

Nordic Iron Ore discloses outcome of first phase of Optimisation study

Whittle Consulting ("WCPL") has reported on the first phase of the Enterprise Optimisation study for the Blötberget Project. This phase of the optimisation work is confined to the parameters used in the Feasibility Study, and within these restrictions, an increase of more than 30% has been recognized for the project NPV at an 8% discount rate.

The Feasibility Study planning for Blötberget from 2019 was thorough and in principle well done. WCPL finalised an Activity-Based Costing (ABC) model leveraging the detail in the financial model and using the development design and costs from the Feasibility Study. The optimized production schedule generated by WCPL software (Prober) added value over the manual schedule developed previously.

In addition, new mining shapes were developed by Mining Plus (Bristol/Toronto) based on net value per tonne information generated by WCPL. A genetic algorithm optimizer, along with Prober, chose the net value cut-off shapes and the mining sequence to maximize NPV. The Prober scheduling methodology added significantly to the project NPV.

Nordic Iron Ore and Mining Plus have reviewed and are comfortable with the resulting schedule and development plan. The total pre-tax project NPV8 improvement to date is USD 33.93M.

NPV at an 8% discount rate as of today is USD 145.4M. The pre-tax IRR (unleveraged) is 19.1%.

The optimisation work will continue in October with several scenarios, including a front-end loader instead of an automated loader at the rail terminal, haulage by truck to surface with no conveyor, a revised process flow and adding in some additional historical resource.

Other possible cases to be considered include enforcing the processing power limit (theory of constraints), increased mine development rates, increased mining unit (stopping) limits, flexing iron prices, a coarse grind option, applying contractor mining, contractor crushing, and capital reduction based on alternate infrastructure layouts and requirements.

About Whittle Consulting

Whittle Consulting (WCPL) is an Australian based consultancy operating worldwide, who specialise in *Integrated Strategic Planning* for the mining industry. This involves a combination of methodologies including Activity Based Costing, Theory of Constraints, Ken Lane's theory on cut-offs, and leveraging geo-metallurgical information whenever it is available. These methodologies are applied through their proprietary Prober-E software. The product of 35 years of optimization software development by founder Jeff Whittle, it combines Linear Programming with a sophisticated proprietary Search Algorithm, a Genetic Algorithm, and the ability to harness multiple processors (on 120+ in-house servers or on the Cloud if required).

About Mining Plus

Mining Plus is a leading mining technical services provider, consisting of professionals specialising in geology, mining engineering (surface and underground), geotechnical engineering, mine ventilation and operational management. Mining Plus applies a combination of technical expertise and practical experience to exploration and mining projects globally. They have embraced an attitude of 'getting it right the first time' and take pride in providing tailored services to meet client expectations through the delivery of detailed, accurate and timely outcomes.

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Nordic Iron Ore Group is a mining company with the ambition to revive and develop the iron ore production of Ludvika Mines in Blötberget and Håksberg. The company also intends to expand its mineral resources, and upgrade them to ore reserves, primarily through exploration and other studies of the connecting Väsman field. The Company has all the necessary permits in place for the mine in Blötberget and will be able to produce iron ore of extremely high quality.

For more information, see www.nordicironore.se.

Nordic Iron Ore's shares and warrants are listed at Nasdaq First North Growth Market. Wildecos is the company's Certified Adviser (info@wildecos.se tel +46-8-545 271 00).

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