

## **NORDIC IRON ORE HAS SUCCESSFULLY COMPLETED A DIRECTED SHARE ISSUE OF APPROXIMATELY 31 MILLION SHARES AND RAISES APPROXIMATELY SEK 163 MILLION**

The Board of Directors of Nordic Iron Ore AB (publ) ("Nordic Iron Ore" or the "Company") has decided to carry out a directed share issue of approximately 31 million shares, corresponding to approximately SEK 163 million (the "Directed Share Issue"). 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. Due to significant investor interest, the Directed Share Issue was increased from what was communicated in the press release earlier today.

### **The Directed Share Issue**

The Board of Directors of Nordic Iron Ore has, in accordance with the intention announced in the Company's press release earlier today, resolved on a directed share issue of 30,780,223 new shares. The subscription price in the Directed New Share Issue was SEK 5.3 per share and has been determined through an accelerated bookbuilding procedure carried out by the Company's financial adviser ABG Sundal Collier. It is therefore the Board of Directors' assessment that the terms for the Directed New Share Issue and the subscription price are in accordance with current market conditions. The subscription price per share in the Directed New Share Issue constitutes a discount of approximately 9 per cent compared to the volume weighted average price (VWAP) for the past ten days of trading.

A number of new international and Nordic reputable investors have participated in the Directed Share Issue, including a commitment to subscribe by Cargill and subscription by Svelland Capital, and a number of existing shareholders.

Cargill will become the largest shareholder in Nordic Iron Ore following subscription in the Directed Share Issue with a shareholding of approximately 17 per cent. Cargill Inc. is a global industry leading supplier of commodities and several other business operations. Cargill is striving for investments in accelerating the transition towards a more sustainable ferrous supply chain and green steel, and have recognised the potential of Nordic Iron Ore and its importance for the green steel production. As previously communicated, Cargill has entered into an approximately SEK 35 billion offtake agreement with Nordic Iron Ore including an agreement to buy 25 Mt ultra high-grade iron ore concentrate from the Blötberget mine. The offtake agreement is a central component of a strategic collaboration that includes conditional funding commitments from Cargill, in total amounting to approximately SEK 307 million.

"We are very grateful for the support and trust shown by our new and existing shareholders through this investment. I am very pleased with the high quality of new investors including well respected commodities trader Cargill and that a commodities specialist fund like Svelland Capital is a new shareholder with 9.9 per cent. Svelland Capital won the "Best Macro Strategy Hedge Fund" at the Hedgeweek European Awards 2023. Their confidence means a great deal to us as we bring in additional capital and expertise from investors who recognize Nordic Iron Ore's potential and can significantly contribute to our future growth. This investment allows us to advance our preparatory activities for the planned mining operations in Blötberget," says Ronne Hamerslag, CEO of Nordic Iron Ore.

In accordance with the Company's press release earlier today, the Company intends to use the net proceeds from the Directed Share Issue for preparatory activities for the planned mining operations in Blötberget. Of the gross proceeds, approximately SEK 9 million is intended to be used to repay outstanding loans and interest to Kopparinvest AB, Bizcap AB and Lubrica Equity. Other debt amounting to approximately SEK 31 million have been repaid through set-off in connection with the Directed Share Issue.

Bengtssons Tidnings AB, Ludvika Holding AB, and Ronne Hamerslag, Johan Flink, Fredrik Attefall, Martin Ramqvist, and Timo Lindborg via company, have set off outstanding loans to the Company in the Directed Share Issue. The respective subscriptions and set-offs by Bengtssons Tidnings AB, Ludvika Holding AB and Ronne Hamerslag are conditional upon approval by the extraordinary general meeting with at least nine tenths of both the votes and the shares represented at the meeting. The extraordinary general meeting is intended to be held on 9 July 2024, and notice will be published in a separate press release.

#### **Deviation from the shareholders' preferential rights**

The Board of Directors considered the possibility of raising capital through a rights issue but made the assessment that it would be more advantageous for both the Company and the shareholders to raise capital through a directed share issue.

A rights issue would have taken significantly longer to carry out, which could have impaired the Company's financial flexibility. The Company assessed that a rights issue under the current volatile market conditions would entail higher costs related to possible underwriting. Finally, the Company wished to expand and strengthen its base of institutional and professional shareholders.

Given the current volatile market environment - which can mean that the conditions for raising capital may change quickly - the Company considered it prudent to act on the opportunity to secure additional capital from prestigious institutional and professional investors. The Directed Share Issue was therefore deemed to be in the interests of the Company and the shareholders. As the issue price in the Directed Share Issue was determined through a bookbuilding procedure, it is the Board of Directors' assessment that the issue price is market-based in that it reflected prevailing market conditions and investor demand.

## Lock-up

In connection with the Directed Share Issue, the Company's CEO, Ronne Hamerslag, has undertaken not to sell or in other ways dispose of his shares in the Company for a period of 180 calendar days after completion of the Directed Share Issue. The Company's three largest shareholders, Bengtssons Tidnings AB, Ludvika Holding AB, and Kopparinvest AB, have, in connection with the signing of the funding commitment letter in 2023, entered into a shareholder agreement with Cargill regarding the parties' shareholding in Nordic Iron Ore, in which they undertake not to sell or transfer their shares in the Company for a period of 24 months after completion of the Directed Share Issue, and the day that occurs six months after the financing for the construction of the Blötberget mine is obtained.

## Advisers

ABG Sundal Collier is acting as Sole Global Coordinator in connection with the Directed Share Issue. Bird & Bird Advokat KB is acting as legal counsel to the Company.

## For more information, please contact:

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## About Nordic Iron Ore

Nordic Iron Ore AB is a mining company with the goal of resuming and developing iron ore mining in the Ludvika area. The company has all the necessary permits in place for the initial project at Blötberget and will be able to produce an ultra high-grade iron ore concentrate suitable for the production of fossil-free steel. The company is also evaluating the possibility of extracting a biproduct concentrate with high levels of phosphorus and rare earth elements. In addition to Blötberget, the company has mining concessions for the Väsmanfield and Håksberg, which are intended to be put into operation after Blötberget is in production.

For more information, see [www.nordicionore.se](http://www.nordicionore.se).

Nordic Iron Ore's shares and warrants are listed at Nasdaq First North Growth Market. Wildecos is the company's Certified Adviser

## Important information

The release, announcement or distribution of this announcement may, in certain jurisdictions, be subject to restrictions. The recipients of this announcement in jurisdictions where this announcement has been published or distributed shall inform themselves of and follow such restrictions. The recipient of this announcement is responsible for using this announcement, and

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This announcement is not a prospectus as set forth in Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. The Company has not approved any securities offering to the public in any member state of the EEA and no prospectus has been published or will be published in connection with the Share Issue. In each member state of the EEA, this message is only directed towards "qualified investors" in that member state in accordance with the definition of "qualified investors" in the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (within the meaning of Article 86(7) of the Financial Services and Markets Act 2000) who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

### **Forward-looking statements**

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless this is required under law or Nasdaq Stockholm's rulebook for issuers.

### **Information to distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Nordic Iron Ore have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares in Nordic Iron Ore may decline and investors could lose all or part of their investment; the shares in Nordic Iron Ore offer no guaranteed income and no capital protection; and an investment in the shares in Nordic Iron Ore is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are

capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Share issue. Thereto, notwithstanding the Target Market Assessment, it shall be noted that the Sole Global Coordinator will only provide investors who meet the criteria for professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Nordic Iron Ore.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Nordic Iron Ore and determining appropriate distribution channels.

*This information is information that Nordic Iron Ore is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-06-19 23:00 CEST.*

#### **Attachments**

**[Nordic Iron Ore has successfully completed a directed share issue of approximately 31 million shares and raises approximately SEK 163 million](#)**