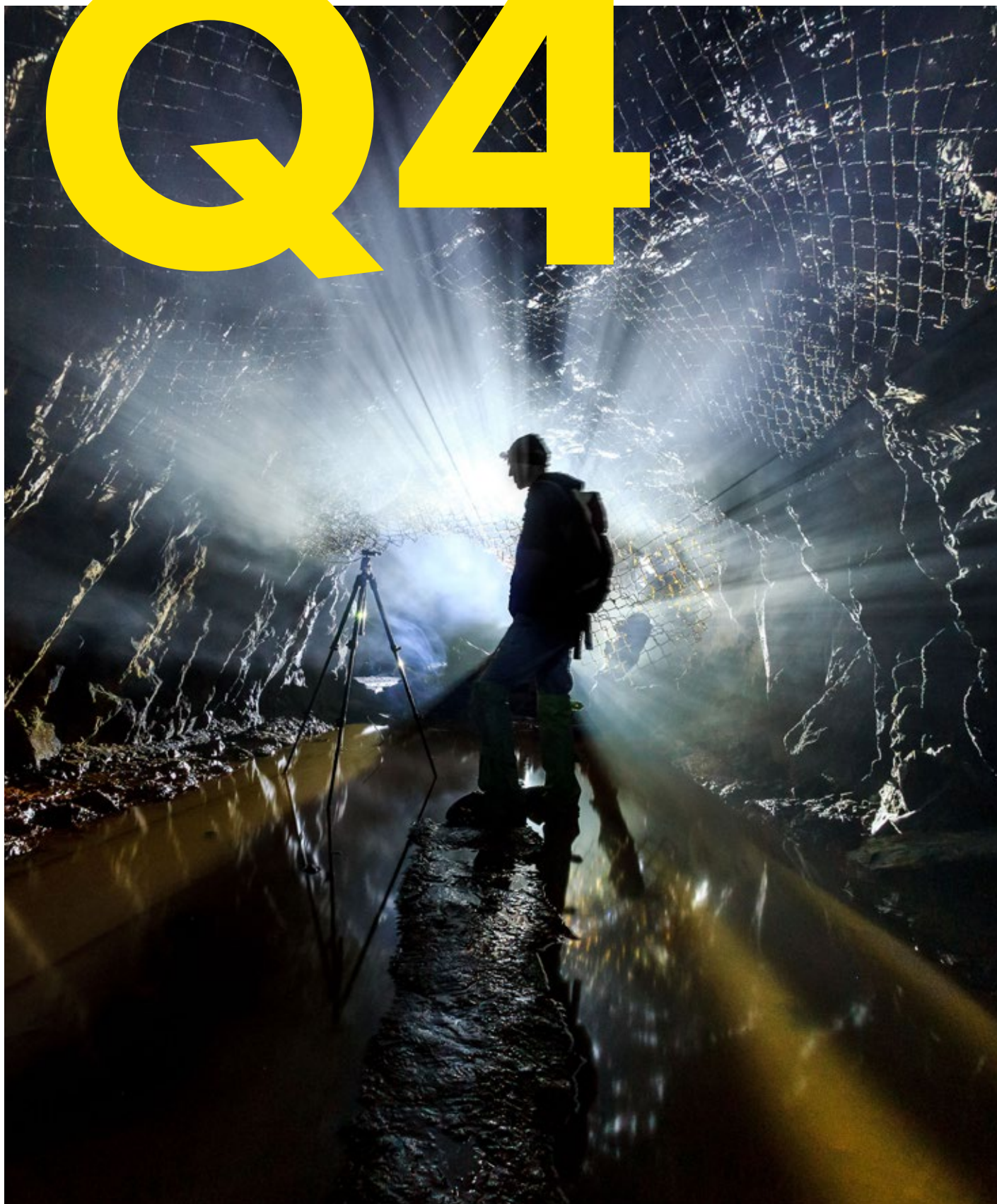


Q4



Year-End Report
January – December 2023

Nordic
Iron Ore™

Q4

Year-End Report January - December 2023

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

Fourth quarter, 1 October – 31 December 2023

- Sales amounted to SEK 0 million (0)
- Earnings after tax amounted to SEK -3.1 million (-2.7)
- Investments amounted to SEK 0.8 million (0.3) during the period
- Earnings per share before and after dilution amounted to -0.08 SEK (-0.08)

Full-year, 1 January – 31 December 2023

- Sales amounted to SEK 0 million (0)
- Earnings after tax amounted to SEK -12.9 million (-10.5)
- Investments amounted to SEK 2.1 million (5.0) in January - December
- Earnings per share before and after dilution amounted to -0.35 SEK (-0.28)
- Cash and cash equivalents amounted to SEK 0.9 million (2.7) on December 31, 2023.



Key ratios

Group (Amounts in SEK)	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Equity / Assets-ratio (%)	77.49 %	85.36 %	77.49 %	85.36 %
Earnings per share, before and after dilution	-0.08	-0.08	-0.35	-0.28
Equity per share	3.56	3.91	3.56	3.91
Quick ratio (%)	5.02 %	13.97 %	5.02 %	13.97 %
No. of shares	37,135,055	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	37,135,055

Significant events

During the quarter

- Nordic Iron Ore AB has entered into loan agreements to extend an existing loan facility by SEK 6.0 million from Bengtssons Tidnings AB with family, Ludvika Holding AB and a group of investors including Fredrik Attefall, Johan Flink and Martin Ramqvist, to a total of SEK 32.0 million. At the same time, the term for repayment for the existing outstanding loans of SEK 26.0 million were prolonged until February 28, 2024.
- Nordic Iron Ore is a partner to "Smart Exploration Research Center". The research center has been granted SEK 60 million by the Swedish Foundation for Strategic Research and is a multidisciplinary center that will do research on exploration and refinement of metals and minerals. The research is led by Uppsala University and is important for the ongoing energy transition and society's adjustment to the climate.
- Nordic Iron Ore has followed up on this spring's exploration of rare earth elements (REE) with additional testing at Blötberget. This testing shows even more promising results and that the total share of rare earth elements amounts to 15,285 ppm (1.53 %) at the most.
- Nordic Iron Ore AB has made an application to Bergsstaten for an additional exploration permit in the proximity of Blötberget. The reason for the application is that initial exploration has given signals that the area is very interesting for expanded exploration.
- Nordic Iron Ore AB entered into loan agreements to prolong the term for repayment for existing outstanding loans of SEK 32.0 million until June 30, 2024. The loan agreements have been entered with the company's three largest shareholders, a former board member, the company's CEO and a group of investors.

After the period

- Nordic Iron Ore AB has received an approval from Bergsstaten on its application for an additional exploration permit in the proximity of Blötberget. A successful exploration of the area could potentially increase Nordic Iron Ore's mineral resources.
- Nordic Iron Ore has entered into an agreement with ABG Sundal Collier (ABGSC) concerning the company's upcoming capital raise. Nordic Iron Ore will now evaluate options for capital structure together with ABGSC and Cargill Metals.

CEO letter

Dear Shareholder,

During the quarter we continued intensive work to create pre-conditions to realize a modern, electrified mining facility with a uniquely low carbon footprint at Blötberget. The company's focus is now to secure required initial funding for zoning planning and initial construction work. Through the agreement with Cargill Metals, in which they undertake to purchase 25 Mt of ultra high-grade iron ore concentrate, we are in a better position to secure necessary funding. In addition to the purchase agreement, Cargill Metals has made conditional funding commitments of a total of SEK 307 million during the construction process of the Blötberget-mine, and will initially invest SEK 60 million. However, hard work is still necessary to secure initial funding at acceptable terms. Until we have secured a funding solution we will, as previously, ensure bridge financing through short-term loans. Once a decision on the final structure and time plan for the initial capitalization has been made, an updated time plan for completing Blötberget will be presented. In parallel, the exploration of rare earth elements continues and during the quarter new exploration results were presented, indicating high grades of these metals that are important to the green transition.

We have previously communicated that we aim to complete a directed share issue and a preferential rights issue during the autumn of 2023 in order to finance zoning planning and initial construction work at Blötberget. Even though inflation has come down during the autumn, the investment climate is still impacted by high interest rates and heightened concerns regarding the overall economy. The company therefor concluded that additional time is required to ensure a successful capitalization. After the period, the company has engaged ABG Sundal Collier as financial advisor on the upcoming capitalization process and together with Cargill Metals we are working on a structure and time plan for the capitalization. Once the company has made a decision on the structure and time plan for the capitalization we will present an updated time plan for making Blötberget into an operational mine.

In the third quarter 2023, the company made an application to the Land and environmental court for an extended working time regarding water operations. The Land and environmental court has since then requested supplemental information which the company provided in the fourth quarter, after which the application was registered. After the period, the application was sent on referral and the company has now received all referral replies. The application has been supported by Ludvika municipality and the Geological Survey of Sweden, among others, who argue that the mineral assets and reserves are considered to be

of national interest. The County Administrative Court and the Swedish Agency for Marine and Water Management have objected to the company's application and requested complementary information. The company will now compile a response to referral replies and hand these in to the court. We will then await a decision from the court regarding the continued process. Our hope is to receive a positive verdict during the second or at the latest third quarter this year but application processes for permits are difficult to predict both in terms of timing and outcome. In case the company does not receive a positive verdict from the court regarding prolonged work time for water operations, the company can apply for a new permit for water operations. In the end I expect that the company will receive all necessary permits but again, it is difficult to predict timing for when these are received and what terms must be met before the process is completed. Smaller changes to the environmental permit do not require treatment by the court and smaller changes that have been completed have been approved by the County Administrative Court and Ludvika municipality.

A lot of the infrastructure is already available through close access to the grid and the railway that will transport the iron ore concentrate to Oxelösunds harbour. These are important reasons for why Nordic Iron Ore will be able to produce ultra high-grade iron ore concentrate with exceptionally low CO₂ emissions, corresponding to only a few kilos of carbon dioxide equivalents per tonne iron ore concentrate.



Ronne Hamerslag
CEO

As previously communicated, we are hopeful to be able to complement our future product portfolio with a biproduct concentrate that has high grades of phosphate and rare earth elements (REE). Nordic Iron Ore has followed up on this spring's exploration of rare earth elements (REE) with additional testing at Blötberget during this quarter. This testing shows even more promising results with high grades of REE and the total share of REE amounts to 15,285 ppm (1.53 %) at the most. Several of the identified metals are used in production of permanent magnets which are used in for instance electric cars and wind turbines. These metals are high on EU's list of critical raw materials since they are not currently mined within EU. Additional testing will be carried out in order to gain a better understanding of the extent of the REE-mineralization.

As soon as the initial capitalization is completed, the company will accelerate strengthening of its organization, both through recruitments and consultants, and secure agreements with partners and suppliers to complete necessary studies, construction and zoning planning, and provide an updated estimate for production start at Blötberget. I look forward to keeping you posted on our progress and challenges of this exiting journey.

Ronne Hamerslag
CEO
Nordic Iron Ore AB (publ)



During the quarter Nordic Iron Ore has followed up on this spring's exploration of rare earth elements with additional testing at Blötberget. This testing shows even more promising results.

Financial development

Results

The period's result amounted to SEK -3.1 million (-2.7) during the fourth quarter. The earnings per share amounted to -0.08 SEK (-0.08) before and after dilution during the fourth quarter.

Capital structure

The Group had a liquidity of SEK 0.9 million (2.7) at the end of the period. The equity/assets-ratio amounted to 77.5 %. The Group's equity amounted to SEK 132.1 million (145.1) corresponding to 3.56 SEK per share (3.91). During the period, the company entered into an agreement to extend an existing credit facility by SEK 6.0 million to a total of SEK 32.0 million, and repayment was prolonged until June 30, 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 means that doubt could arise regarding the company's going concern. The Board is actively reviewing financing options as part of the company's strategy and has, among other actions, engaged ABG Sundal Collier as advisor after the quarter in the upcoming capitalization process. Structure and time plan for the capitalization will developed in collaboration with Cargill Metals. Outstanding shareholder loans plus interest accrued on such amount, amounting to approximately SEK 33.7 million as of February 22, 2024 will in its entirety be set-off in the capitalization.

Investments

Investments amounted to SEK 0,8 million in October - December 2023. 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 3 (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. 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 a collaboration agreement with Cargill Metals whereby they have made a conditional funding commitment and also committed to purchase the future production from Blötberget. After December 1, 2023, Cargill Metals' investment in Nordic Iron Ore is subject to the new law on 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.

Financial reports

The company's press releases and financial reports are distributed by Cisionwire and are available on www.nordicironore.se

Share information

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

The share capital amounted to 64,400,883 SEK divided upon 37,135,055 shares, with a quota value of 1.734 SEK per share. The number of shareholders amounted to 8,459.

Shareholders on December 31, 2023

Shareholders	Number of shares	Share of votes 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 %
Whittle Equity Pty Ltd	1,294,226	3.5 %
Skålpussen AB	1,106,000	3.0 %
Björn Israelsson	1,052,000	2.8 %
Johan Flink	751,450	2.0 %
Per Einarsson	591,500	1.6 %
Avanza Pension	536,320	1.4 %
Jonas Bengtsson	524,105	1.4 %
Total top-10	20,708,454	55.8 %
Other	16,426,601	44.2 %
Total	37,135,055	100.0 %

Share price



Financials

Consolidated statement of comprehensive income – summary

Amounts in TSEK	2023 Oct–Dec	2022 Oct–Dec	2023 Full year	2022 Full year
Net revenue	0	0	0	0
Other operating income	0	0	0	0
Total operating income	0	0	0	0
Other external costs	-1,479	-1,290	-6,800	-6,540
Personnel expenses	-1,035	-1,008	-4,100	-2,080
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-45	-42	-176	-760
Operating profit/loss	-2,559	-2,339	-11,076	-9,380
Financial income	2	0	2	0
Financial expenses	-557	-485	-1,859	-1,094
Net financial income/expense	-555	-485	-1,857	-1,094
Profit/loss after financial income and expense	-3,114	-2,824	-12,933	-10,474
Profit/loss for the period	-3,114	-2,824	-12,933	-10,474
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-3,114	-2,824	-12,933	-10,474
Attributable to:				
Parent company shareholders	-3,114	-2,824	-12,933	-10,474
Total	-3,114	-2,824	-12,933	-10,474
Number of shares				
Number of shares at year-end	37,135,055	37,135,055	37,135,055	37,135,055
Average no. of shares (before dilution)	37,135,055	37,135,055	37,135,055	37,135,055
Average no. of shares (after dilution)	37,135,055	37,135,055	37,135,055	37,135,055
Earnings per share				
Earnings per share, weighted average before dilution, SEK	-0.08	-0.08	-0.35	-0.28
Earnings per share, weighted average after dilution, SEK	-0.08	-0.08	-0.35	-0.28

Consolidated statement of financial position – summary

Amounts in TSEK	2023-12-31	2022-12-31
Assets		
Non-current assets		
Intangible assets	166,947	164,886
Property, plant and equipment	1,699	1,832
Financial assets	32	31
Current assets		
Other current assets	967	479
Cash and cash equivalents	866	2,722
Total assets	170,511	169,950
Equity and liabilities		
Equity	132,135	145,069
Non-current liabilities	1,836	1,972
Current liabilities	36,540	22,909
Total Equity and liabilities	170,511	169,950

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 2022-01-01	64,401	224,295	-133,153	155,543
Comprehensive income for the period			-10,474	-10,474
Closing equity 2022-12-31	64,401	224,295	-143,627	145,069
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

Consolidated cash flow statement – summary

Amounts in TSEK	2023 Oct–Dec	2022 Oct–Dec	2023 Full year	2022 Full year
Operating activities				
Profit/loss for the period	-3,114	-2,824	-12,933	-10,474
Adjustments for items not included in the cash flow	29	105	91	720
Cash flow from operating activities before changes in working capital	-3,085	-2,719	-12,842	-9,754
Cash flow from changes in working capital				
Change in working capital	-402	276	-568	10
Change in operating liabilities	1,316	699	5,117	1,368
Cash flow from operating activities	-2,171	-1,744	-8,293	-8,376
Cash flow from investment activities	-795	-336	-2,064	-4,965
Cash flow from financing activities	3,500	3,000	8,500	13,250
Cash flow for the year	534	920	-1,856	-90
Opening cash and cash equivalents	332	1,802	2,722	2,812
Closing cash and cash equivalents	866	2,722	866	2,722

Parent Company Income statement – summary

Amounts in TSEK	2023 Oct–Dec	2022 Oct–Dec	2023 Full year	2022 Full year
Net revenue	0	0	0	0
Other operating income	0	0	0	0
Total operating income	0	0	0	0
Other external costs	-1,534	-1,345	-7,026	-6,763
Personnel expenses	-1,035	-1,008	-4,099	-2,080
Write-down of intangible fixed assets	-4	0	-10	-594
Operating profit/loss	-2,573	-2,353	-11,135	-9,437
Other interest income and similar profit/loss items	2	0	2	–
Interest expense and similar profit/loss items	-548	-366	-1,797	-1,060
Profit/loss for the period	-3,119	-2,719	-12,930	-10,497
Parent company statement of comprehensive income				
Other comprehensive income	–	–	–	–
Total comprehensive income for the period	-3,119	-2,719	-12,930	-10,497

Parent Company Balance sheet – summary

Amounts in TSEK	2023-12-31	2022-12-31
Assets		
Non-current assets		
Intangible assets	166,478	164,457
Property, plant and equipment	33	–
Financial assets	32	31
Shares in subsidiaries	50	50
Current assets		
Other current assets	967	479
Cash and cash equivalents	824	2,679
Total assets	168,384	167,697
Equity and liabilities		
Equity	131,982	144,912
Current liabilities	36,402	22,785
Total Equity and liabilities	168,384	167,697

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.

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 2022.

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 February 22, 2024 at 15.00 CET.

Financial calendar

Annual Report 2023	April 25, 2024
Interim Report Q1 2024 and AGM.....	May 27, 2024
Interim Report Q2 2024	August 22, 2024
Interim Report Q3 2024	November 21, 2024

Signatures

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

Bengt Nilsson
Chairman

Jonas Bengtsson

Gösta Bergman

Tomas Olofsson

Tobias Hansson

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.

For further information, please contact:

Ronne Hamerslag
Telephone: +46 (0)240 88 301
E-mail: ronne.hamerslag@nordicironore.se



Photo: Sandvik



Nordic Iron Ore AB (publ)
Åkarevägen 2
SE-772 32 Grängesberg
www.nordicironore.se