

Nordic Iron Ore AB secures financing of SEK 20.9 million

Nordic Iron Ore AB ("Nordic Iron Ore" or "the Company") has decided to raise loans totaling SEK 20.9 million. The motive is to provide working capital to evaluate alternative financing options and continued design work.

As previously announced, Nordic Iron Ore received a very positive result in November 2020 from the optimization study for the project in Blötberget. Based on this study, discussions have been initiated regarding the project's long-term financing.

- The iron ore market is very strong, not least in terms of demand for the high-quality product that we will produce. These are now traded at historically high prices, which is important given the negotiations on financing we are conducting, says Tomas Olofsson, Chairman of the Board of Nordic Iron Ore AB

The loans provide the Company with improved opportunities to begin design work prior to the start of construction, in parallel with the work to evaluate various financing options being completed.

SEK 10.5 million consists of a loan facility from the Company's principal owners Bengtssons Tidnings AB and Ludvika Holding AB and from the company's board member Timo Lindborg, via his own company.

SEK 10.4 million consists of two loans from Kopparinvest AB and Fredrik Lundgren which give lenders the right to convert their receivables into shares in the Company, of which SEK 5.4 million is paid by offsetting a previously raised short-term loan from July 2020 including interest. In total, Nordic Iron Ore will thus receive a net amount of SEK 15.0 million.

Summary of terms for loans with the right to conversion:

- Loan agreement for a total of SEK 10.4 million
- The loans have an annual interest rate of 5 percent.
- The loans run until September 30, 2021.
- On the due date, the loans can be converted into shares in the Company, at a predetermined price of SEK 3.0 per share.
- In the event that the Company carries out an issue during the term, if possible, all or part of the loan amount will be offered to be set off at the same subscription price as in the current issue.

Summary of terms for the loan facility:

- Loan agreement for a total of SEK 10.5 million
- The loans have an annual interest rate of 8 percent on the amount used.
- The loans run until September 30, 2021.

Overall, the Board has made the assessment that the terms of the loans are market-based.

For further information please contact:

Lennart Eliasson Managing Director

phone: +46 70 640 5177

lennart.eliasson@nordicironore.se

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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