

Q1



Interim Report
January – March 2024

Nordic
Iron Ore™

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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.

Financial development

First quarter, 1 January – 31 March 2024

- Sales amounted to SEK 0 million (0)
- Earnings after tax amounted to SEK -3.1 million (-2.7)
- Investments amounted to SEK 0.3 million (0.2) during the period January-March
- Earnings per share before amounted to -0.08 SEK (-0.07)
- Cash and cash equivalents amounted to SEK 2.2 million (1.7) on March 31, 2024

Key ratios

Group (Amounts i SEK)	2024 Jan-Mar	2023 Jan-Mar	2023 Full year
Equity/ Assets-ratio (%)	75.01 %	84.20 %	77.49 %
Earnings per share, before and after dilution	-0.08	-0.07	-0.35
Equity per share	3.48	3.84	3.56
Quick ratio (%)	7.66 %	8.96 %	5.02 %
No. of shares	37,135,055	37,135,055	37,135,055
Weighted average no. of shares before dilution	37,135,055	37,135,055	37,135,055

Significant events

During the quarter

- Nordic Iron Ore AB has received an approval from Bergsstaten on its application for an additional exploration permit in the proximity of Blötberget. The reason for the application is that initial exploration has given very positive signals. A successful exploration of the area could potentially increase Nordic Iron Ore's mineral resources.
- Nordic Iron Ore entered into an agreement with ABG Sundal Collier (ABGSC) for the company's upcoming capital raise. Nordic Iron Ore will evaluate options for the capital structure together with ABGSC and Cargill Metals.
- Nordic Iron Ore appointed Ulf Kasshag as the company's new CFO. Ulf Kasshag, born 1959, has extensive experience of controlling, accounting, reporting and finance, and has had the role as CFO at several fast-growing international companies, most recently at Findity AB.
- Nordic Iron Ore and the Swedish Transport Administration have agreed upon a technical solution for connecting Nordic Iron Ore's planned industrial rail to the nearby main line railway. This means that Nordic Iron Ore may proceed with its plans for environmentally friendly railway transport of its future production of ultra high-grade iron ore concentrate to Oxelösund's harbour.
- Nordic Iron Ore entered into loan agreements to prolong the term for repayment for existing outstanding loans of SEK 32.0 million until August 31, 2024. The loan agreements were entered with the company's main shareholders Bengtssons Tidnings AB, Ludvika Holding AB and Kopparinvest AB, as well as the company's CEO Ronne Hamerslag, a former board member and a group of investors.

- Nordic Iron Ore AB extended its short terms loans by SEK 6 million to SEK 38 million. The loans are due for repayment on August 31, 2024. The loans agreement has been entered with Lubrica Equity AB and Bizcap AB.

After the period

- Nordic Iron Ore and Cargill Metals entered into an amendment agreement in order to adjust the existing financing agreement which was announced on July 12, 2023. The amendment agreement has been made due to the FDI-law which requires application for certain foreign direct investments.

CEO letter

Dear shareholder,

During the quarter we continued intensive work to secure sufficient funding for the establishment of an iron ore mine with a green profile at Blötberget. An important step was taken through the agreement with ABG Sundal Collier (ABGSC) for financial advisory in the upcoming capital raise. We are now in the process of finalizing the final details, together with ABGSC and Cargill Metals, concerning the structure and time plan for the next step of financing. In parallel, we have continued work to secure our environmental permit and we expect a decision from the Land and environmental court concerning the working time for water operations during the third quarter 2024.

The company is now finalizing the last preparations ahead of the next step of financing. The capital raise together with Cargill Metals is expected to take place in the near future, whereby also outstanding short term loans and interest are mainly subject to set-off. After the quarter, we entered into an amendment agreement together with Cargill Metals due to the law regulating foreign direct investments ("FDI-law") which requires that the Inspectorate of Strategic Products ("ISP") makes a review of certain foreign direct investments. We have not yet received any news from the ISP following Cargill Metals' application but the amendments that we have made to the agreements means that we have a robust foundation for collaboration and the coming investment regardless of the timing and final decision from the ISP.

The company has continued its efforts to update and secure the environmental permit and has previously made an application to the Land and environmental court for an extended working time regarding water operations. During the quarter, a round of referral was completed regarding the application and some referral replies made demands for complementary information. After the period, the company has responded to the referral replies and provided requested complementary information. We are hopeful to receive a positive verdict during third quarter or at least the current financial year from the court. In the end I expect that we will receive all necessary permits. Some smaller changes to the environmental permit do not require treatment by the court and smaller changes that we've applied for have been approved by the County Administrative Court and Ludvika municipality.

During the quarter, the company received an approval from Bergsstaten on its application for an additional exploration permit in the proximity of Blötberget. The reason for the application is that initial exploration has given very positive signals. Through Nordic Iron Ore's own exploration and and participation in the EU-funded project Smart Exploration, knowledge has increased regarding the geology in the proximity of the area. In addition to Smart Exploration's measures, additional magnetic

measures indicate that mineralization in Blötberget continues to the north-east which makes the area highly interesting for continued exploration. We will now initiate exploration work in the area. After the quarter, the company has made an extension-application to Bergsstaten regarding the exploration permit Ludvikafältet nr 1 and we expect to be granted a three-year extension during the coming months.

According to the current time plan and calculations, we have a lead time of approximately four years before mining can begin at Blötberget. If initial funding is secured as planned in the near future, engineering work and studies can begin in the second half of 2024 and be completed by mid-2025 and form a basis for funding of the mine construction, so called Project Financing. Provided that the Land and environmental court approve our application for extended working time during 2024 we expect to initiate mining production at Blötberget in 2028, at the earliest. We plan to increase annual production in steps up to approximately 1.6 million tonnes ultra high-grade iron ore concentrate. Such an iron ore concentrate is an essential raw material in order to reduce CO2 intensity in the entire steel value chain.

We also continue to evaluate the existence of rare earth elements (REE) and phosphates in proximity of the mine and after the quarter a number of tests have been made and initial analysis has begun. Hopefully, these important raw materials can become a complementary source of income for the company.

During the quarter, we welcomed Ulf Kasshag as the company's new CFO ahead of the coming capital raise. We plan to make additional recruitments to the company during the year. We have an exiting and decisive time ahead and I look forward to keeping you updated on our continued progress.

Ronne Hamerslag
CEO
Nordic Iron Ore AB (publ)



Ronne Hamerslag
CEO



During the quarter, the company received an approval from Bergsstaten on its application for an additional exploration permit in the proximity of Blötberget.

Financial development

Results

The period's result amounted to SEK -3.1 million (-2.7) during the first quarter. The larger loss is mainly due to the higher funding costs. The earnings per share amounted to -0.08 SEK (-0.07) before and after dilution during the first quarter.

Capital structure

The Group had cash and cash equivalents of SEK 2.2 million (1.7) at the end of the period. The equity/assets-ratio amounted to 75.01%. The Group's equity amounted to SEK 129.1 million (142.4) corresponding to 3.48 SEK per share (3.84). During the period, the company entered into an agreement to extend short term loans by SEK 6.0 million to a total of SEK 38.0 million, and all short term loans are due for repayment on August 31, 2024.

It is the Board's view that the current working capital is insufficient to finance the planned activities during the coming 12 months, which could lead to substantial doubt regarding the company's going concern. The Board is therefore actively working to secure financing as an important part of the company's strategy and has during the quarter engaged ABGSC as advisor for the upcoming capitalization process. Structure and time plan for the capitalization will be developed in collaboration with Cargill Metals.

Investments

Investments amounted to SEK 0,3 million in January-March 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 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. After December 1, 2023, Cargill Metals' investment became subject to the new law regulating foreign direct investments, the so called FDI-law. Other risks are primarily connected to fluctuations in world market prices for iron ore products, which in turn affects the profitability of the project. Furthermore, the company is dependent on obtaining all the necessary authority permits in order to have mining operations. 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 64,400,883 SEK divided upon 37,135,055 shares at the end of the period, with a quota value of 1.734 SEK per share. The number of shareholders amounted to 7,943.

Shareholders on March 26, 2024

Shareholders	Number of shares	Share of vote and capital
Bengtssons Tidnings AB	7,799,238	21.0 %
Ludvika Holding AB	4,453,483	12.0 %
Kopparinvest AB	2,600,132	7.0 %
Björn Israelsson	1,365,000	3.7 %
Rotcod AB	1,106,000	3.0 %
Johan Flink	778,500	2.1 %
Per Einarsson	610,000	1.6 %
Avanza Pension	543,989	1.5 %
Jonas Bengtsson	524,105	1.4 %
Swedbank Försäkring	416,730	1.1 %
Total top 10	20,197,177	54.4 %
Other	16,937,878	45.6 %
Total	37,135,055	100.0 %

Share price



Financials

Consolidated statement of comprehensive income – summary

Amounts in TSEK	2024 Jan-Mar	2023 Jan-Mar	2023 Full year
Net revenue	0	0	0
Other operating income	0	0	0
Total operating income	0	0	0
Other external costs	-1,017	-1,246	-6,800
Personnel expenses	-1,093	-973	-4,100
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-45	-42	-176
Operating profit/loss	-2,156	-2,261	-11,076
Financial income	0	0	2
Financial expenses	-895	-393	-1,859
Net financial income/expense	-895	-393	-1,857
Profit/loss after financial income and expense	-3,050	-2,654	-12,933
Profit/loss for the period	-3,050	-2,654	-12,933
Other comprehensive income	-	-	-
Total comprehensive income for the period	-3,050	-2,654	-12,933
Attributable to:			
Parent company shareholders	-3,050	-2,654	-12,933
Total	-3,050	-2,654	-12,933
Number of shares			
Number of shares at year-end	37,135,055	37,135,055	37,135,055
Average no. of shares (before dilution)	37,135,055	37,135,055	37,135,055
Average no. of shares (after dilution)	37,135,055	37,135,055	37,135,055
Earnings per share			
Earnings per share, weighted average before dilution, SEK	-0.08	-0.07	-0.35
Earnings per share, weighted average after dilution, SEK	-0.08	-0.07	-0.35

Consolidated statement of financial position – summary

Amounts in TSEK	2024-03-31	2023-03-31	2023-12-31
Assets			
Non-current assets			
Intangible assets	167,246	165,110	166,947
Property, plant and equipment	1,654	1,790	1,699
Financial assets	32	31	32
Current assets			
Other current assets	957	523	967
Cash and cash equivalents	2,196	1,695	866
Total assets	172,085	169,149	170,511
Equity and liabilities			
Equity	129,086	142,415	132,135
Non-current liabilities	1,836	1,972	1,836
Current liabilities	41,163	24,762	36,540
Total Equity and liabilities	172,085	169,149	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			-2,654	-2,654
Closing equity 2023-03-31	64,401	224,295	-146,281	142,415
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			-3,050	-3,050
Closing equity 2024-03-31	64,401	224,295	-159,611	129,085

Consolidated cash flow statement – summary

Amounts in TSEK	2024 Jan-Mar	2023 Jan-Mar	2023 Full year
Operating activities			
Profit/loss for the period	-3,050	-2,653	-12,933
Adjustments for items not included in the cash flow	20	15	91
Cash flow from operating activities before changes in working capital	-3,030	-2,638	-12,842
Cash flow from changes in working capital			
Change in working capital	-6	-53	-568
Change in operating liabilities	-342	383	5,117
Cash flow from operating activities	-3,379	-2,308	-8,293
Cash flow from investment activities	-292	-219	-2,064
Cash flow from financing activities	5,000	1,500	8,500
Cash flow for the year	1,330	-1,027	-1,856
Opening cash and cash equivalents	866	2,722	2,722
Closing cash and cash equivalents	2,196	1,695	866

Parent Company Income statement – summary

Amounts in TSEK	2024 Jan-Mar	2023 Jan-Mar	2023 Full year
Net revenue	0	0	0
Other operating income	0	0	0
Total operating income	0	0	0
Other external costs	-1,075	-1,302	-7,026
Personnel expenses	-1,093	-973	-4,099
Write-down of intangible fixed assets	-4	-	-10
Operating profit/loss	-2,172	-2,275	-11,135
Other interest income and similar profit/loss items	0	0	2
Interest expense and similar profit/loss items	-878	-371	-1,797
Profit/loss for the period	-3,050	-2,646	-12,930
Parent company statement of comprehensive income			
Other comprehensive income	-	-	-
Total comprehensive income for the period	-3,050	-2,646	-12,930
Attributable to:			
The parent company's shareholders	-3,050	-2,646	-12,930
TOTAL	-3,050	-2,646	-12,930

Parent Company Balance sheet – summary

Amounts in TSEK	2024-03-31	2023-03-31	2023-12-31
Assets			
Non-current assets			
Intangible assets	166,770	164,677	166,478
Property, plant and equipment	30	-	33
Financial assets	32	31	32
Shares in subsidiaries	50	50	50
Current assets			
Other current assets	957	523	967
Cash and cash equivalents	2,154	1,652	824
Total assets	169,993	166,933	168,384
Equity and liabilities			
Equity	128,932	142,266	131,982
Non-current liabilities			
Current liabilities	41,060	24,667	36,402
Total Equity and liabilities	169,993	166,933	168,384

Notes

Note 1 Related parties

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 i SEK)	2024 Jan-Mar	2023 Jan-Mar	2023 Full year
Equity/Assets-ratio (%)	75.01 %	84.20 %	77.49 %
Earnings per share, before and after dilution	-0.08	-0.07	-0.35
Equity per share	3.48	3.84	3.56
Quick ratio (%)	7.66 %	8.96 %	5.02 %
No. of shares	37,135,055	37,135,055	37,135,055
Weighted average no. of shares before dilution	37,135,055	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 May 27, 2024 at 08.00 CET

Financial calendar

Interim Report Q2 2024	August 22, 2024
Interim Report Q3 2024	November 21, 2024

Signatures

Stockholm, May 27, 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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