

The definitive feasibility study reinforces Engebø as a world class rutile and garnet project

Nordic Mining ASA ("Nordic Mining") has completed the definitive feasibility study ("DFS") for the Engebø rutile and garnet project ("the Project"). The study reinforces Engebø as a world class rutile and garnet project with long-term industrial benefits and attractive financials. The Project will be developed in accordance with high international standards for environment, health and safety during construction and operation.

The key results are provided in this release and in the attached DFS presentation. The Executive Summary of the DFS is available on <https://www.nordicmining.com/operations/engebø/>.

At 09.00 (CET) today, Nordic Mining will host an open presentation of the DFS in Oslo. The presentation can also be followed on webcast. Further details regarding the presentation and the webcast are provided below.

Key DFS results

- The dual-mineral production of rutile and garnet in a combined, optimized process provides profitable and robust Project financials:
 - Pre-tax NPV@8% of USD 450 million
 - Pre-tax IRR 21.9%
 - Post-tax NPV@8% of USD 344 million
 - Post-tax IRR 19.8%
- Strong cashflow and short payback support bankability:
 - Average annual free cashflow first 15 years of USD 70m
 - Net Project operating cashflow (undiscounted) of USD 2,160m
 - Initial capex of USD 311m and deferred capex of USD 25m (underground)
 - Pay-back period < 5 years
- Low production cost provides competitive strength:
 - Outcropping and geotechnically stable orebody
 - Low stripping ratio
 - High-grade rutile and garnet
 - Short distance and gravimetric driven ore transportation (vertical underground ore shaft) minimize transportation
 - Short distance and favorable logistics to main markets
 - 1st quartile revenue-to-cost position for rutile
- Optimized mining plan and scheduling support an initial 42 years Project life with 1.5 mtpa Run of Mine (ROM) operation:
 - 15 years of open pit mining and high-grade processing, and stockpiling of medium/low-grade ore
 - 19 years underground production
 - 8 years production with no mining costs based on stockpiled ore
 - Further Project life extension possible based on substantial inferred resources
- Main permits granted; remaining regulatory permits in process:
 - Granted permits:
 - Extraction permits for the whole deposit
 - Landowner agreements for open pit, infrastructure and process plant areas
 - Detailed zoning plan for all operations for the life of mine
 - Environmental permit
 - Permits in process:
 - Operational license
 - Zoning plan for pipeline for fresh water
- High environmental and social standards in accordance with IFC Guidelines and relevant Equator Principles:
 - Environmental:
 - Low carbon footprint and limited land use due to tight Project infrastructure, minimal internal transportation and accessible sea freight for transport to market
 - Renewable hydroelectric power as the main source of energy
 - Clean mining operation with no acid drainage and inert minerals
 - Social:
 - Cornerstone operation with 105 full-time employees
 - Substantial regional indirect benefits for supplier and services industries
 - Positive impacts on people's livelihood, education - and work-opportunities and cultural flourishing
 - Stakeholder engagement to ensure good dialogue with neighbors, communities and other interest groups

Comments from Nordic Mining

CEO Ivar S. Fossum comments:

"The DFS summarizes the comprehensive work undertaken in all aspects of technical and commercial fields to reduce and mitigate risks and provides a strong and robust platform for execution of the Engebø Project. We have demonstrated production of high-quality rutile and garnet products with sustainable resource utilization.

The Project will be developed in accordance with high international standards for environment, health and safety. We will establish programs and initiatives to strengthen stakeholder dialogues and to monitor and mitigating environmental effects.

Our Project team together with a broad group of competent advisors has progressed and matured the Project to an execution-ready level. We now look forward to progress the Project financing and set course for construction and production."

Project activities going forward

Nordic Mining will now proceed with detailed engineering (FEED). In parallel, contract discussions with potential suppliers of equipment and services will be initiated.

Dialogues with offtake partners for rutile and garnet will continue with a target to secure bankable terms and conditions. The banks' due diligence is ongoing. Subject to construction financing, the target is to start construction activities before the end of 2020.

DFS Presentation, webcast and Executive Summary

Enclosed with this release is the DFS Presentation which will be presented today at 09.00 (CET) followed by a Q&A session. The presentation will be held in Sparebank1 Markets' offices in Olav V's gate 5 (ground floor auditorium) in Oslo. We invite shareholders, investors, analysts and media to attend the presentation.

The presentation and Q&A session will be held in English and transferred via webcast. There will be opportunity to post questions online throughout the webcast session. The webcast will be available on:

https://channel.royalcast.com/webcast/hegnamedia/20200128_1/

The Executive Summary of the DFS will be available at Nordic Mining's webpage, www.nordicmining.com.

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

Oslo, 28 January 2020
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. The Company's project portfolio is of high international standard and holds 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. Nordic Mining also holds 18.5% of the shares in Keliber Oy, which is developing a lithium project in Finland to become the first European producer of battery grade lithium hydroxide.

In addition, Nordic Mining holds interests in other initiatives at various stages of development. This includes patented rights for a new technology for production of alumina and exploration of seabed minerals.

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