

## Cooperation with The Barton Group for Engebø garnet sales and project development

*Nordic Mining ASA ("Nordic Mining") has signed a Heads of Agreement with The Barton Group ("Barton") related to offtake and commercial cooperation for garnet from the Engebø rutile and garnet project. Barton is a leading US garnet producer and distributor with a strong foothold, particularly in the North American markets. Over the years, Barton has played a leading role in developing the fast-growing application of waterjet cutting technology where garnet is the dominant mineral.*

*Barton will be an industrial anchor investor in the pre-construction financing for the Engebø project and subsequently in the construction financing to establish the rutile and garnet operation.*

### The Barton Group agreement

Since 2011, Nordic Mining and Barton (together "the Parties") have had a Memorandum of Understanding ("MoU") with the intention to establish a long-term cooperation with regards to development, production, sales, marketing and distribution of garnet products from Engebø. Barton has analysed and confirmed the high-quality of the garnet products which have been produced in the Engebø feasibility testwork.

Today, the Parties have entered into a Heads of Agreement ("HoA") confirming the cooperation, which will be further developed based on the following main principles:

- Offtake agreement for North-America

Nordic Mining and Barton have agreed the basic principles of an offtake agreement for the exclusive distribution by Barton of Engebø garnet to the North American markets. The garnet will be sold and distributed under Barton's brand name for high-quality products.

Barton is a substantial producer and distributor in North America with 23 warehouses and an experienced marketing and technology organization supporting customers all over the continent.

- Joint venture agreement for other markets

Nordic Mining and Barton intend to establish a jointly owned company ("Newco") for sale and distribution of garnet from Engebø to markets outside of North America. The terms and conditions for the operation and the Parties' cooperation will be further negotiated.

The high quality of the Engebø garnet and cost-efficient logistics, combined with Barton's comprehensive marketing and technology experience, are expected to build competitive strength.

- Financing of pre-construction project development

Barton intends to participate in the pre-construction financing of the Engebø project. The financing will be on the same terms as offered to other investors if Nordic Mining should decide to arrange an equity issue related to funding of pre-construction activities for the Engebø project.

- Construction financing

Barton intends to participate in the construction financing of the Engebø project as an industrial anchor investor. The form and amount of Barton's contribution will be further negotiated and evaluated as part of the total solution for project financing.

### Comments from Nordic Mining and Barton

Chairman of the Board of Nordic Mining, Tarmo Tuominen comments:

*"We are very pleased with the agreement, which confirms the relation with Barton and the parties' intention to play a leading role together in the international garnet industry. Barton's achievements and leading position in the development of waterjet cutting is impressive, and we look forward to the successful building of a strong and mutually beneficial partnership."*

CEO Nordic Mining, Ivar S. Fossum comments:

*"Barton's confirmation of the quality of the Engebø garnet is the best assurance we could get. The hard-rock garnet quality combined with Barton's experience and competencies forms a solid basis for our collaboration. We look forward to moving forward together with Barton as the world's leading garnet technology company."*

Chairman and CEO of The Barton Group, Charles Bracken, comments:

*"Barton is very pleased to be working with Nordic Mining to develop this world-class resource. Nordic Mining and Barton's core values are aligned in our commitment to quality, safety, environment, innovation and integrity. We look forward to leveraging the strengths of both companies to create long-term value for all stakeholders."*

### Information about The Barton Group ([www.barton.com](http://www.barton.com))

Barton is a family-owned company founded in 1878 that has produced the world's highest-quality garnet abrasives for more than six

generations. The company's initial operation included mining and milling garnet for the sandpaper industry. Because of its ever-sharp crystalline structure, Barton garnet quickly became the world standard for sandpaper applications.

Over the years, Barton has continued to develop new products, markets and applications – including blasting abrasives, waterjet abrasives and waterjet parts. Barton has a strong commitment to quality, performance and service to communities and customers. Today Barton produces garnet abrasive products for many diverse applications such as waterjet cutting, blast media, bonded and coated abrasives and specialty lapping and grinding medias. Barton owns and operates mining and milling operations in the Adirondack Mountains of upstate New York. The facility operates year-round to meet the demand for quality, high-performance garnet abrasives.

For questions, please contact CEO Ivar S. Fossum, telephone +47-930 96 850.

Oslo, 20 November 2017  
Nordic Mining ASA

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

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

*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".*