

Nordic Mining ASA (OAX:NOM) - Interim report per 31 March 2018

Enclosed please find Nordic Mining's interim report for the first quarter 2018 and a separate presentation. The interim report and company updates will be presented today, Tuesday 15 May 2018 at 10.00 (CET) in the company's office (address details below). The presentation and Q&A session will be held in English and transferred via webcast (details for the webcast below).

Important events in the first quarter 2018 and year-to-date 2018:

Corporate

- In January/February 2018, Nordic Mining executed a private placement and a subsequent offering with gross proceeds of NOK 59.6 million. The Group's cash balance at 31 March 2018 amounted to NOK 64.6 million. On a general note, the Group evaluates financing strategies to ensure adequate liquidity for its projects and to provide for future financial strength and flexibility.
- The Group strengthens the organisation and has appointed Birte Norheim as new CFO. Norheim will take up the position effective from 1 August 2018. Recruitment processes have been initiated for various management and technical disciplines related to the Engebø development.

Engebø rutile and garnet project

- **Drilling program completed**
A limited drilling program was carried out at Engebø in January/February 2018. In total, 1,581 meters was drilled in 10 drill holes. Drill core logging and chemical assaying are completed. Updating of the resource model and ore classification is ongoing. The Competent Person, Adam Wheeler is expected to complete the updated resource model and estimations in Q2 2018.
- **Definitive feasibility study is progressing steadily**
Based on the positive prefeasibility study results, the definitive feasibility study was initiated in the fall 2017. The main purpose of the definitive feasibility study is to qualify the project for adequate construction financing with a combination of debt and equity. This implies that the accuracy of the technical assessments, the estimated capital costs, the operating costs and the financial analysis will be increased further from the prefeasibility study.

Certain aspects of the mineralogy and texture of the Engebø deposit is complex. Therefore, the ongoing process testwork is comprehensive and time consuming. It is crucial to have the assurance of an optimised, cost efficient and robust flowsheet as the basis for the engineering and the detailed design. It is expected that the definitive feasibility study will be extended into 2019. The timeline for the study will be reviewed and updated later based on the progress of ongoing testwork activities.

- **Strategic partnership with The Barton Group**
In November 2017, Nordic Mining signed a Heads of Agreement with The Barton Group related to offtake and commercial cooperation for garnet from Engebø. Barton is a leading US garnet producer and distributor with a strong foothold, particularly in the North American markets. Barton participated in the private placement in Nordic Mining in January 2018 and intends to be an industrial anchor investor in the construction financing to establish the Engebø operation. Technical meetings with Barton on garnet processing provide valuable knowledge for the feasibility testwork.
- **Positive market development and outlook for rutile and garnet**
Price increases for rutile have been implemented in the first part of 2018 following from higher demand and reduced stockpiles. Prices have been reported in the range USD 900 - 950 per tonne. In the coming years, rutile production from current producers is expected to decrease significantly due to depletion of operating deposits.

Currently, there is no production of garnet in Europe and a new source of supply at Engebø will be beneficiary in a market perspective.

The Engebø deposit is situated next to a deep-water port and close to substantial markets for rutile and garnet. The location provides logistical advantages.

- **Permits granted**
Nordic Mining holds all rights and permits necessary for its current operations related to the Engebø project. The zoning plan for the mining and processing areas and the environmental permit for the project are fully granted. The Engebø project will be developed in accordance with high international standards for environment, health and safety.

Nordic Mining has a good dialogue with the main landowners in the Engebø area and the parties are making efforts into establishing private agreements related to the property of the contemplated processing plant and necessary rights to the area for mining operations.

Keliber lithium project

- **Definitive feasibility study targeted in June 2018**
The definitive feasibility study is aiming to provide a solid foundation for project financing to implement the lithium project. The study will be based on revised resource estimates following from an extensive drilling program of more than 14,000 meters over the last year. Keliber plans to publish the revised resource estimates prior to the definitive feasibility study. Further, the

definitive feasibility study will be based on updated results from process testwork and cost estimations as well as recent market studies.

- **Permitting process well under way**

Keliber has submitted the permit application for the Syväjärvi deposit. Applications for the Kalavesi concentrator plant and the Kokkola process plant will be submitted in the coming months. Keliber has obtained a special pre-consultation status for its permitting process which implies that the company interacts closely with the authorities during the process. The purpose is to streamline the work and secure a time-efficient process with the involved parties.

- **Strong lithium market and outlook**

The lithium market is developing on a positive note and product prices have increased, indicatively with 10-20% in the first part of 2018. Contract prices for lithium carbonate doubled in 2017 compared to 2016. Going forward, a continued tight market balance is expected. The fastest demand growth for lithium is related to batteries for electric/hybrid vehicles and energy storage. Keliber has dialogues with potential customers for lithium carbonate with the purpose to secure offtake agreements suitable for the forthcoming financing of the lithium project.

The first quarter presentation will be held today, Tuesday 15 May 2018 at 10:00 (CET) in Nordic Mining's office at Vika Atrium, Munkedamsveien 45 (Entrance A, 5th floor), N-0250 Oslo.

The presentation and Q&A session will be held in English and transferred via webcast. You will have the opportunity to post questions online throughout the webcast session. The webcast will be available on: <http://webtv.hegnar.no/presentation.php?webcastId=83488644>

For further information, please contact CFO Lars K. Grøndahl, telephone +47-90160941.

Oslo, 15 May 2018
Nordic Mining ASA

[Nordic Mining ASA \(www.nordicmining.com\)](http://www.nordicmining.com)

Nordic Mining ASA ("Nordic Mining" or "the Company") is a resource company with focus on high-end industrial minerals and metals in Norway and internationally. The Company's project portfolio is of high international standard and holds a significant economic potential. The Company's assets are in the Nordic region.

Nordic Mining is undertaking a large-scale project development at Engebø on the west coast of Norway where the Company has rights and permits to a substantial eclogite deposit with rutile and garnet. Permits for the project have been granted by the Norwegian government, and a prefeasibility study was completed in October 2017. Nordic Mining's associated company Keliber in Finland is in the process of completing its definitive feasibility study and preparing for production of lithium carbonate. Nordic Mining has rights for exploration and production of high-purity quartz in Kvinnherad in Norway. Further, the Company holds exploration rights at Reinfjord in northern Norway where a prospective area of sulphide mineralisation has been discovered. Nordic Mining is also exploring opportunities related to seabed mineral resources.

Nordic Mining is listed on Oslo Axess with ticker symbol "NOM".