the company to enhance its operations. Transparency stands as a fundamental principle within our company, and as a result, we are dedicated to keeping our stakeholders well-informed about the company's performance and strategic direction.

### OUR VISION: CREATING THE VALUE CHAIN OF MARINE MINERALS

Green Minerals endeavors to develop the value chain of marine minerals. Figure 1 presents this value chain from the company's perspective.



Figure 1: The value chain of marine minerals

With reference to the numbering presented in Figure 1, the main segments of the marine minerals value chains are:

1. Exploration and Engineering:

The goal of exploration and engineering is to discover marine mineral resources and establish mining plans to sustainably mine the metals necessary for final users to produce e.g., wind-turbines, solar panels, electrical vehicles (EV) or electrical grid components.

The first step of exploration consists in identifying areas where marine minerals accumulation can be present i.e., prospective areas. When prospective areas have been identified, the company must engage with the authorities responsible for the stewardship of the prospective areas. In the context of marine minerals, the prospective areas can be found in:

- Exclusive Economic Zone (EEZ) e.g., Japan, the Cook Islands or Papua-New Guinea
- National jurisdiction e.g., the Mohn-Knipovitch Ridge as part of Norway's extended continental shelf.
- International areas (also called "The Area") which are regulated by the International Seabed Authority (ISA) mandated by the United Nations (UN).

Generally, the right to explore a prospective area is granted to the company through a license delivered by the competent authorities. After being granted an exploration license, the company will start exploration works at regional scale using large scale information such as bathymetry and

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sub-surface expression which will enable the geologists to concentrate their efforts on smaller targets. These smaller targets will then be sampled:

- to confirm the presence of mineralisation of interest and,
- to define the size of the mineral deposit and the quality of the ore contained within it.

In parallel, environmental baseline surveys are performed to determine:

- the environmental conditions at the deposit (local)
- the characteristics of the ecosystem present at the deposit (local) and its relationships with other ecosystems (regional)

The geological (resource) and environmental information will support the mining engineers in determining if the candidate resource can be mined in a sustainable manner through a cycle of studies which encompasses technical, environmental, and economic criteria. The result of these studies supports the mining plan and Environmental Mitigation and Monitoring Plan (EMMP) necessary for the company to obtain mining authorisation from the competent authorities. In parallel with the feasibility studies, the company engages with local communities to understand its impact on the local society and tackle grievance issues as early as possible.

As part of the mining plan, the company defines in tight collaboration with suppliers and 3<sup>rd</sup>. party verification bodies:

- the mining system,
- the mining procedures and related logistic plan (ore transportation and offshore operations support),
- the mineral processing route or flowsheet determining how the metal commodities will be produced,
- the environmental procedures and equipment necessary for executing the EMMP.

### 2. Offshore Production:

This part of the marine mineral value chain focuses on extracting mineral ore from the seafloor, transporting it to the surface, and transferring it to bulk carriers for transportation to land. The offshore production system i.e., the mining system, consists of:

- The mining machines responsible for excavating the seabed,
- The monitoring and support equipment, typically embodied by Remote Operated Vehicles (ROV),
- The vertical transportation system e.g., a vertical riser pipe and the pumping system ensuring the convection of the excavated material to the surface,
- The surface processing equipment responsible for receiving the excavated material when it reaches the surface, handling and storing the excavated material within the cargo hold of the mining vessel,
- The offloading system equipment responsible for transporting the excavated material from the cargo hold of the mining vessel to the bulk carriers,
- The mining vessel, the central asset which provides power and control to the equipment mentioned above.

The company will engage in monitoring activities to ensure the mining activities are carried out within the criteria established within the EMMP. Prior to the start of the full-scale production of marine minerals at a given deposit, the company will execute some pilot mining to:

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- confirm the mining systems' performance as per the specifications established in the mining plan,
- test the contingency and emergency procedures to ensure the adequacy of the Health, Safety and Environmental (HSE) working procedures towards,
- the safety of the working personnel,
- the safety of the mining equipment,
- the respect of the EMMP,
- identify ways of improving operational procedures, HSE routines and the EMMP.

In operation, the company will ensure that HSE is considered as the top priority through the presence of dedicated HSE advisors responsible for the management and the continuous improvement of HSE working procedures.

The company currently intends to sub-contract the offshore production activity but will keep the overall responsibility for this activity to ensure the mining operations comply with the international and local regulations and the upcoming guidelines and best practices.

The company will also ensure that maximum value is created for the local communities by:

- engaging with local stakeholders such as fisheries,
- behaving transparently towards environmental actors either public or NGOs,
- promoting local training and hiring process.

### 3. Offshore logistics

Offshore logistics ensure:

The transport of mineral ore from the offshore worksite to a dedicated shore location

The transport of personnel from/to the offshore worksite

The delivery of fuel and equipment to the mining system

The offshore logistics function is central to the value created by the mining system as it directly contributes to its performance.

The company intends to sub-contract the logistics activities but will keep the overall responsibility for this activity to ensure the logistics operations comply with international and local regulations as well as upcoming guidelines and best practices.

As for Offshore Production, the company will ensure that HSE is considered a top priority through constant monitoring of the selected suppliers' metrics through audits.

The company will also ensure that maximum value is created for the local communities by preferably selecting local suppliers or suppliers that engage with the local communities themselves.

#### 4. Onshore Production:

During Onshore Production, mineral ore, which has been excavated from the seabed by the mining system and transported to land by offshore logistics, is transformed through mineral processing and refining into sellable metal commodities. Onshore Production is generally achieved in two steps as follows:

1. Processing of the delivered marine ore into a concentrate i.e. mineral processing
2. Refining of the concentrate into a sellable commodity i.e. smelting and refining

These two steps are generally performed by different facilities at different locations. Mineral processing, in the frame of land mining, can be performed at the mine site in a dedicated processing facility. Smelting and refining are generally subcontracted to smelting and refining facilities.

For mineral processing, the company considers the following options:

1. Entering a partnership with a mine complex including mineral processing facilities
2. Delivering the mineral ore to a partner processing plant

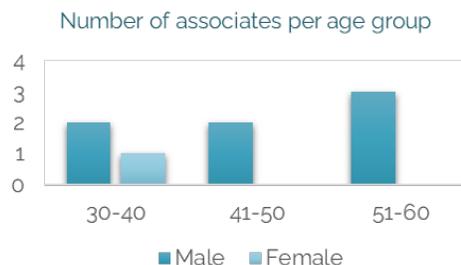
For mineral smelting and refining, the company intends to sell the concentrates produced by the mineral processing plant to a smelter which is de facto the company's final client.

When selecting its mining partner or mineral processing supplier, the company will consider the same ESG and HSE criteria as for Offshore Production and Offshore Logistics to ensure that the highest ESG criteria can be maintained through the value creation process of the company. In practical terms, the company will preferably select its partners/suppliers based on their ESG metrics but also look at the most sustainable options accounting for:

- Location of the mineral processing plant.
- to reduce the energy cost of transporting the ore from the Offshore Logistics harbor to the mineral processing plant.
- to ensure the lesser environmental footprint of the processing plant with regards to sensitive ecosystems, as a processing plant is a source of chemical waste which must be stored in the vicinity of the plant itself (tailing ponds or dams).
- The most attractive mineral processing route which minimises the energy footprint, the required chemicals, and the amount of mineral waste to be stored (tailings).
- The source of energy for the mineral processing plant itself by preferring facilities powered by renewable energies as opposed to e.g. coal-fired power plant.

## OUR PEOPLE

At Green Minerals, there is a total of 6 professionals passionately engaged to contribute to the Green Shift. The company relies on their expertise and motivation to drive us towards our goals, until ultimately transforming into a truly circular economy business model. Our technical team is made up of 1 part-time and 3 full-time employees working from the headquarters in Oslo, Norway.



## DIVERSITY AND INCLUSION

Green Minerals recognizes that recent developments have posed challenges to Diversity, Equity, and Inclusion (DEI) initiatives across various industries. Despite these setbacks, we firmly believe that a diverse workforce is essential for building a successful business. Respect for all individuals—regardless of race, gender, sexual orientation, disability, or other personal characteristics—remains a cornerstone of our culture. We are committed to actively promoting equal opportunities, striving for gender balance, and enhancing diversity and inclusion at every level of our organization. Three different nationalities from very different parts of the world are represented in the team, ensuring all the benefits of multiculturalism.

Recognizing the challenges of recruiting in an evolving industry, the company pledges to prioritize gender diversity as it expands. Ongoing efforts are underway to pinpoint areas for improvement in this endeavor.

It's noteworthy to emphasize that Norwegian laws regarding gender equality are highly advanced compared to those of other nations, ensuring robust protection of rights. Green Minerals aligns its internal policies with the Equality and Anti-Discrimination Act as a cornerstone for promoting fairness and inclusivity.

## FLEXIBILITY AND WELL-BEING AT WORK

The advent of COVID-19 has changed our work dynamics. The constraints imposed to combat the virus underscored the feasibility of adopting greater flexibility in our work arrangements. At Green Minerals, we advocate for flexible working hours and remote work, recognizing their potential to enhance productivity, foster a positive workplace culture, and cultivate a harmonious balance between professional and personal life.

Green Minerals aims to create a supportive and positive atmosphere where employees feel valued, engaged, and able to thrive professionally and personally. The goal is to foster a work environment that promotes employee well-being, leading to higher morale, productivity, and retention rates.

## TRAINING AND DEVELOPMENT

In 2024, employees completed the minimum hour monthly requirement for ESG training.



## HEALTH AND SAFETY

### OCCUPATIONAL HEALTH AND SAFETY

The company is currently progressing to establish its occupational health and safety management system as described in Disclosure 403-1. The major part of the work carried out by the company is anticipated as performed by suppliers, the company will establish procedures for reviewing the supplier's occupational health and safety management system and will allocate internal resources for monitoring that suppliers' HSE procedures are followed when work is performed on the company's worksite e.g. within an offshore license belonging to the company or in the frame of a project owned by the company. The company will also disclose the information required by the:

- *Disclosure 403-2 Hazard identification, risk assessment, and incident investigation i.e.,* documents pertaining to the HSE section of the company's BMS
- *Disclosure 403-3 Occupational health services i.e.,* the job descriptions of HSE related personnel as part of the company's BMS
- *Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety i.e.,* reporting the processes pertaining to this disclosure as described in the company's and suppliers' respective BMS
- *Disclosure 403-5 Worker training on occupational health and safety i.e.,* reporting the description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations.
- *Disclosure 403-6 Promotion of worker health i.e.*
  - o an explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided especially for worksite where public medical and healthcare services are not available or not easily accessible.
  - o a description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs.
- *Disclosure 403-9 Work-related injuries* based on the company's HSE reporting which is common practice in industries such as Oil and Gas. The company commits to a Zero-target for work-related injuries.
- *Disclosure 403-10 Work-related ill health* based on the company's HSE reporting which is common practice in industries such as Oil and Gas. The company commits to a Zero-target for work-related illness.

## PROPOSED MONITORING SYSTEM

The company will ensure the information concerning its HSE performance is available by implementing the necessary procedures within its Business Management System.

## ASPIRATIONAL GOALS

The company has a zero-injury tolerance policy.

# GOVERNANCE

## BOARD OF DIRECTORS

Green Minerals' Board of Directors is diverse in age, experiences, and field of expertise, with high knowledge in corporate management, economy, and geoscience, fulfilling the strategy at this phase of the company. All Board members are involved in matters that are significant to the company's financing, operational, ESG performance and long-term sustainable development strategies.

## NOMINATION

The members of the Board are proposed by the shareholders and are appointed in the Annual General Meeting.

## CHAIR OF THE BOARD

The Chairman in Green Minerals is an Executive Chairman of the Board. This means that the Chairman is involved in some operational activities beyond normal board-level interaction with management. The arrangement has been put in place to strengthen the management team in matters of a strategic and tactical nature and create closer ties between management and the Board. Conflicts of interest are prevented through frequent Board meetings by telephone/Teams as well as interactions with the CEO and CFO.

## OVERSEEING THE MANAGEMENT OF IMPACTS AND DELEGATION OF RESPONSIBILITIES

The Board of Directors has had direct participation in the process of developing and approving the organization's vision, values, mission statements, strategies, policies, and goals related to sustainable development. These measures shall all be reviewed every third year by the Board. If any change is proposed by senior management, it shall be taken to the approval of the Board.

Any information received by the company from relevant stakeholders through available channels of communication (see Stakeholder engagement on page 09) about actual or potential impacts that might affect sustainable value creation in the financial, social, or environmental dimensions, shall be taken to the Board. The Board has direct contact with shareholders through Green Minerals' website [Investors – Green Minerals](#)

Actual negative impacts are presented to the Board with an overview of the management team and possible actions for mitigation and its possible outcomes and deadlines, so the Board

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can discuss, approve a strategic plan, and follow up on the results.

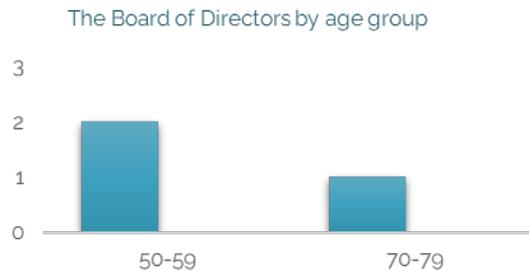
The responsibility for managing impacts shall be analysed and appointed by the Board for each case.

### THE BOARD AND THE SUSTAINABILITY REPORTING PROCESS

The role of the highest governance body in sustainability reporting is structured as follows:

The first step is for the Board to approve the material topics that were identified as the most relevant impacts through stakeholder engagement and the ones proposed by the management team.

Upon the availability of all data pertinent to the reporting period, the sustainability report team assumes responsibility for gathering this information, which includes the results from communication with stakeholders, like supplier ESG assessment, for instance. Subsequently, the sustainability report team drafts and submits the report to the Board for approval.



### CONFLICT OF INTEREST

If a director has an interest in a case under investigation by the Board, the director should immediately declare the interest and be considered inapt to attend meetings and prevented from voting or exercising any influence on the matter.

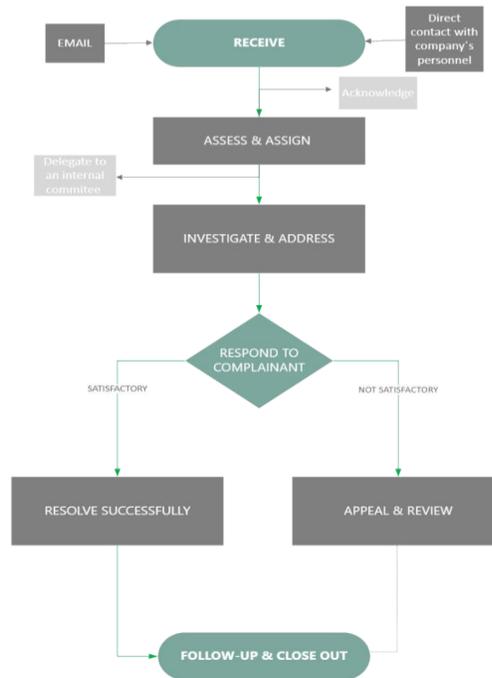
Other information about conflicts of interest is informed in our Code of Conduct available on our website, [www.greenminerals.no](http://www.greenminerals.no).

### COMMUNICATION OF CRITICAL CONCERNS

Green Minerals encourages everyone who wishes to make a communication of critical concerns to use the email address [ir@greenminerals.no](mailto:ir@greenminerals.no). A member of the highest governance body is part of the process of monitoring anonymous reporting lines to help identify concerns or issues from formal grievances, which gives more credibility to the process. The whistle-blower e-mail is now our only available tool for raising any type of concern anonymously, due consideration on the current activities of the company.

No critical concerns were communicated during the reporting period.

Following the Guidance grievance mechanism from ICMM, Green Minerals focus in making the mechanism accessible and predictable, so we describe our standard process through the following flowchart (the process might suffer alterations depending on the severity of each case):



## COLLECTIVE KNOWLEDGE OF THE HIGHEST GOVERNANCE BODY

The Board of Directors has played an integral role in crafting the Company's long-term vision and strategy for sustainable development. The Board actively participates in reviewing this strategy to ensure alignment with the organization's overall objectives and priorities.

Furthermore, the Board maintains consistent and transparent communication channels with management, employees, investors, and business partners regarding sustainability matters. They remain attuned to concerns raised by various stakeholders.

In its commitment to enhancing collective understanding, the Company has identified ongoing or forthcoming measures including:

- Enhancing board diversity,
- Conducting training sessions and workshops,
- Nurturing a culture of continual learning and adaptation.

## REMUNERATION POLICIES

Green Minerals aims to offer a level of remuneration that is fair, and motivates, attracts, and retains members of the Board and employees in accordance with the financial situation of the company, ensuring that remuneration supports and drives its strategic priorities.

The remuneration of the Board members is decided by the shareholders at the Annual General Meeting. The Board members do not receive variable payments.

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The Board appoints the CEO and approves his/her remuneration and is further responsible for ensuring that management remuneration principles are aligned with the Company's objectives and shareholder interest.

Remuneration for the Chief Executive Officer (CEO) consists of:

- annual base salary (ABS)
- long term incentives (Employee ownership scheme)

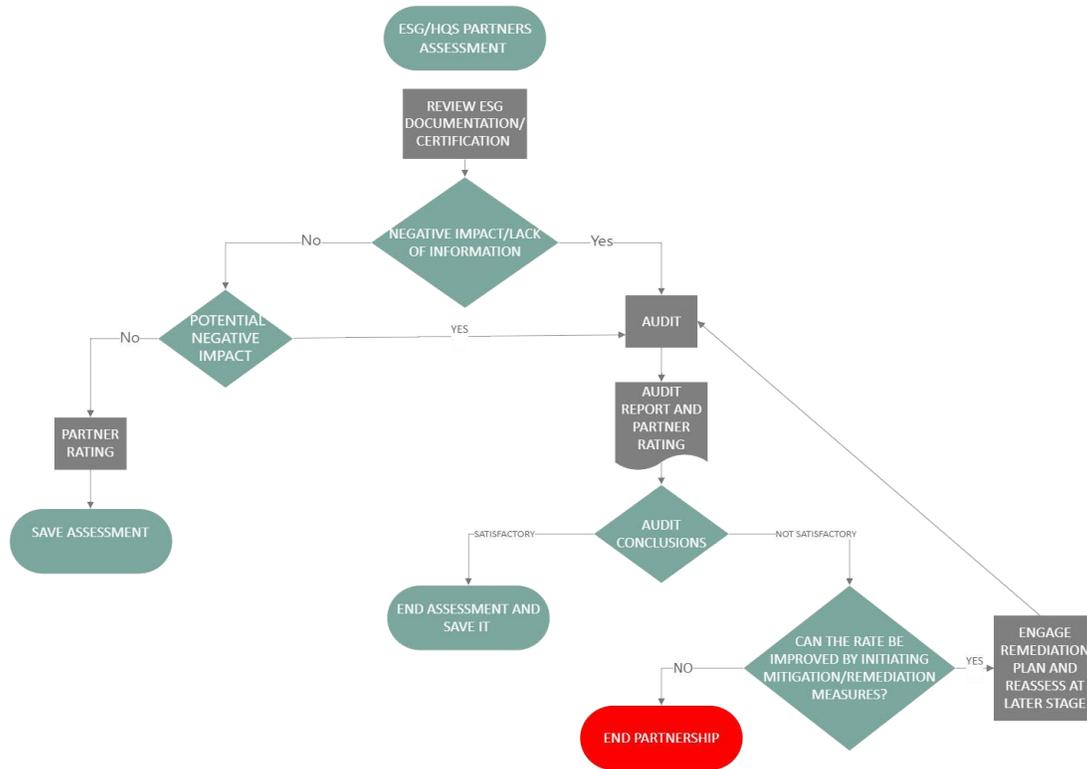
## POLICY COMMITMENTS

Green Minerals commits to sustaining responsible business conduct that respects people, society, and the environment. Our Human Rights policy and our Code of Conduct guide our activities and were written under the following authoritative intergovernmental instruments: Guiding Principles on Business and Human Rights, Due Diligence Guidance for Responsible Business Conduct, The International Bill of Human Rights, International Labour Organisation Declaration on Fundamental Principles and Rights at Work, United Nations (UN), Rio Declaration on Environment and Development, 1992.

Following the 5-step Framework for Risk-Based Due Diligence from The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the commitments stipulate a process for due diligence. The document is reviewed by top management and approved by the Board of Directors.



Being a lean and efficient organization means that it is vital for Green Minerals to partner with leading and upright companies. To ensure a thorough due diligence process, the company has developed the flowchart below. The initial step is an ESG/HQS partners assessment, to get familiar with the partner's ESG/HQS programs, commitments to internationally recognised standards, certifications, potential or actual negative impacts, and actions for mitigation or prevention. When negative impacts are identified or further information is needed, the process stipulates an audit. This assessment aims to identify early red flags and work closely with the partner on mitigation/remediation plans.



This Sustainability report is evidence of the company's application of the precautionary principle. Before the start of the exploration or production phases, the company is working to identify any potential environmental, social, and financial risks, and studying the opportunities for prevention or mitigation of the potential negative impacts.

Green Minerals' policy commitments for responsible business stipulate respecting human rights and advocate the belief that all human beings must be treated with dignity, equity, and empathy. Human Rights policy and the Code of Conduct are available to all our employees and stakeholders on our website [www.greenminerals.no](http://www.greenminerals.no). Employees are required to read and sign all the policies and procedures. The company is also developing procedures to ensure that all parties across our value chain demonstrate their commitment to complying with applicable laws and respecting the authoritative intergovernmental instruments referred to in this report.

### EMBEDDING POLICY COMMITMENTS

Once the commitments are approved by the Board, the management team makes sure that all employees have read and understood the commitments. They are a support for our processes and relationships with our stakeholders.

### PROCESSES TO REMEDIATE NEGATIVE IMPACTS

Green Minerals is committed to providing for or cooperating in the remediation of negative impacts that the organization identifies it has caused or contributed to. The company works to identify potential negative impacts in its future operations and projects and how to address grievances. Green Minerals will always act by law, with honesty and responsibility to account for any direct or indirect negative impact and its consequences.

## MECHANISMS FOR SEEKING ADVICE AND RAISING CONCERNS

Anyone has the opportunity to seek advice or express concerns by engaging with our management team. For employees specifically, we encourage them to communicate with their line manager. Should anyone prefer to remain anonymous for any reason, they can submit their concerns via email to [whistle@greenminerals.no](mailto:whistle@greenminerals.no). Our whistle-blower procedure applies to anyone wishing to report a violation. Employees can access this procedure through our intranet and are required to confirm their comprehension of it.

Suppliers, subcontractors, and third-party personnel are briefed on our reporting procedure, which is also publicly available on the company's website.

All employees and business affiliates are obligated to report any suspected material violations of laws, company policies, or questionable business practices involving senior management or other employees.

Human resources and a member of the highest governance body oversee the anonymous reporting channels, analyze formal grievances, and promptly inform the CEO of reported violations. An internal investigative committee, guided by company policies, will investigate concerns raised, potentially enlisting external legal counsel or other resources deemed necessary for a thorough inquiry. Investigation findings are promptly relayed to the CEO and/or the Board for decision-making aligned with legal and company policy.

For projects with potential impacts on local communities or vulnerable groups, the company pledges to enhance transparency and accessibility by continuously promoting the reporting mechanism and maintaining open communication with community representatives. Should serious impacts arise, an unbiased third party, unaffiliated with the community, vulnerable groups, or the industry, will be invited to participate in the investigative committee.

## MATERIAL TOPICS

Materiality assessment is key in the ESG program, as it guides the company to identify the most relevant economic, environmental, and social impacts in relation to the stakeholders' interests. Hence engagement with our stakeholders is vital to prioritize impacts and allocate resources where they are most needed.

The material topics were determined based on a general concern about the potential negative impacts from deep sea mining on the environment and specifically pointed out by internal expertise after assessment of significance of the impacts. These concerns have been expressed by governments, academia, non-governmental organizations, financial institutions, and shareholders through different channels: internet, traditional media, and meetings.

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After the assessment, the material topics were approved by the Board of Directors.

MATERIAL TOPICS	RELATION TO SDG	MINIMAL REQUERIMENT	POSSIBLE MOSTSTRINGENT REQUIREMENT
Emissions	13: Climate Action	IMO (Vessel Fuels)	NORSOK (Norway)
Water and Effluent	6: Clean Water and Sanitation 14: Life below Water 15: Life On Land		
Waste	15: Life On Land		
Biodiversity	14: Life below Water 15: Life On Land	ISA Future Mining Code	NORSOK or similar (Norway)
Environmental compliance	N/A	N/A	N/A
Supplier environmental assessment	6: Clean Water and Sanitation 13: Climate Action 14: Life below Water 15: Life On Land	IMO (Vessel Fuels) DNV GL (Classification of vessels) Mining Code?	
Occupational health and safety	3: Good Health and Well-Being	N/A	Arbeidstilsynet (Norway)

## ENVIRONMENT

### EMISSIONS

Regarding the value chain illustrated on page 11, the company expects the following emissions:

- Exploration: burning of fossil fuels as marine fuel for exploration vessel
- Offshore Production:
  - burning of fossil fuels as marine fuel necessary for:
    - the mining production vessel and various subsystems ensure excavation, vertical transport, and surface ore processing.
    - the bulk carriers ensure the transport of ore from the offshore mining site to a shore facility.
  - burning of fossil fuels if the shore facility is not the delivery point of the ore to the final client, the transport of ore from a shore facility to a mineral processing plant.
- Onshore Production:
  - Electricity production/consumption for:
    - Crushing and characterization units transforming the ore into a feed.
    - Floatation or Separation units to beneficiate the metals present in the feed into a concentrate.
    - Transport of produced concentrate to a refining facility.

At present, the company does not have any plan for owning the above-mentioned activities following its CAPEX light strategy. Therefore, all emissions of significant impact are classified as Scope 2.

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The company intends to comply with IMO regulations i.e. MARPOL. Especially for emissions, MARPOL Annex VI is relevant. For any new ship, whose tonnage is higher than 400 gross tonnages, the following applies:

- For new ships, the Energy Efficiency Design Index (EEDI) has been developed as a technical measure. The objective of the EEDI is to ensure that ships are designed and constructed to be increasingly more energy efficient.
- The principal operational measure is the Ship Energy Efficiency Management Plan (SEEMP). Every ship of 400 gross tonnage and above is required to have a SEEMP. It is an on-board management tool and has two parts:
  - The first part sets out the requirements for energy efficiency management.
  - The second part is a requirement for monitoring and reporting the ship's annual fuel consumption.

Meeting both the EEDI and SEEMP criteria will allow the ship to be granted an International Energy Efficiency Certificate or IEEC. The company will favour working with marine assets which have been granted an IEEC when this option is available.

The following yearly previsions have been estimated for future operations:

### EXPLORATION

As a base case the company foresees utilising exploration vessels for a combined duration of 93 days per year i.e., 3 campaigns of 1 month as described in Table 1

Per campaign	Days
Port call	4
Transit	6
Operations	21
Total	31
Total 3 campaigns	91

Table 1: Expected vessel days for Exploration activities.

Exploration vessels are assumed to be similar to the ones used for oceanographic and seismic surveys. A major part of the energy consumption of these vessels relates to propulsion during transit and station keeping while at sea.

Based on the ESG reporting from Seabird Exploration, a seismic service provider and partner of Green Minerals, predicted fuel consumptions and associated emissions have been calculated and are reported in Table 2 based on typical fuel consumption and emission factors presented in Table 3:

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Per campaign	Days	Fuel consumption (t)	CO2 Emission (t)	NOx Emission (t)	Sox Emission (t)
Port call	4	2.8	9.094	0.107	0.002
Transit	6	33.3	106.575	1.257	0.018
Operations	21	75.5	241.586	2.849	0.040
Total	31.0	111.6	357.255	4.213	0.059
Total 3 campaigns	93.0	334.92	1071.764	12.640	0.178

Table 2: Expected emissions for Exploration activities.

Activity	Daily fuel consumption (t)
Port call	0.71
Transit	5.55
Operations	3.60

Emission Type	Emission factor
CO2	3.20
NOx	0.04
SOx	0.0005

Table 3: Typical fuel consumptions and associated emissions for exploration vessels

The company highlights the fact that marine fuel space evolves rapidly. The company will challenge and encourage its future service providers to use renewable-based marine fuels e.g., green ammonia or biofuel to reduce the CO2 emission generated by exploration activities. The company is also considering other exploration platforms such as Unmanned Surface Vehicles (USV) which have by design reduced fuel consumption requirements and thus reduced CO2 emissions.

### OFFSHORE PRODUCTION

The company has started a conceptual study of its mining system thus the following information is given and may change in the future. Existing systems are experimental, and little information is publicly available. The following figures have been established based on publicly available figures and the company's foreseen operations. The Offshore Production system consists of three main sub-parts:

- The Mining Supporting Vessel: supporting the excavation, vertical transport, and essential processing function e.g., slurry dewatering,
- The Ore Transport Shuttles: transferring the ore from the offshore mining site to a

shore facility,

- The Personnel Transport Vessel: transferring personnel to/from the Mining Supporting Vessel.

Based assumption:

- Mining Vessel will be used 365 days per year,
- Ore Transport Shuttles: one rotation every week, 96 hours of transit in and out resulting in a use of 208 days per year,
- Personnel Transport Vessel: one rotation every two weeks, 96 hours of transit in and out resulting in a use of 104 days per year.

a) Mining Support Vessel

The energy required for propulsion and the supply of mining equipment will be ensured by the installed marine engines and association generators. The company assumes an onboard installed power of 40MW based on a previously proposed concept by others associated with a utilisation rate of 60%.

The anticipated fuel consumption of such a vessel can be estimated using the Specific Fuel Oil Consumption (SFOC) of installed marine engines. In the absence of an established concept, the company considered the SFOC of currently available marine engines and assumed a typical value of 175g/kWh.

The resulting anticipated emissions for the Mining Support Vessel are presented in Table 4.

Mining Vessel characteristic	Value
Installed Capacity	40MW
Utilisation rate	60%
SFOC	175g/kWh
Fuel consumption	36,792t/year
Emission Type	Emission factor
CO2	3.20
NOx	0.04
SOx	0.0005
Predicted Emissions	Value
CO2	117,845t/year
NOx	1,389t/year
SOx	20t/year

Table 4: Expected emissions for offshore production Mining Vessel

b) Ore Transport Shuttles

Expecting an annual ore production of 1.5Mtpa, assimilating the ore shuttles to bulk carriers of type Handy size (DWT<35,000T) and using the Green Voyage spreadsheet provided by IMO<sup>1</sup>, the estimated emissions for the ore transport shuttles for offshore production are presented in Table 5.

Ore Transport Shuttle (Bulk Carrier DWT<35,000T)	Value
Fuel consumption	3,528.3t/year
Yearly utilisation rate	57%
Emission Type	Emission factor
CO2	3.20
NOx	0.04
Sox	0.0005
Predicted Emissions	Value
CO2	6,436t/year
NOx	80t/year
Sox	1t/year

Table 5: Expected emissions for offshore production - Ore Transport Shuttles

c) Personnel Transport Vessel

The company assumes that the Personnel Transport Vessel will be similar to the offshore supply and service vessels operating in the oil & gas and the wind offshore industries. The electrification of these vessels is underway and current hybrid vessels have reported emission cuts in the range of 20% compared to vessels operating only using fossil fuels<sup>2</sup>.

Using the Green Voyage spreadsheet provided by IMO<sup>1</sup>, and the emission reduction provided by the hybrid power system of the current and future generations' vessel, future emissions for the Personnel Transport Vessel have been estimated and are reported in Table 6.

<sup>1</sup> <https://greenvoyage2050.imo.org/fleet-and-co2-calculator/>

<sup>2</sup> <https://www.equinor.com/en/magazine/battery-hybrid-supply-ship.html>

<sup>3</sup> <https://www.danfoss.com/en/about-danfoss/news/dps/new-hybrid-vessels-deliver-impressive-20-emission-savings-and-flexible-transport-to-the-wind-farm-industry/>

Personnel Transport Vessel (similar to Offshore Service Vessels)		Value
Fuel consumption		1,362.3t/year
Yearly utilisation rate		28%
Hybrid Vessel emission reduction factor		20%
Emission Type	Emission factor	
CO2		3.20
NOx		0.04
Sox		0.0005
Predicted Emissions		Value
CO2		244t/year
NOx		3t/year
SOx		0.04t/year

Table 6: Expected emissions for offshore production – Personnel Transfer Vessel

## ONSHORE PRODUCTION

In the absence of a defined processing route, the company has made assumptions for the CO2 emissions related to copper ore processing based on public information. The CO2 emissions from various copper processing plants in the world have been estimated at a 2.6t CO2/ t Cu produced, with a minimum value of 1t CO2/ t Cu produced and maximum 9t CO2/ t Cu produced. CO2 emissions tend to be lower if the ore quality (grade) increases and when renewable energies are available to the mineral processing plants. Because the company assumes an ore grade of 5% copper (7 times the ore grade of traditional copper deposits on land) and a mineral processing in Scandinavia where the energy has a relative low CO2 footprint, the company assumed a carbon intensity of 1t CO2/t Cu produced. The company's base case accounts for the yearly production of 81,000t Cu which would generate 81,000t CO2. The CO2 emissions related to onshore production are repeated in Table 7.

Onshore production – Mineral processing	
Ore processed	1.5Mtpa
Copper grade	6% wt.
Copper production	81,000t
CO2 intensity	1t/t Cu produced
Predicted Emissions	Value
CO2	81,000t/year

Table 7: Expected emissions for Onshore Production

### PROPOSED MONITORING SYSTEM

For vessels and as performed in previous sections, the emissions can be calculated from the amount of fuel consumed. The company will monitor the vessel-related emissions by collecting the Daily Progress Reports (DPRs) which record the daily use of fuels for every vessel under its direct or indirect control.

In addition, the company will comply with IMO regulations which include the reporting of the fuel consumption data to the Marine Environment Protection Committee (MPEC) as part of each vessel's SEEMP<sup>5</sup>.

### ASPIRATIONAL GOALS

#### A. Vessels:

The company has produced preliminary figures based on the current practices where most of the exploration and offshore construction vessels are powered using fossil fuels. The company has already started investigating other solutions to mitigate emissions such as:

- The use or mix of carbon free/neutral fuels:
  - green ammonia
  - green hydrogen
  - biofuel
- Other electrification methods such as hybrid propulsion
- The use of carbon capture technologies to sequester CO<sub>2</sub> as it is produced by marine engines,
- The use of less power-demanding assets e.g., unmanned surface vehicles for exploration.

#### B. Onshore Production:

The company believes that the mineral processing activities for its products will be similar to those encountered in the Mining Sector. As such the company recognises the rapid pace of change within this industry regarding energy consumption and related emissions. The company believes carbon neutrality can be achieved by 2050 at the latest (<https://www.reuters.com/business/sustainable-business/worlds-largest-miners-pledge-net-zero-carbon-emissions-by-2050-2021-10-05/>).

The company intends to enter a partnership with a mineral processing facility which does not allow the company to directly influence the design of the installation and thus energy consumption by design. Nevertheless, the company will use the intensity of emissions as an evaluation metric for the partner selection process.

<sup>4</sup><https://www.mining.com/pathways-towards-zero-emission-copper-mines-report/#:~:text=Based%20on%20a%20literature%20review,extraction%20methodology%2C%20and%20ore%20grades>

<sup>5</sup>[https://wwwcdn.imo.org/localresources/en/OurWork/Environment/Documents/278\(70\).pdf](https://wwwcdn.imo.org/localresources/en/OurWork/Environment/Documents/278(70).pdf)

## WATER & EFFLUENTS

### WATER AND THE COMPANY'S BUSINESS

Exploration does not involve significant use of water as most of the water consumed and discharged during this activity is related to water consumption for sustaining life at sea (personnel i.e., freshwater) and the cooling of marine engines (seawater). Similarly for Offshore Production, the intended mining system relies on using on-site seawater for both transporting the excavated material from the seabed to the mining vessel and for the cooling of marine engines. Freshwater is used for human consumption at sea and comes either from land (stored in the freshwater tank of the vessel) or produced at sea through desalination process. Water consumption for both Exploration and Offshore Production are expected to be regulated according to IMO rules.

The main water consumer of the company's activities is the Onshore Production where ore mined offshore is processed from a raw material to a metal concentrate that is then sold for further smelting and refining. At present, the company intends to perform the Onshore Production through a partnership with a concentration plant either independently or through an existing mining operation.

Based on existing research activities and the opinion of experts, the company assumes that the SMS ore can be processed using flotation. A summary of the flotation process is given in Figure 2.

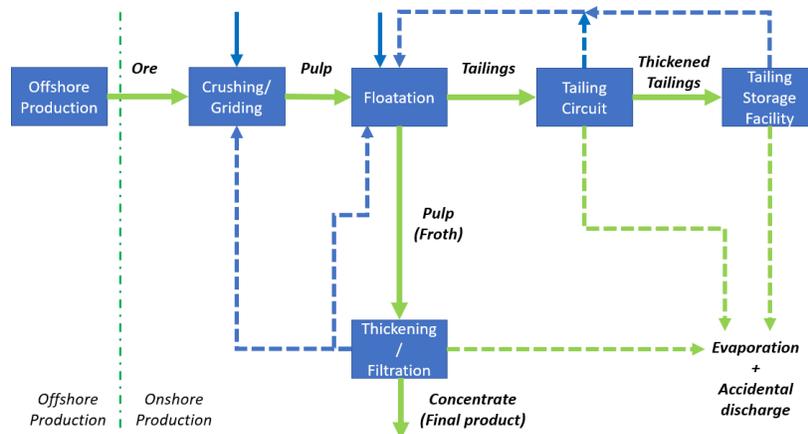


Figure 2: Flotation process. Thick blue arrows represent the input of fresh water. The dashed blue lines represent the water being reclaimed during various stages of the process for re-use. Dashed orange arrows represent water losses due to evaporation and seepage/leakage as well as accidental discharge of residual products.

The process of flotation involves the following steps:

1. Crushing and grinding: the ore delivered by the Offshore Production is crushed and added to water to produce a pulp (crushed ore slurry).
2. Flotation: the pulp is injected in a cell together with chemical products; air bubbles combined with agitation float the minerals of interest as a froth thus separating them from

- non-valuable minerals (tailings).
3. Thickening and Filtration: the froth produced during floatation is dewatered and filtered to produce a concentrate (residual moisture around 10%) – water is reclaimed and re-injected in the upstream part of the ore mineral processing chain.
  4. Tailing circuit: tailings produced during floatation are filtered and dewatered before disposal at the Tailing Storage Facility – water is reclaimed and re-injected in the upstream part of the ore mineral processing chain.
  5. Tailing Storage Facility (TSF): tailings are finally disposed in a dam and subject to sedimentation – overflowing water is reclaimed and re-injected in the upstream part of the ore mineral processing chain.

Ideally water can be considered as a closed loop in such a mineral process, but evaporation losses are inevitable and are highly dependent on the process itself which can vary with the ore composition itself, the desired degree of mineral recovery, and the site of the processing plant itself. In addition, some water may be lost due to accidental leakage and seepage at the TSF despite its water-retaining property as per design.

Fresh water input into the mineral processing activities can be achieved by pumping water from rivers, water catchment or being produced out of seawater through reverse osmosis (desalination). The choice of fresh water source depends on the location of the mineral processing plant and can be a source of conflict with local communities and biodiversity.

## ONSHORE PRODUCTION

In the absence of an existing mining study or existing operations, the company used some publicly available information to establish some predictions of its water consumption. According to USGS figures for a copper mineral processing plant which specifications are reproduced in Table 7 along with its expected water balance reproduced in Table 8.

Engineering and operational parameters	Value
Daily plant capacity	50,000t
Operating days per year	350
Annual plant ore capacity	17.5Mt
Copper ore feed grade	0.5%
Annual concentrate production	292,000t
Final concentrate moisture content	10%
Final concentrate copper grade	27%
Tailing deposited in the TSF per year	17.2Mt
Solids contained in tailings slurry	50%

*Table 7: Mineral processing plant specification assumed for this document (USGS, 2012)*

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Type of water use or water loss	Estimated total annual water requirements	Estimated percentage of total annual water requirement	Estimated water losses
Total annual process plant water requirement	44Mt	N/A	N/A
Flotation circuit process water requirement	2.5t/t of ore	N/A	N/A
Water contained in copper concentrate	0.03Mt	< 0.5%	< 1%
Water contained in tailings slurry and deposited in the TSF	17Mt	39%	63%
Water entrained in the TSF	6.9Mt	16%	40%
Water deposited in the TSF attributed to evaporative losses	3.4Mt	8%	20%
Water deposited in the TSF attributed to seepage losses	0.52Mt	1%	3%
Water losses attributed to dust control, evaporative losses from plant flotation cells, and thickeners.	0.17Mt	< 0.5%	< 1%
Water reclaimed from the TSF for process water	6.4Mt	15%	37%
Water acquired from other sources for process water (e.g., water catchment)	11Mt	25%	N/A
Total annual makeup water requirement	17Mt	40%	N/A

Table 8: Water balance for the mineral processing plant assumed in this document.

To evaluate the water consumption and losses pertaining to the company's activities, the following information is considered:

- Annual ore delivery to the processing plant: 1.5Mt
- Copper grade average: 6%

Mineral processing requires a steady input and thus the ore delivered by the company will have to be blended with the other ore treated by the processing plant. It is also possible that the higher-grade ore delivered by the company leads towards an increase of the design ore feed grade (0.5% in the assumed case). Company assumes that the water consumption to treat its ore should

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be equivalent i.e., 2.5t water per tonne of ore:

- Annual process water requirement: 3.75Mt which represents 8.5% of the process plant annual requirements,
- Annual freshwater requirements: 0.94Mt,
- Annual water disposal (seepage in the TSF): 0.04Mt.

In the company's plan only 20% of the annual ore production capacity of the mining system is used in the first two years of the project. Accordingly, the figures for water consumption and disposal should be reduced for 2026 and 2027. A summary of the forecast water consumption and disposal is provided in Table 9.

Description	Year 2026/2027	Year 2028 onward
Annual freshwater requirements	0.19Mt	0.94Mt
Annual water disposal	0.008Mt	0.04Mt

*Table 9: Expected annual freshwater consumption and water disposal.*

### PROPOSED MONITORING SYSTEM

As the company intends to enter into a partnership with a concentration plant, the company will rely on the reporting from the concentration plant operator. Nevertheless, and as a minimum, the company expects the concentration plant operator to provide operational data to the company to report results as per GRI 303's requirements. The company will also require from its mineral processing partner regular reporting, monthly as a minimum, to allow for the early identification of deviation underlining possible technical issues that must be diligently dealt with.

### ASPIRATIONAL GOALS

The company will ensure through its evaluation of partners that mining processing plants are selected based on:

- An efficient water reclaiming process throughout the mineral processing.
- A sustainable freshwater source i.e., from a replenishable catchment and not conflicting with local populations and biodiversity.
- A minimal amount of unwanted disposal through an efficient TSF design and a satisfactory maintenance program of the mineral processing plant.
- A comprehensive quality system where relevant data is collected and systematically analysed for remediation and improvement purposes.

In addition to this, and apart from inevitable water loss due to evaporation, the company commits to a zero-target for water disposal due to seepage. This target is also linked to the fact that water that has been used for processing is not readily disposable in the environment as it can be contaminated with chemical and toxic elements.

## WASTE

### WASTE AND THE COMPANY'S BUSINESS

Exploration does not involve significant production of waste as it entails only marine operations and the processing of negligible amount of minerals coming from sampling activities. Waste produced during Exploration is expected to be regulated and reported according to IMO rules.

As part of Offshore Production, the production of waste can be separated into two classes:

- Waste produced as part of vessel utilisation which is regulated and reported according to IMO rules.
- Waste produced as part of the extraction of seabed material which is considered the most significant part of the waste produced during Offshore Production. This document will focus on waste production for this activity.

As part of Onshore Production, waste is produced by processing the mineral ore from Offshore Production into a concentrate. This waste is referred to as tailings, see Section 3.2. As advised in GRI-306, the reporting of waste should focus on solid waste unless effluents must be integrated within the waste reporting due to either regulatory or industry specific reasons. Tailings include a large amount of water, but this water is partially lost due to evaporation and partially re-used as process water. In the absence of an available process flowsheet describing the type and amount of chemical necessary for the floatation process and given that any unwanted loss of process water will be reported in Section 3.2, this section of the document will only report waste as solid material (thus excluding the moisture weight).

A summary of the waste produced by the company's activities is presented in Figure 3.

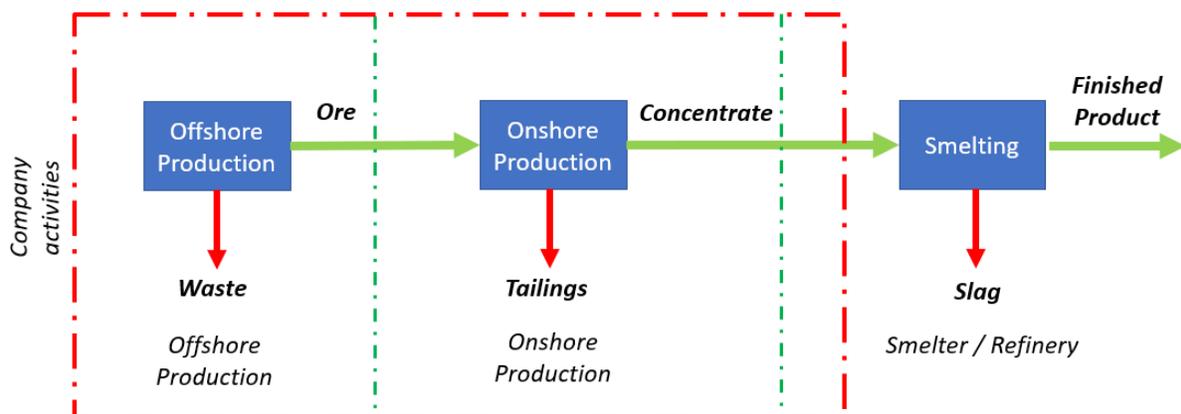


Figure 3: Waste produced by the company's activities. Waste flows are indicated by thick red lines. The activities which are under the control of the company or under the control of its direct partner are delimited by the dashed red box.

### OFFSHORE PRODUCTION

At the start of the mining operation, some sediments and non-economical material may have to be displaced from the top of the deposit. This material is referred to as overburden. In the absence of a mining study for a real case deposit, the company has considered provisional figures from a similar mining operation (Solwara 1, Nautilus Minerals) where the average overburden was

estimated to roughly 10% of the deposit tonnage. In mining operations, some parts of the mineral deposit are excavated but will not be processed because their metal tenor is below an economical threshold known as the cut-off grade. The process of determining the cut-off grade of a mine is complex and requires a dedicated mining study per site. Again, in the absence of a dedicated mining study, the company assumes that the value from previous mining studies for a similar study is relevant. In the case of Solwara 1, all the excavated material apart from the overburden was qualified as ore i.e., exceeding the defined cut-off grade. A metric for estimating the ratio of produced mining waste and produced ore is the stripping ratio (SR) defined as such:

$$SR = \frac{Waste}{Ore}$$

And thus:

$$Waste = Ore * SR$$

Using the assumptions from Solwara 1 project, i.e.  $SR = 0.1$ :

$$Waste_{year} = Ore_{year} * 0.1$$

During pilot production, only 20% of the annual production is available. During full-scale production, 100% of the annual production is available. Using the formulas described above and an annual production rate of 1.5 million tonnes, the projected waste production is presented in Table 10.

Description	Pilot production	Full scale production
Annual waste production (Mining)	30,000t	150,000t

Table 10: Expected waste production during Offshore Production

The waste handling strategy of the company is not yet defined as the design of the mining system is not complete and no mining plan has been established for a real project. The company projects two options for the handling of waste:

1. Land storage: all the excavated material is lifted to the mining vessel and further transported to land where the ore and waste can be sorted. In this option, the mining waste is stored in a landfill under the responsibility of the processing plant owner.
2. Subsea storage (Seabed landfill):
  - a. All the excavated material is lifted to the mining vessel, then waste and ore are sorted using characterisation techniques. The waste is then disposed of to the seabed through the vertical transportation system.
  - b. Waste and ore are sorted at the seabed and only the ore is lifted to the mining vessel. The waste is then stored on the seabed.

These options offer trade-offs in terms of technical complexity, operational efficiency, and amount of impact on terrestrial land mobilised for landfill:

1. Option 1 – Land Storage: technically easier as characterisation is performed on land, which is an already well-established technique but has the largest impact in terms of terrestrial area mobilisation. In addition, storing mining waste from SMS deposits can lead to environmental challenges such as Acid Mine Drainage (AMD) and thus requires mitigation measure for draining and treating the effluents from the waste dump.
2. Option 2 – Subsea storage: no-impact in terms of terrestrial area mobilisation but is the most technically challenging as underwater characterisation techniques are not well-established. This option may also provide a less significant environmental impact as seawater lessens the potential of AMD.

## ONSHORE PRODUCTION

As explained in the Water and Effluents Section, the valuable minerals are extracted from the ore produced in Offshore Production to produce a concentrate. This process generates waste as tailings. Reminding the assumptions of this section, only solid waste is considered as waste. The following describes how the tailings production has been calculated for this document:

- The annual ore production from Offshore Production,  $Ore$
- The grade of the ore,  $grade_{ore}$
- The quantity of copper in the ore,  $Cu_{ore} = Ore * grade_{ore}$
- The recovery factor i.e., the quantity of copper recovered at the end of mineral processing,  $\epsilon_{processing}$
- The quantity of copper recovered from mineral processing,  $Cu_{concentrate} = Cu_{ore} * \epsilon_{processing}$
- The grade of the produced concentrate,  $grade_{concentrate}$
- The quantity of concentrate produced  $Concentrate = \frac{Cu_{concentrate}}{grade_{concentrate}}$
- The quantity of tailings produced,  $Tailings = Ore - Concentrate$

The assumptions taken regarding the fixed values and the resulting tailings projections are summarized in table 11.

For pilot production, only 20% of nominal ore production has been accounted for.

	Pilot production	Full scale production
Ore production	300,000t	1,500,000t
Ore grade	6 %	6 %
Processing mineral recovery	90 %	90 %

Concentrate grade	27 %	27 %
Concentrate production		
Concentrate	60,000t	300,000t
Copper in concentrate	16,200t	81,000t
Waste production		
Tailings	240,000t	1,200,000t

Table 11: Waste generated during Onshore Production (tailings)

The storage of tailings, as described in the Water & Effluents Section, is performed by disposal into the TSF. The TSF is considered a landfill according to the GRI classification.

### SMELTING AND REFINING FROM PILOT PRODUCTION ONWARDS

Even though not controlled by the company, it is possible to estimate the amount of indirect waste generated by the use of the company's product, the concentrate produced during Onshore Production, and data from literature. According to generic data, the waste produced during the smelting process can contain 0.5 to 0.7% of copper and the amount of solid waste per tonne of produced copper does not exceed 3t. The following calculation has been considered for this section:

$$Copper_{concentrate} = Concentrate * grade_{concentrate}$$

$$Copper_{smelter} = Copper_{concentrate} * (1 - 0.07)$$

$$Waste_{smelter} = Copper_{smelter} * 3t$$

Using the figures presented on page 30, and the assumptions given in this section, a provisional estimation of future waste production during Smelting and Refining is given in Table 12.

	Pilot production	Full scale production
Concentrate grade	27%	27%
Concentrate production	60,000t	300,000t
Copper loss	0.7%	0.7%
Waste per tonne of copper produced at smelter	3	3
Waste production		
Smelter waste (Slag)	45,198t	225,990t

Table 12: Waste generated during Smelting and Refining (slags)

Copper slag has various applications and thus the waste produced during Smelter and Refining

can be re-used for applications such as grit blasting, and concrete production as a partial replacement for sand and as a road construction material. Non-reusable slag is assumed to be stored in a landfill.

### PROPOSED MONITORING SYSTEM

The waste generated during Offshore Production is intended to be recorded according to the data provided for the operational DPR of the Offshore Mining System.

The waste generated during Onshore Production is intended to be recorded according to the data provided by the mineral processing plant as part of its regular reporting to the company.

The waste generated during Smelting and Refining is intended to be recorded according to the quantity of concentrate delivered to the client smelters and calculated based on the ESG reports of the client smelters.

### ASPIRATIONAL GOALS

The company intends to favour options for storing waste that is the most sustainable. As an example, the company already considers methods for offshore pre-concentration of the offshore produced ore. Pre-concentrated ore would exhibit a higher grade when entering the Onshore Production activity which would be beneficial as it would reduce the amount of tailing produced by the mineral processing plant. From a balanced perspective this would increase the quantity of waste produced during Offshore Production and reduce the quantity of waste produced during Onshore Production. However, the company believes it would be a positive trade-off because Offshore Production's waste is not chemically treated and does not pose any threat to water catchment.

For Onshore Production, the company will favour partnering with a mineral processing plant that presents a high degree of ESG awareness and which TSF does not conflict with local communities and ecosystem.

For Smelting and Refining, the company will make efforts to discuss with its client smelters to ensure produced waste is re-used as much as possible.

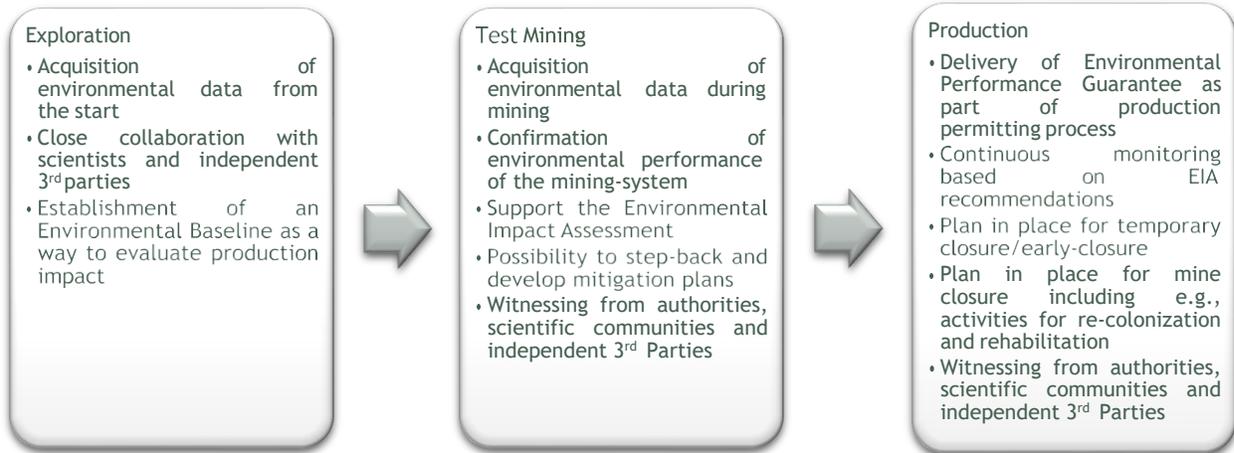
## BIODIVERSITY

### BIODIVERSITY AND THE COMPANY'S BUSINESS

As for other extractive industries, the marine minerals industry will entail interactions with various ecosystems and the company endeavours to perform its activities most sustainably. Consequently, the company has a strong focus on the protection of biodiversity and commits to collaborating with third parties transparently to ensure that its activities do not threaten biodiversity and do not lead to irreversible damage.

As shown in Figure 4, the company intends to apply a precautionary approach to its extraction activities. Since the beginning of exploration, the company intends to acquire environmental and biological data to construct a baseline that can be used as a reference for its Environmental Impact Assessment (EIA). Then before starting full-scale production, the company intends to perform test mining which will support the elaboration of an Environmental Monitoring and Mitigation Plan (EMMP) which will describe how the company will monitor environmental

deviations from the established baseline and react and mitigate these deviations. The EMMP is expected to be a requirement for the future production permit process as it is already the case in terrestrial mining. The company believes that this precautionary approach is the best guarantee for the protection of biodiversity.



## EXPECTED DISCLOSURES

When in operation, the company commits to disclose information according to the Disclosure 304-Biodiversity which includes:

Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas:

Exploration and offshore production will be conducted in offshore licenses which are granted by the local authorities. At present, none of the areas which the company expects to operate in have been classified as protected areas of high biodiversity value. Nevertheless, due to the limited level of scientific knowledge of these areas, the company expects some prospective areas' classification to change in the future and will amend this report accordingly.

As previously mentioned, the company does not intend to own, lease, or manage mineral processing facilities. Nevertheless, the company will report on the location of its mineral processing partners.

Disclosure 304-2 Significant impacts of activities, products, and services on biodiversity

a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:

i. Construction or use of manufacturing plants, mines, and transport infrastructure.

Typical subsea "mine" concepts do not include the construction or use of local infrastructures as it is found with terrestrial mines. The company does not intend at this stage

to construct any processing plant. The company does not currently have any mining sites but will report on any future mining development.

- ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources).

Exploration: The company has not identified any operation that would introduce substances that do not naturally occur in the habitat. Especially for the coring and drilling activities, the company does not intend to use reverse circulation techniques involving drilling mud as commonly encountered in the O&G industry.

Offshore Production: The currently considered mining system does not involve the introduction of substances that do not occur naturally from the habitat. For the vertical transportation of the excavated ore, the company's considered design uses local seawater for mixing the ore into a slurry. Following dewatering, the same local seawater is disposed of at the seabed following filtration. Potential residuals in form of fine sediments will be minimised and originate from the seabed where the original ore has been excavated, thus the potential sediment release comes from a naturally occurring source. It is possible that similarly to other underwater activities, technical failure of subsea machinery may lead to hydraulic fluid spillage. The amount of such spillage is usually very small and does not lead to major changes in water chemistry which could impact the local biodiversity. In addition, underwater machinery designs are shifting towards full electrification and thus remove the aforementioned oil spillage risks.

Onshore Production: Mineral processing uses chemical products that may be released either through slippage or as part of the tailing disposal process. Even though the company does not plan to own or manage such facilities, the company will report any relevant information related to the release of chemical products from its mineral processing partners.

- iii. Introduction of invasive species, pests, and pathogens:

The company has not identified any risks of introducing invasive species, pests, or pathogens to the biodiversity present at the mining site. The environmental conditions of the subsea mining worksite have led to the development of a specific biodiversity that is specialised for surviving in the deep-sea environment. Should marine species be accidentally introduced from the surface equipment, it is unlikely that these individuals would survive the conditions of the deep-sea and present a threat to the deep-sea environment.

- iv. Reduction of species:

Exploration: The company does not foresee any risk related to this type of operation.

Offshore Production: The threat of deep-sea mining to deep-sea biodiversity is the main concern of biologists today. Mining involves the destruction of habitat by removal of the living substrate of sessile organisms which could lead to a significant

disturbance of the local eco-system. Other environmental risks involve the production of plumes, i.e., clouds of particles, which could drift and threaten current-feeding organisms e.g., crinoids, which dwell in the vicinity of the mining site. The scientific research around plume production and dispersion is an ongoing activity and the company keeps a technological watch on that topic. Finally, the impact of generated plumes will be integrated within the EMMP of the company. It will also be part of its project development plan and will be monitored during mining as part of its operating procedures. Onshore production: Even though the company does not plan to own or manage such facilities, the company will report any relevant information related to the release of chemical products from its mineral processing partners.

- v. Habitat conversion: The company has not identified any risk of habitat conversion linked to its activities.
- vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater levels).

Exploration and offshore production activities are not foreseen as representing a risk of changes in ecological processes outside the natural range of variation. This will be updated in the future EMMP of the company.

Onshore production: Even though the company does not plan to own or manage such facilities, the company will report any information relevant to that topic.

- b. Significant direct and indirect positive and negative impacts with reference to the following:
  - i. Species affected: The biodiversity of the deep-sea has not been fully mapped and for each potential mining site, the company will complete biological surveys to list the species present at the mining site and at the vicinity of the mining site. The results will be compiled with its environmental baseline reports and integrated in the Environmental Impact Assessment (EIA). These environmental surveys will be performed as part of the company's exploration activities. EIA and subsequent EMMP are necessary elements for the submittal of Project Development Plans to the competent authority and thus necessary for obtaining mining authorisation from the authorities.
  - ii. Extent of areas impacted: Outside of the mining site itself, the company will assess the extent of disturbance due to noise and plumes. In addition, the company will assess the risk generated by operational contingency scenarios e.g., the leakage within the vertical transportation system which may release some sediments in the water column. This information will be presented within the company's EMMP as part of its Project Development Plan.

- iii. Duration of impacts: As no deep-sea mining activities have been performed on an industrial scale, the company cannot assess the time to partial/full recovery following the cessation of mining activity. The company will consider ways for rehabilitating the mining sites through e.g., supporting the recolonisation of the mining site by background biodiversity (re-implantation of deep-sea corals).
- iv. Reversibility or irreversibility of the impacts. Because the company does not intend to mine active vent sites, the company's activities have not been assessed as posing a major threat to unique biodiversity as the one present around black smokers. Nevertheless, the company needs to continue its research activities to ensure that its mining plans mitigate the threat to regular deep-sea biodiversity by e.g., threatening the interconnectivity of sensitive species.

Disclosure 304-3 Habitats protected or restored: Part of the company EMMP is to present to licensing authorities that its activities either during exploration or production do not present significant harm to the present biodiversity. According to current scientific knowledge, and to protect the common heritage of mankind, provisions are expected within the local regulations to preserve some of the areas as sanctuary where no industrial activities are allowed. In addition to these sanctuary areas, the company may protect additional habitats within its license portfolio according to EIA and EMMP. Habitat restoration would be considered during mine closure activities by performing activities favourable for recolonisation of the mined area by background biodiversity.

Disclosure 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations: At present, due to lack of scientific knowledge, species inhabiting the sites of possible future mines have not been classified according to the IUCN Red List apart from *Chrysomallon squamiferum*, which has recently been listed as 'Endangered' on the IUCN Red List. The company expects more species to be classified in the future and will update its reporting accordingly.

## PROPOSED MONITORING SYSTEM

The company will establish an EIA based on the baseline resulting from its exploration activities. The EIA will identify the areas of concern related to the protection of biodiversity. Typical areas of concern could be the risk of damaging neighbouring ecosystems e.g., through the production of plumes or the release of toxic elements in the seawater column. Through its EMMP the company will propose monitoring and mitigation action e.g., the monitoring of seawater turbidity near sensitive ecosystems to ensure that measurements are always below the acceptable threshold. In turn mitigation can be to change some of the operating parameters of the mining system (reducing the plume) or temporarily stop the mining operations due to shifting current patterns (directing the plume to non-sensitive area). The company expects strong reporting requirements from the authorities and will report any environmental deviations as part of its sustainability

## 2024 Annual and Sustainability Report

reporting. In addition, the company will invite independent third parties to ensure transparency during the establishment of its EIA and EMMP. The company believes the sea is the common heritage of humankind and strongly supports academic endeavours to increase the knowledge of deep-water ecosystems. As such the company intends to transfer its environmental data to academic and public entities for the purpose of scientific research.

### ASPIRATIONAL GOALS

The company will enforce a non-tolerance policy when it comes to threatening biodiversity either on land or in the marine environment. This can be achieved only by abiding by the strongest environmental requirements. The company believes that such requirements will be a standard in its region of operation.

### ENVIRONMENTAL COMPLIANCE

When in operation, the company commits to disclose information according to the Disclosure 307-Non-compliance with environmental laws and regulations administrative and judicial sanctions for failure to comply with environmental laws and/or regulations, including:

- international declarations, conventions, and treaties,
- national, sub-national, regional, and local regulations,
- voluntary environmental agreements with regulating authorities that are considered binding and developed as a substitute for implementing new regulations,
- cases brought against the organization through the use of international dispute mechanisms or national dispute mechanisms supervised by government authorities,
- cases of non-compliance related to spills as reported with GRI 303 – Water and Effluents and GRI 306: Waste.

### PROPOSED MONITORING SYSTEM

The company will ensure the information concerning environmental compliance is available by implementing the necessary procedures within its Business Management System.

### SUPPLIER ENVIRONMENTAL ASSESSMENT

The company does not presently have suppliers. In future reporting, the company commits to disclose information according to the:

- Disclosure 308-1 - New suppliers that were screened using environmental criteria by reporting the percentage of new suppliers that were screened using environmental criteria.
- Disclosure 308-2 - Negative environmental impacts in the supply chain and actions taken by reporting:
  - Number of suppliers assessed for environmental impacts.
  - Number of suppliers identified as having significant actual and potential

- negative environmental impacts.
- Significant actual and potential negative environmental impacts identified in the supply chain.
- Environmental impacts with which improvements were agreed upon as a result of assessment.
- The percentage of suppliers identified as having significant actual and potential negative environmental impact.
- Impacts with which relationships were terminated as a result of assessment, and why.

### PROPOSED MONITORING SYSTEM

The company will ensure the information concerning its supplier's environmental performance is available by implementing the necessary procedures within its Business Management System. Especially the company will establish a supplier screening procedure, a yearly review of its suppliers' sustainability reports and a comprehensive procedure for the execution and the reporting of audits led at suppliers.

### ASPIRATIONAL GOALS

The company has established the following goals for the screening and monitoring of its suppliers' environmental performance:

- 100 % of new suppliers screened using environmental criteria.
- 100 % of ongoing suppliers screened using environmental criteria:
  - o Review of Sustainability report when available.
  - o Audits of suppliers when no report is available.
  - o Encourage suppliers to produce sustainability reports.
- 100% transparency by disclosing termination of contracts with suppliers due to negative environmental assessment.

# 2024 Annual and Sustainability Report

## GRI CONTENT INDEX

### GRI CONTENT INDEX

STATEMENT OF USE: Green Minerals has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2024.

GRI 1 USED: GRI 1: Foundation 2021

APPLICABLE GRI SECTOR STANDARD: Applicable GRI Sector Standard not available

#### GRI 2: GENERAL DISCLOSURES 2021

GRI DISCLOSURE	CONTENT INDICATOR	LOCATION
2-1	Organizational details	About us - Pages 06, 07, 08
2-2	Entities included in the organization's sustainability reporting	DO NOT APPLY
2-3	Reporting period, frequency and contact point	About this report - Page 07
2-4	Restatements of information	DO NOT APPLY
2-5	External assurance	About this report - Page 06 Activities: About us - pages 06, 07, 08
2-6	Activities, value chain and other business relationships	Value Chain: Our vision: creating the value chain of marine minerals - pages 12, 13, 14, 15
2-7	Employees	Our people - Page 15
2-8	Workers who are not employees	DO NOT APPLY
2-9	Governance structure and composition	Governance - Page 18
2-10	Nomination and selection of the highest governance body	Governance - Page 18
2-11	Chair of the highest governance body	Governance - Page 18
2-12	Role of the highest governance body in overseeing the management of impacts	Governance - Page 18
2-13	Delegation of responsibility for managing impacts	Governance - Page 18
2-14	Role of the highest governance body in sustainability reporting	Governance - Page 19
2-15	Conflicts of interest	Governance - Page 19
2-16	Communication of critical concerns	Governance - Page 19
2-17	Collective knowledge of the highest governance body	Governance - Page 20
2-18	Evaluation of the performance of the highest governance body	The company has not yet performed an evaluation. The process will be outlined in an upcoming report.
2-19	Remuneration policies	Governance - Page 20
2-20	Process to determine remuneration	Governance - Page 20
2-22	Statement on sustainable development strategy	Sustainable development - Pages 08, 09
2-23	Policy commitments	Policy commitments - Page 21
2-24	Embedding policy commitments	Policy commitments - Page 22
2-25	Processes to remediate negative impacts	Policy commitments - Page 23
2-26	Mechanisms for seeking advice and raising concerns	Policy commitments - Page 23
2-27	Compliance with laws and regulations	No non-compliance with laws and regulations during the reporting period
2-28	Membership associations	No membership associations
2-29	Approach to stakeholder engagement	Stakeholders - Page 11
2-30	Collective bargaining agreements	DO NOT APPLY

#### GRI 3: MATERIAL TOPICS 2021

3-1	Process to determine material topics	Material topics - page 23
3-2	List of material topics	Material topics - page 24
3-3	Management of material topics	From page 24 to 45

## FINANCIAL STATEMENTS GREEN MINERALS AS

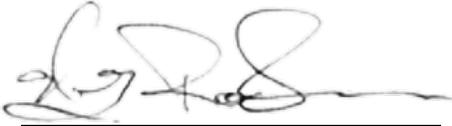
### PROFIT AND LOSS STATEMENT

All figures in NOK 000's	Note	Year ended 31 December	
		2024	2023
Revenues	-	6	6
Employee benefits expenses	<u>2</u>	-4,896	-6,537
Other operating expenses	<u>2</u>	-11,611	-4,407
<b>Earnings before interest and taxes (EBIT)</b>		<b>-16,501</b>	<b>-10,937</b>
Interest income	-	13	5
Other financial income	-	1	13
Other financial expenses	-	-41	-47
<b>Profit/(loss) before income tax</b>		<b>-16,529</b>	<b>-10,966</b>
Income tax	<u>5</u>	-	-
<b>Profit/(loss) for the period</b>		<b>-16,529</b>	<b>-10,966</b>
<b>Earnings per share</b>			
Basic	<u>3</u>	(1.15)	(0.78)
Diluted	<u>3</u>	(1.15)	(0.78)

## BALANCE SHEET

All figures in NOK 000's	Note	As of 31 December	
		2024	2023
<b>ASSETS</b>			
<b>Total non-current assets</b>	-	-	-
Other current assets	-	132	948
Cash and cash Equivalents	-	3,093	11,723
<b>Total current assets</b>	-	<b>3,224</b>	<b>12,671</b>
<b>TOTAL ASSETS</b>		<b>3,224</b>	<b>12,671</b>
<b>EQUITY</b>			
<b>Shareholders' equity</b>			
Paid in capital	<u>4</u>	44	41,723
Share options granted	<u>4,7</u>	1,500	3,055
Retained earnings	<u>4</u>	-341	-33,322
<b>TOTAL EQUITY</b>		<b>1,202</b>	<b>11,457</b>
<b>LIABILITIES</b>			
<b>Total non-current liabilities</b>		-	-
Trade payables	-	977	212
Public duties payable	-	428	432
Other payables	-	618	570
<b>Total current liabilities</b>		<b>2,022</b>	<b>1,215</b>
<b>TOTAL LIABILITIES</b>		<b>2,022</b>	<b>1,215</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,224</b>	<b>12,671</b>

On 30 April 2025, the Board of Directors of Green Minerals AS authorized these financial statements for issue.



Ståle Rodahl  
Executive Chairman



Øivind Dahl-Stamnes  
Chief Executive  
Officer



Hans Christian Anderson  
Director

## CASH FLOW

All figures in NOK 000's	Note	As of 31 December	
		2024	2023
<b>Cash flows from operating activities</b>			
Profit/(loss) before income tax		-16,529	-10,966
Adjustments for:			
(Increase)/decrease in warrents	-	-1,555	867
Increase/(decrease) in trade payables	-	764	121
(Increase)/decrease in trade and other receivables	-	859	-421
<b>Net cash used in operating activities</b>	-	<b>-16,460</b>	<b>-10,398</b>
<b>Cash flows from investing activities</b>			
<b>Net cash used in investing activities</b>	-	-	-
<b>Cash flows from financing activities</b>			
Proceeds from issuance of ordinary shares	-	7,830	870
<b>Net cash from financing activities</b>	-	<b>7,830</b>	<b>870</b>
<b>Net decrease in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the period, unrestricted	-	11,723	21,252
Cash and cash equivalents at end of the period, unrestricted	-	3,093	11,723

## NOTE 1: General information

### **Accounting principles**

The annual accounts have been prepared in conformity with the provisions of the Accounting Act and good accounting practice

### **Foreign 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.

### **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.

### **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.

### **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 a lower 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 assessment of the different receivables.

### **Cash flow statement**

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments

## NOTE 2: Salary costs and benefits, remuneration to the chief executive, board and auditor

All figures in NOK 000's	Year ended 31 December	
	2024	2023
Salary costs for staff	3,578	4,407
Employment tax	872	848
Pension cost for staff	299	285
Insurance and other costs	148	997
<b>Total employee benefit expense</b>	<b>4,896</b>	<b>6,537</b>

In 2024 the company employed 3,4 man-years.

The company is required to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension plan meets the requirements of this legislation.

Remuneration to leading personnel	Chief Executive	Board
Salary costs	1,899	800
Pension cost for staff	100	
Other costs	12	
<b>Total</b>	<b>2,011</b>	<b>800</b>

Leading personnel don't have any agreement on bonus or share-based payment.

### Related parties

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 Exploration Plc.), where Storfjell AS is to assist the Company on business development and financial matters. NOK 800 000 was booked under the agreement in 2024.

### Auditor

Audit fees expensed for 2024 amount to NOK 160 500 (exc.VAT)

## NOTE 3: TAX

All figures in NOK 000's	Year ended 31 December	
	2024	2023
<b>Entered tax on ordinary profit/loss:</b>		
Payable tax	-	-
Changes in deferred tax assets	-	-
<b>Tax expense on ordinary profit/loss</b>	<b>-</b>	<b>-</b>
<b>Taxable income:</b>		
Ordinary result before tax	-16,529	-10,966
Permanent differences	7	-579
<b>Taxable income</b>	<b>-16,521</b>	<b>-11,545</b>
<b>Payable tax in the balance:</b>		
Payable tax on this year's result	-	-
<b>Total payable tax in the balance</b>	<b>-</b>	<b>-</b>

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

All figures in NOK 000's	Year ended 31 December	
	2024	2023
<b>Accumulated loss to be brought forward 1 January</b>	<b>-37,396</b>	<b>-25,851</b>
Accumulated during the year	-16,521	-11,545
<b>Accumulated loss to be brought forward 31 December</b>	<b>-53,917</b>	<b>-37,396</b>
<b>Accumulated loss not included in the deferred tax calculation 1 January</b>	<b>37,396</b>	<b>25,851</b>
Accumulated during the year	16,521	11,545
<b>Accumulated loss not included in the deferred tax calculation 31 December</b>	<b>53,917</b>	<b>37,396</b>

**Deferred tax assets (22%)**

Deferred tax assets not included in the balance sheet.

## NOTE 4: RESTRICTED FUND

The company's accounts have been prepared on the basis of a going concern assumption.

In accordance with § 4-5 in the Norwegian Accounting Act it is confirmed that Green Minerals AS meets the requirements for going Concern.

Green Minerals AS is a company in the start-up phase and have no regular income. Cash and cash equivalents at year end 2024 were MNOK 3,1. Cash and cash equivalents at the end of 1Q/2025 was MNOK 10,4 following a successful equity issue in March 2025. The annual burning rate for the company is going forward, estimated to MNOK 2,5.

As part of developing Green Minerals AS, the Company and the Board are working continuously together with partners and shareholders to strengthen the Company's balance sheet and to ensure that the Company at any time has sufficient liquidity to meet all obligations related to its activities.

## NOTE 5: Receivables and debt

All figures in NOK 000's	Year ended 31 December	
	2024	2023
Debtors which fall due later than one year	-	124

## NOTE 6: RESTRICTED FUND

The item includes restricted bank deposits in the form of debit deposits of NOK 256 594. Tax deduction per 31.12.2024 is NOK 256 594

## NOTE 7: SHAREHOLDERS

The share capital in Green Minerals AS as of 31 December 2024 consists of:

All figures in NOK except shares	Issued Shares	Nominal Value	Issued share capital
Ordinary shares	14,626,400	0.003	43,879

### Ownership structure

Shareholder overview with number of shares and % of issues share capital as of 31 December 2024:

Name	Number of shares	Ownership
Telinet Invest As	3,699,078	25.3%
Anderson Invest As	1,162,059	7.9%
Citibank	580,000	4.0%
Grunnfjellet As	558,919	3.8%
Møsbu As	496,134	3.4%
Storfjell As	479,714	3.3%
Artel As	454,500	3.1%
Seabird Exploration Plc	446,801	3.1%
Nordnet Livsforsikring As	298,317	2.0%
Dnb Bank Asa	218,786	1.5%
Nordnet Bank Ab	203,192	1.4%
Ikm Industri-Invest As	191,039	1.3%
Ifg Holding As	181,800	1.2%
Clearstream Banking S.A.	163,232	1.1%
F Storm As	154,030	1.1%
Sander Invest As	143,000	1.0%
Norman-Hansen	136,300	0.9%
Nordhaug	109,000	0.7%
Gekko As	101,364	0.7%
Jarstadmarken	100,000	0.7%
Other	4,749,135	32.5%
<b>Total</b>	<b>14,626,400</b>	<b>100.0%</b>

Management and the board of directors, as of 31 December 2024, held the following shares on their own account:

Name	Title	Ordinary shares	Outstanding warrants*
Ståle Rodahl	Chairman	479,714	300,000
Øivind Dahl-Stamnes	CEO	25,866	100,000
Hans Christian Anderson	Board Member	10,000	-
Sveinung Alvestad	CFO	3,736	-

Total outstanding options are 900 000. The average strike price is NOK13,22. The options are distributed over two programs whereas both are vested. The first program matures in November 2025 and the second in April 2026.

## NOTE 8: EQUITY CAPITAL

All figures in NOK 000's	Share capital	Share premium	Retained earnings	Share options	Other	Total equity
<b>Equity as of 1 January, 2023</b>	<b>42</b>	<b>40,811</b>	<b>-22,356</b>	<b>2,188</b>	<b>-</b>	<b>20,685</b>
Profit/(Loss) for the year			-10,966			-10,966
<b>Total comprehensive income</b>			<b>-10,966</b>			<b>-10,966</b>
Share issue		870				870
Share options granted/cancelled				867		867
Other			-			-
<b>Total contributions by and distributions to owners</b>	<b>0</b>	<b>870</b>	<b>-</b>	<b>867</b>	<b>-</b>	<b>1,737</b>
<b>Equity as of 31 December 2023</b>	<b>42</b>	<b>41,681</b>	<b>-33,322</b>	<b>3,055</b>	<b>-</b>	<b>11,457</b>
Profit/(Loss) for the year			-16,529			-16,529
<b>Total comprehensive income for the year</b>			<b>-16,529</b>			<b>-16,529</b>
Share issue	2	7,828				7,830
Share options granted/cancelled				-1,555		-1,555
Other		-49,509	49,509			-
<b>Total contributions by and distributions to owners</b>	<b>2</b>	<b>-41,681</b>	<b>48,711</b>	<b>-1,555</b>	<b>-</b>	<b>1,737</b>
<b>Equity as of 31 December 2024</b>	<b>44</b>	<b>-</b>	<b>-341</b>	<b>1,500</b>	<b>-</b>	<b>1,202</b>

Til generalforsamlingen i Green Minerals AS

## Uavhengig revisors beretning

### Konklusjon

Vi har revidert årsregnskapet for Green Minerals AS som viser et underskudd på NOK 16 528 631. Årsregnskapet består av balanse per 31. desember 2024, resultatregnskap og kontantstrømpoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2024, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

### Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

### Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

**THE POWER OF BEING UNDERSTOOD**  
ASSURANCE | TAX | CONSULTING

### *Ledelsens ansvar for årsregnskapet*

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et regnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

### *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:  
<https://revisorforeningen.no/revisjonsberetninger>

Oslo, 30. april 2025  
RSM Norge AS

Marit Vigrestad  
Statsautorisert revisor  
(elektronisk signert)

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## Vigrestad, Marit

### Partner

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## Vigrestad, Marit

### Statsautorisert revisor

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