

Nordic Mining ASA (OAX:NOM) - Interim report per 30 September 2017

Enclosed please find Nordic Mining's interim report for the third quarter 2017 and a separate presentation. The interim report and company updates will be presented today, Thursday 9 November 2017 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 third quarter 2017 and year-to-date:

Engebø rutile and garnet project

- **Prefeasibility study (PFS) completed 30 October 2017**

The prefeasibility study has been completed in line with estimated costs and was published 30 October 2017. The PFS substantiates attractive project financials:

- Pre-tax NPV@8% of USD 332 million
- Pre-tax IRR 23.8%
- Pay-back period: < 5 years

- **Significant upside potential**

The PFS indicates an upside potential up to USD 465 million (pre-tax NPV@8%) for a scalable concept with increased capacity, higher sales volumes and utilisation of inferred mineral resources.

- **Low upfront capital cost**

An estimated initial investment of USD 207 million for a 1.5 mtpa operation is around 30% lower than previously anticipated.

- **First quartile revenue-to-cost position for rutile**

The PFS outlines a robust dual-mineral operation with production of high-quality rutile and garnet, low operating costs due to outcropping orebody, high mineral grades, low stripping ratio, geotechnical stability, limited transportation costs and good product recoveries. In total, the estimated revenue-to-cost for rutile indicates a first quartile position in the global titanium feedstock industry.

- **Permits granted**

The zoning plan for the mining and processing areas and the environmental permit for the project are fully granted.

- **Favourable logistics**

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

- **Positive market outlook for rutile and garnet**

PFS market studies indicate a positive outlook for rutile and garnet. Rutile production from existing operations is forecasted to be reduced in the coming years due to depletion of deposits and development restrictions. Demand is forecasted to increase. A new source of supply in Europe at Engebø is well-timed with the current market perspectives. The demand for garnet in waterjet cutting and blasting is expected to grow. There is no production of garnet in Europe and Engebø will be an adjacent source of supply for high-quality garnet to the growing European market.

- **Properly financed to directly progress with definitive feasibility (DFS) activities**

The positive results from the PFS supports further progress of the project towards production. The next development stage is the DFS, with certain activities already started. In the coming months, the organisation will be strengthened to advance the project towards implementation. Carnegie and Swedbank have been engaged as financial advisors to evaluate financing options for the potential funding need.

Keliber lithium project

- **Definitive feasibility study (DFS) scheduled in H1 2018**

Keliber has decided to supplement the DFS work program in the following main areas:

- Additional process test work to reconfirm recent positive results in minerals processing tests
- Additional drilling to further increase of the resource base
- Trade-off study of location of the lithium carbonate plant between Kalavesi in Kaustinen municipality and Kokkola Industrial Park.

The DFS is aiming to provide a solid foundation for project financing to implement the lithium project.

- **Construction start in 2018**

Keliber targets completion of the ongoing permitting process and start of construction in 2018.

- **Strong lithium market and outlook**

The lithium market is developing on a positive note and product prices have increased. Contract prices for lithium carbonate have doubled in 2017 compared to 2016. Going forward, a tight market balance is expected. Current spot prices in China are reported to be above the indicated contract level of USD 13 – 14,000 per tonne. The fastest demand growth for lithium is related to batteries for electric/hybrid vehicles and energy storage.

- **Well financed for ongoing development work**

In the first half of 2017, Keliber executed a private placement and a repair issue with total gross proceeds of EUR 10.0 million. In addition, incentive share issues for board members (April) and management (September) have been completed with total proceeds of EUR 0.3 million. Nordic Mining participated pro-rata to its shareholding in the April repair issue. Following from the equity issues in 2017, Nordic Mining's shareholding in Keliber is approximately 22.0%.

The third quarter presentation will be held today, Thursday 9 November 2017 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=72314279>

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

Oslo, 9 November 2017
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 30 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".