

Q2



Interim Report
April – June 2024

Nordic
Iron OreTM

Q2

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Nordic Iron Ore is a mining company in the southern Dalarna region of Sweden whose main ambition is to resume mining operations at Ludvika Mines which includes the previously operational mine Blötberget and Håksberg, as well as the Väsman field which is considered to hold significant potential. The company has all necessary permits in place to initiate the project at Blötberget, and has secured an offtake agreement worth SEK 35 billion in estimated total revenue. Nordic Iron Ore will be able to produce high-grade iron ore concentrate and this makes the company well positioned on a market with growing demand for high quality iron.

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Financial development

Second quarter, 1 April – 30 June 2024

- Sales amounted to SEK 0 million (0)
- Earnings after tax amounted to SEK -4.0 million (-2.8)
- Investments amounted to SEK -0.3 million (-0.5) during the quarter
- Earnings per share before amounted to -0.10 SEK (-0.08)
- Cash and cash equivalents amounted to SEK 118.5 million (1.0) on June 30, 2024

First half-year, 1 January – 30 June 2024

- Sales amounted to SEK 0 million (0)
- Earnings after tax amounted to SEK -7.0 million (-5.5)
- Investments amounted to SEK -0.6 million (-0.7) during the period January-June
- Earnings per share before and after dilution amounted to -0.19 SEK (-0.15)



Key ratios

Group (Amounts in SEK)	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Equity/Assets-ratio (%)	88.21 %	82.60 %	88.21 %	82.60 %	77.49 %
Earnings per share, before and after dilution	-0.10	-0.08	-0.19	-0.15	-0.35
Equity per share	4.06	3.76	4.06	3.76	3.56
Quick ratio (%)	371.05 %	5.58 %	371.05 %	5.58 %	5.02 %
No. of shares	62,685,574	37,135,055	62,685,574	37,135,055	37,135,055
Weighted average no. of shares before dilution	38,561,774	37,135,055	37,848,414	37,135,055	37,135,055

Significant events

During the quarter

- Nordic Iron Ore AB entered agreements with the majority of its lenders to set-off commitments. All lenders except Kopparinvest AB, Bizcap AB and Lubrica Equity AB undertook to offset their loans and accrued interest in the capitalisation completed in July 2024. Kopparinvest AB, Bizcap AB and Lubrica Equity AB instead extended their outstanding loans of a total of SEK 8.0 million plus also accrued interest for Kopparinvest AB until September 30, 2024 on the same terms as before, however the company has repaid these outstanding loans later during the second quarter.
- Nordic Iron Ore and Cargill have previously entered into a financing agreement which was announced on July 12, 2023 and an amendment agreement which was announced on April 26, 2024 due to the UDI Act that requires notification in the case of certain foreign direct investments. The authority ISP ("Inspektionen för Strategic Products") announced that they will not take any further action in relation to Cargill's application, i.e. there is no obstacle for Cargill to own more than 10% of the shares in Nordic Iron Ore.
- Nordic Iron Ore successfully completed a directed share issue of approximately SEK 163 million before transaction costs. The subscription price for the shares in the directed share issue amounted to 5.3 SEK per share and was determined through a book building procedure led by ABG Sundal Collier AB.
- At the company's Annual General Meeting, Anders Bengtsson, Pierre Heeroma and Leon Davies were elected as new Board members. Nordic Iron Ore's Board now includes Bengt Nilsson (Chairman), Tomas Olofsson, Gösta Bergman, Tobias Hansson, Anders Bengtsson, Pierre Heeroma and Leon Davies.

After the period

- An Extraordinary General Meeting approved the Board's decision from June 19, 2024, to make a directed rights issue of a maximum of 5,229,704 shares by way of set-off of outstanding loans from Bengtssons Tidnings AB, Ludvika Holding AB and Ronne Hamerslag, as well as through cash payment from Jonas Bengtsson.

CEO letter

Dear Shareholders,

During the quarter, we were able to successfully complete a decisive capital raise which, second only to the agreement with Cargill Metals, constitutes one of the company's most important milestones to date. Through a directed issue, the company received gross proceeds of SEK 163 million before transaction costs, proceeds that will be used to plan in detail the construction of the mine, expand exploration in the area and start building an organization for the future. We are extremely happy about the trust we have received from both Swedish and international institutional investors because this funding takes us a big step closer to the construction of a mine with a green profile at Blötberget.

Through a book building process led by ABG Sundal Collier, we were able to make a directed share issue at the end of the quarter, which raised gross proceeds of SEK 163 million before transaction costs. A number of new reputable international and Nordic investors participated in the targeted issue, including Cargill and Svelland Capital.

Through the rights issue, approximately SEK 31 million of the outstanding loans were set-off and of the remaining net proceeds approximately SEK 9 million were used to repay loans and interest that was not set-off. The company is now debt-free, which provides a stable financial basis for continued work. The company can now significantly increase the pace of preparatory work ahead of the start of construction of the mine and expand exploration of the area around Blötberget. Important work ahead includes to update our so-called Bankable Feasibility Study (BFS) which will provide important information to investors and lenders in connection to us securing Project Financing in order to activate the environmental permit and begin construction of the mine. The company has now initiated a recruitment process to build the necessary organization while we also look for suitable work premises.

The company has continued to work on updating and ensuring the environmental permit. As early as 2023, we made an application to the Land and Environmental Court regarding extended working time for water operations. Since then we have answered and made supplements to the court based on the referral statements which were received in two separate referral rounds. We still have hope that we will get a positive ruling from the court during the third quarter or at least the current financial year. The time required for the court's handling of the company's application may soon pose a problem for our continued planning and to fulfil the updated time plan. The company has therefore requested the court to decide the case in the near future. In the end, the company expects to



During the quarter, we were able to successfully complete a decisive capital raise.

get all permits needed to perform planned activities. Some smaller changes to the environmental permit do not require consideration by the court and those that have been completed have all been approved by the County Administrative Board and Ludvika municipality. No new cases were closed during the quarter.

Updated time plan

The plan for the coming year is to start up BFS-work in order to complete this work by the second quarter of 2025 and in parallel carry out the planned exploration program so that potential new assets can be included in the BFS. We aim to secure Project Financing by the second half of 2025 and to then activate the environmental permit and start construction of the mine at the end of 2025. Current construction and lead times for equipment indicates earliest start of mining during 2028. Production then



Ronne Hamerslag
CEO

gradually increases to an expected annual volume of approximately 1.6 million tonnes of ultra high-grade iron ore concentrate. Such iron ore concentrate is an important component in order to reduce the CO₂ intensity throughout the steel supply chain. The time plan assumes that the Land and Environmental Court approves the application for the extension working time and that there are no permit changes.

Continued exploration

The completed capital raise means that we can increase our ambitions in the exploration of the area around Blötberget. We have previously presented exciting exploration results regarding rare earth elements and are hopeful that an extended exploration and additional mineral studies will make it possible to extract a by-product concentrate with high levels of phosphorus and rare earth elements. It is also possible that this extraction can be done from existing sand reservoirs from previous mining operations. These important metals can form a future complement to the company's iron ore products.

Conducted magnetic measurements suggest that the mineralization in Blötberget continues in a north-easterly direction as well as below the identified mineral resource which makes these areas very interesting for continued exploration. If exploration is successful in these areas we are hopeful to identify an additional 35 million tonnes in addition to today's assets in Blötberget.

Finally, I would also like to thank Jonas Bengtsson for his contribution to the Board and welcome newly added Board members Anders Bengtsson, Pierre Heeroma and Leon Davies. Through these new additions we have added additional competence to the Board. We have an exciting time ahead and I look forward to keeping you updated on our progress.

Ronne Hamerslag
CEO
Nordic Iron Ore AB (publ)

Financial development

Results

The period's result amounted to SEK -4.0 million (-2.8) during the second quarter. The larger loss is mainly due to the higher funding costs. The earnings per share amounted to -0.10 SEK (-0.08) before and after dilution during the second quarter.

Capital structure

The Group had cash and cash equivalents of SEK 118.5 million (0.9) at the end of the period and the increase is due to the completed directed rights issue. The equity/assets-ratio amounted to 88.21%. The Group's equity amounted to SEK 129.1 million (139.6) corresponding to 4.06 SEK per share (3.76). In connection to the rights issue, outstanding loans and accrued interest amounting to SEK 31.0 million were set-off and this set-off issue was completed in July 2024 following an approval from an extraordinary general meeting. In connection to the rights issue, loans and accrued interest of SEK 9 million were repaid to Koppinvest AB, Bizcap AB and Lubrica Equity AB.

6 It is the Board's view that the current working capital is sufficient to finance the planned activities during the coming 15 months and will be used for detailed planning, continued exploration, dealing with issues related to the environmental permit and strengthening of the organization. An additional capital raise, so called Project Financing, is planned for the second half of 2025 in order to finance the construction of the mine.

Investments

Investments amounted to SEK -0,3 million in April-June 2024. The entire amount relates to exploration assets and examination work concerning the planned restart of mining at Blötberget.

Employees

The company had an average of 4 (3) employees during the period.

Risks and uncertainties

The company's long-term risks mainly relate to obtaining all the necessary authority permits in order to have mining operations. An application has been made to the Land and Environment Court concerning interpretation of sand reservoirs and prolonged working time for water operations as part of the environmental permit. The company expects a ruling from the Land and Environment Court in Q3 2024, or at least during the current financial year. Further, the company is dependent on securing sufficient financing since the total capital requirement in order to initiate production at Blötberget is estimated at a total of SEK 3.5 billion even though the capital need can be reduced by SEK 2.0-2.5 billion if the company chooses to lease or rent certain buildings and machines. The company has previously entered into a collaboration agreement with Cargill Metals in which they have made a conditional funding commitment and will acquire the company's future production from Blötberget. Other risks are primarily connected to fluctuations in world market prices for iron ore products, which in turn affects the profitability of the project. Outlooks for production and sales are estimates based on samples and geological examinations, and there is always a risk that the final outcome will be different.

Share information

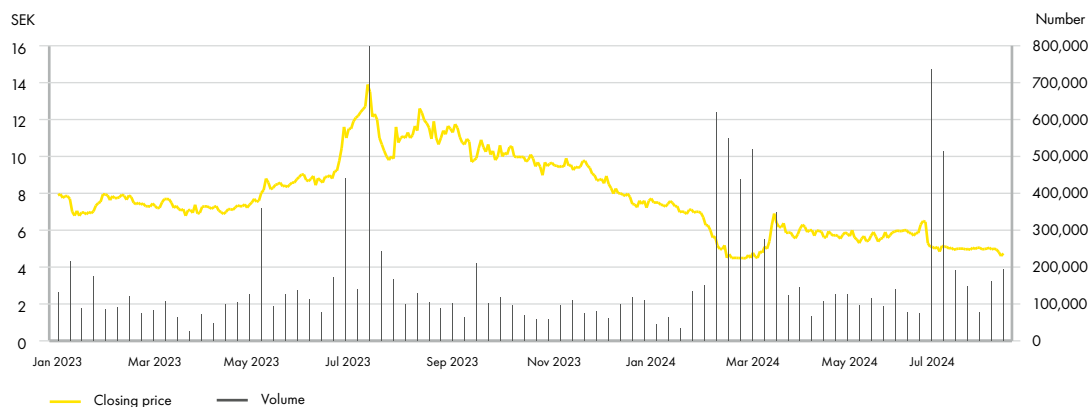
Nordic Iron Ore's share is traded on Nasdaq First North Growth Market Stockholm. Wildecos Ekonomisk Information AB is the company's Certified Adviser.

The share capital amounted to 108,711,469 SEK divided upon 67,915,278 shares at the end of the period, with a quota value of 1.601 SEK per share. The number of shareholders amounted to 8,211. During the period, the company made a directed rights issue which increased the number of shares by 30,780,223 shares and the share capital increased by 44,310,586 SEK. After the period, an extraordinary general meeting approved the Board's decision to make a directed share issue of a maximum of 5,229,704 shares which will increase share capital by a maximum of 9,069,532.

Shareholders on July 31, 2024

Shareholders	Number of shares	Share of vote and capital
Cargill Inc	11,320,755	16.67 %
Bengtssons Tidnings AB	10,531,418	15.51 %
Ludvika Holding AB	6,748,393	9.94 %
Svelland Capital Ltd	6,738,960	9.92 %
Kopparinvest AB	2,600,132	3.83 %
Gerald Engström	1,886,792	2.78 %
Björn Israelsson	1,700,000	2.50 %
Rotcod	1,106,000	1.63 %
Johan Flink	1,024,160	1.51 %
Nordnet Pensionsförsäkring	1,018,826	1.50 %
Total top 10	44,675,436	65.78 %
Other	23,239,842	34.22 %
Total	67,915,278	100.00 %

Share price



Financials

Consolidated statement of comprehensive income – summary

Amounts in TSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Net revenue	0	0	0	0	0
Other operating income	0	0	0	0	0
Total operating income	0	0	0	0	0
Other external costs	-1,169	-1,188	-2,186	-2,433	-6,800
Personnel expenses	-1,229	-1,174	-2,322	-2,147	-4,100
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-45	-44	-90	-86	-176
Operating profit/loss	-2,443	-2,406	-4,598	-4,666	-11,076
Financial income	0	0	0	0	2
Financial expenses	-1,552	-431	-2,447	-825	-1,859
Net financial income/expense	-1,552	-431	-2,447	-825	-1,857
Profit/loss after financial income and expense	-3,995	-2,837	-7,045	-5,491	-12,933
Profit/loss for the period	-3,995	-2,837	-7,045	-5,491	-12,933
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-3,995	-2,837	-7,045	-5,491	-12,933
Attributable to:					
Parent company shareholders	-3,995	-2,837	-7,045	-5,491	-12,933
Total	-3,995	-2,837	-7,045	-5,491	-12,933
Number of shares					
Number of shares at year-end	62,685,574	37,135,055	62,685,574	37,135,055	37,135,055
Average no. of shares (before dilution)	38,561,774	37,135,055	37,848,414	37,135,055	37,135,055
Average no. of shares (after dilution)	38,561,774	37,135,055	37,848,414	37,135,055	37,135,055
Earnings per share					
Earnings per share, weighted average before dilution, SEK	-0.10	-0.08,,,	-0.19	-0.15	-0.35
Earnings per share, weighted average after dilution, SEK	-0.10	-0.08,,,	-0.19	-0.15	-0.35

Consolidated statement of financial position – summary

Amounts in TSEK	2024-06-30	2023-06-30	2023-12-31
Assets			
Non-current assets			
Intangible assets	167,389	165,542	166,947
Property, plant and equipment	1,608	1,789	1,699
Financial assets	32	31	32
Current assets			
Other current assets	716	540	967
Cash and cash equivalents	118,527	987	866
Total assets	288,272	169,889	170,511
Equity and liabilities			
Equity	254,299	139,578	132,135
Non-current liabilities	1,836	1,972	1,836
Current liabilities	32,137	27,339	36,540
Total Equity and liabilities	288,272	168,889	170,511

Consolidated statement of change in equity

Amounts in TSEK	Share capital	Other contributed capital	Profit/loss brought forward, incl. profit/loss for the period	Total equity
Opening equity 2023-01-01	64,401	224,295	-143,627	145,069
Comprehensive income for the period			-5,491	-5,491
Closing equity 2023-06-30	64,401	224,295	-149,118	139,578
Opening equity 2023-01-01	64,401	224,295	-143,627	145,069
Comprehensive income for the period			-12,933	-12,933
Closing equity 2023-12-31	64,401	224,295	-156,561	132,135
Opening equity 2024-01-01	64,401	224,295	-156,561	132,135
Comprehensive income for the period			-7,045	-7,045
Directed rights issue	44,311	91,107		135,418
Rights issue costs		-6,209		-6,209
Closing equity 2024-06-30	108,712	309,193	-163,606	254,299

Consolidated cash flow statement – summary

Amounts in TSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Operating activities					
Profit/loss for the period	-3,995	-2,837	-7,045	-5,491	-12,933
Adjustments for items not included in the cash flow	14	21	34	36	91
Cash flow from operating activities before changes in working capital	-3,981	-2,816	-7,011	-5,455	-12,842
Cash flow from changes in working capital					
Change in working capital	355	-33	349	-86	-568
Change in operating liabilities	-268	1,108	-610	1,493	5,117
Cash flow from operating activities	-3,892	-1,741	-7,272	-4,048	-8,293
Cash flow from investment activities	-260	-467	-552	-687	-2,064
Cash flow from financing activities	120,484	1,500	125,484	3,000	8,500
Cash flow for the year	116,331	-708	117,660	-1,735	-1,856
Opening cash and cash equivalents	2,196	1,695	866	2,722	2,722
Closing cash and cash equivalents	118,527	987	118,527	987	866

Parent Company Income statement – summary

Amounts in TSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Net revenue	0	0	0	0	0
Other operating income	0	0	0	0	0
Total operating income	0	0	0	0	0
Other external costs	-1,227	-1,245	-2,302	-2,547	-7,026
Personnel expenses	-1,229	-1,174	-2,322	-2,147	-4,099
Write-down of intangible fixed assets	-4	-2	-7	-2	-10
Operating profit/loss	-2,459	-2,421	-4,631	-4,696	-11,135
Other interest income and similar profit/loss items	0	0	0	0	2
Interest expense and similar profit/loss items	-1,531	-414	-2,409	-785	-1,797
Profit/loss for the period	-3,990	-2,835	-7,040	-5,481	-12,930
Parent company statement of comprehensive income					
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-3,990	-2,835	-7,040	-5,481	-12,930

Parent Company Balance sheet – summary

Amounts in TSEK	2024-06-30	2023-06-30	2023-12-31
Assets			
Non-current assets			
Intangible assets	166,910	165,101	166,478
Property, plant and equipment	26	41	33
Financial assets	32	31	32
Shares in subsidiaries	50	50	50
Current assets			
Other current assets	716	540	967
Cash and cash equivalents	118,485	943	824
Total assets	286,219	166,706	168,384
Equity and liabilities			
Equity	254,151	139,431	131,982
Non-current liabilities			
Current liabilities	32,068	27,275	36,402
Total Equity and liabilities	286,219	166,706	168,384

Notes

Note 1 Related parties

Related parties include subsidiaries that are part of the Group, Board members in the company's Board, the Group's senior executives as well as close relatives to these individuals. At the end of the quarter, Nordic Iron Ore had no debts to related parties.

Note 2 Key ratios

Group (Amounts in SEK)	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Equity/Assets-ratio (%)	88.21 %	82.60 %	88.21 %	82.60 %	77.49 %
Earnings per share, before and after dilution	-0.10	-0.08	-0.19	-0.15	-0.35
Equity per share	4.06	3.76	4.06	3.76	3.56
Quick ratio (%)	371.05 %	5.58 %	371.05 %	5.58 %	5.02 %
No. of shares	62,685,574	37,135,055	62,685,574	37,135,055	37,135,055
Weighted average no. of shares before dilution	38,561,774	37,135,055	37,848,414	37,135,055	37,135,055

Other

Accounting policies

Group

This interim report was prepared in accordance with IAS 34 Interim Financial Statements and in accordance with RFR 1 of the Swedish Financial Reporting Board and, for the Parent Company, RFR 2. The same accounting policies and calculation methods are applied as in the last interim report. For a detailed description of the accounting policies applied for the Group and the Parent Company in this interim, see the Annual Report 2023.

Definitions

Equity/assets ratio:	Equity as a per cent of the balance total.
Earnings per share:	Profit/loss after tax in relation to the weighted average number of shares.
Equity per share:	Equity in relation to the number of shares on the balance sheet date.
Quick ratio:	Current assets excluding stock in relation to current liabilities.

This press release contains information that Nordic Iron Ore AB (publ) is required to disclose under the EU Market Abuse Regulation. The information was published through a press release on August 22, 2024 at 08.00 CET

Financial calendar

Interim Report Q3. 2024	November 21, 2024
Year end report 2024	February 20, 2025

Signatures

Stockholm August 22, 2024
Board of Nordic Iron Ore AB (publ) org. nr 556756-0940

Bengt Nilsson
Chairman

Jonas Bengtsson

Gösta Bergman

Tomas Olofsson

Tobias Hansson

Ronne Hamerslag
CEO

This report has not been reviewed by an auditor.

Technical source material has been reviewed by the Company's qualified persons, Hans Thorshag, a qualified person under FRB standards and Paul Marsden as defined in the internationally recognized JORC Code, based on his training and experience in exploration, project development and mineral process engineering.

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