

Half-Year Report

JANUARY – JUNE 2024



EURO
BATTERY
MINERALS



Q2 2024

» There is a lot of talk about critical raw materials in the news lately, in large part thanks to the newly approved Critical Raw Materials Act (CRMA). Responsible mining in Europe is in the spotlight right now but this is something Eurobattery Minerals has been focusing on for many years. The environmental permit application for the Hautalampi battery mineral project was submitted at the end of April and hopefully the CRMA will shorten the timeframes for the approval. «

Roberto García Martínez, CEO

Highlights second quarter 2024

- ▶ At the end of April, Eurobattery Minerals submitted the environmental permit application for the battery mineral mine project Hautalampi in Finland. Filing the application for the environmental permit means that the Company has now taken a major step towards mining operations in Finland.
- ▶ At the beginning of May 2024, Eurobattery Minerals AB signed a Letter of Intent to invest a majority stake in Spanish company Tungsten San Juan SL ("TSJ"). TSJ is operating the development of the San Juan wolfram deposit. The Project has all the necessary licenses and contracts in place to commence production.
- ▶ Also in May, the Company announced that it will apply for the battery mineral project Hautalampi to become a Strategic Project under the new EU Critical Raw Materials Act.



Dear all,

I am pleased to present the interim report for Eurobattery Minerals AB for the second quarter of 2024. Most people are slowly going back to the daily routine after the summer but at Eurobattery Minerals we have been busy all summer advancing our strategic objectives and our vision to contribute to a sustainable future for the mining industry and beyond.

Acquisition of FinnCobalt Oy finalized

Eurobattery Minerals has recently exercised its option to acquire the remaining 30 percent of FinnCobalt Oy, the owner of the ground and mining rights to the battery mineral project Hautalampi. This acquisition process began in spring 2020 and with this last transaction, the Company now holds 100 percent of FinnCobalt. This marks a significant step forward in our planned development of the Hautalampi nickel-cobalt-copper project and our goal is to establish a battery mineral mine with production and sales anticipated within a mid-term horizon. It's worth remembering that the important Environmental Permit Application for Hautalampi was submitted at the end of April this year.

Application for EU Strategic Project under CRMA

During the summer, Eurobattery Minerals have been very busy working on the application for the Hautalampi project to be recognized as a Strategic Project under the new EU Critical Raw Materials Act (CRMA). We submitted the application on the 21st of August and the European Commission is expected to announce the first list of

Strategic Projects in December 2024. The Company will be waiting eagerly for the outcome of this first round.

The CRMA aims to secure a reliable, sustainable, and diversified supply of critical raw materials essential for various strategic sectors, including the net-zero industry, digital technology, aerospace, and defence. To support this goal, the Act introduces the concept of Strategic Projects. These projects are key initiatives that contribute significantly to the EU's critical raw materials supply chain. Strategic Projects will benefit from streamlined and predictable permitting procedures, enhanced access to financing, and other forms of support, all of which would be very important for the Company.

Solar energy for carbon-zero production of critical raw materials

Earlier this year, we signed a Memorandum of Understanding (MoU) with Okun Energia Oy, an energy provider partly owned by the local municipality in Outokumpu, Finland. This MoU outlines our collaboration to produce solar energy to support carbon-zero production of critical

raw materials at the Hautalampi battery mineral project, thereby advancing the green transition. It's another step towards achieving our objectives for responsible mining and the green and digital transition.

Letter of Intent extended for Tungsten San Juan

In May, Eurobattery Minerals AB signed a non-binding letter of intent ("LOI") to invest a majority stake in Spanish company Tungsten San Juan SL ("TSJ"). After the initial period, Eurobattery Minerals and TSJ have, by mutual agreement, extended the term and exclusivity of the LOI until further notice. All other terms and conditions of the LOI remain unchanged and we continue working hard to close this deal.

The Corcel Project in Spain

The Corcel project was acquired by Eurobattery Minerals in 2019. The project is located in the mining-friendly jurisdiction of Galicia, northwest Spain, near the town of La Coruña. The rock types at Corcel are ultramafic and mafic layered intrusive rocks which are known to host nickel-cobalt-copper deposits. A metallurgical study

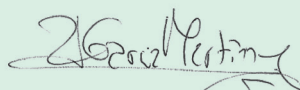
carried out in the Castriz area confirmed an elevated level of nickel worth EUR 113.9 million. Castriz is only a small part of the whole Corcel project.

The Company continues to await a positive decision from the Energy and Mining Authority of Galicia. After various elections in Spain during the last years on various levels, the different governments are now formed. We are having regular meetings with the Spanish authorities on national and local level and are seeing some positive signals in the Spanish news, especially from the Galicia region which is being proactive in adapting to the new Critical Raw Materials Act. The Company hopes that the permit process in Corcel will accelerate in the near future.

In closing, I want to express my gratitude to our shareholders, partners, and the local community for their unwavering support. Eurobattery Minerals is committed

to responsible and modern mining practices, leveraging state-of-the-art technology to align with the EU Agenda 2030, Fit for 55 objectives and the new, ambitious Critical Raw Materials Act. We look forward to continuing our journey towards delivering responsibly mined minerals from Europe for Europe.

Yours faithfully



Roberto García Martínez
CEO of Eurobattery Minerals



Half-Year Report January–June 2024

Second quarter 2024

- ▶ Net sales amounted to SEK 0 thousand (Q2 2023: SEK 0 thousand).
- ▶ Operating profit/loss after financial items totalled SEK -10,259 thousand (Q2 2023: SEK -6,637 thousand).
- ▶ Earnings per share after financial items before dilution amounted to SEK -0.10 (Q2 2023: SEK -0.26).
- ▶ Earnings per share after financial items after dilution amounted to SEK -0.08 (Q2 2023: SEK -0.20).
- ▶ Cash flow from operating activities was SEK -6,867 thousand (Q2 2023: SEK -11,225 thousand).

First half year 2024

- ▶ Net sales amounted to SEK 0 (6M 2023: SEK 0).
- ▶ Operating income after depreciation/amortisation and financial items totalled SEK -14,810 thousand (6M 2023: SEK -9,925 thousand).
- ▶ Earnings per share after financial items before dilution amounted to SEK -0.39 (6M 2023: SEK -0.60).
- ▶ Earnings per share after financial items after dilution amounted to SEK -0.12 (6M 2023: SEK -0.29).
- ▶ Cash flow from operating activities was SEK -23,964 thousand (6M 2023: SEK -1,833 thousand).

Significant events during the report period

- ▶ In January, the company announced process design for the concentration plant at its battery mineral mine project in Hautalampi. The concentrator for refinement will consist of a comminution circuit (crushing and grinding), copper flotation concentrate production, nickel-cobalt flotation concentrate production, sulphur removal and tailings handling. Hautalampi concentration plant is designed to produce annually 21,000 tonnes of Ni 7%/Co 1.9% concentrate and 5,000 tonnes of Cu 25% concentrate during the anticipated 12 years of mining at the site. The designed capacity of the plant is 500,000 tonnes per annum.
- ▶ Also, in January, Eurobattery Minerals published the preliminary and final outcomes for the rights issue. The final outcome in Eurobattery Minerals AB's rights issue of approximately SEK 29.3 million showed that 28,288,738 units were subscribed for, corresponding to a subscription rate of approximately 77.3 per cent. The company thereby received total issue proceeds of approximately SEK 22.6 million (of which SEK 1.6 million was obtained through set-off of debts) before issue costs. The net proceeds were intended to, among other things, be used for development of the battery mineral project Hautalampi and repayment of interest-bearing debts.

- ▶ On 18 March 2024 Eurobattery Minerals announced positive results on research proving that the bedrock conditions in its Finnish Hautalampi battery minerals mine project are ideal for future mining operations. The research was carried out as an essential part and as a standard procedure of the environmental permit process to determine possible risks associated with groundwater moving in shear zones in and out of the mine and the deposit. With the analysis ready, it can be concluded that the bedrock conditions in Hautalampi are favourable for mining operations.
- ▶ At the end of April, Eurobattery Minerals submitted the environmental permit application for the battery mineral mine project Hautalampi in Finland. Filing the application for the environmental permit means that the Company has now taken a major step towards mining operations in Finland. The pre-feasibility studies already concluded that there is a great economic outlook for the copper, nickel, and cobalt mine in Outokumpu and Eurobattery Minerals will now work closely with the authorities in Finland to ensure a smooth and quick environmental permit process.
- ▶ At the beginning of May 2024, Eurobattery Minerals AB signed a Letter of Intent to invest a majority stake in Spanish company Tungsten San Juan SL ("TSJ"). TSJ is operating the development of the San Juan wolfram deposit, a site with appreciable mineralization of tungsten. The Project has all the necessary licenses and contracts in place to commence production, including a letter of intent for an off-take agreement with an Austrian world-leading tungsten producer within the Swedish Sandvik Group. The investment of EUR 2.5

million through a new share issue is intended to enable the start of production in 2025.

- ▶ In May, the Company announced that it will apply for the battery mineral project Hautalampi to become a Strategic Project under the new EU Critical Raw Materials Act. This is an open call from the European Commission (DG GROW). The recognition of a project as a Strategic Project has several advantages, including streamlined and predictable permitting procedures and support in gaining access to finance.
- ▶ Also in May, but after the publication of Q1-2024, Eurobattery Minerals AB announced the signing of a Memorandum of Understanding (MoU) with Okun Energia Oy, a prominent energy provider partly owned by the local municipality in Outokumpu, Finland. This MoU was signed via FinnCobalt Oy, our subsidiary in Finland, and sets forth the terms and understanding between the entities for the development of local photovoltaic (PV) production to support carbon-zero production of critical raw materials, thereby advancing the green transition. The project aims to create an opportunity for local carbon-zero production by harnessing solar energy.
- ▶ The annual general meeting 2024 in Eurobattery Minerals AB was held on 17 June 2024. The annual general meeting resolved, in accordance with the proposal from the shareholder DH Invest AB, to re-elect Eckhard Cordes, Jan Olof Arnbom and Roberto Garcia Martinez as members of the board of directors. Jan Olof Arnbom was elected chairman of the board of directors. The notice to the general meeting and complete

proposals are available on the Company's website, investors.eurobatteryminerals.com.

Significant events after the period

- ▶ On the 26th of July, the Company exercised its option to acquire the remaining 30 per cent of FinnCobalt Oy ("FinnCobalt"), the owner of the ground and mining rights to the nickel-cobalt-copper project Hautalampi. Following the closing of the acquisition, Eurobattery Minerals' share of ownership in FinnCobalt amounts to 100 per cent. The acquisition is a significant step in the Company's planned development of the Hautalampi project and the goal to establish a battery mineral mine with production and sales within a mid-term horizon.
- ▶ On the 7th of August, Eurobattery Minerals extended the non-binding Letter of Intent (LOI) signed with Tungsten San Juan (TSJ) in May 2024. TSJ is a Spanish mining entity engaging in the development of the San Juan wolfram deposit (Ourense, Galicia, Spain), a site with appreciable mineralisation of tungsten. The goal with the LOI is to invest a majority stake in TSJ. Eurobattery Minerals and TSJ have extended the term and exclusivity of the LOI by mutual agreement, and until further notice. All other terms and conditions of the LOI remain unchanged.
- ▶ On the 21st of August, Eurobattery Minerals submitted the application for the battery mineral project Hautalampi to become a Strategic Project under the CRMA. The European Commission is expected to announce the first list of Strategic Projects in December 2024.

Earnings and sales

Comments on the second quarter, 1 April – 30 June 2024

Earnings and sales

The company's net sales for the second quarter totalled SEK 0 (Q2 2023: SEK 0), and earnings after financial items totalled SEK -10,259 thousand (Q2 2023: SEK -6,637 thousand). Operating costs amounted to SEK -8,587 thousand (Q2 2023: SEK -7,031 thousand). EBITDA for the second quarter was SEK -8,279 thousand (Q2 2023: SEK -6,637 thousand). Financial expenses for the quarter amounted to SEK -1,962 thousand (Q2 2023: SEK 3 thousand).

Investments

Investments in property, plant and equipment in the second quarter totalled SEK 0 thousand (Q2 2023: SEK 0 thousand). Investments in intangible assets amounted to SEK 1,055 thousand (Q2 2023: SEK 1,098 thousand). Investments in non-current financial assets amounted to SEK 0 thousand (Q2 2023: SEK 3,933 thousand).

Financial position

On 30 June, cash and cash equivalents amounted to SEK 508 thousand (30 June 2023: SEK 3,025 thousand). Equity was SEK 119,225 thousand (30 June 2023: SEK 94,392 thousand).

Cash flow and financing

Cash flow from operating activities in the second quarter was SEK -6,867 thousand (Q2 2023: SEK -11,225 thousand). Cash flow from investing activities was SEK -1,055 thousand (Q2 2023: SEK -5,031 thousand), while cash flow from financing activities was SEK 7,952 thousand (Q2 2023: SEK 18,569 thousand).

Comments on the first half of the year, 1 January–30 June 2024

Earnings and sales

The company's net sales for the first half of the year totalled SEK 0 (6M 2023: SEK 0), and earnings after financial items totalled SEK -14,810 thousand (6M 2023: SEK -9,925 thousand). Operating costs amounted to SEK -13,084 thousand (6M 2023: SEK -10,211 thousand). EBITDA for the first half of the year was SEK -12,396 thousand (6M 2023: SEK -9,556 thousand). Financial expenses for the period amounted to SEK -2,379 thousand (6M 2023: SEK -363 thousand).

Investments

Investments in property, plant and equipment in the first half of the year totalled SEK 0 thousand (6M 2023: SEK 0 thousand). Investments in intangible assets amounted

to SEK 7,017 thousand (6M 2023: SEK 1,823 thousand). Investments in non-current financial assets amounted to SEK 0 thousand (6M 2023: SEK 5,166 thousand).

Financial position

On 30 June, cash and cash equivalents amounted to SEK 508 thousand (30 June 2023: SEK 3,025 thousand). Equity was SEK 119,225 thousand (30 June 2023: SEK 94,392 thousand).

Cash flow and financing

Cash flow from operating activities in the first half of the year was SEK -23,964 thousand (6M 2023: SEK -1,833 thousand). Cash flow from investing activities was SEK -7,017 thousand (6M 2023: SEK -6,989 thousand), while cash flow from financing activities was SEK 30,887 thousand (6M 2023: SEK 11,130 thousand).

The share

The share capital of Eurobattery Minerals AB (publ) on 30 June 2024 amounted to SEK 49,297,946,80. The total number of shares outstanding was 123,244,867.

The company was listed on AktieTorget on 22 June 2015. On 17 April 2019, the share moved to the NGM, where trading began on 18 April 2019. The share's ticker symbol is BAT and its ISIN is SE0012481570. Since 15 January 2021, the share has been traded on Börse Stuttgart under the symbol EBM. According to Euroclear's register, Eurobattery Minerals had approximately 8,800 shareholders at the end of the period.

Related-party transactions

During the first 6M 2024, earnings were charged with fees of SEK 1,664 thousand paid to CEO Roberto García Martínez's company Nazgero Consulting Services LTD for work carried out. Earnings for the period were also impacted by SEK 3,008 thousand, paid in shares, related to a bonus program for the CEO. Gross salary and other remuneration to the CEO amount to SEK 665 thousand for the period.

List of shareholders on 30 June 2024

Shareholder	Number of shares	Percentage (%)
Clearstream Banking Germany	26,513,601	21.51%
Nazgero Consulting Services LTD	10,886,346	8.83%
Six Sis AG	7,696,301	6.25%
Avanza Pension	5,057,847	4.10%
Fenja Capital Partners A/S	2,700,000	2.19%
UBS Switzerland AG	2,596,905	2.11%
Nordea Bank Finland	2,562,759	2.08%
Tetra Ekberg OY	1,952,006	1.58 %
SEB AB Luxemburg	1,908,000	1.55 %
Caroline Thomasson	1,170,976	0.95 %
Other shareholders	60,200,126	48.85%
	123,244,867	100.00 %

Balance Sheet

SEK thousand

	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS			
Intangible assets	148,105	62,283	141,124
Tangible assets	6,792	36	6,791
Financial assets	0	43,488	0
Other current assets	8,880	8,155	9,318
Cash and bank balances	508	3,025	458
TOTAL ASSETS	164,285	116,987	157,691
EQUITY AND LIABILITIES			
Equity	119,225	94,392	101,449
Deferred tax	16,509	5,282	16,532
Provisions	1,806	0	1,765
Non-current liabilities	4,483	0	4,381
Current liabilities	22,262	17,313	33,564
TOTAL EQUITY AND LIABILITIES	164,285	116,987	157,691

Income Statement

SEK thousand

	2024 Jan–Jun	2023 Jan–Jun	2024 Apr–Jun	2023 Apr–Jun	2023 Jan–Dec
Operating income					
Net sales	0	0	0	0	0
Other operating income	653	649	290	391	1,434
Total operating income	653	649	290	391	1,434
Operating costs					
Other external costs	-10,778	-8,744	-7,507	-6,093	-16,211
Staff costs	-2,271	-1,461	-1,062	-935	-4,209
Depreciation of tangible assets	-35	-6	-18	-3	-12
Operating profit/loss	-12,431	-9,562	-8,297	-6,640	-18,998
Net interest items	-2,379	-363	-1,962	3	-4,057
Profit/loss before tax	-14,810	-9,925	-10,259	-6,637	-23,055
Tax on profit/loss for the period	0	0	0	0	15
Minority 's share in the result	721	0	372	0	1,085
PROFIT/LOSS FOR THE PERIOD	-14,089	-9,925	-9,887	-6,637	-21,970

Statement of Cash flow

<i>SEK thousand</i>	2024 <i>Jan–Jun</i>	2023 <i>Jan–Jun</i>	2024 <i>Apr–Jun</i>	2023 <i>Apr–Jun</i>	2023 <i>Jan–Dec</i>
Operating profit/loss for the period	-12,431	-9,562	-8,297	-6,640	-18,998
Amortisation and depreciation	35	6	18	3	12
Interest paid	-824	-363	-407	3	-1,296
Cash flow from operating activities before change in working capital	-13,220	-9,919	-8,686	-6,849	-20,282
Change in operating receivables	438	27,490	393	564	26,327
Change in operating liabilities	-11,182	-19,404	1,426	-4,940	-4,792
Cash flow from operating activities	-23,964	-1,833	-6,867	-11,225	1,253
Cash flow from investing activities	-7,017	-6,989	-1,055	-5,031	-37,841
Cash flow from financing activities	30,887	11,130	7,952	18,569	35,083
Translation differences	144	454	-199	595	1,700
Cash flow for the period	50	2,762	-169	2,908	195
Cash and cash equivalents at the beginning of the period	458	263	677	117	263
Cash and cash equivalents at the end of the period	508	3,025	508	3,025	458

Change in equity

<i>SEK thousand</i>	<i>2024 Jan–Jun</i>	<i>2023 Jan–Jun</i>	<i>2024 Apr–Jun</i>	<i>2023 Apr–Jun</i>	<i>2023 Jan–Dec</i>
Equity at the beginning of the period	101,449	84,948	120,176	82,085	84,948
New share issue	34,734	20,225	8,119	19,271	31,905
Translation differences	898	239	505	375	1,793
Costs for new share issue	-5,847	-1,095	-167	-702	-1,203
Profit/loss for the period	-14,089	-9,925	-9,887	-6,637	-21,970
Minority interest	2,080	0	479	0	5,976
Equity at the end of the period	119,225	94,392	119,225	94,392	101,449

Key performance indicators and share data

	2024 Jan–Jun	2023 Jan–Jun	2023 Jan–Dec
Average equity for the period (SEK thousand)	110,337	89,670	93,198
Average total capital for the period (SEK thousand)	160,988	125,860	146,211
Return on equity (%)	-13	-11	-24
Return on total capital (%)	-9	-8	-13
Equity/assets ratio (%)	73	81	64
Earnings per share (SEK) (before dilution)	-0.39	-0.60	-1.33
Earnings per share (SEK) (after dilution)	-0.11	-0.29	-0.60
Equity per share (SEK)	0.97	2.79	2.77
Quick ratio (%)	42	65	29
Total number of shares	123,244,867	33,738,202	36,594,058
Average number of shares	79,919,461	25,130,220	26,558,147

Definitions of key performance indicators

Return on total capital:	Earnings after financial items plus financial expenses as a percentage of average total capital.
Return on equity:	Net profit according to the income statement as a percentage of average equity.
Equity/Assets ratio:	Equity as a percentage of total assets.
Earnings per share:	Earnings after tax in relation to the 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.

Accounting principles

Since 2014, Eurobattery Minerals has applied the Swedish Annual Accounts Act and Swedish Accounting Standards Board's general recommendation 2012:1 (K3) in its preparation of the financial statements.

Auditor's report

This interim report has not been subject to review by an auditor.

Mentor

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Upcoming reporting dates

- ▶ The interim report for Q3 2024 will be published on November 22, 2024.
- ▶ The year-end report for 2024 will be published on February 21, 2025.

Reports and press releases, etc., are published on Nordic Growth Market's website www.ngm.se and on www.eurobatteryminerals.se

August 2024

Eurobattery Minerals AB

Board of Directors

For further information:
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Eurobattery Minerals AB is a Swedish mining company listed on Swedish Nordic Growth Market (BAT) and German Börse Stuttgart (EBM). With the vision to make Europe self-sufficient in responsibly mined battery minerals, the company's focus is to realize numerous nickel-cobalt-copper projects in Europe to supply critical raw materials and, as such, power a cleaner world. Please visit www.eurobatteryminerals.com for more information. Feel free to follow us on LinkedIn and Twitter as well.

Augment Partners AB, e-mail: info@augment.se, phone: +46 8-604 22 55, is the company's Mentor.

