

Creating a positive legacy
Responsible Business Report 2020

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Disclaimer

The information presented here does not constitute the full statements of Norge Mining plc for the year ended 31 December 2020 but represents summaries from them. These summaries do not provide a full understanding of the Environmental, Social and Governance (ESG) performance or position of Norge Mining plc.

Introduction

About Norge Mining plc

Norge Mining plc is a privately held Anglo-Norwegian mineral exploration company focused on Norway with a 100% owned Norwegian subsidiary, Norge Mineraler AS.

The Company owns 46 exploration licences, totalling more than 400 square kilometres in south-west Norway in an area known to contain vanadium, titanium, phosphate and gold.

Norge Mining's ambition is to become a substantial and strategically important exploration and mining business focused on Critical Raw Materials in Norway.

Despite being in the early stages of our exploration process, it is our clear intention to adhere to the highest standards of responsible stewardship as we move through exploration and into development and production. This document focuses on the local, national and international impact of our operations and reports on our socio-economic contribution as well as environmental management activities and commitments.

Our approach is informed by our close relationships with local stakeholders as well as internationally recognised operational standards.

We welcome your feedback on our disclosures.

About this report

Adopting international standards

This report highlights all Environmental, Social and Governance (ESG) activities carried out during 2020 by Norge Mining plc and its Norwegian subsidiary Norge Mineraler AS.

The Group is committed to sustainable practices and is establishing a range of commitments to align its processes and policies with international guidelines as part of its strategy to build a resilient and robust mining company.

In our Responsible Business Report, our stakeholders will have the opportunity to review the Group's activity and performance, and to contact us with suggestions or comments to improve our accountability and transparency commitments.

Standards and frameworks

To address the increased investor focus on ESG issues, there are several internationally recognised reporting frameworks used to support Norge Mining's disclosure, encouraging a robust standard of transparency and engagement. For the purposes of this report, whilst we cannot follow the standards below due to our early stage of development, we believe they can inform our approach and will help structure the disclosure of information as we progress further through the development cycle.

Global Reporting Initiative (GRI)

GRI helps businesses to communicate their sustainability information and gives guidance on how to prepare reports. By aligning disclosures to the GRI, we are releasing information to a wide variety of global stakeholders, hence the standards are very broad in scope and useful in determining content to publish.

United Nations Sustainable Development Goals (UN SDGs)

In 2015, the United Nations Global Compact (UNGC) launched 17 Sustainable Development Goals (SDGs), such as ensuring good health and wellbeing, achieving gender equality, and promoting full and productive employment for all. We strongly believe our operations have the potential for positive impact on achieving individual goals.

Norge Mining has initially aligned its operations to seven of the SDGs which seek to encourage measures to build a sustainable world. We continue to work towards this vision by embedding our project with integrated initiatives that contribute to those objectives, with special emphasis on our social and environmental responsibilities. To read more about our commitment to the SDGs, please see page 16.

Task Force for Climate-Related Financial Disclosures (TCFD)

The TCFD, chaired by Michael Bloomberg and championed by former Governor of the Bank of England, Mark Carney, is an initiative that seeks to develop consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers and other stakeholders.

Given our stage within the development cycle, we are considering the governance, risk management and strategy recommendations throughout the planning process and design considerations. Further down the line we intend to report on the output to help our stakeholders understand the impact climate-related risks and opportunities our company could have in the future.

EU taxonomy for sustainable activities

The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities. The taxonomy will support the EU's 2030 climate and energy targets as well as the objectives of the EU Green Deal, which offers a roadmap to guide the EU toward climate neutrality by 2050.

The EU taxonomy provides companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable.

The Taxonomy Regulation was published in the Official Journal of the European Union on 22 June 2020, entered into force on 12 July 2020 and establishes six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

Corporate Sustainability Reporting Directive (CSRD)

On 21 April 2021, the European Commission (EC) adopted a proposal for a Corporate Sustainability Reporting Directive (CSRD) that radically improves the existing reporting requirements of the EU's Non-Financial Reporting Directive (NFRD). The CSRD covers all relevant Environmental, Social and Governance (ESG) elements and aims to increase investments in truly sustainable activities across the European Union.

Whilst still under development, reporting under the CSRD will be required under the EU taxonomy and Norge Mining will seek to apply the EU taxonomy lens to our operations as they impact the objectives above.

Company overview

Sourcing minerals for a sustainable future

Vision

Norge Mining's vision is to operate the most ecologically, socially and economically sustainable mine for Critical Raw Materials vanadium, phosphate and titanium. In this way, we want to create a lasting impact by contributing to a more sustainable future that global citizens are clamouring for.

Mission

Our mission is also clear: to become a global leader in sourcing and developing valuable minerals using modern and sensitive mining methods in line with the EU's Critical Raw Materials agenda.

We will do this by responsibly developing our strategically important minerals for the benefit of Norway, Europe – and the wider world.

Purpose

Norge Mining aims to build value for all its stakeholders through the exploration and development of Critical Raw Materials.

We are creating a legacy and we understand our responsibility as its gatekeepers.

► Drill core with banded Norite



Exploration licences

Norge Mining has 46 exploration licences in six asset locations in south-west Norway covering a total area of approximately 400km²: Bjerkreim, Eigersund, Lund, Sokndal and Bømlo-Lykling.

Each of these exploration licences is valid for seven years during which Norge Mining must at least start on-site activities (e.g. surveying, soil sampling), demonstrate mineralisation and prove economic viability. Along with careful regard for local stakeholders and environmental considerations, this is a prerequisite for obtaining the mining production licences.

The drilling programme to date has focused on the promising Bjerkreim Exploration Project, which comprises licence areas in the Dalane region. In 2020, almost 24,000m of drilling was conducted in the Bjerkreim licence areas, resulting in two Mineral Resource Estimates which were published in H1 2021. This world-class resource is focused on three high-demand materials – vanadium, titanium and phosphate – all of which are on the EU list of Critical Raw Materials (CRMs). For more information on the EU's CRMs, please refer to page 10.

Drilling highlights

Deep drilling down to 2,200m confirmed extension of ore body.

In 2020, 54 holes were completed.

Øygrei: 28

Tekse: 2

Hoyland: 18

Skeipstad: 3

Terland: 3

From May to December 2020, 54 holes were completed for a total of 23,659m (this includes the deep hole).

Reserves/resources

USD 33bn

worth of *in situ* value according to NGU* (The Geological Survey of Norway 2012) on only five Norge Mining's licences down to 100m.

4,500m

deep U-shaped ore body in numerous horizontal layers of high-quality homogeneous rock lengths of 15-20km detected in November 2019.

**Reserve classified by
Norges Geologiske
Undersøkelse (NGU)
to be of 'National
& International
Importance'.**

CEO introduction

John Vergopoulos
Chief Executive Officer



*Dear Fellow Stakeholder,
Whilst we are still relatively
early in the development cycle,
our approach to managing ESG
risks and opportunity is not.
Understanding our ESG impact
profile through the development
cycle is critical to our decision-
making, which is influenced by
our ongoing communication
with you, our stakeholders.
Thank you for taking the time
to read our Responsible
Business Report.*

Operating activity

As a natural resources company in the early stages of exploration work, we are at the start of an exciting journey towards the mining and processing of critical minerals.

During the past two years, we have conducted extensive exploration work at Bjerkriem, including channel sampling, initial metallurgical beneficiation test work, aerial surveys and shallow and deep drilling. Our drilling partner, Energold, a global leader in this space and associated mining services, has successfully completed more than 23,000 metres of drilling as of 31 December 2020.

Exploration work at Øygrei is ongoing with a substantial, planned programme of 14,000 metres of additional drilling to take place through 2021. Data from this drilling work will be used to upgrade and extend the resource and also to provide information for our ongoing Scoping Study to give an initial financial appraisal of the development of Øygrei.

The demand for our minerals

Metals, minerals and natural materials are essential in sustaining our daily lives. The EU has listed 30 Critical Raw Materials (CRMs) that it deems crucial for its economy. Our minerals are all considered CRMs due to their vital nature in a wide range of industrial ecosystems. Our strategy at Norge Mining is to develop a robust, reliable and locally sourced supply of vanadium, titanium and phosphate for consumption throughout Europe.

Our approach to ESG

We recognise the responsibility that this venture demands and we are determined to embed strong Environmental, Social and Governance principles into our business from the outset and to use innovation to reduce the impact of our activities.

Strong corporate governance is critical for mitigating the adverse impacts of resource extraction and for enhancing the Company's positive economic, social and environmental outcomes. Working closely with all our stakeholders, we will maintain open reporting of critical issues to the Board in order to make well-informed decisions.

The mining industry has at times come at a cost to the environment, to neighbouring communities and to wildlife. We are seeking to create a different legacy, one that's centred around respect for people and the planet. Whilst we are cognisant that our operating environment will evolve, we are planning a modern, innovative approach to mining to ensure that our operations have a sustainable footprint. This approach will be informed by our internal governance approach to sustainability and overseen by our ESG Committee.

Norge Mining supports the global goals outlined in the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement 2015. And whilst our materials can support society's needs as the world transitions to lower carbon economies, it is important that we also consider the direct impact of our own operations. Our ultimate ambition will always be to limit our emissions wherever possible and we are exploring the potential of delivering a carbon net-zero operating mine and processing facilities. We have tasked our engineering team with developing appropriate designs using latest technology, and we will provide an update on our climate change strategy and net-zero carbon plans in subsequent reports and communications.

“Our strategy is to develop a robust, reliable and locally sourced supply of CRMs”

“We are seeking to create a different legacy, one that's centred around respect for people and the planet”

Engaging with our stakeholders

To successfully gain and maintain our social licence to operate, a clear and robust stakeholder engagement programme is crucial. It is also critical to our permitting progress to be fully cognisant of the concerns of our local stakeholders ensuring that all constituents are engaged and aware of operational advancements and have a voice in the way the assets are developed.

We are seeking to support an era of considerate exploration and mining in collaboration and communication with local people, landowners and farmers. We are also establishing close links with regional and national authorities in Norway to ensure that our development work is in line with the thinking of government bodies.

What's next for Norge Mining?

We have three major objectives.

Firstly, to complete our Scoping Study to consider the technical and economic aspects, and to evaluate the potential environmental and social impact.

Secondly, we will look at the potential for more exploration within the licence area with a particular focus on higher grades to further improve confidence in the economic viability.

Thirdly, we will update our stakeholders on our mine plan designs and carbon net zero commitments.

We have made considerable progress to date, supported by our approach to responsible stewardship. We seek to be innovative and forward thinking, and we believe our investigations can contribute significantly to the future of Norway's resources industry.

John Vergopoulos
CEO
September 2021

Critical Raw Materials Essential for a lower carbon world

To date, Norge Mining's exploration programme is focused on three minerals: vanadium in magnetite, titanium dioxide in ilmenite and phosphate rock as apatite. All three materials (vanadium, titanium, and phosphate rock) are on the Critical Raw Materials list of the EU and have great importance and varied applications – such as to sustain food production and the technology revolution – in Europe and throughout the world.

Minerals and raw materials are essential for the production of a broad range of goods and applications used in everyday life. They are intrinsically linked to industries across multiple supply chains. In Europe, they are crucial for a strong industrial base and are an essential building block in the EU's growth and competitiveness.

Our strategy at Norge Mining is to develop a sustainable, locally sourced supply of vanadium, titanium and phosphate for consumption throughout Europe.

Initial beneficiation test work demonstrated the technical feasibility to separate the valuable minerals producing a vanadium-containing magnetite concentrate, an ilmenite concentrate and an apatite concentrate.

In February 2020, Norge Mining commissioned Roskill Consulting Group to undertake an initial study that focused on the analysis of three concentrates from a marketability perspective. The study provided a basic overview of the supply chains for vanadium, apatite and ilmenite and provided comments on the preliminary concentrate specifications and marketability.

Magnetite (containing vanadium)

The vanadium content of the ore zones drilled to date, expressed as V₂O₅, is about 0.07%. Some 95% of this is locked within magnetite which in turns makes up between 5% and 10% of the same ore zones.

Research is scheduled to demonstrate that the vanadium in the magnetite can be converted to high purity vanadium oxides.

Excitement about vanadium is gathering pace, as is anticipated demand, owing to its potential in both traditional and new industries. Vanadium's ability to strengthen steel currently accounts for the vast majority of vanadium consumption with the construction industry as a key customer.

The most exciting use of vanadium lies in its potential in efficient power storage for renewable energy, such as hydro, wind and solar. Already used in grid energy storage, vanadium redox flow batteries (VRB) have a long life as they can be recharged thousands of times.

Roskill assesses that Norge Mining may be able to position itself strongly within Europe as one of the largest producers of vanadium oxides, with a significant market share.

The local regional market could be an asset in terms of shortening supply chains, lowering carbon impact and helping the positioning of a greener product.

Europe is positioning itself as a hub of development within the energy transition, and some key research institutions and VRB companies are operating within Europe. The rising demand for premium high purity V₂O₅ or V₂O₃ products in relation to renewable energy storage could provide Norge Mining with strong market opportunities.

The vanadium market is currently small with a global volume of about 110,000 tons in 2020. Through our study, magnetite has also come into focus due to its demand and commerciality. The major market for magnetite is the iron ore market, the feedstock market for steel production.

Ilmenite (TiO₂ containing mineral)

The ilmenite mineral content in the ore zones of the Bjerkreim-Sokndal intrusion explored to date commonly lies between 5% and 12% while the titanium dioxide (TiO₂) grades in these zones lies between 3% and 6% averaging just under 5%.

Ilmenite is a titanium mineral used as feedstock to produce titanium dioxide pigment. Finely ground TiO₂ is a bright white powder widely used as a base pigment in paint, paper and plastics.

Ilmenite ore is used as a flux by steelmakers to line blast furnace hearth refractory.

Market analysis indicates that the Norge Mining ilmenite concentrate can be used as raw material for the production of sulphate titanium dioxide slag and for sulphate titanium dioxide pigment.

The global market demand for titanium dioxide pigment in 2020 was about 6.6 million tonnes.

Apatite (the phosphate containing mineral)

The apatite mineral content in the ore zones drilled to date is around 10%, giving *in situ* phosphate (P₂O₅) grades which can be over 4% but average about 2%.

The Bjerkreim-Sokndal rock also contains very low levels of uranium, arsenic and practically zero cadmium. The mineral, therefore, constitutes a potentially high-quality raw material for the production of phosphorus fertilisers.

Apatite-derived fertilisers are used to supplement the nutrition of many agricultural crops by providing a valuable source of phosphate. This pivotal role in supporting food supply explains why phosphate is an EU Critical Raw Material.

The world's increasing population (and therefore increasing consumption), limited availability of land and drive for food diversity have been important drivers of demand for fertilisers generally.

The phosphate market is large, totalling more than 200 million tons of phosphate rock globally in 2020. Most phosphate rock is consumed where it's produced and recent history shows that only about 15% of global phosphate rock is traded. Norge Mining is planning to produce a phosphate rock concentrate, which can be sold as a feedstock to producers of phosphate fertilisers.



► Core logging facility at Heskestad, Lund, Norway



► Example of a drill core. The dark colours could indicate a higher grade of ilmenite and magnetite



Geologist analysing and logging drill cores

Mineral demand

Meeting the requirements for resource self-sufficiency

The EU has listed 30 Critical Raw Materials (CRMs) that it deems crucial for its economy. Vanadium, titanium and phosphate are all considered CRMs due to their vital nature in a wide range of industrial ecosystems.

The European Commission has proposed an EU Recovery Plan which puts an emphasis on building a greener, more digital and more resilient Europe. The development of diversified, robust supply chains of sustainable raw materials is part of that strategy. The European Green Deal (EGD) and the new EU Industrial Strategy acknowledge that access to resources is a strategic security question for making the green and digital transformations a success as demand for fossil fuel decreases.

To reduce its dependence on international suppliers, the EU is building partnerships with countries to support local mining and processing projects to secure a stable supply of the basic materials.

The International Energy Agency's (IEA) 'Net Zero by 2050' report provides six key recommendations for policymakers to foster stable supplies of CRMs to support accelerated clean energy transitions.

These include the need for governments to lay out their long-term commitments for emission reductions, which would provide the confidence needed for suppliers to invest in and expand mineral production. Governments should also promote technological advances, scale up recycling to relieve pressure on primary supplies, maintain high environmental and social standards, and strengthen international collaboration between producers and consumers.

New EU supply policies for CRMs since 2020:

- Recognise a dramatic increase in CRM demand and imports as well as rising global competition for access to these materials due to new global trends, the implementation of the EGD, and the worldwide expansion of renewables;
- Pay more attention to supply chain risks and heavy import dependency of CRMs;
- Expand the CRM list from 27 in 2017 to 30 in 2020;
- Favour expanded domestic mining, refinement, and processing of CRMs in Europe;
- Develop new instruments and financial support for domestic mining;
- Stronger focus on new criteria for sustainable mining;
- Aim for a circular economy for CRMs with high recycling and re-use rate;
- With the Battery Alliance and its Action Plan, for the first time develop a full supply chain for a key technology and industry (including ensuring a reliable and sufficient supply of CRMs for battery production in 25-30 gigafactories in Europe).

EUROPEAN
RAW MATERIALS
ALLIANCE | ERMA

A key player in supplying Critical Raw Materials

The European Commission launched the European Raw Metals Alliance (ERMA) in October 2020, and with it a pertinent mission statement: 'ERMA contributes to ensuring reliable, secure and sustainable access to raw materials as key enablers for a globally competitive, green, and digital Europe'.

Shortly after inception, Norge Mining was invited to join ERMA. We are excited and honoured to be supporting ERMA to achieve its 2030 vision. Our invitation to ERMA and our solidarity with its pledges shows that Norge Mining – and Norway itself – is now considered a key player in the CRM market and a neighbourly source of materials from within the European Economic Area (EEA).

Norway and sustainable mining

Mining is an expanding industry in Norway, a country that is sitting on large, untapped mineral deposits, according to investigations so far. We are focusing our efforts on three resources with worldwide demand: vanadium, phosphate and titanium.

Norway is not an EU member country but it is closely linked to the bloc through the EEA agreement. The deal gives Norway access to the EU's Single Market in exchange for the adoption of relevant European directives, including the four main aspects: free movement of goods, services, people and capital.

In 2015, the 2030 Agenda of the 17 SDGs was adopted by all UN Member States.

The Norwegian government has decided that the SDGs form the main political track for addressing the greatest national and global challenges of our time and that education, humanitarian assistance, health, business development and job creation, climate, the environment and sustainable energy are special priority areas for Norwegian development policy.

Norway's geology is rich in the mineral resources required to support the green transition and it is critical that these resources are managed sustainably.

Norway: stable and industrially developed

1. Within Norway, responsible industrial growth forms a key tenet to the national agenda. The sanctity of the Rule of Law, supported by robust independent legislative systems, supports industry and economic growth alongside high environmental and social standards.
2. In comparison to many mining projects in the developing world, the excellent existing infrastructure, railroads and waterways allow mined mineral ores to be transported with limited additional construction required.
3. As all minerals can be extracted from a single operation, there is a high prospect of economic efficiency and strong earning potential.

In 2010, the Norwegian government presented a new Minerals Act. The Act is an important step in simplifying earlier regulations in the minerals sector by creating transparent and predictable framework conditions for the minerals industry.

Norway's first mineral strategy was presented in 2013. After the election the same year, the new government proclaimed the mineral and mining industry to be an important strategic field in their inaugural address.

The mineral strategy stated that the main aim is that 'growth in the industry shall be strengthened by means of a continued commitment to mapping of mineral deposits, access to information about mineral resources in Norway, better resource planning, a continued development of the mineral agencies and access to knowledge and a competent workforce'.

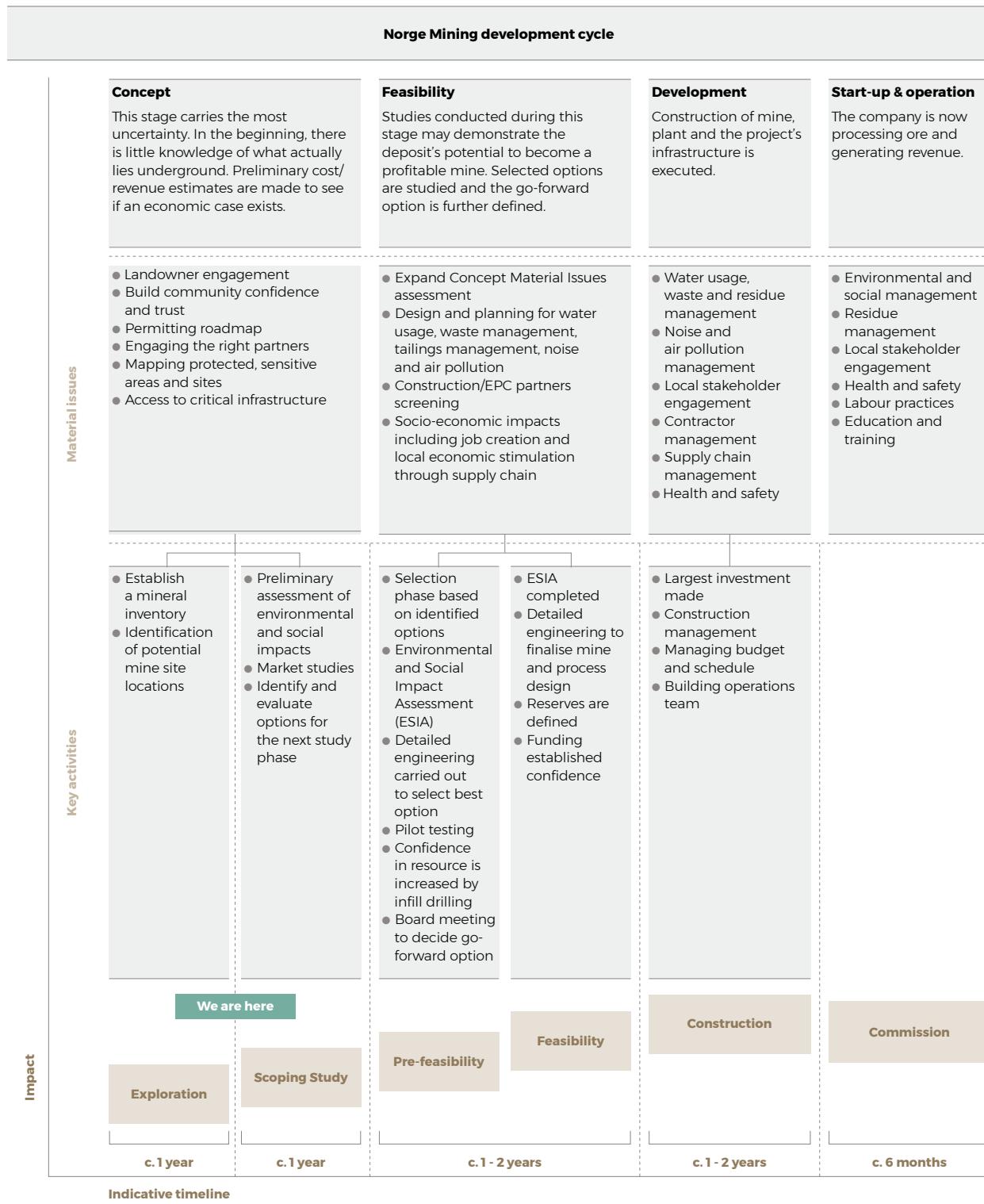
In addition, Norway has set an ambitious target to reduce greenhouse gas (GHG) emissions by 55% of 1990 levels by 2030. Meeting the 2030 target will be challenging since the country's electricity supply and energy use in buildings are already essentially carbon-free, so decarbonisation has to be sought in transport and industry.

A sustainable model

Understanding our impacts through development

Responsible operations

Considerate mining is at the core of our business model – in collaboration and close communication with local neighbourhoods. Using innovation and technology, we aim to minimise environmental impact through the entire development and operating cycle, through to remediation. What's more, some of the minerals we are sourcing can contribute to a more sustainable global future.



Our sustainability impact areas

An awareness of our evolving impacts

Our approach will evolve through the development lifecycle. As Norge Mining's operations progress from the Scoping Study through to mine construction we will continue to evolve our commitments and reporting measures in line with our development.

It is likely that a number of areas will become increasingly more material to the Company and stakeholders, and we will look to consider a broader range of performance areas relevant to our operations.

Environment

Norway is richly endowed with natural resources such as oil and gas, fish, forests and minerals. We believe that the protection of and responsible stewardship of natural capital must be built into every phase, from design through to construction, and from production to decommissioning.

Conservation and protected areas

Norge Mining understands there are a number of protected areas within our exploration licences and is investigating them. We are gathering as much information as possible on this, and will make sure any findings are at the forefront of our exploration and sourcing of minerals.

Social

Norway has a stable economy with a vibrant private sector, a large state sector and an extensive social safety net. In terms of disparity in wellbeing among its regions, Norway has the highest levels of environment and safety among Organisation for Economic Co-operation and Development countries.

Land use

The local region is dominated by agriculture and tourism, with an emphasis on livestock and recreational use. Quarrying is also a significant economic activity, with the landscape of Eigersund Municipality being characterised by the rock zones. The extraction of minerals, raw materials, natural stone, sand and gravel presents significant activity in Norway with Rogaland being the main producer of sand, gravel and crushed stone.

Infrastructure

Norge Mining's exploration licences are proximate to key access and power infrastructure. The main road network in Dalane is the European route E39, a 1330km-long north-south road in Norway and Denmark that passes through the host municipalities of Bjerkreim, Eigersund and Lund in Rogaland.

Norge Mining will work closely with the transmission system operator and the distribution network operator to make sure that the capacity in the electricity network is sufficient for future operations. Norway has almost 100% renewable production of electricity. Electrifying the mining process as much as possible will reduce the carbon footprint.

Cultural heritage

Cultural environments in the exploration permit area are also found as part of the agricultural landscape or in forested and other uncultivated areas. The conservation of all these areas forms key considerations within the Environmental and Social Impact Assessment (ESIA) and will be integrated into the planning and development processes at local, regional and national levels.

Engagement

The social, environmental and political context presents great opportunities and demands on the business, but is increasingly informing our business practices and engagement. Our partner, SRK, undertook an early-stage ESG review and provided recommendations for effective stakeholder engagement and grievance management (see p.18).



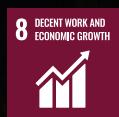
United Nations Sustainable Development Goals

Our pledges to delivering responsible outcomes

Given the worldwide significance of our assets in Norway, we are using global principles to guide our operations. The United Nations Sustainable Development Goals (SDGs), are a series of objectives against which every organisation can measure its impacts and contributions. Of the 17 goals, there are at least seven with specific relevance to us. To the right, we pledge allegiance and align with them.



We aim to contribute to energy storage solutions for the world, with a large, continuous supply of vanadium.



We hope to fuel a nascent industry in Norway, creating economic wealth and jobs.



As we support new industrial developments in Norway, we are part of an innovative revolution in green mining.



We are exploring Critical Raw Materials that have the power to create a more sustainable world for all.



By making phosphate and vanadium more readily available, we can help to build a more sustainable world.

We don't just advocate on climate change, we are taking action.

We commit to minimising our operational impacts whilst preserving, protecting and restoring the environment we affect.



Stakeholder engagement

Maintaining a social licence to operate

It is vitally important to Norge Mining that we integrate with our communities, both personally and professionally. To that end - and to support our social licence to operate - a clear and robust stakeholder engagement programme is critical.

One of the first steps we took after gaining ownership of the Norwegian exploration licences was to prepare a thorough ESG risk assessment. The assessment focused on three of the six municipalities that host our exploration licences: Lund, Eigersund and Bjerkreim.

The assessment involved the use of available and existing project information, supplemented by publicly accessible information, to establish the environmental and social context. The purpose of this assessment is to:

- Establish an ESG risk profile through identifying potential ESG risks to the project; and
- Review existing stakeholder engagement and prepare a forward-looking engagement plan.

This process enabled us to identify any non-technical risks, reduce and manage potential negative impacts that could hinder project development and enable maintenance of positive relationships with the host community. The ESG risk profile highlighted the indispensable legal and permitting systems for the development and the permitting roadmap.

From an environmental standpoint we will focus our attention on land uses, protected areas, habitats and species of conservation importance, water resources, water sensitivities and air quality. The social side highlighted demographics and socio-economics, regional development priorities, infrastructure and community assets and features.

This assessment led to the development of our own Stakeholder Engagement Database System to underpin our community liaison activities. We are committed to being a good neighbour and we recognise the importance of having a responsive, open-door policy with stakeholders in or close to our licence areas and planned operations.

We have managed an efficient stakeholder engagement programme to date, supported by effective communication policies and strategies which allowed willing and supportive stakeholders to help us progress without delay.

Key stakeholder groups

In total, eight different stakeholder groups were identified and categorised as a precursor to establishing the stakeholder engagement data management system. Once the stakeholder and stakeholder sub-groups had been identified a mapping exercise was undertaken to assess their influence and importance in relation to the project.

Norge Mining will continue to review stakeholder engagement to date and assess factors that may influence the perception of the project and the Company.

We will canvass the ideas and opinions of local communities, produce suggestions for community-wide engagement and provide information to explain the Company's strategy and the implications of long-term drilling.



Stakeholder group	How and why we engage	Actions going forward
Landowners	Strengthening our relationships with landowners ultimately sustains our future development. An integral focus for us is maintaining a constant two-way dialogue with local landowners to ensure they are up to date with our operations and comfortable with developments.	Continue being a transparent and trusted partner and to respond effectively to incoming enquiries.
Employees	We recognise that we need a skilled and engaged workforce with a diverse range of experience. Our employees are core to our successes and growth.	The Norwegian tripartite cooperation – Trepartssamarbeidet – is a collaboration between authorities, employers and employees where trust, short distances and participation realise positive effects in terms of productivity and adaptability. It characterises institutions, agreements and legislation to define Norwegian culture.
Communities	Engagement with communities is ongoing and recorded in our online database. Meetings have been held between Norge Mining and representatives of several municipalities to ensure a high level of notification and permissions are in place, especially for accessing exploration areas and making improvements to tracks.	Norge Mining has already held numerous consultations with communities close to its licences and planned operations. We intend to host physical community meetings once restrictions allow. In 2021, we plan to hire a dedicated individual for the position of managing stakeholder engagement.
Suppliers and contractors	In addition to the direct employment of office staff, geologists and other specialists, Norge Mineraler appoints multiple local suppliers on a temporary or longer-term basis ranging from vehicle hire, hotels and caterers through to construction and consultancy firms.	As we continue our activities, our relationships with both suppliers and contractors will become increasingly crucial to the delivery of our exploration.
Government bodies and institutions	We are establishing close links with regional and national government in Norway to ensure that our development work is in line with government thinking.	We seek to maintain positive relationships and regular dialogue with various stakeholder groups within governmental bodies and institutions.
Private sector	We are developing more strategic partnerships around use of the resources which will help us drive innovation.	Considering where Norway aims to go with next-generation industries, battery production is something that we will be continuing to have at the forefront of our minds.
Media	Coverage of the project and Norge Mining continues in local and regional press. We encourage site visits by journalists and media representatives as part of our commitment to remain transparent and open.	We will continue to communicate with the media over the coming years to support transparency of our explorations.
NGOs	With any mining operation, there will be representation from NGO organisations.	Due to our early-stage exploration our current impacts are limited but this is a stakeholder group that will further engage as we progress our development.

Governance

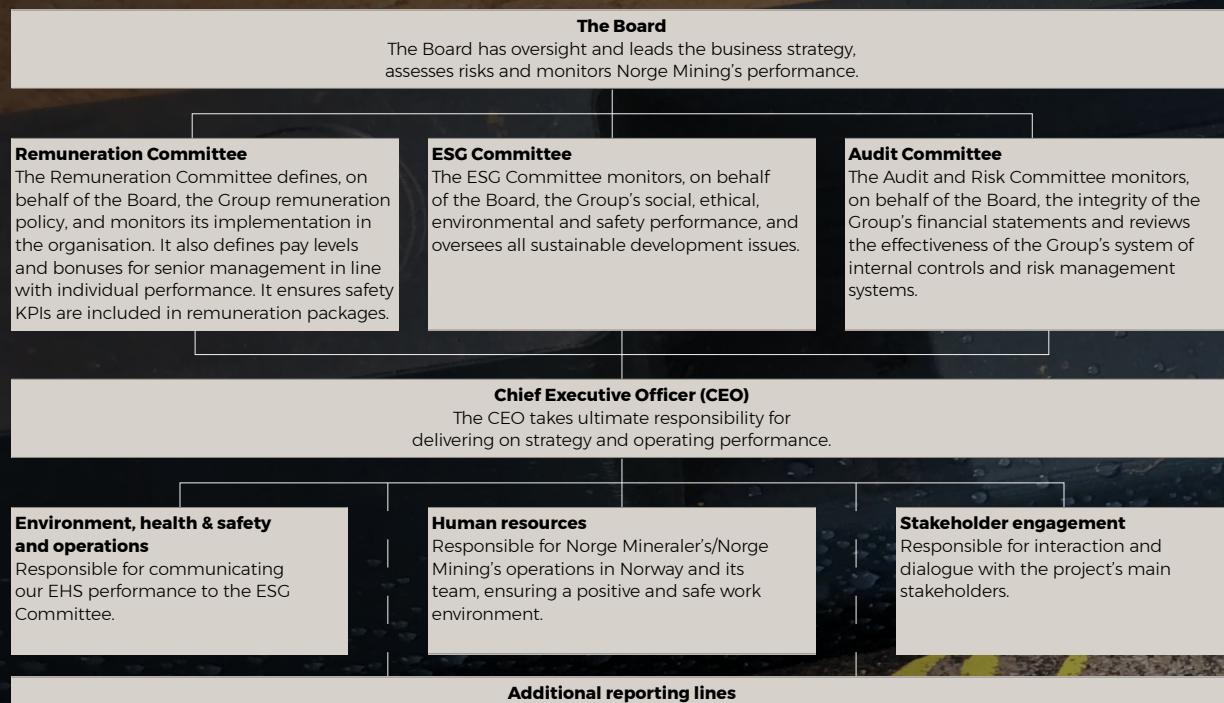
Robust oversight

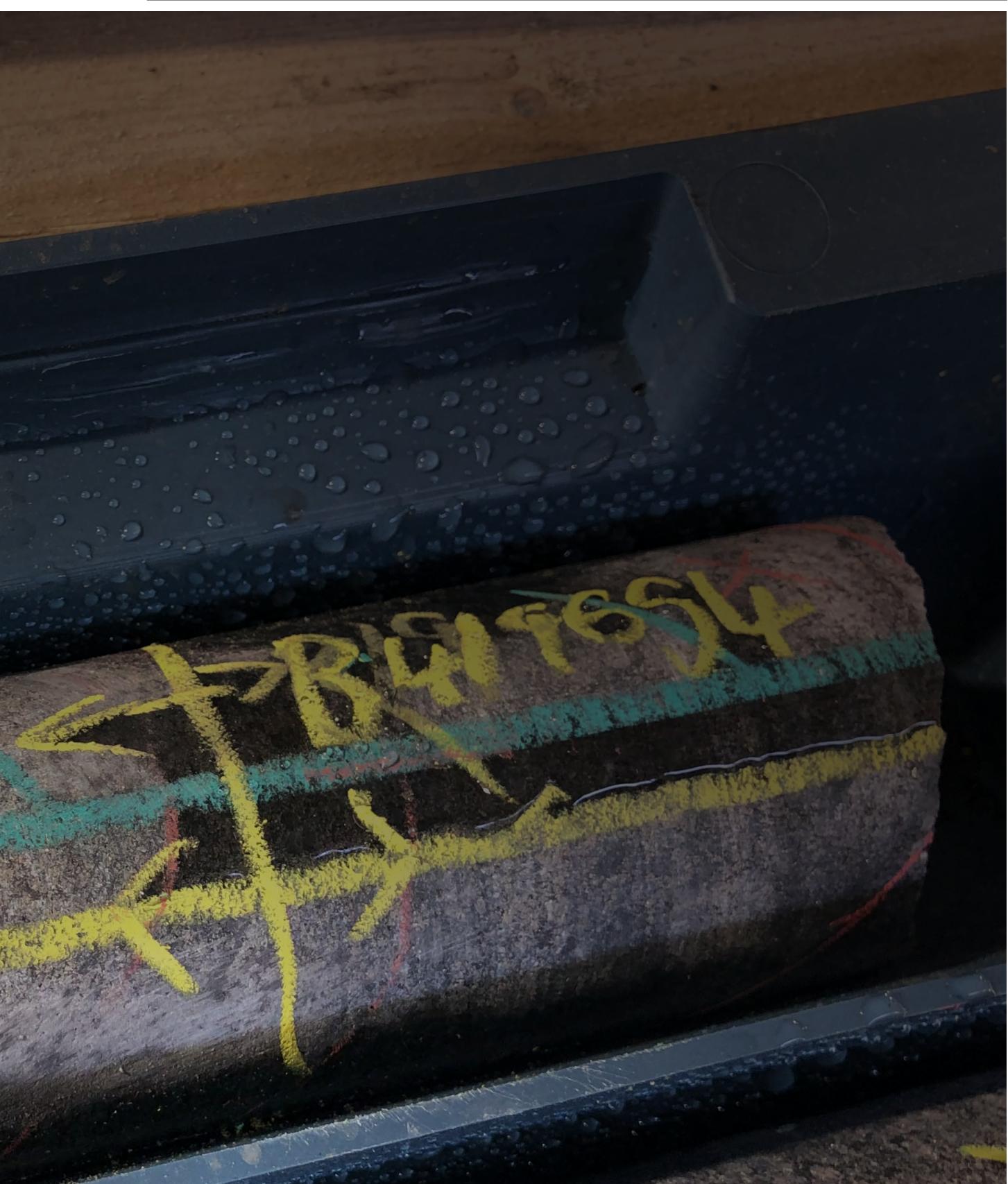
Internal organisational structure

Norge Mining has a clear organisational structure with a Board and executive management team presenting diverse skillsets and a range of mining experience.



Governance framework





Social

Engaging with our communities

Ensuring considerate mining development to aid the permitting process, engaging effectively with stakeholders to inform the way we design the mine, maintaining our social licence to operate.

Focus areas:

Communities Engage with local communities during each of the project phases to ensure that their concerns and rights are protected.

Local heritage Preserve the heritage of the region throughout all project and operational phases.

Human rights Respect human rights and ethical behaviour along the entire value chain.

People Create and promote a positive, inclusive, safe and decent work environment.

Shared prosperity Operate profitably within the boundaries of the social and environmental goals.

Economy Create a positive economic impact on the EU, Norwegian and local economies.

Political Provide resource independence for Europe.

Climate change Foster partnerships for carbon-neutral logistics.

Health & safety

As we progress through the development lifecycle, our focus on health and safety remains a top priority. We receive weekly progress reports from our drilling programme and have maintained a very good record of avoiding lost time accidents. Our aim is zero harm. This applies to our employees, contractors, suppliers and visitors to the sites.

People & partners

Since the start of the drilling programme in May 2020, the Company's operations in Norway have grown significantly. We have employed an increasing number of Norwegians in exploration and managerial roles, including the appointment of a Chief Executive Officer, a Chief Operating Officer and a Chief Financial Officer at our Norge Mineraler AS office in Egersund. This office, which is located at the Egersund Energy Hub, was opened in February 2021. Our other facilities in Norway include a core shed and warehousing to support our drilling work. We currently have 14 employees at Norge Mineraler AS and expect that number to grow in the current year. We also typically have more than 20 exploration and drilling specialists on site.

Key recent appointments at Norge Mining include a small, highly experienced team of full-time personnel working on the Øygredi and Storeknuten Scoping Study. This team has a background in mine development at BHP Billiton and other major companies. The team is working on the Scoping Study with global engineering, construction and project management company Bechtel Corporation as the Study Manager. Our management team has also been broadened, with appointments including a Chief Sustainability Advisor and a Chief Operating Advisor.

Relationships with local communities

The mining industry has at times come at a cost to the environment, to neighbouring communities and to wildlife. Norge Mining is seeking to create a different legacy, one that's centred around respect for people and the planet. Whilst we are currently at the exploration stage, we are planning a modern, innovative approach to mining to ensure that our operations have a positive and sustainable footprint. This approach is informed by our internal governance approach to sustainability and will be monitored by our ESG Committee.

We are seeking to usher in a new era of considerate exploration and mining – in collaboration and communication with local people, landowners and farmers. We are also establishing close links with regional and national authorities in Norway to ensure that our development work is in line with government thinking.

Norge Mining has already held numerous consultations with communities close to its licences and planned operations. We are speaking to council members, local suppliers, landowners and farmers. We will continue to have an open-door policy with all of these groups when it comes to any project developments or milestones.

We continually assess factors that may influence the perception of the project and the Company. This provides suggestions for community-wide engagement and information to explain the Company's strategy and the implications for long-term mining.

We have three levels of engagement with the community at present. Firstly, direct dealings with Rogaland County Council, the local employment authorities, and the local mayor offices. Secondly, through reporting by the local media, newspapers and NRK, and thirdly, by everyday interaction with local farmers, landowners and local businesses, including restaurants and shops.

All three levels of interaction are largely positive, and we are working closely with everyone to achieve our objectives through thoughtful and respectful methods and practices, as well as continual communication.

▼ Interest class (51)



Interest Category	Responses
Effect on livelihoods	7
Consultation and communication	3
Damage or destruction to property	6
Disturbances of any kind: dust, noise, vibrations, traffic	2
Environmental concerns	3
Exploration agreements/consent	3
Land use rights	1
Permitting	24
Road related - E39	2
Total	51

Engaging with local representatives

Meetings have been held with Eigersund Municipality, Rogaland County Council, local suppliers, landowners and farmers, as most of the exploration activity has taken place there to date. The landowners who visited as part of this study and who owned land in the concession areas were either livestock farmers or owned lakeside cabins for private use or for tourism purposes.

The Municipality representatives were positive about the potential economic benefits of the Norge Mining project, should exploration result in the development of a mining project. They were equally mindful of development challenges and demands from stakeholder groups, and will therefore seek to support the business as appropriate.

In addition, there is a mechanism for local stakeholders to voice their concerns regarding any aspects of the development.

Engagement with landowners and land users is ongoing constantly and is recorded in srkEngage.

Covid-19

Health, safety and well being are top priorities for the Company at all times. During Covid-19, we have followed all relevant government requirements and advice in Norway and in the UK.

Restrictions on travel and social contact had an impact on the speed of exploration work during the year. Restrictions on public gatherings and social contact meant that our community liaison work was primarily conducted electronically rather than in person. Our intention is to reinstate face-to-face meetings once conditions allow.

As Covid-19 cases continue to fluctuate throughout Europe, we continue to fully align with evolving health and safety protocols.

Focus for 2021

Norge Mining will reinforce its current engagement activities with the appointment of a Chief Liaison Officer who will report to the Chief Executive Officer regarding the Company's communications with local communities and other stakeholders.

This role will support community and wider consultation as Norge Mining progresses through the Scoping Study stage of the development cycle and integrates the views of landowners and other interested parties.

Much of Norge Mining's engagement focus over the past year has necessitated virtual online forums due to social distancing requirements in response to the Covid-19 pandemic. The Company will be looking to host more face-to-face consultations as restrictions relax, subject to the effective continuation of national and international vaccination programmes and authorities' satisfactory management of cases.

Norge Mining will continue to monitor and review its people safety and engagement responsibilities in this regard.

Environment

Minimising our impacts

Safeguarding the communities, minimising our negative operational impact, and maintaining the integrity of the environment.

Approach during the exploration and drilling phase

Our stated corporate practices target environmentally responsible practices. We have identified all protected areas, including nature reserves and areas of cultural importance. We are working closely with the local authorities to ensure our operations observe and protect these areas. We have ensured that our staff and contractors follow strict procedures to protect the environment.

We have looked closely at the processes of our contractors and are confident that they are robust and extensive enough to meet our environmental responsibilities.

We will work hard to make sure as much as possible of the waste material from future mining is re-used, for example in the construction of roads or other civil works.

We have a substantial amount of work to undertake before we reach the mining and processing stage but our focus is on planning ahead to ensure the best possible outcome for the local community, for the environment and for other stakeholders.

Ambitions

Waste management Re-use waste materials of mining and processing.

Energy efficiency Low carbon operations, powered by renewable energy wherever possible.

Water Protect natural water flows and use water mindfully during the extraction.

Process Closed-loop use of water and purification before release into natural water flows.

Biodiversity Safeguard all flora and fauna in protected and unprotected areas, take particular care of endangered species and appreciate their connection with the environment.

Exploration activity

Norge Mining explores with the objective to produce CRMs via mining and processing. The methods used in the Geological Survey of Norway (NGU) studies are not in line with standard exploration methodology and therefore SRK Exploration has been commissioned by Norge Mining as a specialist exploration outfit to further validate this NGU study.

Drilling innovation

We aim to minimise our impact on the environment by using innovation and technology. We have already used 3D geological modelling and aerial magnetic surveys to help pinpoint where our drilling work takes place. We will also use renewable energy wherever we can.

Environmental concerns and awareness

The minerals that we are exploring can support a sustainable future. We are fully committed to our responsibility by being aware of the main ecological sensitivities in the area. We are striving for considerate exploration by showing awareness of the impact the activities can have.

We plan to use innovation and good practice to minimise our environmental footprint.

Protecting biodiversity

Norge Mining understands there are a number of protected areas within its exploration licence area and is vigilant in safeguarding them. As well as protected areas, Norge Mining understands there are species of conservation concern within the licence areas.

Throughout exploration, the following have been considered:

- Changed drill locations/cancelled planned holes due to presence of protective areas or to respect the wishes of landowners;
- Avoiding historical roads;
- Reduced drilling hours at night to meet noise regulations;
- Geophysical survey: carrying equipment by foot to reduce impact on landscape and disturbance in hunting areas;
- A good dialogue with the county and municipalities;
- Establishment of a contact group.

Affiliation partner

Magma UNESCO Global Geopark is a geographic partnership for areas with a geology that has a major international importance, recognised by UNESCO, and where sustainable development plays an important role. Magma Geopark is in a network of more than 140 UNESCO Global Geoparks in about 40 different countries on five continents and their representatives meet regularly.

Although the background for a geopark is geology, really it's all about the people – both locals and tourists – who are willing to explore, experience and share the vast possibilities of the natural and cultural attractions in the geopark.

**Focus for 2021**

The Scoping Study phase of the development cycle will provide a range of site locations and mine design options for Norge Mining to consider. Environmental impacts will be at the forefront of these deliberations to understand the potential impacts on land, water, communities, air quality, noise and any visual impairment to the landscape.

Norge Mining will endeavour to minimise any negative environmental impacts, ensuring best efforts are taken to mitigate all operational repercussions.

To support this, Norge Mining is pursuing the ISO 14001 certification. ISO 14001 is the international and most widely used standard for environmental management systems worldwide. ISO 14001 sets out the requirements for formulating and maintaining an environmental management system and helps organisations to improve their environmental performance through the efficient use of resources and the reduction of waste. Norge Mining aims to achieve ISO 14001 certification in 2022.



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Global Reporting Initiative (GRI)

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	Disclosure 102-1 Name of the organisation	The reporting organisation shall report the following information: a. Name of the organisation.	Front cover
	Disclosure 102-2 Activities, brands, products, and services	The reporting organisation shall report the following information: a. A description of the organisation's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	a. 4 b. 7
	Disclosure 102-3 Location of headquarters	The reporting organisation shall report the following information: a. Location of the organisation's headquarters.	Oslo, Norway
	Disclosure 102-4 Location of operations	The reporting organisation shall report the following information: a. Number of countries where the organisation operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	7
	Disclosure 102-5 Ownership and legal form	The reporting organisation shall report the following information: a. Nature of ownership and legal form.	Annual Report
	Disclosure 102-7 Scale of the organisation	The reporting organisation shall report the following information: a. Scale of the organisation, including: i. total number of employees; ii. total number of operations; iii. net sales (for private sector organisations) or net revenues (for public sector organisations); iv. total capitalisation (for private sector organisations) broken down in terms of debt and equity; v. quantity of products or services provided.	i. 22 ii. 7 iii. Annual Report iv. N/A v. N/A
	Disclosure 102-12 External initiatives	The reporting organisation shall report the following information: a. A list of externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes, or which it endorses.	12
	Disclosure 102-13 Membership of associations	The reporting organisation shall report the following information: a. A list of the main memberships of industry or other associations, and national or international advocacy organisations.	15
	Disclosure 102-14 Statement from senior decision-maker	The reporting organisation shall report the following information: a. A statement from the most senior decision-maker of the organisation (such as CEO, Chair, or equivalent senior position) about the relevance of sustainability to the organisation and its strategy for addressing sustainability.	8
	Disclosure 102-16 Values, principles, standards, and norms of behaviour	The reporting organisation shall report the following information: a. A description of the organisation's values, principles, standards and norms of behaviour.	6
	Disclosure 102-18 Governance structure	The reporting organisation shall report the following information: a. Governance structure of the organisation, including committees of the highest governance body. b. Committees responsible for decision-making on economic, environmental and social topics.	20-21 and Annual Report

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FSC – Forest Stewardship Council.
This ensures there is an audited chain
of custody from the tree in the well-
managed forest through to the finished
document in the printing factory.

ISO 14001 – A pattern of control for
an environmental management system
against which an organisation can be
credited by a third party.

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