



GRANGEX resolves on a rights issue of shares of approximately MSEK 81.2

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As a first step to finance the purchase and operation of the Sydvaranger mine, the Board of Directors of GRANGEX AB (publ) ("GRANGEX" or the "Company") has, pursuant to the authorisation granted by the Annual General Meeting held on 16 May 2023, resolved on a rights issue of up to 5,796,574 shares, corresponding to approximately MSEK 81.2 (the "Rights Issue"). The subscription price in the Rights Issue has been set at SEK 14 per share. Each shareholder in GRANGEX registered in the share register on the record date is entitled to subscribe for two (2) new shares in the Rights Issue for every three (3) existing shares. Senior executives of the Company and major shareholders have together undertaken to subscribe for shares for approximately MSEK 11, corresponding to roughly 14 percent of the Rights Issue. External guarantors have also provided guarantee commitments subject to customary conditions totalling approximately MSEK 50. The Rights Issue is thus covered by the above subscription commitments and guarantee commitments to approximately 75 percent of the total issue proceeds.

Main terms of the Rights Issue

The Board of Directors of GRANGEX has, pursuant to the authorisation granted by the Annual General Meeting held on 16 May 2023, resolved on the Rights Issue. The Rights Issue is carried out on the following main terms:

- The Rights Issue comprises a maximum of 5,796,574 shares, corresponding to total issue proceeds of approximately MSEK 81.2 before deduction of related issue costs.
- Shareholders in GRANGEX registered in the share register on the record date of 1 February 2024 will receive one (1) subscription right for each one (1) held share. Three (3) subscription rights will entitle the holder to subscribe for two (2) new shares, implying a subscription ratio of 2:3.
- The subscription price in the Rights Issue has been set at SEK 14 per share, corresponding to a discount of approximately 26.9 percent compared to the theoretical price after the separation of subscription rights (TERP), based on the volume-weighted average price (VWAP) of the share on 21 December 2023 on NGM Nordic SME.
- The last day to trade GRANGEX shares, including the right to receive subscription rights in the Rights Issue, is 30 January 2024. The shares are traded excluding the right to receive subscription rights in the Rights Issue from 31 January 2024.
- The record date for the Rights Issue is 1 February 2024.
- The subscription period in the Rights Issue will run between 5 February 2024 and 19 February 2024.
- Trading in subscription rights will take place on NGM Nordic SME during the period from and including 5 February 2024 to and including 14 February 2024, and trading in BTAs will take place on NGM Nordic SME during the period from and including 5 February 2024 to and including 11 March 2024.
- Senior executives of the Company and major shareholders have together undertaken to subscribe for shares for approximately MSEK 11, corresponding to roughly 14 percent of the

Rights Issue. Since the subscription period, according to the preliminary timetable, will run during a closed period of 30 calendar days before the publication of the Company's year-end report for 2023, senior executives, so-called insiders, will need the consent of the Board of Directors to subscribe for up to their pro-rata share in the Rights Issue. The Board of Directors of the Company intends to give such consents.

- In addition to the subscription commitments mentioned above, external guarantors have provided guarantee commitments subject to customary conditions, which amount to approximately MSEK 50, corresponding to roughly 62 percent of the Rights Issue. Therefore, the Rights Issue is covered to approximately 75 percent by guarantee commitments and subscription commitments.
- The complete terms of the Rights Issue, including further information about the Company, will be presented in the prospectus, which is expected to be published on the Company's website around 2 February 2024 (the "Prospectus").

Background and reason

GRANGEX has today, 22 December 2023, in a separate press release, announced that it has, through its wholly owned subsidiary GRANGEX Sydvaranger AS, entered into a royalty agreement with Anglo American plc ("Anglo American") for the partial financing of the conditional acquisition of Sydvaranger Mining AS and for the future development and operation of the Sydvaranger mine.

Furthermore, Anglo American will pay MUS\$ 5 (approximately MSEK 51) to GRANGEX's newly formed subsidiary, GRANGEX Sydvaranger AS, as part of the first financing phase. It will pay a further MUS\$ 12.5 (approximately MSEK 127) to GRANGEX Sydvaranger AS by 31 March 2024, subject to GRANGEX Sydvaranger AS securing the corresponding financing in the subsidiary. The Rights Issue is part of this financing. The first tranche of MUS\$ 5 (approximately MSEK 51) may also be used by GRANGEX's subsidiary, Dannemora Iron AB, to conduct an updated feasibility study as part of finalising the project financing before starting the facility.

Use of issue proceeds

Upon full subscription in the Rights Issue, the Company will receive gross proceeds of approximately MSEK 81.2 before deduction of related issue costs, estimated to amount to approximately MSEK 7, excluding remuneration to guarantors. In connection with the Rights Issue, GRANGEX has raised a bridge financing of MSEK 20 to bring forward and start activities in GRANGEX Sydvaranger AS. GRANGEX intends to allocate the net proceeds from the Rights Issue to the following purposes:

- approximately 70 percent will be used to finance GRANGEX Sydvaranger AS;
- approximately 5 percent will be used for project development and overhead costs in the Company; and
- approximately 25 percent will be used for repayment of raised bridge financing.

Preliminary timeline for the Rights Issue

Last day for trading in the share including the right to receive subscription rights	30 January 2024
First day of trading in the share excluding the right to receive subscription rights	31 January 2024
Record date for the right to receive subscription rights	1 February 2024
Planned publication date of the Prospectus	2 February 2024
Subscription period	5 February 2024 – 19 February 2024
Trading in subscription rights	5 February 2024 – 14 February 2024
Trading in paid subscribed shares	5 February 2024 – 11 March 2024
Expected announcement date for the preliminary outcome	19 February 2024
Expected announcement date of the final outcome	21 February 2024

The preliminary timetable above assumes that the Prospectus is approved and can be published on the expected date of 2 February 2024.

Subscription commitments and guarantee commitments

Senior executives of the Company and major shareholders have together undertaken to subscribe for shares for approximately MSEK 11, corresponding to roughly 14 percent of the Rights Issue.

In addition to the subscription commitments mentioned above, external guarantors have provided guarantee commitments, which in aggregate amount to approximately MSEK 50, corresponding to roughly 62 percent of the Rights Issue.

Consequently, the Rights Issue is covered by subscription commitments and a guarantee consortium amounting to approximately MSEK 61, corresponding to approximately 75 percent of the Rights Issue.

For the issue guarantees, a guarantee remuneration of fourteen (14) percent of the guaranteed amount will be paid in cash or sixteen (16) percent is to be offset against newly issued shares in the Company issued on the same terms as the Rights Issue. The part of the guarantee remuneration that may be paid through set-off against newly issued shares in the Company will, in such case, be effectuated by a directed issue resolved by the Board of Directors pursuant to the authorisation granted by the Annual General Meeting on 16 May 2023. The guarantee remuneration is assessed to be in line with current market conditions. No remuneration is paid for subscription commitments entered into. Neither the subscription commitments nor the guarantee commitments are secured through pledged assets, restricted funds or similar arrangements.

Further information regarding the parties who have entered into subscription commitments and guarantee commitments will be included in the Prospectus, which, according to the preliminary timetable, is expected to be published on 2 February 2024.

Number of shares and share capital

Upon full subscription of the Rights Issue, GRANGEX's share capital will initially increase by SEK 28,982,871.22 from SEK 43,474,306.83 to SEK 72,457,178.05 and the number of shares by 5,796,574 from 8,694,861 shares to 14,491,435 shares.

Shareholders who choose not to subscribe in the Rights Issue will thus be subject to a maximum dilution effect of approximately 40 percent of the number of shares and votes, calculated on the basis of new shares divided by the total number of outstanding shares after the Rights Issue, but are given the opportunity to partially compensate themselves financially for the dilution effect by selling their received subscription rights.

In addition, there may be a dilution due to guarantee remuneration for issued guarantee commitments, provided that the parties who have issued guarantee commitments choose to receive their remuneration in the form of newly issued shares in the Company. The dilution effect as a result of the guarantee remuneration may amount to a maximum of approximately 3.8 percent of the total number of shares and votes in GRANGEX after the Rights Issue. There is no possibility for shareholders to financially compensate themselves for the dilution effect resulting from guarantee remuneration.

Upon full subscription in the Rights Issue and provided that all parties that have entered into guarantee commitments choose to receive their guarantee remuneration in the form of newly issued shares in the Company, GRANGEX's share capital will thus increase by SEK 31,852,586.34 from SEK 43,474,306.83 to SEK 75,326,893.17 and the number of shares by 6,370,517 from 8,694,861 shares to 15,065,378 shares.

Allotment principles

In the event that all shares are not subscribed for with pre-emption rights (i.e. with subscription rights), the Board of Directors shall, within the framework of the Rights Issue's maximum amount, resolve on allotment of shares subscribed for without the exercise of subscription rights, whereby (i) allotment shall firstly be made to those who have also subscribed for shares with the exercise of subscription rights and, if they cannot receive full allotment, then allotment shall be made in proportion to their subscription with exercise of subscription rights and, if this is not possible, by drawing of lots, (ii) secondly, allotment shall be made to others who have subscribed for shares in the Rights Issue without the exercise of subscription rights and, if they cannot receive full allotment, allotment shall be made in relation to the number of shares subscribed for by each of them and, if this is not possible, by drawing of lots, and (iii) thirdly, allotment shall be made to guarantors and then in relation to the guarantee commitments made.

Prospectus

An EU growth prospectus with complete terms and conditions for the Rights Issue will be published and made available before the subscription period begins on GRANGEX's website, www.grangex.se, on Aqurat Fondkommission AB's website, www.aqurat.se, and on G&W Fondkommission's website, www.gwkapital.se.

Advisors

G&W Fondkommission acts as Financial Advisor to GRANGEX in connection with the Rights Issue. Aqurat Fondkommission AB has been appointed as Issuer Agent.

Company presentation

An updated company presentation is available on the Company's website www.grangex.se.

For further information, please contact:

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This information is such information that GRANGEX is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact person set out above on 22 December 2023 at 14.30 CET.

About GRANGEX AB (publ)

GRANGEX AB (publ) is a group that investigates the conditions for sustainable extraction of identified mineral projects. The Company's business concept is to, primarily, prospect and develop sustainable and high-quality apatite and iron ore deposits and become a sustainable raw material supplier to European industry in the ongoing climate change. GRANGEX intends that the Dannemora mine at the start of operations will be the first carbon dioxide-free iron ore mine, and that the GRANGEX Apatite project in Grängesberg will be the first fossil-free producer of apatite.

The Company's share (GRANGX) Is traded on NGM Nordic SME.

ISIN code: SE0018014243

Instrument ID: 9XX

Legal Entity Identifier (LEI) number: 549300MZ7HL7X6AXMC13.

grangex.se

Important information

This press release does not constitute an offer or invitation to subscribe for, acquire or otherwise trade in shares, subscription rights or other securities in GRANGEX. Invitation to the persons concerned to subscribe for shares in GRANGEX will only be made by means of the prospectus that GRANGEX intends to publish on the Company's website following the approval and registration thereof by the Swedish Financial Supervisory Authority. The prospectus will contain, among other things, risk factors, financial information as well as information regarding the Company's Board of Directors. This press release has not been approved by any regulatory authority and is not a prospectus. Investors should not subscribe for or purchase any securities referred to in this press release except on the basis of information contained in the prospectus to be published.

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No subscription rights, paid subscription shares (Sw. Betalda tecknade aktier) or shares issued by GRANGEX have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities legislation of any state or other jurisdiction of the United States and no subscription rights, paid subscription shares or shares may be offered, subscribed for, exercised, pledged, granted, sold, resold, delivered or otherwise transferred, directly or indirectly, in or into the United States, other than according to applicable exceptions from, or in a transaction not subject to, the

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G&W Fondkommission AB is acting exclusively for the Company in connection with the Rights Issue and not for anyone else. G&W Fondkommission is not responsible to anyone else than GRANGEX for providing the protections provided to its customers or for providing advice in connection with the Rights Issue or in respect of anything else referred to herein.

Forward-looking statements

This press release contains certain forward-looking statements which reflects the Company's current view on future events and anticipated financial and operational performance. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking statements. Forward-looking statements is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking statements is not a guarantee of future results or development, and actual outcomes may differ materially from the statements set forth in the forward-looking statements. Forward-looking statements in the press release speak only as of the date of the press release and are subject to change without notice. The Company makes no promises to publish updates or revisions to forward-looking statements as a result of new information, future events or the like beyond what is required by applicable laws or stock market regulation.