

# Annual Report // Årsrapport

For the 18 month period ended 30 June 2022

// For 18 måneders perioden avsluttet 30. juni 2022

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OUR MINERALS // VÅRE MINERALER



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CHAIRMAN'S STATEMENT  
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CHIEF EXECUTIVE OFFICER'S  
REVIEW // ADMINISTRERENDE  
DIREKTØRS GJENNOMGANG



◀ Front cover image:  
Mountain landscape  
in Norway by Daniel  
J. Schwarz // Norsk  
fjellandsskap av Daniel  
J Schwarz

Disclaimer

This Report covers operational aspects of Norge Mining and is issued in both English and Norwegian. The print version is identical to its PDF counterpart, which is available at NorgeMining.com. The English version prevails in the event of any discrepancy. Wherever possible, sustainable printing techniques were used.

Ansvarsfraskrivelse

Rapporten dekker de operasjonelle sidene av Norge Mining, og gis ut i både engelsk og norsk. Papirutgaven er identisk med PDF-utgaven som er tilgjengelig på NorgeMining.com. Ved overensstemmelse er det den engelske versjonen som er gjeldende. Der det er mulig har bærekraftige utskriftsmetoder blitt benyttet.



Introduction // Introduksjon



Welcome

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

The Company holds 61 exploration licences, totalling more than 520 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.

Founded in November 2018, Norge Mining is headquartered in London. Its Norwegian subsidiary, Norge Mineraler AS, is based in Egersund, Norway.

Velkommen

Norge Mining Limited er et privat norsk-britisk mineralleteselskap med fokus på Norge som har et 100 % eid norsk datterselskap, Norge Mineraler AS.

Selskapet innehar 61 undersøkelsesrettigheter, som utgjør mer enn 520 kvadratkilometer i Sørvest-Norge, et område som er kjent for å inneholde vanadium, titan, fosfat og gull. Norge Minings ambisjon er å bli en betydelig og strategisk viktig lete- og gruvevirksomhet med fokus på kritiske råmaterialer i Norge

Norge Mining ble grunnlagt i november 2018 og har hovedkontor i London. Det norske datterselskapet Norge Mineraler AS har base i Egersund.

▲ Reinebringen, Norway

Vision, mission and purpose

Norge Mining has a clear vision for the environmentally and socially responsible mining of phosphate, vanadium and titanium. We are seeking to create a lasting impact, through delivering security of supply in Europe of materials for the green energy transition and for agriculture.

Visjon, misjon og formål

Norge Mining har en klar visjon for en miljøvennlig og samfunnsmessig ansvarlig utvinning av fosfat, vanadium og titan. Og slik vil vi jobbe for varig innvirkning ved å sikre Europeisk tilgang til materialer for det grønne skiftet og jordbruk.



Highlights // Høydepunkter

Storeknuten  
**910m**

inferred resource tonnes //  
tonn utledet ressurs

Øygrei  
**900/280m**

indicated/inferred resource tonnes //  
tonn indikert/utledet ressurs

Mean grade  
**3.36%**

phosphorus pentoxide //  
fosforpentoksid

Funding  
**£31.2m**

convertible loan // konvertibelt lån



◀ Geologist Will Shackel analysing and logging drill core at Norge Mining's core logging facilities // Geolog Will Shackel analyserer og logger borekjerner i Norge Minings kjerneloggefasiliteter



Company overview // Selskapsoversikt

Norge Mining holds 61 exploration licences in six municipalities in south-west Norway covering a total area of approximately 520 km²: Bjerkreim, Eigersund, Lund, Sokndal and Bømlo-Lykling.

Further drilling and analysis at our Storeknuten deposit (in Rogaland, Norway) has revealed a big increase in our mineral resource estimate to 910 million tonnes, and gives a total of circa 2100 million tonnes.

Norge Mining har 61 undersøkelsesretter i seks kommuner i Sørvest-Norge som dekker et areal på totalt rundt 520 km²: Bjerkreim, Eigersund, Lund, Sokndal, Hå og Bømlo.

Ytterligere boring og analyse av forekomsten ved Storeknuten (i Rogaland, Norge) har medført en stor økning i vårt mineralressursestimat til 910 millioner tonn, noe som gir en total på ca. 2100 millioner tonn.



910 Mt

DRILLING HAS INCREASED THIS RESOURCE ALMOST FOURFOLD – TO AN ESTIMATED 910 MILLION TONNES // YTTERLIGERE BORING HAR NESTEN FIRDOBLET RESSUSESTIMATET - TIL ANSLÅTTE 910 MILLIONER TONN

3.36%

MEAN GRADE OF PHOSPHORUS PENTOXIDE IN A TOTAL RESOURCE OF 410 MILLION TONNES OF THE HIGH GRADE ZONES AT STOREKNUTEN // GJENNOMSnittlig GRADERING AV FOSFORPENTOKSID I EN TOTAL RESSURS PÅ 410 MILLIONER TONN, I DE SONENE MED HØY GRAD AV MINERALISERING VED STOREKNUTEN

► By Storeknuten, Rogaland // Ved Storeknuten, Rogaland

Mineral resource

Storeknuten forms part of the Hoyland Exploration Area in the Bjerkreim Exploration Project and is located 4.5 km south-west of the Øygrei deposit. In May 2021, we reported a mineral resource estimate for Storeknuten of 240 million tonnes – this confirmed that Storeknuten holds a world-class deposit of phosphate, vanadium and titanium metal. Phosphate and vanadium are both EU Critical Raw Materials and play a key role in security of food supply and the green energy transition. Drilling and analysis since then has increased the resource almost fourfold – to an estimated 910 million tonnes.

This increase in the resource at Storeknuten marks another important milestone in the progress of the Bjerkreim Exploration Project. While our focus will be on the 410 million tonnes of high-grade mineralisation, the vastness of the total resource underlines Norway's strategic position.

Higher grades

The grades of our target minerals have also increased since our maiden estimate – particularly when it comes to Storeknuten phosphate. The updated Storeknuten resource estimate gives a mean grade of 3.36% phosphorus pentoxide in the high grade zones with a total of 410 million tonnes.

Mineralressurs

Storeknuten er et undersøkelsesområde i Bjerkreim leteprosjektet og ligger 4,5 km sørvest for Øygrei forekomsten. I mai 2021 rapporterte vi et mineralressursestimat for Storeknuten på 240 millioner tonn. Dette bekreftet at Storeknuten er en forekomst i verdensklasse av vanadaium og fosfat. Begge er definert som kritiske råmaterialer på EUs liste og er helt avgjørende for matforsyningsikkerhet og det grønne energi skiftet. Boring har siden den gang nesten firdoblet ressursestimatet- til anslåtte 910 millioner tonn.

Denne utvidelsen av ressursen ved Storeknuten markerer en ny viktig milepæl i utviklingen av Bjerkreim leteprosjektet. Mens fokuset vårt vil være på de 410 millioner tonnene med høyere grad av mineralisering, understreker den enorme totale ressursen Norges strategiske posisjon.

Høyere graderinger

Graderingene av råmaterialene vi leter etter har også økt siden vårt første esimat. Særlig når det gjelder forsfat i Storeknuten estimatet. Det oppdaterte ressursestimatet for Storeknuten gir en gjennomsnittlig gradering på 3,36% fosforpentoksid i en total ressurs på 410 millioner tonn.





## Our minerals // Våre mineraler



► Freshly recovered drill core // Fersk borekjerne

*Norge Mining is exploring and sourcing three minerals: phosphate, vanadium and titanium. Phosphate and vanadium are on the European Union's 2020 list of Critical Raw Materials owing to their role in security of food supply and in the green energy transition.*

The EU's latest figures reveal that China produces approximately 59% of the world's vanadium and approximately 41% of titanium metal, while 34% of the world's traded phosphate rock is sourced from Morocco.

Phosphate, vanadium and titanium metal are therefore not only of national importance to Norway, but of international significance, and could become key players in trade leverage. Securing a European supply of these materials and lowering the risk associated with their security of supply is considered of vital political and economic importance.

*Norge Mining leter etter og kartlegger tre råmaterialer; fosfat, vanadium og titan. Fosfat og vanadium inngår i 'EUs liste over kritiske råmaterialer, grunnet deres betydning for matvaresikkerhet og det grønne energi skiftet.*

Nylige tall fra EU viser at Kina produserer ca. 59 % av verdens vanadium og ca. 41 % av titan, mens 34 % av omsatt fosfatstein kommer fra Marokko.

Som kritiske råvarer er vanadium og fosfater derfor ikke bare av nasjonal betydning for Norge, men av internasjonal betydning, og kan bli sentrale i forhandlinger. Å sikre en europeisk forsyning av disse kritiske råmaterialene og redusere forsyningsrisikoen anses å være av vital politisk og økonomisk betydning.

► Checking the geochemistry with a portable XRF // Sjekker geokjemien med en håndholdt XRF





Our minerals // Våre mineraler

Continued // Fortsettelse



◀ Illustrative photo of vanadium // Illustrativt bilde av vanadium

The European Commission listed vanadium as a Critical Raw Material once again in 2020 for key industry sectors and the sustainable functioning of the European economy // Europakommisjonen har nok en gang oppført vanadium som et kritisk råmateriale i 2020 for viktige industrisektorer og en bærekraftig europeisk økonomi.

75%

OF GLOBAL VANADIUM SUPPLY IS SOURCED FROM CHINA, SOUTH AFRICA, AND RUSSIA // AV DEN GOBALE FORSYNINGEN AV VANADIUM KOMMER FRA KINA, SØR AFRIKA OG RUSSLAND

Vanadium

For use in both steel and renewable industries.

Prospects

Vanadium is a Critical Raw Material and features superior energy density compared with other battery materials.

Vanadium demand is expected to rise due to its use in grid scale vanadium redox flow batteries (VRFBs) and potentially next-generation lithium vanadium cells (also batteries), specialty steel applications.

Manufacturing value

The principal recovery process for extracting vanadium from magnetite concentrate is to convert vanadium-containing magnetite concentrate into vanadates and then vanadium pentoxide (V2O5) or vanadium trioxide (V2O3). These vanadium oxides are consumed in downstream products. Traditionally, the steel industry is the largest market for vanadium, accounting for about 91% of consumption, mostly through ferrovanadium (FeV) and vanadium nitride (VN).

Critical European supply

The European Commission listed vanadium as a Critical Raw Material once again in 2020 for key industry sectors and the sustainable functioning of the European economy. As steel production accounts for the vast majority of vanadium consumption (and with China increasing its enforcement of new high-strength rebar standards), the need for vanadium in construction is still high. With vanadium demand continuing to grow, Norway is perfectly poised to become a supply centre in the future.

Currently, 75% of global vanadium supply is sourced from China, South Africa, and Russia.

Renewable energy potential

The most exciting use of vanadium lies in its potential for efficient power, especially for balancing the grid. Vanadium-based 'redox flow' batteries have a long life cycle (decades) as they can be recharged thousands of times – and retain their value. Vanadium may also have a role to play in the electric vehicle revolution as research continues into creating rechargeable batteries with a longer range.

Vanadium

Aktuell i stålindustrien og i fornybare industrier.

Utsikter

Vanadium er et kritisk råmateriale. Og det har svært høy energitetteth sammenlignet med andre batterimaterialer.

Etterspørselen etter vanadium forventes å stige på grunn av bruken av vanadium redox flow-strømningsbatterier (VRFB) for energilagring og utjevning i kraftnett, spesialstålapplikasjoner og potensielt neste generasjons batteriteknologi.

Produksjonsverdi

Hovedsakelig utvinnes vanadium fra vanadiumsholdig magnetittkonsentrat ved å omdanne konsentratet til vanadater, og videre til vanadium pentoksid (V2O5) eller vanadiumtrioksid (V2O3). Disse vanadiumoksidene benyttes i nedstrømsprodukter. Tradisjonelt er stålindustrien det største markedet for vanadium, og utgjør omtrent 91 % av forbruket, hovedsakelig gjennom ferrovanadium (FeV) og vanadiumnitrid (VN).

Kritisk europeisk forsyning

Europakommisjonen har nok en gang oppført vanadium som et kritisk råmateriale i 2020 for viktige industrisektorer og en bærekraftig europeisk økonomi. Ettersom stålproduksjon står for majoriteten av vanadiumforbruket (og Kina øker innføringen av nye standarder for høyfast armeringstål), er behovet for vanadium i byggebransjen fortsatt høyt. Med økende etterspørsel etter vanadium, er Norge perfekt posisjonert til å bli et viktig forsyningscenter i fremtiden.

For øyeblikket kommer 75 % av den globale vanadiumforsyningen fra Kina, Sør-Afrika og Russland.

Potensial for fornybar energi

Det mest spennenede bruksområdet for vanadium er innenfor energilagring i og balansering av kraftnett. Vanadium "redox flow" batterier kan tømme og lades tusenvis av ganger uten å tape kapasitet. Vanadium kan også være aktuell i nye generasjoner batterimaterialer for elektriske kjøretøy med lengre rekkevidde.



Our minerals // Våre mineraler

Continued // Fortsettelse



◀ Illustrative photo of phosphate // Illustrativt bilde av fosfat

Phosphate rock is considered by the European Commission report to be subject to “high supply risk” // EU-kommisjonens rapport vurderer forfatstein til å ha “høy forsyningsrisiko”

Phosphate

Phosphate fertilisers are indispensable to global food security.

Prospects

The demand of phosphate, used in fertilisers, is expected to increase because of the growing world population and therefore the need for food, and because there are no alternatives in fertilisers or animal feeds.

Crop yield boost

The use of phosphate fertilisers in the past 50 years has boosted crop yields and helped feed millions, if not billions, of people. Fertilisers are typically comprised of three major water-soluble macronutrients such as phosphate, potash and nitrogen.

Growing markets

The world's increasing population, limited availability of land and drive for food diversity have been key drivers of demand for phosphate. Asia is currently the largest market, due to large farming communities in China and India. Awareness programmes in emerging economies in Latin America, Africa and Asia-Pacific are encouraging greater use in these areas.

Phosphate is increasingly used in electric vehicles and in static electricity storage in a type of lithium ion battery combining lithium, iron and phosphate, known as LFP. Such batteries are used in entry-level Tesla vehicles and other major car makers are also embracing them.

Phosphate is also used to produce phosphorous, which is another EU Critical Raw Material.

Supply risk

Phosphate rock is identified as non-substitutable and of high economic importance. It is considered by the EU Commission report to be subject to high supply risk because of concentrated production in three main countries (China, Morocco, USA), with high corporate concentration in production (small number of producer companies with large market share).

Fosfat

Fosfatgjødsel er helt avgjørende for global matsikkerhet.

Utsikter

Etterspørselen av fosfat for bruk i gjødsel forventes å øke fremover. Dette skyldes global befolkningsvekst, som igjen fører til økt behov for mat. Det finnes ikke alternativer til fosfor for bruk i gjødsel eller førmidler til husdyr.

Avlingsøkning

Bruken av fosfatgjødsel i løpet av de siste 50 årene har økt avlingene og bidratt til å fø millioner, om ikke milliarder, av mennesker. Gjødsel er blant annet sammensatt av tre viktige vannløselige makronæringsstoffer slik som fosfat, kalium og nitrogen.

Voksende marked

Verdens økende befolkning, begrenset tilgjengelighet på dyrkningsarealer og økt fokus på mangfold i mat, har vært nøkkeldrivere for etterspørselen etter fosfat. Asia er for tiden det største markedet, på grunn av store jordbruksamfunn i Kina og India. Bevissthetsprogrammer i fremvoksende økonomier i Latin-Amerika, Afrika og Asia/ Stillehavsområdet oppmuntrer til økt bruk av gjødsel i disse områdene.

Fosfat brukes mer og mer i elektriske kjøretøy og i stasjonære elektrisk kraftlagringsystemer med en type litium-ion batteri som kobinerer litium og jernfosfat, kjent som LFP. Slike batterier brukes i standard Tesla modeller og andre store bilprodusenter tar også disse i bruk.

Fosfat brukes også til å framstille fosfor som er på EUs liste over kritiske råmaterialer

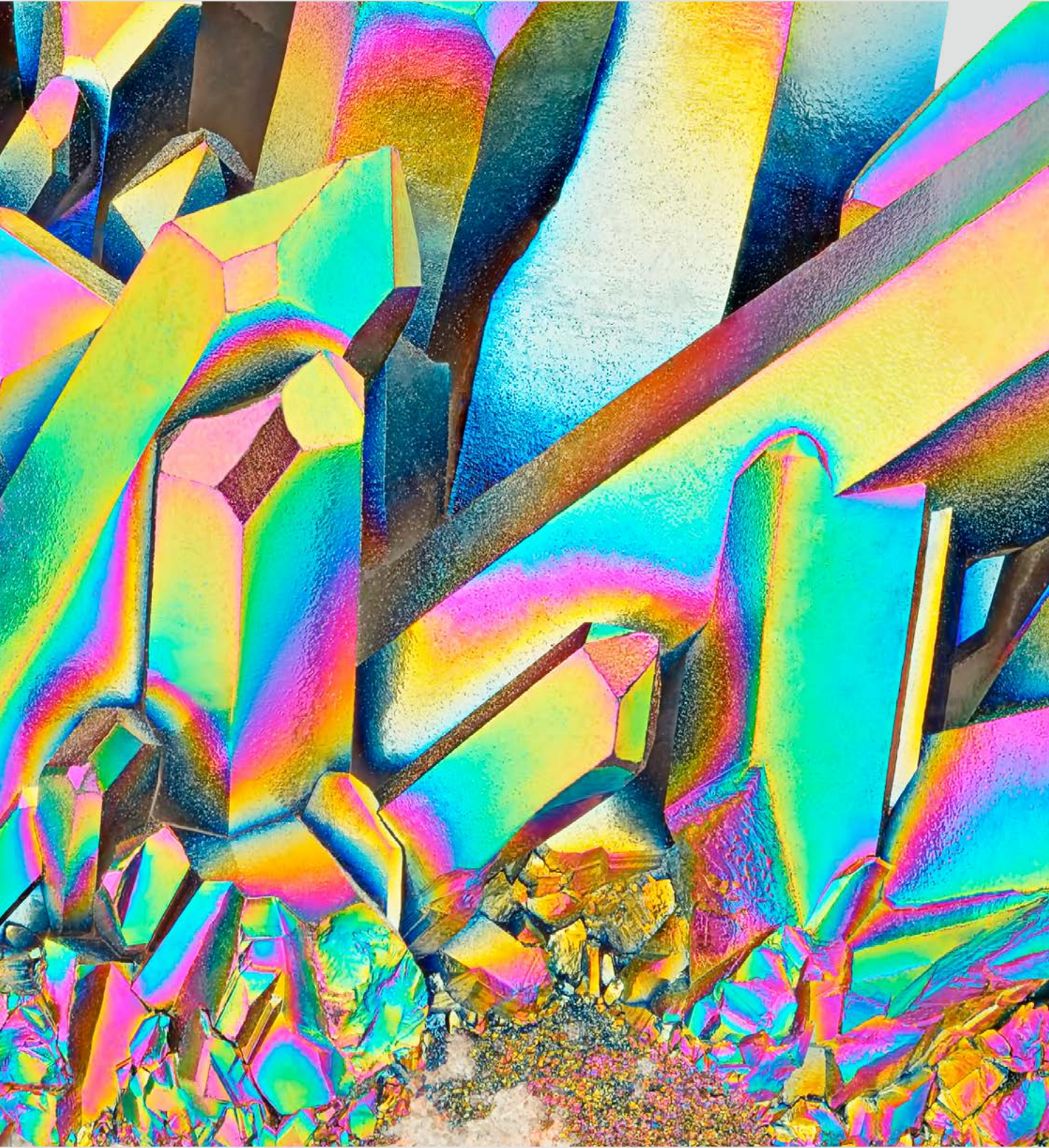
Forsyningsrisiko

Fosfat er identifisert som ikke-substituerbar og av høy økonomisk betydning. Det anses av EU-kommisjonen å være utsatt for høy forsyningsrisiko på grunn av konsentrert produksjon i hovedsakelig tre land (Kina, Marokko, USA), der det er et lavt antall virksomheter med store markedsandeler som produserer materialet.



Our minerals // Våre mineraler

Continued // Fortsettelse



◀ Illustrative photo of titanium // Illustrativt bilde av titan

China has been the major supplier and makes up almost half of the global annual production // Kina har vært den største leverandøren, og står for nesten halvparten av den globale årlige produksjonen

**Titanium**  
A material prized by the pigment industry.

**Prospects**  
Titanium metal's extraordinary strength and light weight make it a vital ingredient in aeronautics, space and defence manufacturing. It is also widely used in the pigment industry.

**Economic importance**  
Titanium has been on the list of Critical Raw Materials since 2020 owing to the outstanding properties of titanium metal and alloys.

The majority of titanium raw materials is 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, where a supply shortage is forecast over the coming years. The titanium mineralisation identified in the Bjerkreim Exploration Project is most suited to use as a pigment.

**Supply risk**  
China has been the major supplier and makes up almost half of the global annual production of titanium. Going forward, titanium feedstock demand will require additional supply and further import requirements for Europe.

**Titan**  
Et materiale mye brukt i pigmentindustrien.

**Utsikter**  
Titanmetallenes ekstraordinære styrke og lette vekt gjør dem til et viktig imateriale i teknologi for luftfart, romfart og forsvar. De brukes også mye i pigmentindustrien.

**Økonomisk betydning**  
Titan har vært på listen over kritiske råmaterialer siden 2020 på grunn av de enestående egenskapene til titanmetall og -legeringer.

De fleste råmaterialer av titan brukes som råmateriale for å produsere titandioksidpigment. Finmalt TiO2 er et klart hvitt pulver som brukes mye som basispigment i maling, papir og plast, der det er spådd mangel på forsyninger i løpet av de neste årene. Titanmineralisering identifisert i Bjerkreim leteprosjektet er mest egnet til bruk som pigment.

**Forsyningsrisiko**  
Kina har vært den største leverandøren, og står for nesten halvparten av den globale årlige produksjonen av titan. Fremover vil etterspørselen etter titanråmaterialer kreve ekstra forsyning og ytterligere importbehov for Europa.



## Our market // Vårt marked

There has been a transformation in mining safety, social and environmental protections // Det har vært en utvikling i bergindustrien når det gjelder hensynet til miljøet, samfunnet og sikkerhetsmessige forhold

As countries and trading blocs around the world undertake strategic reviews of their commodity requirements, we have firmly established ourselves as an important actor // I forbindelse med at land og handelsblokker rundt om i verden gjennomfører strategiskevurderinger av sine behov for råmaterialer, har vi etablert oss som en viktig aktør.

As the world electrifies to meet its decarbonisation targets, raw materials are needed more than ever. Net zero is no longer an ‘if’, but ‘when’. Mining will be essential to the world to solve the climate change challenges. But it matters where these raw materials are being sourced from – in particular when existing suppliers are belligerent states.

Mining has a big part to play in the green revolution including the electrification of transport and the production and storage of clean energy. The energy transition will put new and greater pressures on the global mining industry, triggering demands for enhanced mineral supply chain security. This transition will not be possible without the raw materials to build turbines and make batteries. The World Bank Group report, ‘The Mineral Intensity of the Clean Energy Transition’, has projected a rise in production of critical minerals used in technologies essential to a low-carbon future. The report forecasts a 173% increase for vanadium by 2050.

The mining industry has not always been synonymous with environmental protection, but there has been a transformation in mining safety, social and environmental protections. Given the role our materials can play in the development of lower-carbon technologies, the size, tonnage and grades of our mineral resource are clearly of huge importance globally. As countries and trading blocs around the world undertake strategic reviews of their commodity requirements, we have firmly established ourselves as an important actor.

Phosphate is a key ingredient in fertilisers; it's also increasingly being used in LFP (lithium iron phosphate) batteries for electric vehicles. Vanadium is used in strengthening steel, while titanium metal – very strong, and very light – is used in a whole host of engineering applications, including aerospace. Currently, our known application for our TiO2 concentrate is for the pigment market.

Our ability to be a more proximate source of these materials to western European markets can support carbon reduction in supply chain logistics in addition to security of supply. Norway possesses a depth of resource development competence from its mature oil and gas industry (such as R&D and education) and that can be drawn into its mining sector. With the country's heritage in the natural resources landscape, there is a justifiable confidence that Norway can play a substantial role in the development of EU's 2050 goals.

Etter hvert som verden elektrifiseres for å nå målene om reduserte utslipp, øker behovet for råmaterialer. Netto nullutslipp er ikke lenger et «hvis», men et «når». Mineralutvinning er en forutsetning for å løfte verden ut av de store utfordringene med klimaendringer. Men det betyr noe hvor disse råvarene blir hentet fra – spesielt når eksisterende leverandører er lite demokratiske stater.

Mineralutvinning spiller en viktig rolle i det grønne skiftet, inkludert elektrifisering av transport, produksjon og lagring av ren energi. Overgangen til ren energi vil sette et nytt og større press på den globale bergindustrien og utløse krav til økt sikkerhet for forsyningskjeden av mineraler. Denne overgangen vil ikke være mulig uten råmaterialene til å bygge turbiner og lage batterier. Verdensbankens konsernrapport, «Mineralintensiteten ved overgangen til ren energi», spår en økning i produksjonen av kritiske mineraler som brukes i teknologier som er avgjørende for en fremtid med lave karbonutslipp. Rapporten estimerer en økning på 173 % for vanadium innen 2050.

Bergindustrien har ikke alltid vært synonymt med miljøhensyn, men det har vært en utvikling innen samfunnshensyn, miljø og sikkerhet i industrien. Gitt rollen materialene våre kan spille i utviklingen av lavkarbonteknologier, er størrelse, tonnasje og gradering av mineralressursen vår helt klart av enorm betydning globalt. I forbindelse med at land og handelsblokker i verden gjennomfører strategiske vurderinger av sine behov for råmaterialer, så har vi etablert oss som en viktig aktør.

Fosfat er en viktig ingrediens i gjødsel; den brukes også i økende grad i LFP-batterier (litium jernfosfat) for elektriske kjøretøyer. Vanadium brukes til å styrke stål, mens titanmetall som er veldig lett og sterkt, brukes i en rekke kjemier og teknologier inkludert luftfart. For tiden er vårt kjente bruksområde for vår TiO2, pigmentmarkedet.

Vår evne til å være en kortreist kilde for disse materialene for vesteuropeiske markeder, kan bidra til reduksjon av CO2-utslipp i hele logistikkjeden, i tillegg til å sørge for pålitelig og høy forsynings sikkerhet. Norge besitter sterk kompetanse innen ressursutvikling fra sin veletablerte olje- og gassindustri (slik som FoU og utdanning), som kan trekkes inn i mineralutvinningssektoren. Med landets arv av naturressurser, er det god grunn til å tro at Norge kan spille en betydningsfull rolle i utviklingen av EUs 2050 målsetninger.

### European dependency

The European Commission has created a list of Critical Raw Materials for the EU, including where there is high risk associated with their supply. Europe is currently reliant on imports of raw materials due to its limited domestic production. European demand is covered for most commodities by foreign mining and European imports are highly dependent on Ukraine and Russia. To be become less reliant on the security of global trade, Europe is looking to invest more in domestic mining.

### Europeisk avhengighet

EU-kommisjonen har utarbeidet en liste over kritiske råmaterialer for EU, inkludert der det er høy forsyningsrisiko. Europa er for tiden avhengig av import av råmaterialer på grunn av den begrensede egenproduksjonen. Etterspørselen i Europa er dekket for de fleste produkter av utenlandsk mineralutvinning, og europeisk import er svært avhengig av Ukraina og Russland. For å bli mindre sårbar for forsyningsavbrudd i global handel, ønsker Europa å investere mer i egen mineralutvinning.

We are measuring value at stake for the EU in each end-market through three lenses: economic, social, and around the ESG framework ESG ranking // Vi måler verdier som står på spill for EU i hvert sluttmarked gjennom 3 fokuspunkter: Økonomisk, samfunnsmessig og rundt ESG-rammeverket

|                          |                              | Metric                                       | Description // Beskrivelse  | Example // Eksempel   |
|--------------------------|------------------------------|--|---|---|
| Economic // Økonomisk    | Direct // Direkte            | in bn EUR // i milliarder EUR                | Revenue at risk in the EU direct end-market industries in case of a feedstock supply disruption // Omsetning i EUs direkte sluttmarkedsindustrier ved brudd på råmaterialeforsyning   | Fertiliser industry revenues loss in case of phosphate supply disruption // Inntektstap i gjødselsindustrien ved avbrudd i fosfatforsyningen        |
|                          | Indirect // Indirekte        | in bn EUR // i milliarder EUR                | Revenue at risk of industries that are indirectly dependent on feedstock supply // Inntekter som står i fare for industrier som er indirekte avhengig av forsyninger av råmaterialer  | Farmers' loss in productivity due to phosphate supply disruption // Bønders produktivitetstap på grunn av avbrudd i fosfatforsyningen               |
| Social // Samfunnsmessig | Direct // Direkte            | In thousands of jobs // I tusenvis av jobber | Number of jobs at risk in the European direct end-market industries due to potential feedstock supply disruption // Antall jobber som er utsatt i den europeiske direkte sluttmarkedsindustrien på grunn av potensielle avbrudd i forsyningen av råmaterialer   | Jobs in the EU fertiliser industry // Jobber i gjødselbransjen i EU   |
|                          | Indirect // Indirekte        | In thousands of jobs // I tusenvis av jobber | Number of jobs in the European indirect end-market industries that could be affected by a feedstock supply disruption // Antall jobber i de europeiske indirekte sluttmarkedsindustriene som kan påvirkes av brudd i forsyningen av råmaterialer  | Jobs in the farming industry that are reliant on the use of fertilisers // Jobber i landbruksindustrien som er avhengig av bruk av gjødsel          |
| ESG¹                     | Environmental // Miljømessig | In tonnes of CO₂ // I tonn med CO₂           | Emissions associated with each scope of the mining/processing stages of the minerals up to downstream emissions, that the Norge Mining project could help offset/ reduce // Utslipp knyttet til hvert steg i mineralutvinnings-/prosesseringsstadiene, i mineralene opp til nedstrømsutslipp, som Norge Mining kan bidra til å utligne eller redusere | CO₂ emissions saved by using clean electricity in the beneficiation process // CO₂-utslipp spart ved å bruke ren elektrisitet i foredlingsprosessen |
|                          | Governance // Styresett      | Qualitative Measures // Kvalitative tiltak   | Positive intangible impact on society stemming from best business practices compared to status quo exporting countries // Positiv immateriell innvirkning på samfunnet som stammer fra beste forretningspraksis sammenlignet med eksportland i «status quo»   | Low level of observed corruption in Norway at the global scale // Lavt nivå av påvist korrupsjon i Norge globalt sett                               |

1. Due to high importance of the social dimension, its respective impact was analyzed for each mineral separately, with a focus on jobs protection // 1. På grunn av stor betydning av den sosiale dimensjonen, ble den respektive påvirkningen analysert for hvert mineral separat, med fokus på ivaretagelse av jobber



Our market // Vårt marked  
Megatrends affecting demand // Megatrender som påvirker etterspørselen

A cross-border and integrated European approach covering the whole value chain, including the facilitation of access to European sources of raw materials // En grenseoverskridende og integrert europeisk tilnærming som dekker hele verdikjeden, inkludert tilrettelegging av tilgang til europeiske kilder til råmaterialer

An increase in demand of phosphate from EU battery manufacturers // Etterspørselen av fosfat fra EUs batteriprodusenter øker

**Phosphate**  
Fertiliser production in Europe is expected to grow at low single-digit rate, supported by exports. Meanwhile, there are export opportunities for European producers as the world population is expected to grow and will thus require higher food production.

**LFP batteries**  
European demand for LFP (lithium iron phosphate) batteries will almost triple between 2025 and 2030, driven by the green energy transition and LFP battery cost efficiency. The energy transition towards the net-zero path increases the demand for EV batteries. Efficiency of LFP batteries has recently strongly increased, making the battery more competitive. A supply deficit for other minerals (e.g. nickel) used in EV battery manufacturing accelerates the demand for LFP batteries, which are also used in static electricity storage.

**Creating a full value chain of batteries within Europe**  
In the massive migration from fossil fuels to electric power, the availability of capable batteries is a major issue. In 2017, the European Commission launched the European Battery Alliance, a cooperation platform, to tackle this industrial challenge. The Commission is promoting a cross-border and integrated European approach covering the whole value chain, including the facilitation of access to European sources of raw materials.

This EU-driven effort towards verticalisation of the battery supply chain on EU soil will lead to an increase in demand of phosphate from EU battery manufacturers.



► C1500 type drill rig // C1500 type borerigg

**Fosfat**  
Produksjon av gjødsel i Europa forventes å vokse ved lav ensifret rate, understøttet av eksport. Samtidig er det eksportmuligheter for europeiske produsenter, ettersom verdensbefolkningen forventes å vokse og dermed vil ha behov for en høyere matproduksjon.

**LFP-batterier**  
Den europeiske etterspørselen etter LFP-batterier (litium jernfosfat) vil nesten tredobles mellom 2025 og 2030, drevet av det grønne energi skiftet og LFP-batteriets kostnadseffektivitet. Energiovergangen for netto nullutslipp øker behovet for EV-batterier. Effektiviteten til LFP-batterier har nylig økt kraftig, noe som gjør batteriet mer konkurransedyktig. Et forsyningsunderskudd for andre mineraler (f.eks. nikkel) som brukes i EV-batteriproduksjon, gir også økning i etterspørselen etter LFP-batterier. De også brukes i stasjonær elektrisk kraftlagring.

**Vi skaper en fullverdig batterikjede i Europa**  
I den massive overgangen fra fossilt brensel til elektrisk kraft, er tilgjengeligheten av egnede batterier et stort problem. I 2017 lanserte Europakommisjonen den europeiske batterialliansen, som er en samarbeidsplattform for å håndtere denne industrielle utfordringen. Kommisjonen fremmer en grenseoverskridende og integrert europeisk tilnærming som dekker hele verdikjeden, inkludert tilrettelegging av tilgang til europeiske kilder til råmaterialer.

Denne EU-drevne innsatsen mot vertikalisering av batteriforsyningskjeden på EU-jord vil føre til en økning i etterspørselen av fosfat fra batteriprodusenter i EU.

1.5°C  
GLOBALLY, A RAPID SHIFT IN POWER GENERATION FROM CONVENTIONAL GENERATION TO RENEWABLES IS NEEDED TO MEET THE 1.5°C CLIMATE CHANGE TARGET // GLOBALT SETT ER EN RASK ENDRING I KRAFTPRODUKSJON FRA KONVENSJONELL PRODUKSJON TIL FORNYBAR ENERGI NØDVENDIG FOR Å NÅ 1,5 °C-MÅLET.

**Vanadium**  
Vanadium high-strength steel production in the EU is expected to grow at ~2%, driven by changes in rebar policies and the scarcity of raw materials.  
● An increasing demand for high-strength steel – market growth driven by economic advancement in developing markets and new applications (e.g. e-mobility, lightweight vehicles, medical).  
● A change in rebar policies – new standards for rebar products expected to increase demand for vanadium.

**Changing rebar policies**  
Changes in rebar policies in China could result in 13%–26% growth in global vanadium demand (source: GF Security; Mysteel; Worldsteel association).

In 2018 the Chinese government announced new standards for rebar products which will drive demand from 2019:  
● Rebars with strength <335Mpa are not allowed in the market.  
● Mandatory microstructure examination requires qualified alloying.

Potential effects of steel standards on vanadium demand:

**Redox flow-batteries**  
The EU market for redox flow batteries will grow to ~1.3bn EUR, driven by growing power consumption and the switch to renewable resources.

**Power consumption**  
Power consumption is expected to more than double by 2050 and in the 1.5°C pathway scenarios power consumption even triples.

Globally, a rapid shift in power generation from conventional generation to renewables is needed to meet the 1.5°C climate change target.

**Renewables**  
Megatrends: increased renewable penetration – power systems see growth in balancing needs. Growth is strongest beyond a 50% share of solar and wind generation.

**Need for stationary storage**  
Megatrends: renewables are creating a need for stationary storage in ancillary services – short and long duration storage.

**Solar cost and parity with fossil fuels**  
Cost of solar + storage expected to reach parity with fossil fuel ~2030.

**Vanadium**  
Produksjon av vanadium høyfast stål i EU forventes å vokse med ~2 %, som følge av endringer i retningslinjer for armeringsjern og knappheten på råmaterialer.  
● En økende etterspørsel etter høyfast stål – markedsvekst fremskapt av økonomisk utvikling i markeder i utvikling og nye bruksområder (f.eks. e-mobilitet, lette kjøretøyer, medisin)  
● En endring i retningslinjer for armeringsjern – nye standarder for armeringsprodukter forventes å øke etterspørselen etter vanadium.

**Endring i retningslinjer for armeringsjern**  
Endringer i retningslinjer for armeringsjern i Kina kan føre til 13 – 26 % vekst i global vanadiumetterspørsel (kilde: GF Security; Mysteel; Worldsteel Association).

I 2018 kunngjorde den kinesiske regjeringen nye standarder for armeringsprodukter som vil øke etterspørselen fra 2019:  
● Armeringsjern med en styrke på <335 MPa er ikke tillatt på markedet  
● Obligatorisk mikrostrukturundersøkelse krever kvalifisert legering.

Potensielle effekter av stålstandarder på etterspørselen etter vanadium

**Redox flow-batterier**  
EU-markedet for redox flow-batterier vil vokse til EUR ~1,3 milliarder, som følge av økende strømforbruk og overgangen til fornybare ressurser.

**Strømforbruk**  
Strømforbruket forventes å bli mer enn doblet innen 2050, og i 1,5 °C-scenarioene forventes strømforbruket å til og med tredobles.

Globalt sett er en rask endring i kraftproduksjon fra konvensjonell produksjon til fornybar energi nødvendig for å nå 1,5 °C-målet.

**Fornybare kilder**  
Megatrender: Økt innføring av fornybar energi, og kraftsystemer medfører økt balansekraft behov. Veksten er sterkest over en 50 % andel av genereringen av sol- og vindenergi.

**Behov for stasjonær lagring**  
Megatrender: Fornybar energi skaper et behov for stasjonær lagring i kraftnett med kort og lang lagringstid.

**Solenergikostnader og jevnbyrdighet med fossilt brensel**  
Kostnaden for solenergi + lagring forventes å nå jevnbyrdighet med fossilt brensel innen ~2030.



Our market // Vårt marked  
Megatrends affecting demand // Megatrender som påvirker etterspørselen

Continued // Fortsettelse

Power generation diversification

Sources of supply for power generation are going to diversify, with more low-carbon technology becoming available.

Strategic location

The value of Norge Mining goes beyond the magnitude of its material deposits. The strategic location in Europe, and Norway in particular, as a country with high environmental and social sustainability standards, offers important opportunities to diversify the currently very centralised and oftentimes unsustainable battery supply chain.

The currently emerging European battery value chain is an ideal end customer and this industry is predicted to grow substantially, becoming an important part of the global phosphate and iron demand. The expected battery manufacturing capacity is not currently matched by a sufficient supply, with a mismatch of more than 50% for many of the relevant minerals.

The mineral deposits of Norge Mining of phosphate, iron and vanadium, close to market and supported by renewable energy infrastructure, can address an important gap and represent a huge market opportunity.

Diversifisering av energiproduksjon

Kilder til forsyning for kraftproduksjon kommer til å diversifiseres, med flere lavkarbonteknologier tilgjengelig.

Strategisk plassering

Norge Minings verdi går utover størrelsen på materialforekomstene. Den strategiske beliggenheten i Europa og spesifikt i Norge, som et land med høye miljømessige og samfunnsmessige bærekraftstandarder, byr på viktige muligheter for å diversifisere den nåværende, svært sentraliserte og ofte ikke-bærekraftige batteriforsyningskjeden.

Dagens framvoksende batteriverdikjede er en ideell sluttkunde og denne industrien forventes å vokse betydelig. Følgelig, vil den bli en viktig del av den globale etterspørselen etter fosfat og jern. Den forventede produksjon av batterier er per i dag ikke møtt med en tilstrekkelig forsyning, med et negativt avvik på mer enn 50% for mange av de relevante mineralene.

Norge Mining sine forekomster av fosfat, jern og vanadium som er lokalisert nær markedet og infrastruktur med fornybar energi, imøtekommer det negative avviket og innebærer enorme markedsmuligheter.

► Drilling equipment // Utstyr for kjerneboring



► Hetland, Rogaland





## Chairman's Statement // Styreleders beretning Oliver Baring



*I am pleased to present Norge Mining's audited report for the 18 months ended 30 June 2022, a period of significant progress in advancing our world-class, greenfield resource. Norge Mining was founded just four years ago. We were a start-up business with exploration licences in Norway and a strategy to become a leading producer of Critical Raw Materials in Europe.*

*Jeg har gleden av å presentere Norge Minings reviderte rapport for de 18 månedene som endte 30. juni 2022, en periode med en betydelig fremgang i å utvikle vår nye ressurs i verdensklasse. Norge Mining ble grunnlagt for bare fire år siden. Vi er en virksomhet i oppstartsfasen med undersøkelsesrettigheter i Norge, og en strategi for å bli en ledende produsent av kritiske råmaterialer i Europa.*

**1.18**  
billion  
tonnes //  
milliarder  
tonn

OYGREI EXPLORATION  
AREA MAIDEN  
MINERAL RESOURCE  
ESTIMATE // OYGREI  
LETEOMRÅDE  
MINERALRESSURS-  
ESTIMAT

This audited report covers 18 rather than 12 months owing to the decision to move the Company's year end from 31 December to 30 June. This change means that the period under review includes the completion of the Scoping Study at the Bjerkreim Exploration Project, which is a hugely important milestone in the development of the Company.

Bechtel was study manager of the Scoping Study, which started in mid-2021 and was completed in summer 2022. Its outcome confirmed the soundness of proceeding into the next phase of exploration work, the prefeasibility study.

I would like to thank the teams at Norge Mining and Norge Mineraler AS, along with all our consultants and contractors, for the completion of the Scoping Study, particularly given the disruption and challenges of the Covid pandemic.

The 18 months under review represent a period of great progress across our business. During 2021, we announced two world-class mineral deposits at our Bjerkreim Exploration Project. These major deposits of phosphate, vanadium and titanium are in the Øygrei and Storeknuten exploration areas of the project. We have since completed further drilling and significantly upgraded both resource estimates. We also added a further exploration area during 2021, Skeipstad, which is an exciting resource with high grades of titanium. Exploration data from all three deposits was incorporated into the Scoping Study.

When Norge Mining was founded, Critical Raw Materials were moving up the EU's agenda. The turmoil of the past three years in the macro environment, most notably with Covid-19, Russia's invasion of Ukraine and the acceleration of climate change, has intensified immeasurably the need for Europe to produce and process its own critical resources. Our target minerals are of major strategic significance, particularly in the security of food supply and the green energy transition.

A further tailwind for the Company is that ESG requirements are increasingly forcing businesses to focus on the provenance of materials to ensure they are sourced ethically and sustainably, which again favours European production.

These macro trends continue to strengthen our investment case.

Denne reviderte rapporten dekker 18 i stedet for 12 måneder på grunn av beslutningen om å flytte selskapets årsslutt fra 31. desember til 30. juni. Denne endringen innebærer at perioden som gjennomgås inkluderer gjennomføring av omfangsstudie ved Bjerkreim leteprosjekt, som er en svært viktig milepæl i utviklingen av virksomheten.

Bechtel var studieleder for omfangsstudien, som startet i midten av 2021 og ble fullført sommeren 2022. Utfallet bekreftet at det var grunnlag for å gå videre til neste fase av undersøkelsene, den innledende mulighetsstudien.

Jeg vil gjerne takke lagene i Norge Mining og Norge Mineraler AS, sammen med alle våre konsulenter og leverandører, for gjennomføringen av omfangsstudien, spesielt i lys av avbrudd og utfordringer som følge av Covid-pandemien.

De 18 månedene med gjennomgang representerer en periode med stor fremgang i hele virksomheten. I 2021 meldte vi om to mineralforekomster i verdensklasse i Bjerkreim leteprosjektet. Disse enorme forekomstene av fosfat, vanadium og titan finnes i områdene Øygrei og Storeknuten ved Helleland. Vi har siden gjennomført ytterligere boring og betydelig oppgradert begge ressursestimatene. Vi la også til et ytterligere undersøkelsesområde i 2021, Skeipstad, som er en spennende ressurs med en høy grad av titan. Undersøkellesdata fra alle de tre forekomstene ble innlemmet i omfangsstudien.

Da Norge Mining ble grunnlagt, kom kritiske råmaterialer høyere opp på EUs agenda. Urolighetene de siste tre årene rent helhetlig, særlig med Covid-19, Russlands invasjon av Ukraina og en hurtig fremdrift i klimaendringene, har økt behovet for at Europa produserer og behandler sine egne kritiske ressurser. Våre utvalgte mineraler er av stor strategisk betydning, spesielt når det gjelder sikkerheten til matforsyningen og overgangen til grønn energi.

En ytterligere medvind for selskapet er at ESG-kravene i økende grad tvinger bedrifter til å fokusere på opprinnelsen til materialer for å sikre at de anskaffes på en etisk og bærekraftig måte, noe som igjen favoriserer europeisk produksjon.

Disse makrotrendene fortsetter å styrke investeringsmulighetene våre.



Chairman's Statement // Styreleders beretning  
Oliver Baring

Continued // Fortsettelse

The Bjerkreim exploration project has global significance, giving Norway the potential to become the European centre of vanadium, titanium and phosphate production // Bjerkreim leteprosjektet er av global betydning hvor Norge har potensial til å bli europeisk senter for produksjon av vanadium, titan og fosfat

High standards of corporate governance are central to Norge Mining's way of conducting business. Towards the end of 2021 we were pleased to publish our first Responsible Business Report, which covered the year ending December 2020, and we have recently published a similar report for the year ending December 2021.

The Company is committed to open, sustainable practices and is establishing a range of commitments to align processes and policies with international guidelines as part of our strategy to build a modern, robust and sustainable mining company.

Board

The Board of Norge Mining developed significantly during the 18-month period. Ingvil Smines Tybring-Gjedde, the Norwegian politician and business advocate, joined as a Non-Executive Director in March and Bente Hagem, the highly experienced Norwegian businesswoman, joined as a Non-Executive Director in April 2021. In March this year, Gunnar Holen stepped down from the Board as a Non-Executive Director. On behalf of the Board, I thank him for his contribution to the early development of the Company.

Outlook

The current 12-month period has started well. The outcome of the Scoping Study means that we can move to the next phase of work on the Bjerkreim Exploration Project, the prefeasibility study, which is already underway under Bechtel's guidance. We look forward to providing further updates on progress in the months ahead.



Oliver Baring  
Chairman  
10 February 2023

Høye standarder for prinsipper for eierstyring og selskapsledelse er sentrale for å drive virksomheten til Norge Mining. Mot slutten av 2021 kunne vi med begeistring publisere vår første rapport om ansvarlig virksomhet, som dekket året som endte desember 2020, og vi har nylig publisert en lignende rapport for året som endte desember 2021.

Selskapet har fokus på bærekraftig praksis, og etablerer en rekke forpliktelser for å bringe sine prosesser og retningslinjer i samsvar med internasjonale retningslinjer som en del av strategien for å bygge en moderne, bunnsolid og bærekraftig gruvedrift.

Styre

Styret i Norge Mining utviklet seg vesentlig i løpet av perioden på 18 måneder. Ingvil Smines Tybring-Gjedde, den norske politiker og forretningsforkjemperen, sluttet seg til som styremedlem i mars 2021, og Bente Hagem, den svært erfarne norske forretningskvinnen, sluttet seg til som styremedlem i april 2021. I mars i år gikk Gunnar Holen ut av fra styret som styremedlem. På vegne av styret ønsker jeg å takke ham for hans bidrag til utviklingen av selskapet i den tidlige fasen.

Fremtidsutsikter

Den inneværende perioden på 12 måneder har startet bra. Det utfallet fra omfangsstudien betyr at vi kan gå videre til neste fase i arbeidet på Bjerkreim leteprosjektet, innledende mulighetsstudie, som allerede er underveis under veiledning fra Bechtel. Vi ser frem til å komme med ytterligere oppdateringer om fremgangen i månedene som kommer.



Oliver Baring  
Chairman  
10 February 2023

Chief Executive Officer's Review // Administrerende direktørs gjennomgang  
John Vergopoulos



*The 18 months to June 2022 represent a period of substantial progress for the Bjerkreim Exploration Project. During the period, we completed approximately 43 000m of drilling, produced three mineral resource estimates and finalised the Scoping Study. Our exploration work continues to confirm the world-class scale of our assets.*

*De 18 månedene frem til juni 2022 representerer en periode med betydelig fremgang for Bjerkreim leteprosjektet. I denne perioden fullførte vi ca. 43 000 m med boring, utarbeidet tre mineralressursestimater og avsluttet omfangsstudien. Undersøkelsene fortsetter å bekrefte kvaliteten på våre ressurser i verdensklasse.*



## Chief Executive Officer's Review // Administrerende direktørs gjennomgang John Vergopoulos

Continued // Fortsettelse

## 12 directly employed staff // ansatte

AND USUALLY  
AROUND 20 OR  
MORE OUTSOURCED  
EXPLORATION AND  
DRILLING SPECIALISTS  
ON SITE // OG  
VANLIGVIS RUNDT 20  
ELLER FLERE INNLEIDE  
UNDERSØKELSES- OG  
BORESPESIALISTER  
I UNDERSØKESLES-  
AKTIVITETENE

During early 2021,  
we announced two  
world-class mineral  
deposits at Øygrei  
and Storeknuten // I  
begynnelsen av 2021  
kunne vi melde om to  
mineralforekomster  
i verdensklasse på  
Øygrei og Storeknuten

At the heart of our business is an ambitious commitment to environmental, social and governance considerations. ESG is covered in detail in our recently published Responsible Business Report for the year ended 2021 and is also summarised on page 34 of this report.

I am pleased to report that health and safety on site has continued to be very good.

Our business development activities have continued apace, including the further analysis of the substantial end-market opportunities for our minerals. We have also continued to build relationships with politicians, officials, trade organisations and commercial businesses in Norway, the EU and internationally.

We are very pleased by the high level of interest that the Bjerkreim Exploration Project has attracted and by the quality of our engagement with both the Norwegian government and the EU. We are grateful for the support from organisations such as the European Raw Materials Alliance. In November 2022, we were delighted that ERMA approved the Bjerkreim project and has committed to support our request for financial assistance. The Company's presence in Norway continues to grow. We opened our first Norge Mineraler office in Egersund in early 2021 and recently moved into larger premises on the same Egersund Energy Hub site. Norge Mineraler currently employs approximately 12 directly employed staff and usually around 20 or more outsourced exploration and drilling specialists on site.

### Exploration activities

During the 18-month period we focused on three exploration areas in the Bjerkreim Exploration Project: Øygrei, Storeknuten and Skeipstad. These areas comprise phosphate-rich apatite, vanadium-bearing magnetite and titanium-containing ilmenite in varying grades.

During early 2021, we announced two world-class mineral deposits at Øygrei and Storeknuten. The initial resource estimate at Øygrei comprised 1.55 billion tonnes in total of indicated and inferred resource. Storeknuten's inferred resource totalled 240 million tonnes.

I hjertet av virksomheten vår er det et ambisiøst fokus på miljømessige, samfunnsmessige og styringsmessige hensyn. ESG er beskrevet i detalj i vår nylig publiserte rapport om ansvarlig virksomhet for året som endte 2021, og er også oppsummert på side 34 i denne rapporten.

Det er en glede å rapportere at helse og sikkerhet innen undersøkelsesaktivitetene fortsatt er meget bra.

Våre aktiviteter i utviklingen av virksomheten har fortsatt, herunder den videre analysen av de betydelige sluttmarkedsmulighetene for mineralene våre. Vi har også fortsatt å bygge relasjoner med politikere, offentlige tjenestepersoner, handelsorganisasjoner og kommersielle virksomheter i Norge, EU og internasjonalt.

Vi er svært fornøyde med det høye interessenivået som Bjerkreim leteprosjektet har tiltrukket seg, og av kvaliteten på vårt engasjement med både den norske regjeringen og EU. Vi er takknemlige for støtten fra organisasjoner som European Raw Materials Alliance. I november 2022 fikk vi gleden av å få bekreftet at ERMA har godkjent Bjerkreim prosjektet og har forpliktet seg til å støtte vår forespørsel vedrørende finansiell støtte. Selskapets tilstedeværelse i Norge fortsetter å vokse. Vi åpnet vårt første kontor for Norge Mineraler i Egersund tidlig i 2021, og flyttet nylig inn i større lokaler på samme sted i Egersund Energy Hub-kontorene. Norge Mineraler sysselsetter for tiden cirka 12 direkte ansatte og vanligvis rundt 20 eller flere innleide undersøkelses- og borespesialister i undersøkelsesaktivitetene.

### Undersøkelsesaktiviteter

Gjennom 18 måneders perioden fokuserte vi på tre undersøkelsesområder i Bjerkreim leteprosjektet; Øygrei, Storeknuten og Skeipstad.

Alle de tre områdene består av fosfatrik apatitt, vanadiumbærende magnetitt og titanholdig ilmenitt i varierende grad.

I begynnelsen av 2021 kunne vi melde om to mineralforekomster i verdensklasse på Øygrei og Storeknuten. Det opprinnelige ressursestimatet ved Øygrei bestod av 1,55 milliarder tonn totalt av indikert og utledet ressurs. Storeknutens utledede ressurs utgjorde totalt 240 millioner tonn.

A magnetic survey  
was carried out at  
Skeipstad during  
2021 and that data  
was used to define a  
drilling programme.  
// Det ble utført en  
geofysisk undersøkelse  
på Skeipstad i 2021,  
og dataene ble  
brukt til å definere et  
boreprogram

The Storeknuten resource was substantially upgraded in February this year with the announcement of an almost fourfold increase to 910 million tonnes, including 410 million tonnes at higher grades. Infill drilling is ongoing at Storeknuten to potentially extend the resource and work is ongoing to move some of the resource from the inferred to the indicated category. At Storeknuten, we have also measured the overall grade of the vanadium-bearing magnetite to assess the iron ore content with a view to the potential use of the iron.

A summary of the upgraded Storeknuten resource is included in the table below:

| Domain  | Classification  | Tonnes<br>(millions) | P <sub>2</sub> O <sub>5</sub><br>(%) | TiO <sub>2</sub><br>(%) | V <sub>2</sub> O <sub>5</sub><br>(%) | Fe <sub>2</sub> O <sub>4</sub><br>% |
|---|-----------------|----------------------|--------------------------------------|-------------------------|--------------------------------------|-------------------------------------|
| B Zone // B-sone  | Inferred        | 190                  | 3.05                                 | 4.63                    | 0.08                                 | 7.83                                |
| B Zone FW // B-sone FW  | Inferred        | 230                  | 0.07                                 | 4.67                    | 0.06                                 | 6.03                                |
| B Zone FW High // B-sone FW høy                                       | Inferred        | 270                  | 0.04                                 | 5.20                    | 0.07                                 | 7.19                                |
| B Zone High // B-sone høy   | Inferred        | 200                  | 3.79                                 | 4.70                    | 0.08                                 | 8.36                                |
| B Zone Low // B-sone lav  | Inferred        | 20                   | 1.66                                 | 3.32                    | 0.04                                 | 4.21                                |
| <b>Total // Totalt</b>  | <b>Inferred</b> | <b>910</b>           | <b>1.55</b>                          | <b>4.80</b>             | <b>0.07</b>                          | <b>7.24</b>                         |
| <b>Excluding B Zone FW and FW High // Unntatt B-sone FW og FW høy</b> | <b>Inferred</b> | <b>410</b>           | <b>3.36</b>                          | <b>4.61</b>             | <b>0.08</b>                          | <b>7.94</b>                         |

The indicated resources at Øygrei increased in tonnage from 800 to 900 million with an overall upgrade in P2O5. The total tonnage was reduced from 1.55 billion to 1.18 billion tonnes due to application of stricter constraints as developed during Bechtel's Scoping Study.

A summary of the upgraded Øygrei resource estimate is included in the table below:

| Mineral Resource Classification // Mineralressursklassifisering | Tonnes<br>(millions) | V <sub>2</sub> O <sub>5</sub> Grade<br>(%) | TiO <sub>2</sub> Grade<br>(%) | P <sub>2</sub> O <sub>5</sub> Grade<br>(%) |
|---|----------------------|--|-------------------------------|--|
| Indicated // Indikert   | 900                  | 1.86                                       | 4.91                          | 0.07                                       |
| Inferred // Inferert  | 280                  | 1.69                                       | 5.01                          | 0.06                                       |
| <b>Total // Totalt</b>  | <b>1,180</b>         | <b>1.82</b>                                | <b>4.94</b>                   | <b>0.07</b>                                |

Skeipstad is our newest exploration area in the Bjerkreim Exploration Project and we are excited by the titanium grades that the area offers. A magnetic survey was carried out at Skeipstad during 2021 and that data was used to define a drilling programme. A JORC-compliant mineral resource estimate was completed in June this year by SRK Exploration Services Ltd, part of the SRK Group, an independent international mining, exploration and environmental consultant.

Storeknuten-ressursen ble betydelig oppgradert i februar i år, med kunngjøringen om en nesten firedoblet økning til 910 millioner tonn, inkludert 410 millioner tonn ved høyere graderinger. Det pågår tilleggsboring på Storeknuten for potensielt å utvide ressursen, og arbeidet pågår for å flytte noen av ressursene fra kategori utledet til indikert. På Storeknuten har vi også målt den totale graden av vanadiumbærende magnetitt, for å vurdere jernmalminnholdet med tanke på potensiell utnyttelse av jernet.

Et sammendrag av den oppgraderte Storeknuten-ressursen finner du i tabellen nedenfor:

De indikerte ressursene på Øygrei økte i tonn fra 800 til 900 millioner med en samlet oppgradering i P2O5. Den totale tonnasjen ble redusert fra 1,55 milliarder til 1,18 milliarder tonn, på grunn av anvendelse av strengere begrensninger som utarbeidet under Bechtels omfangsstudie.

Et sammendrag av det oppgraderte Øygrei-ressursestimatet finner du i tabellen nedenfor:

Skeipstad er vårt nyeste undersøkelsesområde i Bjerkreim leteprosjektet, og vi er svært begeistret over titangradene området har å by på. Det ble utført en geofysisk undersøkelse på Skeipstad i 2021, og dataene ble brukt til å definere et boreprogram. Det ble gjennomført et mineralressursestimat i henhold til JORC-standarder gjort av SRK Exploration Services Ltd, en del av SRK Group, en uavhengig internasjonal konsulent innen mineralutvinning, undersøkelser og miljø.



## Chief Executive Officer's Review // Administrerende direktørs gjennomgang John Vergopoulos

Continued // Fortsettelse

## 2000 meters // meter

OF DRILLING IS  
PLANNED, MORE THAN  
THREE QUARTERS OF  
WHICH IS ALREADY  
COMPLETE // BORING  
ER PLANLAGT,  
MER ENN TRE  
FJERDEDELER ER  
ALLEREDE FULLFØRT

A summary of the Skeipstad resource estimate is included in the table below:

| Mineral Resource Classification // Mineralressursklassifisering | Tonnes<br>(millions) | V <sub>2</sub> O <sub>5</sub> Grade<br>(%) | TiO <sub>2</sub> Grade<br>(%) | P <sub>2</sub> O <sub>5</sub> Grade<br>(%) |
|---|----------------------|--|-------------------------------|--|
| Indicated // Indikert   | 39                   | 0.16                                       | 13.01                         | 0.30                                       |
| Inferred // Inferert  | 13                   | 0.15                                       | 11.30                         | 0.60                                       |
| <b>Total // Totalt</b>  | <b>52</b>            | <b>0.16</b>                                | <b>12.57</b>                  | <b>0.37</b>                                |

Skeipstad is a smaller resource than Øygrei and Storeknuten but it benefits from high grades of vanadium pentoxide. Further drilling is ongoing at Skeipstad to extend and improve the resource, which is potentially significantly larger than indicated by the JORC estimate. Also towards the end of the 18-month period we carried out preparatory work ahead of the start of drilling at our newest exploration area, Bomlø, an island south of Bergen on the west coast of Norway.

Bomlø, which is geologically distinct from the Bjerkreim Exploration Project, is well known for the Lykling gold mines, where hundreds of miners worked during the nineteenth century and where a substantial amount of gold was found. Some hobby mining of gold still takes place in the Lykling area where we hold exploration licences but our focus is on potential high grades of vanadium mineralisation.

An initial programme of drilling started in August this year, following magnetic and other survey work. This programme, totalling 2000m of drilling in 11 drill holes, has now been completed and analysis work is now being carried out.

A key requirement during the surveying and drilling work has been the avoidance of potential damage to the environment. We have used techniques such as moving the drilling rigs by helicopter to ensure that any damage to the environment is minimal to comply with the strict requirements under which we are working.

We will provide an update on the results of the initial drilling programme early next year.

### Markets

We have continued confidence in the market potential of our three materials: phosphate, vanadium and titanium. Whilst the Company has already received strategic market reports for all three materials, we are continuing to monitor new and evolving applications and also finding the best target uses based on data from beneficiation work and other analysis.

Et sammendrag av det oppgraderte Skeipstad-ressursestimatet finner du i tabellen nedenfor:

Skeipstad er en mindre ressurs enn Øygrei og Storeknuten, men har en høy grad av vanadiumpentoksid. Det pågår ytterligere boring på Skeipstad for å utvide og forbedre ressursen, som potensielt er vesentlig større enn det som er indikert av JORC-estimatet. Mot slutten av 18 måneders perioden gjorde vi også forberedende arbeid før starten på boringen på vårt nyeste undersøkelsesområde, Bømlø, en øy sør for Bergen på Norges vestkyst.

Bømlø, som rent geologisk er forskjellig fra Bjerkreim leteprosjekt, er velkjent for gullgruvene på Lykling, der hundrevis av gruvearbeidere jobbet i løpet av det nittende århundre, og der det ble funnet en betydelig mengde gull. Noe hobbybasert utvinning av gull finner fortsatt sted i Lykling-området der vi har undersøkelsesrettigheter, men fokuset vårt er på mulig høyere grad av vanadiummineralisering.

Et innledende program for boring startet i august i år, etter geofysiske undersøkelser og annet undersøkelsesarbeid. Boreprogrammet på 2000 meter fordelt på 11 borehull er nå fullført, og det jobbes med å analysere prøvene.

Et viktig krav i løpet av undersøkelsen og borearbeidet har vært å unngå mulige skade på miljøet. Vi har anvendt teknikker som flytting av borerigger med helikopter for å sikre at eventuell skade på miljøet er minimalt, for å overholde de strenge kravene vi arbeider under.

Vi vil komme med en oppdatering om resultatene av det innledende boreprogrammet tidlig neste år.

### Markeder

Vi har fortsatt tillit til markedspotensialet til våre tre materialer: Fosfat, vanadium og titan. Selv om selskapet allerede har mottatt strategiske markedsrapporter for alle de tre materialene, fortsetter vi å overvåke nye og utvikle eksisterende bruksområder og også finne beste anvendelser basert på data fra foredlingsarbeid og andre analyser.

Following the successful completion of our Scoping Study, we are now focused on the prefeasibility stage // Etter den fullførte omfangsstudien fokuserer vi nå på den innledende mulighetsstudien

We commissioned a report in late 2021 on the role of our minerals in electrical storage, which is central to the green energy shift and creates an exciting opportunity for vanadium and phosphate. Vanadium is used in static electrical storage in vanadium redox flow batteries and an increasing number of electric cars are now using lithium iron phosphate (LFP) batteries, which have key advantages over other types of lithium ion battery including cost. Whilst LFP batteries are an increasingly important market for phosphate, Russia's invasion of Ukraine has focused the world's attention on its main current use, in fertilisers.

Russia was a major exporter of phosphate to Europe, and any supply shortage threatens food security. The world-class scale of our phosphate resource at the Bjerkreim Exploration Project has the potential to become the European centre of phosphate production, removing the EU's dependency on imports from adversarial states and creating a robust supply chain based on provenance and accountability. In addition to evaluating target markets, we are also researching and where possible quantifying, the many wider benefits of the Bjerkreim Exploration Project for Norway and for Europe. These benefits range from high quality local employment through to strategic opportunities such as the development of a regional battery supply chain.

### Next steps

Following completion of our Scoping Study, we are now focused on the prefeasibility stage as we continue to progress our strategy for becoming a significant producer and processor of Critical Raw Materials in Europe. In addition, we expect to complete the analysis of core samples from the initial drilling programme at Bomlø early next year.

Meanwhile, we will continue our business development activities and market analysis work. Critical Raw Materials have moved rapidly up the agenda in Europe. Norge Mining, and our Norwegian business Norge Mineraler AS, are focused on becoming a major business in an emerging European industry that serves the needs of strategically important themes including security of food supply and the transition to green energy.



John Vergopoulos  
Chief Executive Officer  
10 February 2023

Vi bestilte en rapport sent i 2021 om rollen til mineralene våre innen energilagring, som er sentralt for det grønne energiskiftet og som innebærer en spennende mulighet for vanadium og fosfat. Vanadium brukes i statisk elektrisk lagring i vanadium redox flow-batterier og et økende antall el-biler bruker nå litium jernfosfat batterier (LFP), som har viktige fordeler fremfor andre typer litiumionbatterier, herunder kostnader.

Selv om LFP-batterier er et stadig viktigere marked for fosfat, har Russlands invasjon av Ukraina fokusert verdens oppmerksomhet på dets nåværende bruk, innen gjødsel.

Russland var en stor eksportør av fosfat til Europa, og eventuell forsyningsmangel er en trussel for matwaresikkerheten. Vår fosfatressurs i verdensklasse i Bjerkreim leteprosjektet har potensiale til å bli et europeisk sentrum for fosfatproduksjon, og fjerne EUs avhengighet av import fra uønskede kilder og skape en robust forsyningskjede basert på opprinnelse og ansvarlighet. I tillegg til å evaluere utvalgte markeder, undersøker vi, og der det er mulig, kvantifiserer de mange utvidede fordelene Bjerkreim leteprosjektet kan ha for Norge og Europa. Disse fordelene omfatter alt fra lokal sysselsetting med høy kompetanse til strategiske muligheter, som utviklingen av en regional batteriforsyningskjede.

### Neste trinn

Etter en vellykket gjennomføring av omfangsstudie, fokuserer vi nå på den innledende mulighetsstudien når vi fortsetter å utvikle strategien for å bli en viktig produsent og behandler av kritiske råmaterialer i Europa. I tillegg forventer vi å fullføre analysene av kjernene fra leteprogrammet på Bømlø, tidlig neste år.

I mellomtiden vil vi fortsette arbeidet med forretningsutvikling og markedsanalyse. Kritiske råmaterialer har beveget seg raskt opp på agendaen i Europa. Norge Mining, og vår norske virksomhet Norge Mineraler AS, har som mål å bli en stor virksomhet i en fremvoksende europeisk bransje som dekker behovene innen strategisk viktige områder, herunder sikkerhet for matforsyning og overgangen til grønn energi.



John Vergopoulos  
Chief Executive Officer  
10 February 2023



# The development cycle // Utviklingssyklusen

## Development progress in 2021 // Fremgang i 2021

The major focus of the project team has been in the following four areas: // Hovedfokus hos prosjektlaget har vært innen de følgende fire områder

1

Our drilling programme, to establish our mineral resource estimates // Vårt boreprogram, for å etablere våre mineralressursestimater.

2

Metallurgical test work to understand the technical challenges of liberating our valuable minerals (vanadium-containing magnetite, ilmenite and apatite) from the host material // Metallurgiske tester for å forstå de tekniske utfordringene ved frigjøring av våre verdifulle mineraler (vanadiumholdig magnetitt, ilmenitt og apatitt) fra vertsmaterialet.

3

Determining whether our products were marketable // Fastslå markedsmulighetene for vår materialer.

4

Extending our exploratory drilling programme to identify higher grades of mineralisation in the resource. // Utvide boreundersøkelsene for å identifisere mineralisering med høyere grad i ressursen.

*The size and scale of the resource has been established as unique for some time, so our focus has broadened to assess the project economics. Upon completion of the technical study, our project team concluded that mineral extraction is technically feasible and we progressed into understanding the demand drivers from the global market.*

We engaged with a specialist in each commodity we are planning on producing and asked them to put a commercial strategy together for each product, featuring a base case of a magnetite concentrate (small quantities of vanadium are found within magnetite), TiO2 ilmenite concentrate, and a third phosphate concentrate (apatite).

*Ressursens størrelse og omfang har vært kjent som unik en stund nå. Derfor har fokuset vårt utvidet seg til å vurdere prosjektets økonomi. I de tekniske studiene konkluderte prosjektteamet at mineralutvinning er teknisk gjennomførbart, og vi gikk videre til å forstå driverne bak etterspørselen i det globale markedet.*

Vi engasjerte spesialister for hvert råmateriale som vi planlegger å produsere, og ba dem sette sammen en kommersiell strategi for hvert produkt, med et utgangspunkt i et magnetittkonsentrat (i magnetitten finnes små mengder av vanadium), TiO2 ilmenittkonsentrat og fosfatkonsentrat (apatitt).

Our sample materials were tested, which provided us with sufficient confidence in their quality to send them to an outside consultant for assessment. The product application was evaluated to determine commercial marketability for both industrial use and lower-carbon technologies. Following confirmation of their suitability for commercial development, our research focus will move to improve the quality of the products and therefore the project economics.

In early 2021, Norge Mining commenced the Scoping Study (sometimes called the identification phase), with the objective to determine whether the Company had a potential economic project. Along with determining economic viability, the Company's already stated ambition for what is colloquially termed 'green mining' is paramount. A small cross-disciplinary team was formed with the appointment of specialist mining engineer Bechtel as a study manager, supported by a range of other key contractors. Bechtel was charged with the coordination of the study, assisted by the appointment of SRK Group for its geological expertise, mining capability and integration of the vital health, safety and environmental components that need to be factored in throughout the assessment.

In addition, another contractor – Metso Outotec – was tasked with developing a processing concept that considered the outcomes of the metallurgical test work and to develop a 'processing flow sheet'. This would include the design of the concentrator (beneficiation plant) at the required industrial scale needed to separate valuable minerals from the host rock.

During the year, we collected relevant information from the different parties including the required capital investment and operating costs for a mine and plant in various volume scenarios. The study team is tasked to ensure that any revised location improves the project economics through the increased quality of the mineral grades.

If successful, improved quality of the ore body will have the additional benefit of reducing the energy intensity required for processing for market, and thus reduce the mine's overall carbon footprint.

The report of the Scoping Study was approved on August 31 2022.

Prøvematerialet vår ble testet, og resultatene gav oss tilstrekkelig tillit til kvaliteten, så det ble sendt til en ekstern konsulent for vurdering. Produktapplikasjonen ble evaluert for å fastslå kommersialiteten for både industriell bruk og lavkarbonteknologier. Når det bekreftes at produktene er egnet for kommersiell produksjon vil vårt fokus i undersøkelsene gå over på å forbedre kvaliteten på produktene og følgelig prosjektets økonomi.

Tidlig i 2021 startet Norge Mining omfangsstudien (noen ganger kalt identifikasjonsfasen), med det formål å fastslå om selskapet hadde et potensielt økonomisk prosjekt. Når økonomisk levedyktighet skal fastslås, er det vesentlig å ta høyde for selskapets ambisjoner om det som gjerne kalles «grønn mineralutvinning». Et lite, tverrfaglig team ble satt sammen, med Bechtel – spesialist på mineralutvinning – som leder av studien, støttet av en rekke andre engasjerte spesialister. Bechtel fikk ansvar for å koordinere studien, med hjelp av SRK Gruppen med deres geologiske ekspertise, kompetanse innen mineralutvinning og erfaring med integrering av helse-, miljø- og sikkerhetsaspekter (HMS) i alle ledd.

I tillegg fikk en annen konsulent – Metso Outotec – oppgaven med å utvikle et prosesseringskonsept som tar utgangspunkt i de metallurgiske testene, og lage et flytskjema for prosesseringen. Dette skulle inkludere utforming av prosessanlegget i den industrielle skalaen som kreves for å hente ut de verdifulle mineralene.

Gjennom året har vi hentet inn relevant informasjon fra de ulike partene, inkludert nødvendige kapitalinvesteringer og driftskostnader for en gruve og et prosessanlegg, med ulike scenarioer for volum. Studieteamet skal sørge for at alternative plasseringer av gruve forbedrer prosjektøkonomien gjennom økt kvalitet på mineralene.

Dersom det lar seg gjøre vil en høyere kvalitet på malmen gi en ytterligere fordel ved at prosesseringen vil kreve mindre energi, og dermed redusere anleggets totale karbonavtrykk.

Rapporten fra omfangsstudien ble godkjent 31. august 2022.



Responsible Business Report // Rapporten for ansvarlig virksomhet

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.

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

Governance

During the past year we have sought to put in place the necessary governance structures to ensure that we have effective independent ESG oversight of executive management, and this has been achieved through the formation of our ESG Policy and ESG Committee charter. This has been supported by the creation of our ESG Working Group and was informed by an ongoing review of potential ESG-related risks and opportunities as we progressed through our Scoping Study.

Our current impacts relate to access to land and engagement with landowners as well as the physical implications of our drilling campaign, but we are building in an awareness of our potential future impacts and how we can mitigate and manage them as we proceed through the development cycle.

As part of our overall duties regarding stakeholder engagement, the Committee reviews interactions with important local and international stakeholders and supports the Company by establishing connections with relevant intermediaries and contacts with a potential mutual interest in the commercialisation of Norge Mining’s assets.

Til tross for at vi er i de tidlige stadiene av leteprosessen, er det vår klare intensjon å overholde de høyeste standardene for ansvarlig forvaltning når vi går fra leting til utvinning og produksjon.

Vår tilnærming er å ha nære relasjoner med lokale interessenter og såvel som internasjonalt anerkjente driftsstandarder.

Virksomhetsstyring

I løpet av det siste året har vi arbeidet med å få på plass de nødvendige styringsstrukturene for å sikre at vi har effektiv, uavhengig ESG-tilsyn av toppledelse, og dette er oppnådd ved innføring av ESG-retningslinjer og en ESG-komite. Dette har blitt støttet ved å opprette vår egen ESG-arbeidsgruppe og ble belyst av den pågående gjennomgangen av potensielle ESG-relaterte risikoer og muligheter etter hvert som vi har arbeidet med omfangsstudien.

Våre nåværende påvirkninger er knyttet til tilgang til landområder og kontakt med grunneiere, samt de fysiske implikasjonene av våre boreundersøkelser, men vi bygger på en bevissthet om våre potensielle fremtidige påvirkninger og hvordan vi kan redusere og håndtere dem mens vi går gjennom utviklingssyklusen.

Som en del av våre overordnede plikter når det gjelder samfunnskontakt, vurderer komiteen kontakt med viktige lokale og internasjonale interessenter og støtter selskapet ved å etablere forbindelser med relevante mellommenn og kontakter med en potensiell gjensidig interesse i kommersialiseringen av Norge Minings aktiva.

The Company is committed to implementing and maintaining the best practice standards of governance and transparency // Selskapet er forpliktet til å implementere og vedlikeholde beste praksis standarder for styring og åpenhet

ESG policy development

The objective of Norge Mining’s environmental, social and governance policy is to regulate and provide guidance for the Company and its subsidiaries to minimise adverse community or environmental impacts and to realise opportunities in these areas.

Norge Mining’s principal concern is the wellbeing of affected near-mine persons and communities or other stakeholders. The sustainability of the environment in which they work or live is a critical factor in measuring the long-term success of the Company’s business and, therefore, also for its investors and directors. The Company is committed to implementing and maintaining the best practice standards of governance and transparency.

Utvikling av ESG-retningslinjer

Målet med Norge Minings miljømessige-, samfunnsmessige- og styringsmessige retningslinjer er å regulere og gi veiledning til selskapet og dets datterselskaper for å minimere negative samfunns- eller miljøpåvirkninger og realisere muligheter på disse områdene.

Norge Minings hovedanliggende er velværet til berørte personer, lokalsamfunn og andre interessenter. Et bærekraftig miljø der de arbeider eller bor er en kritisk faktor i vurderingen av den langsiktige suksessen til selskapets virksomhet, og følgelig også for investorer og styremedlemmer. Selskapet er forpliktet til å implementere og opprettholde de høyeste standardene for styring og åpenhet.

► Helleland, Rogaland



► Ved Storeknuten, Rogaland





Sustainability Report // Bærekraftsrapport

Continued // Fortsettelse

15

FULL-TIME EMPLOYEES  
// FULLTIDSANSATTE

8

MALES // MENN

7

FEMALES // KVINNER

Social

Our ambition is to follow a considerate mining development approach in order to:

- aid the permitting process;
- engage effectively with stakeholders to inform the way we design the mine; and
- maintain our social licence to operate.

Our stakeholder engagement teams interact daily to discuss any operational issues and there is a formal monthly project meeting with representatives from drilling teams and geologists involved, headed by Norge Mining management, that formally addresses stakeholder concerns. The onsite geologists have daily morning meetings to address the plan for the day and bring up any issues and the onsite drilling team have a weekly briefing, in addition to the shift handovers.

We are seeking to usher in a new era of considerate exploration and mining in collaboration and communication with local people, landowners and land users. 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.

Employees

We had 15 full-time employees at Norge Mineraler AS, 8 males and 7 females, as of 31 December 2021. We expect that number to grow in the current year. We also typically have more than 20 contracted exploration and drilling specialists on site.

Health & Safety

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

Samfunnsaspektet

Vår ambisjon er å følge en hensynsfull tilnærming i utviklingen fram mot mineralutvinning for å:

- Bidra til en best mulig søknads- og konsesjonsprosess
- Engasjere oss effektivt med interessenter for å informere og oppdatere om planene
- Opprettholde samfunnsaksept for å drive

Alle involverte i selskapets oppfølging av interessenter samhandler daglig for å diskutere eventuelle driftssaker. Ledelsen i selskapet avholder månedlige prosjektmøter med representanter fra det operasjonelle laget inkludert konsulenter/leverandører. Interessenters bekymringer er fast på agendaen. Geologene lokalt på prosjektet har daglige morgenmøter for å legge en plan for dagen og ta opp eventuelle problemer. Boreteamet har en ukentlig briefing, i tillegg til oppdateringer ved skiftavløsning.

Vi søker å innlede en ny æra med hensynsfull leting og mineralutvinning i samarbeid og kommunikasjon med lokalbefolkning, grunneiere og brukere av landområder. Vi er også i gang med å etablere tett samarbeid med regionale og nasjonale myndigheter i Norge for å sikre at vårt utviklingsarbeid er i tråd med myndighetenes tenkning.

Medarbeidere

Vi hadde 15 heltidsansatte hos Norge Mineraler AS, 8 menn og 7 kvinner per 31. desember 2021. Vi forventer at antallet vil vokse i inneværende år. Vi har vanligvis mer enn 20 innleide undersøkelses borespesialister på stedet.

Helse og sikkerhet

Etter hvert som vi fortsetter progresjonen i utviklingssyklusen, er fokuset på helse og sikkerhet fremdeles høyt prioritert. Vi mottar ukentlige framdriftsrapporter fra vår leverandør av boretjenester og har opprettholdt svært gode resultater når det gjelder å unngå hendelser som medfører nedetid. Målet vårt er null skade, og dette gjelder for våre ansatte, leverandører og besøkende på anleggene våre.

71,575

TOTAL EXPOSED  
HOURS // TIMEVERK  
UTFØRT TOTALT

3

FIRST AID CASES //  
FØRSTEHJELPSAKER

1

LOST TIME INJURIES //  
FRAVÆRSAKER

0

RESTRICTED WORK  
CASES // BEGRENSEDE  
SAKER

0

MEDICAL TREATMENT  
CASES // MEDISINSK  
BEHANDLING SAKER

STATISTICS  
INCLUDING NORGE  
MINERALER AND  
ALL CONTRACTORS  
IN 2021/22 (18-  
MONTH PERIOD)  
// STATESTIKKEN  
INKLUDERER NORGE  
MINERALER OG ALLE  
LEVERANDØRER I  
2021/22 (18 MÅNEDERS  
PERIODE)

Environment

As Norge Mining develops its operations one of our primary considerations is the minimisation of our negative operational impact and maintenance of our environmental integrity.

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

Carbon management/net-zero planning

Since the approval of our Scoping Study we now understand the technical and operational parameters of our proposed mine site and we can start to understand how the energy required for the development of the site and subsequent mining production can minimise the use of fossil fuels.

Indeed, it is our intention that once in production, we will electrify our operation as much as possible. Norwegian power production is almost 100% renewable. In the meantime, we are looking at carbon management plans to mitigate energy use for our current administrative and exploration activities.

Miljø

Gjennom utviklingen av Norge Mining sin virksomhet, er én av våre primære hensyn å minimere negativ påvirkning fra virksomheten og opprettholde høy integritet.

Vi samarbeider tett med lokale myndigheter for å sikre at driften vår ivaretar og tar hensyn til verdier i nærområdet. Vi har sørget for at våre medarbeidere og leverandører følger strenge prosedyrer for å beskytte miljøet. Vi har identifisert alle vernede områder, inkludert naturreservater og områder av kulturell betydning. Og vår uttalte bedriftspraksis retter seg mot miljøansvarlig praksis der det er mulig.

Håndtering av karbonutslipp/planlegge for netto-nullutslipp

Etter godkjenningen av omfangsstudien forstår vi bedre de tekniske og driftsmessige parameterne til våre planer for mineralutvinning, og vi kan begynne å forstå hvordan energien som kreves for utbygging og påfølgende mineralutvinningsproduksjon kan minimere bruken av fossil energi.

Det er vår intensjon at når vi er i produksjon, vil energibehovet i stor grad dekkes av det norske nettet som betjenes av en fornybar energikilde. I mellomtiden ser vi på karbonhåndteringsplaner for å redusere energi bruk i vår nåværende administrasjons og undersøkelsesaktiviteter.



Case study // Casestudie  
Norge Mining donates Norway’s longest onshore core core to the NGU  
// Norge Mining gir borekjernene fra Norges dypeste borehull på land til NGU

Back in August 2020, Norge Mining began drilling the deepest hole ever to be drilled onshore in Norway. After three months, the drill hole reached its planned length of 2,200m. The entire length of the drill hole was cored and the core is now securely stored in more than 500 boxes. Importantly, the core is intact as it has been analysed only by non-destructive methods such as X-ray fluorescence and magnetic susceptibility.

I august 2020 startet Norge Mining å bore det dypeste hullet som noen gang har blitt boret på land i Norge. Etter tre måneder nådde borehullet den planlagte lengden på 2 200 meter. Hele lengden av borehullet ble kjerneboret, og kjernen er nå trygt lagret i mer enn 500 kasser. Kjernen er intakt, da den kun er analysert med ikke-destruktive metoder som røntgenfluorescens og magnetisk suseptibilitet.

This unique, pristine drill core has created the opportunity to study magmatic processes in a layered intrusion from the surface to more than 1.3 miles below ground, which is of great scientific and academic interest and potentially of international importance to the research community.

Norge Mining decided to drill the deep hole, located in part of the Company's Bjerkreim Exploration Project, owing to an interesting magnetic anomaly which had been detected by an aerial geophysical survey. Whilst the Company decided against drilling further deep holes, it recognised the potential value of the long drill core to research important geological and ore forming processes.

As a result, the Company is donating the drill core to the Geological Survey of Norway (NGU), the Norwegian government agency responsible for geological mapping and research, so that it can be curated and used for research purposes, particularly aimed at the unique suite of rocks and the mineralisation found in the deepest hole ever drilled onshore in Norway.

John Vergopoulos, Norge Mining’s Chief Executive Officer, said: “This is a unique drill core and we hope that, over the coming years, it provides the NGU with many valuable insights into the mineralisation down to a very deep level in that part of southwest Norway.”

The drill core which weighs more than 17 tonnes, is currently being stored on 21 pallets prior to being transferred to the NGU.

This is the second time that Norge Mining has donated material from the deep hole. In 2020, finely ground rock, created as a by-product of the drilling process, was separated out into a material that could be worked on a potter’s wheel and fired in an oven. This material, from the bottom of the hole, was given to a local ceramic artist and the remarkable pottery she created had a very smooth finish and an intense, dark brown colour – described at the time as the deepest colour in Norway.

Denne unike borekjernen har skapt muligheten til å studere magmatiske prosesser i en lagdelt intrusjon fra overflaten til mer enn 2 kilometer under bakken, noe som er av stor vitenskapelig og akademisk interesse og mulig av internasjonal betydning for forskningsmiljøet.

Norge Mining bestemte seg for å bore det dype hullet, som en del av selskapets Bjerkreim leteprosjekt, på grunn av en interessant magnetisk anomali som ble oppdaget i en luftbåren geofysisk undersøkelse. Selv om selskapet valgte å ikke bore ytterligere dype hull, anerkjente det den potensielle verdien av den lange borekjernen for å undersøke viktige geologiske og malmdannende prosesser.

Som et resultat donerer selskapet borekjernen til Norges geologiske undersøkelse (NGU), det norske organet som er ansvarlig for geologisk kartlegging og undersøkelser, slik at det kan undersøkes videre og brukes i forskning, spesielt rettet mot denne unike samlingen av stein og mineraliseringer som finnes i det dypeste hullet som noensinne er boret på land i Norge.

John Vergopoulos, administrerende direktør (Chief Executive Officer) i Norge Mining, sa: «Dette er en unik borekjerne, og vi håper at det vil gi NGU mye verdifull innsikt i mineraliseringene i dypet i denne delen av Sørvest-Norge i årene som kommer.

Borekjernen, som veier mer enn 17 tonn, blir oppbevart på 21 paller før de sendes til NGU.

Dette er andre gang Norge Mining har gitt materiale fra det dype hullet. I 2020 ble finmalt stein, dannet som et biprodukt av boreprosessen, skilt ut i et materiale som kunne bearbeides på en dreieskive og brennes i en ovn. Dette materialet fra bunnen av hullet ble gitt til en lokal keramisk kunstner, og den bemerkelsesverdige keramikken hun skapte hadde en svært glatt finish og en intens, mørkebrun farge – beskrevet på den tiden som den dypeste fargen i Norge.



◀ Storage for the drilling samples // Kjernelager



# Financial Report // Årsrapport

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THE GROUP HAS  
SECURED 61  
EXPLORATION  
LICENCES, TOTALLING  
MORE THAN 520  
SQUARE KILOMETRES,  
IN SOUTHWEST  
NORWAY //

GRUPPEN INNEHAR  
61 UNDERSØKEL-  
SERETTER SOM  
DEKKER MER ENN 520  
KVADRATKILOMETER I  
SØRVEST NORGE

## Results and dividends

The loss for the 18-month period, before tax, amounted to £14,039,656 (12 months to 31 December 2020: £1,708,151) of which some £7,476,947 (2020: £208,999) relates to non-cash IFRS 9 adjustments relating to the restatement of the historical convertible loan, the balance of £6,562,709 relating to administrative expenses (2020: £1,499,152). The Directors have not recommended a dividend.

## Financial key performance indicators

The financial key performance indicators for the Group and Company are the costs incurred on exploration, testing and sampling operations which are capitalised on the balance sheet as an intangible asset under IFRS 6 and overhead costs incurred for head office activities in the UK and exploration support activities in Norway. Both categories have shown strong growth as the business has expanded from a standing start, and the current period covers an 18-month period. Details can be found in the financial statements of the Group and its subsidiaries and are summarised below:

## Resultat og utbytte

Tapet for 18 måneders perioden, før skatt, utgjorde GBP 14 039 656 (12 måneder til 31. desember 2020: GBP 1 708 151) der GBP 7 476 947 (2020: GBP 208 999) relateres til IFRS 9 justeringer av ikke-kontantsholdige poster ved den historiske behandlingen av det konvertible lånet, balansen på GBP 6 562 709 relateres til administrative kostnader (2020: GBP 1 499 152). Styret har ikke anbefalt utbytte.

## Økonomiske nøkkeltallsindikatorer

De økonomiske nøkkeltallsindikatorene for konsernet og selskapet er kostnadene som påløper i lete-, undersøkelse- og prøvetakingsoperasjoner som er kapitalisert i balansen som en immateriell eiendel etter IFRS 6 og kostnader påløpt for hovedkontoraktiviteter i Storbritannia og letestøtteaktiviteter i Norge. Begge kategorier har vist sterk vekst ettersom virksomheten har økt fra oppstarten og denne regnskapsperioden dekker 18 måneder. Detaljer finnes i gruppens årsregnskap og datterselskap. Disse er oppsummert nedenfor.

The group has commenced the Pre-feasibility Study with the commissioning of a detailed beneficiation study to examine these matters.

// Gruppen har startet innledende mulighetsstudie med igangsetting av en detaljert foreledingsstudie for å undersøke disse tingene.

## Non-financial key performance indicators

The non-financial key performance indicators for the Group relate to metres of holes drilled, licences secured and quantities of minerals identified.

During the 18-month period to 30 June 2022, the total depth of holes drilled amounted to 42,886m (2020: 24,103m) across 90 holes (2020:53 holes).

The Group has secured 61 licences of which 59 are in Bjerkreim region of Norway and 2 are in Bømlo. Details of Resource Estimates declared on minerals discovered are disclosed within the CEO's Report.

## Principal risks and uncertainties

The principal risk of the business is the ability to fund operations through to critical valuation points. Like the vast majority of exploration companies, the Group expects to be “pre-revenue” for some years. The commercial objective is to undertake exploration, drilling and sampling works to provide the evidence required to support a resource valuation which will underpin the value of the Group.

In such circumstances it is common for companies to embark on a series of equity fundraising exercises over a period of time to provide the required capital to continue exploration activities and the availability of funding is a core risk for such businesses. The Group is in the fortunate position that it has entered into a convertible loan agreement with key shareholder, Michael Wurmser, under which Mr Wurmser has agreed to provide funding for the Group's activities. Some £19.31 million of funding was provided during the period (2020: £10.67 million) and a further £6.32 million has been provided up to 31 December 2022. Mr Wurmser has provided evidence of the availability of funds sufficient for the Group's needs for the foreseeable future and this forms the basis of the Board's assessment that it is appropriate to apply the "going concern" basis for the preparation of the Group's report and Accounts. Whilst the Board is confident that it will continue to receive funding as and when required, it recognises that the group's dependence upon continuing investment and financial support from its private shareholder indicates existence of a material uncertainty over availability of future funding, which may cast significant doubt over the parent company's and the group's ability to continue as a going concern. Further information is provided in note 1.

## Ikke-økonomiske nøkkeltallsindikatorer

Ikke finansielle måltallindikatorer for konsernet er relatert til meter kjerneboret, undersøkelsesretter og identifiserte ressurser.

Gjennom 18 måneders perioden til 30 juni 2022, er det kjerneboret 42886 m. (202: 24103 m.) , fordelt på 90 hull ( 2020: 53 hull).

Konsernet har 61 undersøkelsesretter hvorav 59 i Dalane regionen og 2 på Bømlo. Detaljer for ressursestimatene som er etablert, er publisert i konsernsjefens beretning.

## Hovedrisiko og usikkerhet

Hovedrisikoen for virksomheten er evnen til å finansiere operasjoner til kritiske verdiproduksjonspunkter. Som de aller fleste leteselskapene forventer konsernet å være "pre-inntekt" i noen år. Det kommersielle målet er å utføre lete-, undersøkelses- og prøvetakingsarbeid for å gi bevisene som kreves for å støtte en ressursverdivurdering som vil underbygge verdien av konsernet.

Under slike omstendigheter er det vanlig for selskaper å gå gjennom en rekke kapitalinnhentinger over en tidsperiode for å sørge for den nødvendige kapitalen til å fortsette leteaktiviteter, og tilgjengeligheten av finansiering er en kjerneisriko for slike virksomheter. Konsernet er i den heldige stillingen at det har inngått en konvertibel låneavtale med hovedaksjonær, Michael Wurmser, hvor Mr. Wurmser har samtykket i å sørge for finansiering for konsernets aktiviteter. Det ble gitt rundt GBP 19,31 millioner i finansiering i løpet av året (2020: GBP 10,67 millioner) og ytterligere GBP 6,32 millioner har blitt gitt frem til 31 desember 2022. Wurmser har dokumentert tilgjengeligheten av midler som er tilstrekkelige for selskapets behov i overskuelig fremtid, og dette danner grunnlaget for styrets vurdering om at det er hensiktsmessig å anvende «grunnlaget for fortsatt drift» for utarbeidelse av selskapets rapport og regnskapstall. Selv om styret har tillit til at det fortsatt får kapitaltilførsel nå og etter behov, så anerkjenner det gruppens avhengighet av tilgang til kapital, i form av investering og finansiell støtte fra sin private investor som ikke kan garanteres. Det indikerer eksistensen av materiell usikkerhet som kan så betydelig tvil over selskapene og gruppens evne til fortsatt drift og følgelig kan det være at det ikke er mulig å realisere sine aktiva og håndtere forpliktelser under ordinær drift. Mer informasjon er gitt i note 1.

| Summary financials // Den samlede undersøkelses  |  | 18 months<br>to 30 June<br>2022<br>£   | 12 months to<br>31 December<br>2020<br>£ |
|--|--|--|--|
| <b>Exploration and Evaluation of Mineral Resources // Leting og evaluering av mineralressurser</b>   |  |  |  |
| Costs capitalised during the period/year // Kostnader kapitalisert i løpet av perioden/året  |  | 14,067,736   | 5,666,967                                |
| <b>Administration costs incurred // Påløpte administrasjonskostnader</b>   |  |  |  |
| Costs incurred in the UK // Kostnader påløpt i Storbritannia   |  | 3,599,041  | 915,783                                  |
| Costs incurred in Norway // Kostnader påløpt i Norge   |  | 2,963,668  | 583,369                                  |
|  |  | 6,562,709  | 1,499,152                                |
| The aggregate Exploration and Evaluation expenditure of £20,822,240 capitalised as at 30 June 2022 (2020: £6,754,504) may be analysed across expenditure types as set out below: |  | De aggregerte lete- og evalueringskostnadene på GBP 20 822 240 som er kapitalisert per 30. juni 2022 (2020: GBP 6 754 504) kan analyseres i kategoriene under: |  |
|  |  | 30 June 2022<br>£  | December 2020<br>£                       |
| Drilling // Boring   |  | 10,997,410   | 3,828,517                                |
| Geology // Geologi   |  | 5,041,176  | 2,077,705                                |
| Testing // Testing   |  | 2,407,004  | 541,308                                  |
| Evaluation // Evaluering   |  | 1,999,387  | 86,295                                   |
| Licences // Lisenser   |  | 377,263  | 220,679                                  |
| <b>Total // Totalt</b>   |  | 20,822,240   | 6,754,504                                |



Financial Report // Årsrapport

Continued // Fortsettelse

The Group will undertake further detailed Environmental and Social Impact Assessments as part of the Pre-feasibility Study // Konsernet vil utføre en detaljert konsekvensutredning som del av den innledende mulighetsstudien

At 30 June 2022 the Group had free cash resources of £2.82 million (2020: £4.1 million) and at 31 December 2022 the Group's cash balances stand at £2.38 million.

Other than finance, the key uncertainties facing the business relate to the ability to deploy funding and the geological conditions. With regards to the deployment of funding, risks include weather and season related limitations and the impact of governmental restrictions on working such as those experienced throughout the world relating to the Covid-19 pandemic during 2020 and 2021.

Uncertainties regarding geological conditions relate to both the ability to extract the minerals from the ground in an economic manner but also the ability to separate the minerals into commercially viable concentrations. The group has commenced the Pre-feasibility Study with the commissioning of a detailed beneficiation study to examine these matters.

The geology and characteristics of mineralised zones around the project are relatively well-understood as demonstrated by the publication of Mineral Resource Statements and from the Identification Study completed earlier this year. However, less work has historically been performed to establish the economic viability of future mining operations particularly with respect to the options and costs for items such as mining, mine waste management, water management, infrastructure and mineral processing.

The Group is undertaking analysis of mineralised rock samples to confirm a viable processing flowsheet that results in mineral concentrates of marketable quality and what the value of these concentrates may be. The results to date have been positive but there is a risk that marketable mineral concentrates cannot be extracted from the mineralised rock.

Other risks arise from permitting, social and environmental factors. The Group will undertake further detailed Environmental and Social Impact Assessments as part of the Pre-feasibility Study and is committed to ensuring that issues arising from these reports will be addressed in a sensitive and sustainable manner in order to retain the continued support of the local community and authorities.

Den 30. juni 2022 hadde selskapet frie midler på GBP 2,82 millioner (2020: GBP 4,1 millioner), og per 31 desember 2022 er gruppens kontantsaldoer på GBP 2,38 millioner.

Bortsett fra økonomi, er de viktigste usikkerhetene som bedriften står overfor, knyttet til muligheten til å hente finansiering og de geologiske forholdene. Når det gjelder finansiering, inkluderer risikoer vær- og sesongrelaterte begrensninger og virkningen av statlige arbeidsrestriksjoner som de som oppleves over hele verden knyttet til Covid-19-pandemien i 2020 og 2021.

Usikkerheter vedrørende geologiske forhold vedrører både evnen til å ekstrahere mineralene fra grunnen på en økonomisk måte, men også evnen til å separere mineralene i kommersielt levedyktige konsentrasjoner. Gruppen har startet innledende mulighetsstudie med igangsetting av en detaljert foredlingsstudie for å undersøke disse tingene. Geologien og egenskapene til mineraliserte soner rundt i prosjektet er relativt godt forstått som vist i publikasjonen av mineralressursestimat, og fra identifiseringsstudien som ble gjennomført tidligere i år. Mindre arbeid har imidlertid tidligere blitt utført for å etablere den økonomiske levedyktigheten til fremtidig mineralutvinning, spesielt med hensyn til alternativer og kostnader for elementer som mineralutvinning, håndtering av overskuddsmasser og vann, infrastruktur og mineralbehandling.

Konsernet gjennomfører analyse av mineraliserte steinprøver for å bekrefte en bærekraftig prosess flyt som resulterer i mineralkonsentrater av salgbar kvalitet og hva verdien av disse konsentratene kan være. Resultatene til dags dato har vært positive, men det er en risiko for at salgbare mineralkonsentrater ikke kan utvinnes fra den mineraliserte steinen.

Andre risikoer oppstår fra tillatelser, samfunnsmessige og miljømessige faktorer. Konsernet vil utføre en detaljert konsekvensutredning som del av den innledende mulighetsstudien, og bestreber seg på å sikre at utfordringer som oppstår i henhold til disse utredningene vil bli håndtert på en sensitiv og bærekraftig måte for å opprettholde fortsatt støtte fra lokalsamfunnet og myndighetene.

The Board of Directors continually reviews the cash available to the Group and seeks to manage financial risk // Styret analyserer konsernets kontantbeholdningen kontinuerlig og søker å kontrollere den finansielle risikoen

Accounting treatment of the convertible loan balance

These accounts contain material adjustments made to reflect a restatement of the historical treatment of the convertible loan agreement. The agreement had been entered into with the express intention of all parties that the funding provided would form an equity balance on the Statement of Financial Position which is how the balances were reported in 2019 and 2020. However, under IFRS the convertible loans were required to be accounted for as debt rather than equity. Therefore, the prior period accounting has been restated. Full details set out in the Principal Accounting Policies and in notes 11, 14 and 17.

A revised agreement was signed on 2 June 2022 and the implied interest costs and fair value charges stopped with effect from that date, with the “fair valued liability” being accounted for within equity. None of the charges are cash costs and the net impact on the balance sheet is zero.

Regnskapsmessig behandling av det konvertible lånet

Disse regnskapene inneholder tall knyttet til de komplekse justeringene som er brukt for å gjenspeile en omformulering av den historiske behandlingen av den konvertible låneavtalen. Avtalen ble inngått med den uttrykkelige intensjon fra alle parter om at finansieringen som ble gitt skulle danne egenkapital i balansen, som er hvordan saldoene ble rapportert i 2019 og 2020. Imidlertid under IFRS så må disse konvertible lånene bokføres som gjeld og ikke egenkapital. Følgelig er forrige periode justert tilsvarende. Fullstendige detaljer er angitt i de viktigste regnskapsprinsippene og i notene 11, 14 og 17.

En revidert avtale ble signert 2. juni 2022 og de implisitte rentekostnadene og kostnadene for virkelig verdi ble stoppet med virkning fra denne datoen, og den "virkelig verdsatte forpliktelsen" blir tilbakeført til egenkapitalen. Ingen av belastningene er kontantkostnader og nettoeffekten på balansen er null.

|  |                                |                                |                          |             |
|--|--------------------------------|--------------------------------|--------------------------|-------------|
| Net impact of IFRS 9 charges // Netto effekt av IFRS 9 kostnader   | As restated 31 December 2019 £ | As restated 31 December 2020 £ | Period to 2 June 2022 ££ | Total £     |
| Total charges to income statement // Totale kostnader i resultatregnskapet   | (221,882)                      | 208,999                        | 7,476,947                | 7,464,064   |
| Transfer to <i>Retained Loss reserve</i> on Modification of convertible loan agreement on 2 June 2022 // Overføring til opptjent egenkapital ved modifisering av konvertibel låneavtale per 2. juni 2022 |                                |                                |                          | (7,464,064) |
| <b>Net impact to overall finances of the group // Nettoeffekt av konsernets samlede kostnader</b>  |                                |                                |                          | <b>-</b>    |
|  |                                |                                |                          |             |



Financial Report // Årsrapport

Continued // Fortsettelse

In accordance with their responsibilities, the Directors have considered the appropriateness of the going concern basis for the preparation of the financial statements // Styret har i samsvar med sine ansvarsområder vurdert egnetheten av det fremlagte grunnlaget for utarbeidelsen av årsregnskapet

Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and the convertible loan. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade and other receivables and trade payables, which arise directly from its operations. The Group has not historically entered into derivative transactions, but would consider buying forward foreign currencies to match contracted expenditure in those currencies if the Board thought that such action was merited by expected future foreign exchange volatility. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risk currently arising from the Group's financial instruments is liquidity risk. The Board reviews and agrees policies for managing this and other risks and these are summarised below.

Liquidity risk

The Group's cash flow has historically been constrained as the Group has developed its business proposition. As a consequence, the Board of Directors continually reviews the cash available to the Group and seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs.

Interest rate risk

The Group has not been exposed to significant interest rate risk. As the Group evolves, this exposure may increase, and the Directors will monitor the situation and introduce appropriate policies to deal with this risk at that point in time.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group reviews the credit risk of the entities with whom it enters into contractual arrangements.

In accordance with section 236 of the Companies Act 2006, qualifying third-party indemnity provisions are in place for the Directors in respect of liabilities incurred as a result of their office, to the extent permitted by law.

Mål og retningslinjer for finansiell risikostyring

Konsernets viktigste finansielle instrumenter omfatter kontanter og det konvertible lånet. Hovedformålet med disse finansielle instrumentene er å styrke økonomien til konsernets virksomhet. Konsernet har ulike andre finansielle instrumenter som kundefordringer og andre fordringer og leverandørgjeld, som oppstår direkte fra operasjonelle aktiviteter. Konsernet har ikke historisk inngått derivattransaksjoner, men vil vurdere å kjøpe valutaterminer for å matche kontraktsfestede utgifter i disse valutaene dersom styret mente at en slik handling var berettiget av forventet fremtidig valutavolatilitet. Det er, og har vært gjennom hele perioden, konsernets policy at det ikke skal foretas handel med finansielle instrumenter. Hovedrisikoen som for tiden oppstår fra konsernets finansielle instrumenter er likviditetsrisiko. Styret gjennomgår og godkjenner retningslinjer for håndtering av denne og andre risikoer, og disse er oppsummert nedenfor.

Likviditetsrisiko

Konsernets kontantstrøm har historisk vært begrenset ettersom konsernet har utviklet sin forretningsplan. Følgelig vurderer styret fortløpende kontanter som er tilgjengelig for konsernet og søker å styre den økonomiske risikoen ved å sikre tilstrekkelig likviditet er tilgjengelig for å dekke overskuelig behov.

Renterisiko

Konsernet har ikke vært eksponert for vesentlig renterisiko. Etter hvert som konsernet utvikler seg, kan denne eksponeringen øke, og styret vil overvåke situasjonen og innføre passende retningslinjer for å håndtere denne risikoen på det tidspunktet.

Kredittrisiko

Kredittrisiko refererer til risikoen for at en motpart misligholder sine kontraktsmessige forpliktelser som resulterer i et økonomisk tap for konsernet. Konsernet vurderer kredittrisikoen til enhetene det inngår kontrakts avtaler med.

I henhold til paragraf 236 i Selskapsloven fra 2006 (britisk lov), er kvalifiserte tredjeparts bestemmelser om skadesløsholdelse på plass for styret når det gjelder forpliktelser som oppstår som følge av deres kontor, i den grad loven tillater det.

Going concern

The group incurred a loss of £14,039,656 for the 18-month period to 30 June 2022 (2020: loss as restated £1,708,151), resulting in accumulated losses of £8,558,233 (2020: losses as restated of £1,981,655). The group's majority shareholder, Mr Wurmser, has extended his agreement to provide funding under a convertible loan to the Company of up to £100 million of which £31.2 million had been drawn at 30 June 2022 (2020: £11.8 million) leaving a balance of £68.8 million available to be drawn in the period ending 31 December 2024. A drawdown schedule has been discussed with Mr Wurmser designed to ensure that funding is available as required. At 31 December 2022 the cash balance stood at £2.38 million.

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements. For this purpose, they have prepared projected cash flow information to the end of March 2024. These forecasts show that the funding is adequate to cover forecast costs. Whilst the Board is confident that it will continue to receive funding as and when required, it recognises that the group's dependence upon the availability of funds, continuing investment and financial support from its private shareholder, the receipt of which cannot be guaranteed, indicates the existence of a material uncertainty which may cast significant doubt over the Company's and the group's ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

On this basis, the directors have reasonable expectations that the group and company have adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing these financial statements. The financial statements do not include the adjustments that would be required should the going concern basis of preparation no longer be appropriate.

John Vergopoulos  
Chief Executive Officer  
10 February 2023

Grunnlag for fortsatt drift

Gruppen pådro seg et tap på GBP 14 039 656 for 18 måneders perioden til 30. juni 2022 (2020: omarbeidet tap GBP 1 708 151), som resulterer i akkumulert tap på GBP 8 558 233 (2020: omarbeidet tap på GBP 1 981 655). Konsernets majoritetsaksjonær Herr Wurmser for å implementere sin forretningsplan og finansiere denne. Wurmser har forlenget avtalen om å gi finansiering under et konvertibelt lån til selskapet på opptil GBP 100 millioner, hvorav GBP 31,2 millioner var hentet ut per 30. juni 2022 (2020: GBP 11.8 millioner), noe som gir en saldo på GBP 68,8 millioner tilgjengelig for uthenting i perioden som ender 31. desember 2024. En trekkplan har blitt diskutert med Herr Wurmser, utformet for å sikre at kapital er tilgjengelig ved behov. Per 31. desember 2022 var kontantbeholdningen på GBP 2,38 millioner.

Styret har i samsvar med sine ansvarsområder vurdert forutsetningene ved utarbeidelsen av årsregnskapet. For dette formålet har de forberedt prognoser om kontantstrøm til slutten av mars 2024. Disse prognosene viser at finansieringen er tilstrekkelig til å dekke prognosekostnadene. Selv om styret har tillit til at det vil fortsette å få kapitaltilførsel som og når behovet oppstår, så anerkjenner det gruppens avhengighet av tilgang til kapital, i form av investering og finansiell støtte som ikke kan garanteres. Det indikerer eksistensen av materiell usikkerhet som kan så betydelig tvil over selskapene og gruppens evne til fortsatt drift og følgelig kan det være at det ikke er mulig å realisere sine aktiva og håndtere forpliktelser under ordinær drift.

På dette grunnlaget har styret rimelige forventninger om at konsernet og selskapet har tilstrekkelige ressurser til fortsatt drift i overskuelig fremtid. Av denne grunn fortsetter styret å legge til grunn fortsatt drift ved utarbeidelse av regnskapet. Årsregnskapet inkluderer ikke justeringer som vil være nødvendige skulle forutsetningen om fortsatt drift ikke lenger være til stede.

John Vergopoulos  
Chief Executive Officer  
10 February 2023



Section 172 statement // Section 172 statement

The Norwegian tripartite cooperation – Trepartssamarbeidet – is a collaboration between authorities, employers and employees

Strengthening our relationships with landowners ultimately sustains our future development.

The Board acknowledges the importance of forming and retaining constructive relationships with all stakeholder groups. Effective engagement with stakeholders enables the Board to ensure stakeholder interests are considered when making decisions and is crucial for achieving the long-term success of the Company.

The following disclosure describes how the directors have had regard to the matters set out in section 172(l)(a) of the Companies Act 2006 (the Act) and forms the directors' statement required under the Act. This reporting requirement is made in accordance with the corporate governance requirements identified in The Companies (Miscellaneous Reporting) Regulations 2018, which apply to company reporting on financial years starting on or after 1 January 2019.

The matters set out in section 172(l) (a) to (f) of the Act are that a director must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a. the likely consequences of any decision in the long term;
- b. the interests of the Company's employees;
- c. the need to foster the Company's business relationships with suppliers, customers and others;
- d. the impact of the Company's operations on the community and the environment;
- e. the desirability of the Company maintaining a reputation for high standards of business conduct; and
- f. the need to act fairly between members of the Company.

In the above Strategic Report section of this annual report, the Company has set out its overall goal and its strategic priorities for attaining it.

This Statement addresses:

- a. Stakeholder engagement, with information on stakeholders, issues and methods of engagement.
- b. Principal decisions made by the Board, and how stakeholder considerations influenced the decision making process.

Stakeholder groups and how and why we engage

**Investors** All substantial shareholders who own more than 3% of the Company's shares.

Access to capital is of vital importance to the long-term success of our business and achieving value for shareholders. Engagement activities are designed to inform shareholders of Norge Mining's progress towards achieving its strategic objectives and develop an investor base that will support the Company in achieving those objectives.

**Debt providers** Potential future debt providers include commercial banks, credit funds, development financial institutions, streaming and royalty companies and off-take financiers.

During its preproduction, exploration and development phase, Norge Mining may incur substantial debt from time to time to finance working capital, capital expenditures, investments or acquisitions or for other purposes.

**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. We aim to adopt this culture into our company.

**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.

We will continue to communicate with the media over the coming years to support transparency of our explorations.

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.

**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.

► Ulriken, Bergen, Norway





Directors’ Report

The directors present their annual report together with the audited financial statements of Norge Mining Limited (the ‘Company’) and its subsidiaries (the ‘Group’) for the year ended 30 June 2022. The group completed the work required for the Identification Phase Study of its exploration of the Bjerkreim area of Norway this spring and has conducted a detailed review of the findings. In order to include the results of this work in our formal Report and Accounts, the Board decided to extend the accounting period for the current period to 30 June 2022 and has therefore prepared an audited Report and Accounts for the 18 month period to 30 June 2022.

Principal activity

The principal activity of the Group is to explore for mineral resources in the Kingdom of Norway.

Domicile and principal place of business

The Company is domiciled in the UK. The Company has a wholly owned subsidiary, Norge Mineraler AS (NMAS”) which is domiciled in Norway where the Group has its mineral licence interests.

Directors' shareholdings

|                  | Number of<br>ordinary shares of<br>£0.000125 each | Percentage of<br>issued ordinary<br>share capital |
|------------------|---|---|
| John Vergopoulos | 43,800,000  | 5.23  |
| Gunnar Holen*    | 50,000,008  | 5.97  |
| Mike Hirschfield | 5,250,000   | 0.63  |

\*Includes 50,000,000 shares held by Megastar Holding AS



► Outcrop in a mineralized zone  
// Blotning i en mineralisert sone

The principal activities are conducted in Norway and the control and management of its activities are now focussed in Norway. Accordingly, the Board believes that the place of business of NMAS is in Norway.

Directors

The current membership of the Board and those directors who served during the year is set out below:  
John Vergopoulos  
Gunnar Holen (resigned 30 March 2022)  
Oliver Baring  
Bert Nacken  
Christian Gübeli (resigned 1 March 2021)  
Ingvil Smines Tybring-Gjedde (appointed 1 March 2021)  
Bente Hagem (appointed 1 April 2021)  
Mike Hirschfield (appointed 1 May 2021)  
Olav Skalmernaas (appointed 1 January 2023)

Matters covered in the Group's Strategic Report (CEO Review and Strategic Report)

The principal risks and uncertainties, future developments and going concerns have been included in the Group's Strategic Report.



Oliver Baring  
Chairman



John Vergopoulos  
Chief Executive Officer



Michael Wurmser  
Co-Founder



Mike Hirschfield  
Chief Financial Officer

Directors and key executives

Oliver Baring  
Chairman

Oliver Baring served as the Managing Director of UBS Warburg in the corporate finance division and founder of its International Mining Group with responsibility for the Africa and mining divisions. Before the merger with SG Warburg he was partner of Rowe and Pitman having spent five years with the Anglo American / De Beers Group in the US, UK and South Africa. Subsequent to his retirement from UBS he served as a non-executive independent director of the BlackRock World Mining Trust, the Senior Independent Director of Ferrexpo plc and as a member of the Advisory Council of the Sentient Group.

John Vergopoulos  
Chief Executive Officer

John is a Graduate from Birmingham University. He served several years in the London Audit department of Deloitte as a Chartered Accountant. Being not only experienced as SME Board Director, he has also served in various leading roles as CEO, and as a CFO on various publicly traded corporations in the tech Industry as well as in the mineral resource industry. John has strong experience with an international focus. His work for international corporations in leading functions brought him to four continents where he was in charge of dealing with Government institutions throughout Europe, Africa and Asia. John will provide detailed support to the Company in this early phase of its operation utilizing his strong fundraising track record in Capital markets, private equity markets and syndicated loan markets.

Michael Wurmser  
Co-founder

Michael is a strategist and entrepreneur, with a background in Finance, Business and Economy. Prior to founding Norge Mining Limited, Michael has been an Advisor to various commodity and mining companies in the US, in Mongolia and the Russian Federation. He has successfully advised governments of natural resources rich states such as the Russian Federation, Vietnam and in the Middle East. He acted independently as the key advisor to EU-States in Eastern-Europe, the Russian Federation, Vietnam and Mongolia by advising these states to structure the settlement of the states' sovereign debts in cooperation with Deutsche Bank, London. Michael undertook Business Studies in Zurich, Switzerland and Finance Studies in Wharton, University of Pennsylvania. Michael has been providing the initial financing for Norge Mining Limited and will advise on the strategic direction of the company.

Mike Hirschfield  
Chief Financial Officer

Mike graduated from the London School of Economics and Political Science in 1985 and qualified as a chartered accountant with KPMG in 1988. Post-qualification, he specialised in corporate finance work and left KPMG in 1994 to join a former client listed on the main market of the London Stock Exchange as Group Finance Executive. In 1997 Mike incorporated his own private business, Kitwell, which provides advice and business support to a number of AIM and main market listed companies and Mike has served on the boards of a number of listed companies in various jurisdictions, principally as CFO.



Directors’ Report

Continued



Bert Nacken  
Non-Executive Director



Ingvil Smines  
Tybring-Gjedde  
Non-Executive Director



Bente Hagem  
Non-Executive Director



Olav Skalmereas  
Non-Executive Director

Directors and key executives  
(continued)

Bert Nacken  
Non-Executive Director

Bert Nacken obtained a PhD in Natural Science at the RWTH Aachen University (Germany). He joined Billiton/Shell in the Netherlands as a research metallurgist. Between 1980 to 2011 he worked globally in various senior roles at Billiton and then BHP in a number of commodities such as Gold, Nickel, Copper, Titanium and Iron Ore. He was President of the Cerro Matoso Ferro-Nickel mining and smelting operation in Colombia (1997-2001), COO of Nickel Operations Americas, Country Manager Colombia (2002-2004), President of the Minera Escondida Copper mine in Chile (2004-2007), Vice President of Resource and Business Optimisation in the BHP corporate office in Melbourne (2007 – 2009) and Chief Operating Officer of BHP Western Australia Iron Ore (2009-2011). Subsequently he ran his own Mining Consultancy firm from 2012 till 2018.

Bert served as an Independent Non-Executive Director of Ferrexpo PLC from 2014 to 2019.

Ingvil Smines Tybring-Gjedde  
Non-Executive Director

Ingvil was a former Minister of National Public Security, responsible for the Directorate for Public Safety and Emergency Planning, the Civil Protection Act. She was also Minister of Svalbard and the Norwegian polar regions. Prior to this position, she served as Deputy Minister of Petroleum and Energy, working on exploration policy and national climate policy. Ingvil has experience working in several managerial positions especially relating to energy issues. In 2021, Ingvil was appointed as a member of the Norwegian Defence Commission, set up to assess security and defence policy issues and priorities to safeguard Norwegian security over a 10-20 year perspective.

Bente Hagem  
Non-Executive Director

Bente has a Masters degree in Economics from the Norwegian University of Life Science, and broad experience from Nordic and European energy business. Her career includes leading positions in Equinor and Statnett (the Norwegian transmission system operator for electricity) where she was executive vice president for 14 years. Bente has been a chair of the board of ENTSO-E (the EU organisation for transmission system operators in Brussels), chair of the board of Nord Pool Spot and a non-executive member of several other boards. Following Statnett, Bente worked for the EU Commission in Brussels, advising on the transition to sustainable energy. She is currently a non-executive member of several other Boards.

Olav Skalmereas  
Non-Executive Director

Olav joins Norge Mining Limited and Norge Mineraler AS as Non-Executive Director, having held various high profile positions at international energy giant Equinor and aluminium and renewable energy company Norsk Hydro. With deep ESG experience, Olav was integral in positioning Equinor in the gradually liberalising gas market. He was VP of Midstream Value for Oil and Gas (Brazil), VP of Governmental and Regulatory Affairs, and VP of Carbon Capture Utilisation and Storage. Olav was responsible for engaging key German energy decision makers, and assessing the impact of regulatory frameworks for natural gas and offshore wind auction systems. At Norsk Hydro he was VP of its aluminum activities in South America and VP of gas marketing and transport. Olav has a Master of Science in Marine Engineering from the Norwegian University of Science and Technology (NTNU).

Directors’ Indemnity Provisions

The Company is currently implementing third party indemnity provisions in respect of the directors who were in force during the period and at the date of the report.

Company law requires the Directors to prepare financial statements for each financial year.

Directors’ Responsibilities

The Directors are responsible for preparing the Report of the Directors’, Strategic Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under this law the Directors have to prepare the Consolidated and Company financial statements in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006. Under Company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Group and the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

- The directors confirm that:
- so far as each director is aware, there is no relevant audit information of which the Group’s auditor is unaware; and
  - the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditor and Annual General Meeting**  
BDO LLP, who have been appointed by the Board since the last Annual General Meeting offer themselves for reappointment as auditors in accordance with section 489(4) of the Companies Act 2006. A resolution to reappoint BDO LLP will be proposed at the forthcoming Annual General Meeting.

Advantage has been taken of the small companies’ exemption not to prepare an income statement for the Company.

Approval by and signed on behalf of the Board

**John Vergopoulos**  
Chief Executive Officer  
10 February 2023





Corporate Governance

Directors’ Remuneration Report

**We are not required to comply with the UK Corporate Governance Code and at this time, given the current nature and scope of the Group’s operations, do not comply with the UK Corporate Governance Code. However, we have reported on our corporate governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the Group and best practice.**

Directors

The Group supports the concept of an effective board leading and controlling the Group. The Board is responsible for approving Group policy and strategy. It meets on a regular basis and has a schedule of matters specifically reserved to it for decision. Management provide the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professional advice at the Group’s expense.

The Board consists of six Directors, who bring a breadth of experience and knowledge and will be enhanced by additional appointments as the Group expands. The structure of the Board is intended to provide a balance whereby the Board’s decision making cannot be dominated by any one individual.

Relations with shareholders

The Group values the views of its shareholders and recognises their interest in the Group’s strategy and performance. The Annual General Meeting will be used to communicate with private investors and they are encouraged to participate. A number of the directors will be available to answer questions. Separate resolutions will be proposed on each issue so that they can be given proper consideration and there will be a resolution to approve the annual report and accounts.

Internal control

The Board is responsible for maintaining a strong system of internal controls to safeguard shareholders’ investment and the Group’s assets and for reviewing its effectiveness. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The Group has an Audit Committee which is chaired by Bente Hagem and a Remuneration Committee which is chaired by Bert Nacken. There is currently no Nominations Committee, the activities of which are carried out by the Board as a whole. The Board will consider the requirement for such a committee on a regular basis.

The Board has considered the need for an internal audit function but has decided that the size of the Group does not justify it at present. The Group will, however, keep this under annual review.



**John Vergopoulos**  
Chief Executive Officer  
10 February 2023



► Helleland, Rogaland

Policy on directors’ remuneration

The policy of the Board is to provide executive remuneration packages designed to attract, motivate and retain directors of the calibre necessary to maintain the Group’s position and to reward directors for enhancing shareholder value and return. The Board aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. The remuneration will also reflect the directors’ responsibilities and contain incentives to deliver the Group’s objectives.

The emoluments of the highest paid director, John Vergopoulos, for the 18-month period to 30 June 2022 amounted to £427,290 including pension contributions of £8,829 (12-month period to 31 December 2020: £277,400 including pension contributions of 5,400).

Pensions

During the period, the Group made pension contributions amounting to £8,829 (2020: £5,400) in respect of John Vergopoulos and accrued £7,063 (2020: accrued £2,880) in respect of Mr Hirschfield. The Company makes pension contributions equivalent to 3% of gross basic pay to the CEO and CFO.

Warrants

During the period, warrants over 1,510,000 were granted to each of Oliver Baring and Bert Nacken at an exercise price of £0.00025. In addition, warrants over 350,000 shares were granted to each of Ingvil Smines Tybring-Gjedde and Bente Hagem at an exercise price of £0.08. Full details of these and other warrants granted during the period are set out in note 15.

Notice periods of the directors

The Letters of Appointment for non-executive directors are terminable on three months’ notice on either side. The Executive Service Contracts for John Vergopoulos and Mike Hirschfield are terminable on twelve months’ notice on either side.



**John Vergopoulos**  
Chief Executive Officer  
10 February 2023



Independent Auditor’s Report

Opinion on the financial statements

We have audited the financial statements of Norge Mining Limited (the ‘Parent Company’) and its subsidiaries (the ‘Group’) for the eighteen-month period ended 30 June 2022, which comprise the consolidated statement of total comprehensive income, the consolidated statement of financial position, the Company statement of financial position, the consolidated statement of changes in equity, the Company statement of changes in equity, the consolidated statement of cash flows, the Company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 30 June 2022 and of the Group’s loss for the eighteen-month period then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw your attention to note 1 of the financial statements, which explains that the Parent Company’s and Group’s ability to continue as a going concern is dependent on the availability of funds, continued investment and financial support of its private shareholder, the receipt of which cannot be guaranteed. These conditions indicate the existence of a material uncertainty, which may cast significant doubt over the Parent Company’s and Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors’ report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors’ report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors’ Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. Our procedures included:

- We obtained an understanding of the Group’s activities and considered the laws and regulations of the UK and Norway to be of significance in the context of the Group audit. In doing so, we made inquiries of management and the Audit Committee, considered the Group’s control environment as it pertains to compliance with laws and regulations and considered the activities of the Group. We determined the most significant laws and regulations to be Companies Act 2006 and Norwegian Company Tax Law.
- We discussed the measures taken to ensure continued monitoring and adherence to sanctions legislation with the Audit Committee.
- We made inquiries of management and the Board and reviewed Board and Committee minutes to identify any instances of irregularities or non-compliance.
- We agreed the financial statement disclosures to underlying supporting documentation, performed detailed testing on accounts balances, which were considered to be at a greater risk of susceptibility to fraud and reviewed correspondence with relevant authorities, such as the Norwegian tax authority, in so far as the correspondence related to the financial statements.



Independent Auditor’s Report

Continued

- In addressing risk of management override of control, we performed testing of general ledger journal entries to the financial statements, including verification of journals which we consider exhibit higher fraud risk characteristics based on our understanding of the Group. As part of our testing of management override of controls we performed procedures on accounts subject to greater management estimate including share based payment awards.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and the component auditors as part of meetings at the planning stage and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Jack Draycott**  
**For and on behalf of BDO LLP, Statutory Auditor**  
Chartered Accountants  
London  
10 February 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Financial Statements



Consolidated Statement of Total Comprehensive Income  
For the 18 month period ended 30 June 2022

|   | Notes | 18 months to<br>30 June<br>2022<br>£ | As restated<br>12 months to<br>31 December<br>2020<br>£ |
|---|-------|--------------------------------------|---|
| Administrative expenses   |       | (6,562,709)                          | (1,499,152)   |
| Loss from operations before taxation  |       | (6,562,709)                          | (1,499,152)   |
| Finance costs relating to Convertible Loan                                      | 11    | (7,476,947)                          | (208,999)   |
| Loss before taxation  | 2     | (14,039,656)                         | (1,708,151)   |
| Taxation  | 3     | (986)                                | (930)   |
| Loss for the year   |       | (14,040,642)                         | (1,709,081)   |
| <b>Other comprehensive loss</b>   |       |                                      |   |
| <i>Items that will or may be reclassified to profit or loss:</i>                |       |                                      |   |
| Foreign exchange movement   |       | (441,382)                            | (20,049)  |
| Total other comprehensive loss  |       | (441,382)                            | (20,049)  |
| Total comprehensive loss  |       | (14,482,024)                         | (1,729,130)   |
| Loss after taxation, and loss attributable to the equity holders of the Company |       | (14,482,024)                         | (1,729,130)   |
| <b>Loss per share</b>   |       |                                      |   |
| Basic and diluted loss per share (pence)  | 4     | (1.735)                              | (0.212)   |

All amounts relate to continuing operations.

The accompanying principal accounting policies and notes form an integral part of the audited financial statements.

Consolidated Statement of Financial Position  
At 30 June 2022

|                                  | Notes  | 30 June<br>2022<br>£ | As restated<br>31 December<br>2020<br>£ | As restated<br>1 January<br>2020<br>£ |
|----------------------------------|--------|----------------------|---|---------------------------------------|
| <b>Assets</b>                    |        |                      |   |                                       |
| <b>Non-current</b>               |        |                      |   |                                       |
| Intangible assets                | 6      | 20,822,240           | 6,754,504                               | 1,087,537                             |
|                                  |        | 20,822,240           | 6,754,504                               | 1,087,537                             |
| Tangible fixed assets            | 8      | 237,952              | 6,539                                   | –                                     |
| Total non-current assets         |        | 21,060,192           | 6,761,043                               | 1,087,537                             |
| <b>Current</b>                   |        |                      |   |                                       |
| Trade and other receivables      | 9      | 283,088              | 499,017                                 | 36,500                                |
| Cash and cash equivalents        |        | 2,819,161            | 4,078,320                               | 12,476                                |
| Total current assets             |        | 3,102,249            | 4,577,337                               | 48,976                                |
| Total assets                     |        | 24,162,441           | 11,338,380                              | 1,136,513                             |
| <b>Liabilities</b>               |        |                      |   |                                       |
| <b>Current</b>                   |        |                      |   |                                       |
| Trade and other payables         | 10     | 1,368,420            | 1,242,836                               | 202,310                               |
| Lease liabilities                | 12     | 24,265               | –                                       | –                                     |
| Total current liabilities        |        | 1,392,685            | 1,242,836                               | 202,310                               |
| <b>Non-current</b>               |        |                      |   |                                       |
| Loans                            | 11     | –                    | 11,884,068                              | 1,005,297                             |
| Lease liabilities                | 12     | 84,459               | –                                       | –                                     |
| Total non-current liabilities    |        | 84,459               | 11,884,068                              | 1,005,297                             |
| Total liabilities                |        | 1,477,144            | 13,126,904                              | 1,207,607                             |
| <b>Equity</b>                    |        |                      |   |                                       |
| Issued share capital             | 13     | 104,784              | 101,000                                 | 100,500                               |
| Share premium                    | 13     | 30,271,216           | –                                       | –                                     |
| Other reserve                    | 13     | 100,000              | 100,000                                 | 100,000                               |
| Other capital – Convertible loan | 14     | 928,376              | –                                       | –                                     |
| Share based payment reserve      | 13, 15 | 300,585              | 12,180                                  | 980                                   |
| Foreign currency translation     | 13     | (461,431)            | (20,049)                                | –                                     |
| Retained losses                  |        | (8,558,233)          | (1,981,655)                             | (272,574)                             |
| Total equity                     |        | 22,685,297           | (1,788,524)                             | (71,094)                              |
| Total equity and liabilities     |        | 24,162,441           | 11,338,380                              | 1,136,513                             |

The consolidated unaudited financial statements were approved by the Board and authorised for issue on 10 February 2023.

  
**John Vergopoulos**  
Director  
10 February 2023

The accompanying principal accounting policies and notes form an integral part of the audited financial statements.



Company Statement of Financial Position  
At 30 June 2022

|   | Notes  | 30 June<br>2022<br>£ | As restated<br>31 December<br>2020<br>£ | As restated<br>1 January<br>2020<br>£ |
|---|--------|----------------------|---|---------------------------------------|
| <b>Assets</b>                                   |        |                      |   |                                       |
| <b>Non-current</b>                              |        |                      |   |                                       |
| Investment in subsidiary                        | 7      | 24,665,405           | 6,850,750                               | 992,719                               |
|   |        | 24,665,405           | 6,850,750                               | 992,719                               |
| Right of use assets                             | 8      | 127,721              | –                                       | –                                     |
| Total non-current assets                        |        | 24,793,126           | 6,850,750                               | 992,719                               |
| <b>Current</b>                                  |        |                      |   |                                       |
| Trade and other receivables                     | 9      | 754,802              | 3,961,006                               | 48,556                                |
| Cash and cash equivalents                       |        | 1,517,824            | –                                       | –                                     |
| Total current assets                            |        | 2,272,626            | 3,961,006                               | 48,556                                |
| Total assets                                    |        | 27,065,752           | 10,811,756                              | 1,041,275                             |
| <b>Liabilities</b>                              |        |                      |   |                                       |
| <b>Current</b>                                  |        |                      |   |                                       |
| Trade and other receivables                     | 10     | 297,785              | 343,016                                 | 382,603                               |
| Lease liabilities                               | 12     | 24,265               | –                                       | –                                     |
| Total current liabilities and total liabilities |        | 322,050              | 343,016                                 | 382,603                               |
| <b>Non-current</b>                              |        |                      |   |                                       |
| Loans   | 11     | –                    | 11,884,068                              | 1,005,297                             |
| Lease liabilities                               | 12     | 84,459               | –                                       | –                                     |
| Total non-current liabilities                   |        | 84,459               | 11,884,068                              | 1,005,297                             |
| Total liabilities                               |        | 406,509              | 12,227,084                              | 1,387,900                             |
| <b>Equity</b>                                   |        |                      |   |                                       |
| Issued share capital                            | 13     | 104,784              | 101,000                                 | 100,500                               |
| Share premium                                   | 13     | 30,271,216           | –                                       | –                                     |
| Other capital – Convertible loan                | 14     | 928,376              | –                                       | –                                     |
| Share based payment reserve                     | 13, 15 | 300,585              | 12,180                                  | 980                                   |
| Retained losses                                 |        | (4,945,718)          | (1,528,508)                             | (448,105)                             |
| Total equity                                    |        | 26,659,243           | (1,415,328)                             | (346,625)                             |
| Total equity and liabilities                    |        | 27,065,752           | 10,811,756                              | 1,041,275                             |

The parent company has taken the exemption conferred by S.408 Companies Act 2006 not to publish the profit and loss account of the parent company with these consolidated accounts. The loss dealt with in the parent company's financial statements was a loss of £10,881,274 (2020: loss as restated of £1,080,403).

The unaudited Company financial statements were approved by the Board and authorised for issue on 10 February 2023.



**John Vergopoulos**  
Director  
10 February 2023  
Company number: 11703765

The accompanying principal accounting policies and notes form an integral part of the audited financial statements.

Consolidated Statement of Changes In Equity  
For the 18 month period ended 30 June 2022

|   | Share<br>capital<br>£ | Share<br>premium<br>£ | Other<br>reserve<br>£ | Other<br>capital –<br>Convertible<br>loan<br>£ | Share<br>based<br>payments<br>£ | Foreign<br>currency<br>translation<br>£ | Retained<br>losses<br>£ | Total<br>equity<br>£ |
|---|-----------------------|-----------------------|-----------------------|--|---------------------------------|---|-------------------------|----------------------|
| Balance at 31 December 2019<br>(as restated)  | 100,500               | –                     | 100,000               | –  | 980                             | –                                       | (272,574)               | (71,094)             |
| Issued share capital                          | 500                   | –                     | –                     | –  | –                               | –                                       | –                       | 500                  |
| Other capital (as restated)                   | –                     | –                     | –                     | –  | 11,200                          | –                                       | –                       | 11,200               |
| Transactions with owners                      | 500                   | –                     | –                     | –  | 11,200                          | –                                       | –                       | 11,700               |
| Loss for the year (as restated)               | –                     | –                     | –                     | –  | –                               | –                                       | (1,709,081)             | (1,709,081)          |
| Exchange difference                           | –                     | –                     | –                     | –  | –                               | (20,049)                                | –                       | (20,049)             |
| Total comprehensive loss for<br>the year      | –                     | –                     | –                     | –  | –                               | (20,049)                                | (1,709,081)             | (1,729,130)          |
| Balance at 31 December 2020<br>(as restated)  | 101,000               | –                     | 100,000               | –  | 12,180                          | (20,049)                                | (1,981,655)             | (1,788,524)          |
| Issued share capital                          | 3,784                 | 30,271,216            | –                     | (30,275,000)                                   | –                               | –                                       | –                       | –                    |
| Other capital                                 | –                     | –                     | –                     | 31,203,376                                     | 288,405                         | –                                       | –                       | 31,491,781           |
| Transactions with owners                      | 3,784                 | 30,271,216            | –                     | 928,376  | 288,405                         | –                                       | –                       | 31,491,781           |
| Loss for the period                           | –                     | –                     | –                     | –  | –                               | –                                       | (14,040,642)            | (14,040,642)         |
| Charge on modification of<br>Convertible loan | –                     | –                     | –                     | –  | –                               | –                                       | 7,464,064               | 7,464,064            |
| Other comprehensive loss                      | –                     | –                     | –                     | –  | –                               | (441,382)                               | –                       | (441,382)            |
| Total comprehensive loss for<br>the period    | –                     | –                     | –                     | –  | –                               | (441,382)                               | (6,576,578)             | (7,017,960)          |
| <b>Balance at 30 June 2022</b>                | 104,784               | 30,271,216            | 100,000               | 928,376  | 300,585                         | (461,431)                               | (8,558,233)             | 22,685,297           |

The increase in other capital of £31,203,376 relates to reclassification of liability into equity as a result of the amendment to the convertible loan agreement as of 2 June 2022 (note 14). The amount of £30,275,000 relates to conversion of the convertible loan balance into shares on 9 June 2022 (note 13).

The accompanying principal accounting policies and notes form an integral part of the audited financial statements.



Company Statement of Changes In Equity  
For the 18 month period ended 30 June 2022

|  | Share capital<br>£ | Share premium<br>£ | Other capital – Convertible loan<br>£ | Share based payments<br>£ | Retained losses<br>£ | Total equity<br>£ |
|--|--------------------|--------------------|---------------------------------------|---------------------------|----------------------|-------------------|
| Balance at 31 December 2019 (as restated)  | 100,500            | –                  | –                                     | 980                       | (448,105)            | (346,625)         |
| Issued share capital                       | 500                | –                  | –                                     | –                         | –                    | 500               |
| Other capital (as restated)                | –                  | –                  | –                                     | 11,200                    | –                    | 11,200            |
| Transactions with owners                   | 500                | –                  | –                                     | 11,200                    | –                    | 11,700            |
| Loss for the year (as restated)            | –                  | –                  | –                                     | –                         | (1,080,403)          | (1,080,403)       |
| Exchange difference                        | –                  | –                  | –                                     | –                         | –                    | –                 |
| Total comprehensive loss for the year      | –                  | –                  | –                                     | –                         | (1,080,403)          | (1,080,403)       |
| Balance at 31 December 2020 (as restated)  | 101,000            | –                  | –                                     | 12,180                    | (1,528,508)          | (1,415,328)       |
| Issued share capital                       | 3,784              | 30,271,216         | (30,275,000)                          | –                         | –                    | –                 |
| Other capital                              | –                  | –                  | 31,203,376                            | 288,405                   | –                    | 31,491,781        |
| Transactions with owners                   | 3,784              | 30,271,216         | 928,376                               | 288,405                   | –                    | 31,491,781        |
| Loss for the period                        | –                  | –                  | –                                     | –                         | (10,881,274)         | (10,881,274)      |
| Charge on modification of Convertible loan | –                  | –                  | –                                     | –                         | 7,464,064            | 7,464,064         |
| Other comprehensive income                 | –                  | –                  | –                                     | –                         | –                    | –                 |
| Total comprehensive loss for the period    | –                  | –                  | –                                     | –                         | (3,417,210)          | (3,417,210)       |
| Balance at 30 June 2022                    | 104,784            | 30,271,216         | 928,376                               | 300,585                   | (4,945,718)          | 26,659,243        |

The increase in other capital of £31,203,376 relates to reclassification of liability into equity as a result of the amendment to the convertible loan agreement as of 2 June 2022 (note 14). The amount of £30,275,000 relates to conversion of the convertible loan balance into shares on 9 June 2022 (note 13).

The accompanying principal accounting policies and notes form an integral part of the audited financial statements.

Consolidated Statement of Cash Flows  
For the 18 month period ended 30 June 2022

|   | Notes  | 18 months to 30 June 2022<br>£ | As restated 12 months to 31 December 2020<br>£ |
|---|--------|--------------------------------|--|
| <b>Cash flows from operating activities</b>               |        |                                |  |
| <b>Continuing operations</b>                              |        |                                |  |
| Loss before taxation                                      |        | (14,039,656)                   | (1,708,151)                                    |
| Share based payments                                      | 15     | 288,405                        | 11,200   |
| Depreciation charge                                       | 8      | 41,150                         | 1,186  |
| Finance costs in relation to Convertible Loan             | 11, 17 | 7,476,947                      | 208,999  |
| Decrease/(increase) in trade and other receivables        |        | 187,151                        | (462,517)                                      |
| Increase in trade and other payables                      |        | 484,708                        | 168,897  |
| Net cash outflow from operating activities                |        | (5,561,295)                    | (1,780,386)                                    |
| <b>Cash flows from investing activities</b>               |        |                                |  |
| Payments to acquire intangible assets                     | 6, 17  | (14,544,881)                   | (4,796,268)                                    |
| Payments to acquire tangible fixed assets                 | 8      | (131,838)                      | (7,725)  |
| Net cash outflow from investing activities                |        | (14,676,719)                   | (4,803,993)                                    |
| <b>Cash flows from financing activities</b>               |        |                                |  |
| Proceeds from issue of share capital                      |        | –                              | 500  |
| Proceeds from borrowings                                  | 17     | 19,306,425                     | 10,669,772                                     |
| Lease liability interest charge                           |        | 5,274                          | –  |
| Payments of lease liabilities                             |        | (39,494)                       | –  |
| Net cash inflow from financing activities                 |        | 19,272,205                     | 10,670,272                                     |
| Net change in cash and cash equivalents                   |        | (965,809)                      | 4,085,893                                      |
| Cash and cash equivalents at beginning of the period/year |        | 4,078,320                      | 12,476   |
| Exchange losses on cash and cash equivalents              |        | (293,350)                      | (20,049)                                       |
| Cash and cash equivalents at the end of the period/year   |        | 2,819,161                      | 4,078,320                                      |

The foreign exchange exposure on cash and cash equivalents is not material.

The accompanying principal accounting policies and notes form an integral part of the audited financial statements.



Company Statement of Cash Flows  
For the 18 month period ended 30 June 2022

Notes to the Financial Statements  
For the 18-month period ended 30 June 2022

|  | Notes  | 18 months to<br>30 June<br>2022<br>£ | As restated<br>12 months to<br>31 December<br>2020<br>£ |
|--|--------|--------------------------------------|---|
| <b>Cash flows from operating activities</b>                    |        |                                      |   |
| <b>Continuing operations</b>                                   |        |                                      |   |
| Loss before taxation   |        | (10,881,274)                         | (1,080,403)   |
| Share based payments   | 15     | 288,405                              | 11,200  |
| Depreciation charge  | 8      | 15,223                               | –   |
| Finance costs in relation to Convertible Loan                  | 11, 17 | 7,476,947                            | 208,999   |
| Decrease/(increase) in trade and other receivables             |        | 3,206,204                            | (3,912,450)   |
| (Decrease) in trade and other payables                         |        | (45,231)                             | (39,587)  |
| Net cash inflow/(outflow) from operating activities            |        | 60,274                               | (4,812,241)   |
| <b>Cash flows from investing activities</b>                    |        |                                      |   |
| Investment in subsidiaries                                     | 7      | (17,814,655)                         | (5,858,031)   |
| Payments to acquire right of use fixed assets                  |        | –                                    | –   |
| Net cash outflow from investing activities                     |        | (17,814,655)                         | (5,858,031)   |
| <b>Cash flows from financing activities</b>                    |        |                                      |   |
| Proceeds from issue of share capital                           |        | –                                    | 500   |
| Proceeds from borrowings                                       | 17     | 19,306,425                           | 10,669,772  |
| Lease liability interest charge                                |        | 5,274                                | –   |
| Payments of lease liabilities                                  |        | (39,494)                             | –   |
| Net cash inflow from financing activities                      |        | 19,272,205                           | 10,670,272  |
| Net change in cash and cash equivalents                        |        | 1,517,824                            | –   |
| Cash and cash equivalents at beginning of the period/year      |        | –                                    | –   |
| <b>Cash and cash equivalents at the end of the period/year</b> |        | <b>1,517,824</b>                     | <b>–</b>  |

The accompanying principal accounting policies and notes form an integral part of the audited financial statements.

1. Basis of Preparation and Principal Accounting Policies

Basis of preparation

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and international accounting standards as adopted in the United Kingdom in conformity with the requirements of the Companies Act 2006.

These accounts have been prepared for the 18-month period ended 30 June 2022 and so comparative figures relate to the 12-month period ended 31 December 2020. Accordingly, the amounts for the current period are not directly comparable to those for 2020. The group completed the first major stage of its evaluation of the resources in the Bjerkreim region in the first half of 2022 and so the Directors decided to extend the accounting period to 30 June 2022 in order that the results of that review could be summarised and disclosed to shareholders in this Report and Accounts.

Going concern

The group incurred a loss before tax of £14,039,656 for the 18-month period to 30 June 2022 (2020: loss as restated £1,708,151), resulting in accumulated losses of £8,558,233 (2020: losses as restated of £1,981,655). The group's majority shareholder, Mr Wurmser, has extended his agreement to provide funding under a convertible loan to the Company of up to £100 million of which £31.2 million had been drawn at 30 June 2022 (2020: £12 million) leaving a balance of £68.8 million available to be drawn in the period ending 31 December 2024. A drawdown schedule has been discussed with Mr Wurmser designed to ensure that funding is available as required. At 31 December 2022 the cash balance sheet stood at £2.38 million.

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements. For this purpose, they have prepared projected cash flow information to the end of March 2024. These forecasts show that the funding is adequate to cover forecast costs. Whilst the Board is confident that it will continue to receive funding as and when required, it recognises that the group's dependence upon the availability of funds, continuing investment and financial support from its private shareholder, the receipt of which cannot be guaranteed, indicates the existence of a material uncertainty which may cast significant doubt over the Company's and the group's ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

On the basis of all considerations, the directors have reasonable expectations that the group and company have adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing these financial statements. The financial statements do not include the adjustments that would be required should the going concern basis of preparation no longer be appropriate.

Basis of consolidation

The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the statement of financial position date in accordance with IFRS 10. Subsidiaries are entities which are controlled by the Group. Control is achieved when the Group has power over the investee, has the right to variable returns from the investee and has the power to affect its returns. The Group obtains and exercises control through voting rights and control is reassessed if there are indications that the status of any of the three elements have changed.

Unrealised gains on transactions between the Company and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Investments

Investments in subsidiary in the Company accounts are recorded at cost less provision for impairment as described in the impairment policy below.



Notes to the Financial Statements

For the 18-month period ended 30 June 2022

Notes to the Financial Statements

For the 18-month period ended 30 June 2022

1. Basis of Preparation and Principal Accounting Policies (continued)

Taxation

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the statement of financial position date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable result for the period. All changes to current tax assets or liabilities are recognised as a component of tax expense in the consolidated statement of comprehensive income.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. However, in accordance with IAS12 no deferred tax is recognised on the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit. This also applies to temporary differences associated with shares in subsidiaries if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the consolidated statement of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to other comprehensive income or equity are charged or credited directly to other comprehensive income or equity.

Tangible fixed assets

Plant and machinery and right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any costs directly attributable to bringing the asset into use. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives at the following rates:

|                     |  |
|---------------------|--|
| Plant & machinery   | Straight line over 5 years   |
| Right-of-use assets | Straight line over the shorter of the lease term and the useful life of the underlying asset |

The estimated useful lives, residual value and depreciation methos are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gains or losses arising on the disposal or retirement or an item of property plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets comprise capitalised costs incurred in the exploration for and evaluation of mineral resources. Such costs include those incurred in the search for mineral resources as well as the determination of the technical feasibility and commercial viability of extracting those resources. Costs incurred in the search for mineral resources include the acquisition of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling, trenching and sampling. At first recognition, exploration and evaluation assets are measured at cost.

The intangible asset is reviewed for impairment on an annual basis for events or changes in circumstances that indicate that the carrying value might be impaired. A detailed impairment test will be conducted in two circumstances:

- when the technical feasibility and commercial viability of extracting a mineral resource becomes demonstrable; and
- when facts and circumstances suggest that the asset's carrying amount may exceed its recoverable amount.

The intangible asset is stated at cost less any impairment losses.

1. Basis of Preparation and Principal Accounting Policies (continued)

Impairment testing of intangible assets

Once fair values in respect of business combinations have been finalised, for the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Intangible assets with an indefinite useful life and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in profit and loss in the statement of comprehensive income, for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

An impairment loss on other assets is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation if no impairment loss had been recognised.

Financial assets

The Group's financial assets comprise cash and trade and other receivables.

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- held at amortised cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

In the periods presented the corporation does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.



Notes to the Financial Statements

For the 18-month period ended 30 June 2022

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For the 18-month period ended 30 June 2022

1. Basis of Preparation and Principal Accounting Policies (continued)

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than ‘hold to collect’ or ‘hold to collect and sell’ are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements would apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

The Group considers trade and other receivables individually in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, bank deposits repayable on demand, and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, less advances from banks repayable within three months from the date of advance if the advance forms part of the Group's cash management.

Equity

Share capital is determined using the nominal value of shares that have been issued.

The other reserve arises on the consolidation of Norge Administration Limited acquired in a share for share transaction.

Other capital – Convertible loan represents funds contributed under the convertible loan arrangement described in Note 14. The convertible loan cannot be repaid in cash, it can only be converted into new ordinary shares and therefore it is classed as equity as at 30 June 2022. The Convertible Loan agreement was renewed in June 2022 to specifically clarify that payment cannot be made in cash under any circumstances and can only be converted at the fixed rate of one share for each £1 of loan. The previous agreement could be interpreted as allowing cash repayment in the event of a winding up and allowed conversion into a variable number of shares. As such it failed the requirements of IAS 32 and a proportion of the convertible loan balance should more correctly have been disclosed as a liability rather than equity. For this reason, the accounts for 2019 and 2020 have been restated to reflect this adjustment. Full details are set out in note 17.

Retained losses include all current and prior periods results as disclosed in the consolidated statement of comprehensive income.

Financial liabilities

The Group's financial liabilities comprise trade and other payables and loans payable. For comparative periods, the group also records a financial liability relating to the convertible loan at fair value through profit or loss in accordance with paragraph 4.2.2 of IFRS 9.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance costs in the statement of comprehensive income using the effective interest method.

Trade and other payables are recognised initially at fair value, net of direct issue costs, and are subsequently recorded at amortised cost using the effective interest method with interest related charges recognised as an expense in the statement of comprehensive income.

1. Basis of Preparation and Principal Accounting Policies (continued)

Loans payable are recognised initially at fair value, net of direct issue costs and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are recognised in the statement of comprehensive income on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. There are currently no financial liabilities held at “fair value through profit or loss”.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the statement of comprehensive income.

A review of the terms and conditions of the Convertible Loan Agreement revealed that the drafting of the clauses was insufficiently accurate to reflect the intentions of the parties. The Company and the lenders intended that the funding provided under the agreement should only be able to be converted into new ordinary shares and that any balance outstanding under the agreement from time to time should be treated as equity. Whilst the agreement contained a clause which stated that the loan balance could only be capitalised into new shares, a clause dealing with actions in the event of administration or a winding up could be interpreted that the loan balance became repayable in cash. In addition, the terms relating to automatic conversion under certain circumstances (see note 14) allowed the potential for a variable number of shares to be issued depending on the particular terms of the conversion event. For these reasons, under IAS 32 and IFRS 9, the balance outstanding falls to be recorded as a liability rather than equity.

For the period from the first drawdown under the convertible loan agreement to 2 June 2022, amounts advanced under the agreement were accounted for at fair value by applying a present value technique using the income approach set out in IFRS 13 B11(a) and discounting the cash flows at a fair market interest rate. Any gain or loss arising is recognised as an income or charge through the income statement and the balance is then held at amortised cost. To assess an appropriate interest rate a sample of AIM listed companies in the mining subsector were reviewed to determine the average effective cost of debt. The average effective cost of debt for those companies was determined to 17.8% to which a premium was added to reflect the additional risks deemed to exist for the Company. A discount rate of 20% was used for the Company's calculations to determine the fair value of amounts drawn down under the convertible loan agreement. This same rate of interest was used to calculate an effective rate of interest on amounts drawn down on a month-by-month basis with the interest charge being reflected in the Income Statement.

A replacement agreement was signed on 2 June 2022 removing any clauses under which it may have been deemed possible for a cash repayment to be made and setting a fixed conversion price of £1 per share. IFRIC 19 specifically excludes transactions with significant shareholders from its scope so the accounting policy adopted follows guidance from IAS32:AG32. On modification of the agreement, the cash value of sums advanced under the agreement were transferred to the Other capital – Convertible loan reserve with the balance of the fair value at the time of modification being transferred to Retained losses reserve.

Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability. The group has taken advantage of the exemption under paragraph 6 of IFRS 16 to not recognise short-term leases or leases of low value assets.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.



Notes to the Financial Statements

For the 18-month period ended 30 June 2022

Notes to the Financial Statements

For the 18-month period ended 30 June 2022

1. Basis of Preparation and Principal Accounting Policies (continued)

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

Employee compensation

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

Foreign currencies

These financial statements are presented in UK Pounds Sterling which is the functional currency of the Company. The group also carries out transactions in Norwegian Kroner, United States Dollars and Euros.

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit or loss. The balance sheet of the company's Norwegian subsidiary, Norge Mineraler AS is converted into Sterling at rates of exchange ruling at the statement of financial position date and its income statement is converted into Sterling using the average rate during the period.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The critical accounting judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

- (i) Recognition of intangible assets (note 6) – During the period management have capitalised £14,067,736 (2020: £5,666,967) of exploration and evaluation costs associated with ongoing exploration projects giving aggregate expenditure to date of £20,822,240 (2020: £6,754,504). As defined in the accounting policy, management carefully consider the conditions set out in assessing whether to capitalise certain costs. Assessing the future revenues and the availability of resources to complete the project involves significant judgement by the management team who are experienced in delivering these types of projects.

1. Basis of Preparation and Principal Accounting Policies (continued)

- (ii) Impairment of intangible assets (note 6) – The directors conducted a review of the intangible Exploration and Evaluation assets. This review included an assessment of the unexpired periods of the exploration licences, the likelihood of cessation of exploration and evaluation activities, the possibility that the mineral resources will prove not to be commercially viable and the possibility that the incurred costs will not be recovered in full from future revenues. In each of these considerations the directors found no evidence which would lead them to conclude that an impairment provision is required. In addition, the directors considered the possibility of a significant drop in mineral prices, a deterioration in the availability of equity funding, a material delay in exploration and evaluation activity and a substantial decline in the value of the Group's equity. Having conducted this review the directors are confident that there are no indicators of impairment under IFRS 6.
- (iii) Deferred tax (note 3) – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised. The Group has significant tax losses but does not anticipate sufficient taxable profits to arise in the foreseeable future in order to utilise these losses, and as a result the directors' judgement is that no deferred tax asset should be recognised.
- (iv) Convertible loan agreement (note 17) – The assessment of whether the convertible loan agreement terms may be regarded as arm's length required a judgement of the chances of each of the three potential conversion events occurring and the appropriate discount rate to be applied in the discounted cash flow calculations. At the time the agreement was entered into, it was determined that the most likely outcome would be a trade sale with the other potential conversion events being equally likely to occur. Management assigned a 70% probability to an exit by way of trade sale and a 15% probability for each of the other potential triggers. For the discount rate determination, a sample of six AIM listed companies engaged in the mining sector were reviewed and the average effective cost of debt was calculated as 17.8% to which an additional premium was added to reflect the non-listed status of the Company giving a discount rate of 20%.

Having established that the historical convertible loan balance should be accounted for as a liability at fair value, it was necessary to consider whether there is an embedded derivative within the agreement through a review of the conditions set out in IFRS 9. The Board considered this matter in discussions with an independent firm of Chartered Accountants and concluded that the balance does not meet the conditions necessary for a derivative element to exist.

IFRS 9 was also referred to for guidance on how to measure the fair value of liability to be recognised. The Board have applied the present value technique IFRS 13.B11(a) and discounted the cash flows arising from the convertible loan agreement at fair market interest rate as calculated above. This calculation is performed in a different way and for a different purpose and the calculations were based on what is now considered to be the most likely conversion event, a trade sale.

Adoption of new or amended IFRS

The group has adopted the Interest Rate Benchmark Reform (IBOR Phase 2) which impacts IFRS 9, IAS 30, IFRS 7, IFRS 4 and IFRS 16. These amendments were mandatorily effective for reporting periods beginning on or after 1 January 2021 and provide relief in respect of certain loans whose contractual terms are affected by interest rate benchmark reform as LIBOR and EURIBOR are replaced with alternative benchmark interest rates. The group is not impacted by these reforms, though some of the underlying assessment of peer group interest rates used for determining an appropriate discount rate to apply for the calculation of fair value of convertible loan liability may have a minor impact. See note 17 for details.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods an on foreseeable future transactions.

Due to the limited operations at present, the Company does not believe that the new standards will have a significant impact.

Notes to the Financial Statements

For the 18-month period ended 30 June 2022

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For the 18-month period ended 30 June 2022

2. Loss Before Taxation

The loss before taxation predominantly relates to charges relating to the fair value of the convertible loan agreement (see note 17). These charges are non-cash items and will not recur in future years. The remaining element of loss before taxation is Administrative expenses amounting to £6,562,709 for the 18 month period (12 months to 31 December 2020: £1,499,152) and is attributable to the principal activities of the Group. The loss before taxation of the Group is stated after charging:

|   | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
|---|--------------------------------------|--|
| Staff costs   | 2,370,368                            | 787,864                                  |
| Share based payments  | 288,405                              | 11,200                                   |
| Loan interest (see note 17)   | 3,855,799                            | –  |
| Fees payable to the Company's auditor for the audit of the financial statements | 106,500                              | 82,300                                   |
| Fees payable to the Company's auditor for other services                        |                                      |  |
| Taxation services   | –                                    | 23,000                                   |

3. Taxation

The group has an unrecognised deferred tax asset of £1,554,609 (2020: £367,561) in respect of unused tax losses.

The tax assessed for the period differs from the standard rate of corporation tax in the UK as follows:

|  | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
|--|--------------------------------------|--|
| Loss before taxation   | (14,039,656)                         | (1,708,151)                              |
| Loss multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%) | (2,667,535)                          | (324,549)                                |
| Effect of:   |                                      |  |
| Expenses not deductible for tax purposes   | 6,056                                | 8,420                                    |
| Unrecognised loss – Finance costs in relation to Convertible Loan (see note 17)  | 732,602                              | 124,502                                  |
| Unrecognised loss – Charge on fair value of Convertible Loan (see note 17)       | 688,018                              | (84,793)                                 |
| Share based payments   | 54,797                               | 2,128                                    |
| Unrelieved tax losses  | 1,187,048                            | 275,222                                  |
| Total tax charge for the year  | 986                                  | 930                                      |

Factors that may affect future tax charges

On 17 November 2022, the Chancellor of the Exchequer confirmed that the UK rate of Corporation tax will increase to 25% with effect from 1 April 2023 on taxable profits exceeding £250,000, with the 19% rate continuing to apply to companies with profits of £50,000 or less. Marginal relief will operate for profits between £50,000 and £250,000. The aggregate unrecognised deferred tax asset of £1,554,609 reflects the expectation that the 19% Corporation Tax rate will apply to the Company for the foreseeable future.

4. Loss Per Share

The calculation of the consolidated basic loss per share is based on the loss attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the period.

|   | 18 months to<br>30 June<br>2022<br>£ | As restated<br>12 months to<br>31 December<br>2020<br>£ |
|---|--------------------------------------|---|
| Loss attributable to owners of the Company after tax                            | (14,040,642)                         | (1,709,081)   |
|   | Number                               | Number  |
| Weighted average number of ordinary shares for calculating basic loss per share | 809,166,568                          | 804,393,451   |
|   | £                                    | £   |
| Basic loss per share  | (1.735)                              | (0.212)   |

There are 133,250,000 warrants outstanding as at 30 June 2022 (31 December 2020: 91,200,000), as detailed in note 15. Their effect is anti-dilutive, but is potentially dilutive against future profits. In addition, the convertible loan will provide further dilution, the impact of which cannot yet be determined.

5. Employee Benefit Expense

|  | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
|--|--------------------------------------|--|
| Wages and salaries                         | 1,922,801                            | 655,469                                  |
| Short term non-monetary benefits           | 113,564                              | 40,022                                   |
| Defined contribution pension contributions | 63,639                               | 8,280                                    |
| Share based payments expense               | 42,840                               | –  |
| Social security                            | 270,364                              | 84,093                                   |
| Total emoluments                           | 2,413,208                            | 787,864                                  |
|  | Number                               | Number                                   |
| Average monthly number of employees        |                                      |  |
| Directors                                  | 7                                    | 7  |
| Other                                      | 12                                   | 4  |
| Total                                      | 19                                   | 11                                       |

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group including the directors of the company and the CEO at Norge Mineraler AS. A summary of key management personnel compensation is set out below.

|  | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
|--|--------------------------------------|--|
| Salary and bonus payments                  | 1,045,477                            | 481,775                                  |
| Short term non-monetary benefits           | 66,798                               | 40,022                                   |
| Defined contribution pension contributions | 28,867                               | –  |
| Share based payments expense               | 42,840                               | –  |
|  | 1,184,002                            | 521,797                                  |



Notes to the Financial Statements

For the 18-month period ended 30 June 2022

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For the 18-month period ended 30 June 2022

6. Intangible Assets

| Group   |                               |
|---|-------------------------------|
|   | Exploration & Evaluation<br>£ |
| <b>Cost</b>   |                               |
| As at 31 December 2019                                    | 1,087,537                     |
| Additions   | 5,666,967                     |
| As at 31 December 2020                                    | 6,754,504                     |
| Additions   | 14,544,881                    |
| Foreign exchange movement                                 | (477,145)                     |
| <b>As at 30 June 2022</b>                                 | 20,822,240                    |
| <b>Amortisation and impairment</b>                        |                               |
| As at 31 December 2019, 31 December 2020 and 30 June 2022 | –                             |
| <b>Net book value</b>                                     |                               |
| As at 31 December 2019                                    | 1,087,537                     |
| As at 31 December 2020                                    | 6,754,504                     |
| <b>As at 30 June 2022</b>                                 | 20,822,240                    |

The directors conducted a review of the intangible assets. This review included an assessment of the unexpired periods of the exploration licences, the likelihood of cessation of exploration and evaluation activities, the possibility that the mineral resources will prove not to be commercially viable and the possibility that the incurred costs will not be recovered in full from future revenues. There are many years remaining before licences are due to expire, a substantial budget has been allocated to exploration works, world class Resource Estimates have been declared by the Group’s geological expert consultant and initial economic modelling supports the carrying value of the intangible assets. In each of these considerations the directors found no evidence which would lead them to conclude that an impairment provision is required. In addition, the directors considered the possibility of a significant drop in mineral prices, a deterioration in the availability of equity funding, a material delay in exploration and evaluation activity and a substantial decline in the value of the Group’s equity. Having conducted this review the directors did not identify any indicators of impairment under IFRS 6.

Historically the goodwill arising on consolidation of Norge Mineraler AS had been held on that balance sheet as a separate item. Having conducted a review of all accounting policies and treatments it has been concluded that this was an error and the balance reflects part of the underlying Exploration and Evaluation intangible. This change in accounting treatment has been recorded as a prior year adjustment and the impact is set out in note 17.

7. Investments

**Company**  
On 10 December 2018, the Company acquired the entire share capital of Norge Minerals Limited (subsequently re-named Norge Administration Limited), a company registered in England & Wales, in a share for share exchange. Norge Minerals Limited’s principal activity was the holding company of Norge Mineraler AS (formerly known as Teøk AS), a company registered in Norway which holds mineral exploration licences. The group has no continuing requirement for Norge Administration Limited and it is in the process of being closed.

On 20 December 2018, the Company acquired Norge Mineraler AS from Norge Minerals Limited for £200,000 against which a provision of £100,000 has been made. Subsequent to this transaction, Norge Minerals Limited changed its name to Norge Administration Limited but has not conducted any activities. A full provision against the carrying value of Norge Administration has been made during the period.

7. Investments (continued)

On 17 December 2019, the Company acquired Annexe IT Management Limited, a company registered in England & Wales from Kitwell Administration Limited, the Company Secretary, for £750. Annexe IT Management Limited provides business administration services to the Group. Fees amounting to £9,000 were paid during the 18 month period (2020: £6,000). On 22 July 2021, the Company incorporated Norge Energy Limited, Norge Battery Limited and Norge Battery Technologies Limited for name protection purposes, each with £1 share capital.

At 30 June 2022 the Company held investments in subsidiaries of £24,665,405 (2020: £6,850,750) comprising £24,664,652 (2020: £6,850,000) in Norge Mineraler AS, £750 in Annexe IT Management Limited and £1 in each of Norge Energy Limited, Norge Battery Limited and Norge Battery Technologies Limited.

| Name                               | Country of incorporation | Status  | Ownership interest<br>2022 | Ownership interest<br>2020 |
|------------------------------------|--------------------------|---------|----------------------------|----------------------------|
| Norge Mineraler AS                 | Norway                   | Active  | 100%                       | 100%                       |
| Annexe IT Management Limited       | England & Wales          | Active  | 100%                       | 100%                       |
| Norge Energy Limited               | England & Wales          | Dormant | 100%                       | N/A                        |
| Norge Battery Limited              | England & Wales          | Dormant | 100%                       | N/A                        |
| Norge Battery Technologies Limited | England & Wales          | Dormant | 100%                       | N/A                        |
| Norge Administration Limited       | England & Wales          | Dormant | 100%                       | 100%                       |

8. Tangible Fixed Assets

|                                | Group<br>£ | Company<br>£ |
|--------------------------------|------------|--------------|
| <b>Cost</b>                    |            |              |
| As at 31 December 2019         | –          | –            |
| Additions                      | 7,725      | –            |
| As at 31 December 2020         | 7,725      | –            |
| Additions                      | 272,563    | 142,944      |
| <b>As at 30 June 2022</b>      | 280,288    | 142,944      |
| <b>Depreciation</b>            |            |              |
| As at 31 December 2019         | –          | –            |
| Charge for the year            | 1,186      | –            |
| As at 31 December 2020         | 1,186      | –            |
| Charge for the 18 month period | 41,150     | 15,223       |
| <b>As at 30 June 2022</b>      | 42,336     | 15,223       |
| <b>Net book value</b>          |            |              |
| As at 31 December 2019         | –          | –            |
| As at 31 December 2020         | 6,539      | –            |
| <b>As at 30 June 2022</b>      | 237,952    | 127,721      |

The assets disclosed above for the Company represent right of use assets being leased motor vehicles.

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9. Trade and Other Receivables

|                             | Group                                |  | Company                              |  |
|-----------------------------|--------------------------------------|--|--------------------------------------|--|
|                             | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
| Trade receivables           | –                                    | –  | –                                    | –  |
| Other receivables           | 283,088                              | 499,017                                  | 3,031                                | 490                                      |
| Due from subsidiaries       | –                                    | –  | 751,771                              | 3,960,516                                |
| Trade and other receivables | 283,088                              | 499,017                                  | 754,802                              | 3,961,006                                |

The fair value of these short-term financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value. The provision for impairment of trade and other receivables balance is not expected to be material.

10. Trade and Other Payables

|                                 | Group                                |  | Company                              |  |
|---------------------------------|--------------------------------------|--|--------------------------------------|--|
|                                 | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
| Trade payables                  | 1,039,770                            | 1,031,575                                | 117,560                              | 43,482                                   |
| Due to subsidiaries             | –                                    | –  | 3                                    | 200,000                                  |
| Other creditors                 | 30,397                               | 19,026                                   | –                                    | –  |
| Corporation tax                 | 1,916                                | 930                                      | –                                    | –  |
| Other taxes and social security | 82,539                               | 50,790                                   | 23,720                               | 16,173                                   |
| Accruals                        | 213,798                              | 140,515                                  | 156,502                              | 83,361                                   |
| Trade and other payables        | 1,368,420                            | 1,242,836                                | 297,785                              | 343,016                                  |

The majority of trade payables are amounts owed for drilling activities and geological advisory services. In addition, there are amounts owing for laboratory sampling of drill cores.

11. Loans

During the period a detailed review of the agreement under which the Convertible Loan funding has been advanced was undertaken. As the original agreement stated that the loan could only be converted into new ordinary shares the convertible loan balance has historically been recorded as equity. However, due to reasons set out in more detail in note 17, it has been decided that the terms of the agreement were such that the fair value of the convertible loan balance should have been recorded as a liability. Accordingly, a prior year adjustment has been made to restate the comparative figures. The loan is not subject to interest and the group has no other borrowings so is not impacted by the Interest rate Benchmark Reform – IBOR Phase 2.

A new Convertible Loan agreement was entered into prior to the period end to ensure that the terms meet the requirements of IAS 32 and so that the balance outstanding under the Convertible Loan at 30 June 2022 may be treated as equity.

|                  | Group                                |  | Company                              |  |
|------------------|--------------------------------------|--|--------------------------------------|--|
|                  | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
| Convertible loan | –                                    | 11,884,068                               | –                                    | 11,884,068                               |

11. Loans (continued)

The movement of the loan balance may be summarised as follows:

|   | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
|---|--------------------------------------|--|
| Balance at beginning of the period  | 11,884,068                           | 1,005,297                                |
| Cash funds advanced in period to 2 June 2022/during the year  | 18,380,000                           | 10,669,772                               |
| Finance costs in relation to Convertible Loan   | 3,855,799                            | 655,276                                  |
| Revaluation to fair value of Convertible Loan   | 3,621,148                            | (446,277)                                |
|   | 37,741,015                           | 11,884,068                               |
| Less: reclassification as <i>Other capital contributions</i> on modification of convertible loan agreement                  | (30,276,951)                         | –  |
| Less: reclassification as equity, and transferred to <i>Retained Earnings</i> on modification of convertible loan agreement | (7,464,064)                          | –  |
| Balance at end of period  | –                                    | 11,884,068                               |

12. Lease Liabilities

|                                     | Group                                |  | Company                              |  |
|-------------------------------------|--------------------------------------|--|--------------------------------------|--|
|                                     | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
| Amounts falling due within one year | 24,265                               | –  | 24,265                               | –  |
| Amounts falling due after one year  | 84,459                               | –  | 84,459                               | –  |
| Total lease liabilities             | 108,724                              | –  | 108,724                              | –  |

During the period, the Company entered into new lease agreements for company cars for the CEO and CFO.

13. Share Capital (Group and Company)

|  | 30 June<br>2022<br>£ | 31 December<br>2020<br>£ |
|--|----------------------|--------------------------|
| <b>Allotted, issued and fully paid Ordinary Shares of £0.000125 each</b> |                      |                          |
| 838,275,008 (2020: 808,000,008)  | 104,784              | 101,000                  |

On 9 June 2022, the Company issued 30,275,000 new ordinary shares of £0.000125 each at £1 per share, recorded as issued share capital of £3,784 (being the nominal value of the shares issued) and the balance forming share premium of £30,271,216. During the comparative period, on 25 November 2020 the Company issued 4,000,000 ordinary shares on exercise of a warrant.

Nature and purpose of reserves  
**Other reserve**

The other reserve amounting to £100,000 in each period reflects the balance arising on the acquisition of Norge Mineraler AS.

**Share based payments**

The share based payments reserve reflects the share based payments charge on warrants granted by the Company (see note 15).

**Foreign exchange**

The foreign exchange reserve reflects the differences arising on the translation of the balances of Norge Mineraler AS into Sterling as part of the consolidation of that company's results into the Group.



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14. Other Capital Contributions

|                             | Group                                |  | Company                              |  |
|-----------------------------|--------------------------------------|--|--------------------------------------|--|
|                             | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ | 18 months to<br>30 June<br>2022<br>£ | 12 months to<br>31 December<br>2020<br>£ |
| Other Capital Contributions | 928,376                              | –  | 928,376                              | –  |

Other capital has been contributed to the Company through a convertible loan. The historical treatment of the convertible loan has been determined to be to record as a liability at amortised cost details of which are set out in notes 11 and 17. However, a replacement convertible loan agreement was entered into on 2 June 2022 to amend the text such that the agreement is treated as an equity instrument which had been the original intention. The terms were also amended to increase the facility amount to £100 million and lengthen the drawdown period. The Company had drawn down £31.2 million as at 30 June 2022. The undrawn balance is available at any time during the period ending 31 December 2024, a further £6.3 million has been drawn since the period end. The loan does not attract interest and is not repayable other than by conversion into ordinary shares (see notes 11 and 17). Conversion is automatic on a conversion event which includes the event that the Company issues at least £5 million in equity in one transaction or on an exit event which includes either a trade sale or a listing of the Company's shares on a recognised investment exchange. By mutual agreement, an agreed amount of the drawn down balance may be capitalised at any time and on 9 June 2020 £30,275,000 representing substantially all of the drawn down amount on that date was capitalised. In all circumstances, the conversion price is set at £1 per share.

The replacement of the agreement as noted above is classified under IAS 32 as a "modification". As at the date of the modification, cash funds advanced under the convertible loan agreement amounted to £30,276,951 but the carrying amount of the liability held on the balance sheet in accordance with the IFRS 9 calculations stood at £37,741,015. Accordingly, on the modification event, £30,276,951 of the liability was transferred to the *Other capital contributions* reserve and the balance of £7,464,064 was transferred to Retained losses (see note 11).

15. Warrants

At 30 June 2022 there were 133,250,000 warrants outstanding. The warrants granted to Oliver Baring and Bert Nacken on 20 December 2018 were exercisable with effect from 20 June 2019. All other warrants were exercisable with immediate effect on grant. All warrants expire on the 5th anniversary of grant. Details of the outstanding warrants are set out in the following table:

| Name of warrant holder           | Date of grant     | Number of warrants |                     | Exercise price |
|----------------------------------|-------------------|--------------------|---------------------|----------------|
|                                  |                   | 30 June<br>2022    | 31 December<br>2020 |                |
| (a) Oliver Baring                | 20 December 2018  | 40,000,000         | 40,000,000          | £0.00025       |
| (a) Oliver Baring                | 03 March 2021     | 1,510,000          | –                   | £0.00025       |
| (a) Bert Nacken                  | 20 December 2018  | 40,000,000         | 40,000,000          | £0.00025       |
| (a) Bert Nacken                  | 03 March 2021     | 1,510,000          | –                   | £0.00025       |
| (b) Christian Gübeli             | 14 July 2020      | 10,200,000         | 10,200,000          | £0.00025       |
| (b) Christian Gübeli             | 05 March 2021     | 1,330,000          | –                   | £0.00025       |
| Savenco Holding AG               | 02 September 2020 | 1,000,000          | 1,000,000           | £0.00025       |
| Peter Schmid                     | 04 January 2021   | 11,000,000         | –                   | £0.00025       |
| Dr iur. Vincent Augustin         | 05 March 2021     | 25,250,000         | –                   | £0.00025       |
| (a) Ingvil Smines Tybring-Gjedde | 01 April 2021     | 350,000            | –                   | £0.08000       |
| (a) Bente Hagem                  | 01 April 2021     | 350,000            | –                   | £0.08000       |
| (c) Monika Øksnes                | 07 May 2021       | 100,000            | –                   | £0.08000       |
| Kristian Bader                   | 07 May 2021       | 650,000            | –                   | £0.08000       |
|                                  |                   | 133,250,000        | 91,200,000          |                |
| Share based payments charge      |                   | £288,405           | £11,200             |                |

(a) denotes current director. (b) denotes former director. (c) denotes current employee.

15. Warrants (continued)

The Company does not have a share option scheme only the above warrants. The share-based payments charge has been calculated using the Black Scholes method with the following assumptions made at the date of grant.

|  | Date of grant of warrant |              |                              |                          |
|--|--------------------------|--------------|------------------------------|--------------------------|
|  | December<br>2018         | July<br>2020 | January<br>and March<br>2021 | March<br>and May<br>2021 |
| <b>Black Scholes assumptions</b>               |                          |              |                              |                          |
| Risk free rate                                 | 0.92%                    | 0.36%        | 0.95%                        | 0.95%                    |
| Volatility                                     | 50%                      | 50%          | 50%                          | 50%                      |
| Market value assumption                        | £200,000                 | £1,000,000   | £5,000,000                   | £60,000,000              |
| Stock price implied by market value assumption | £0.000249                | £0.001238    | £0.006188                    | £0.074257                |
| Strike price                                   | £0.000250                | £0.000250    | £0.000250                    | £0.080000                |
| Maturity                                       | 19/12/2023               | 01/09/2025   | 25/03/2026                   | 06/05/2026               |

16. Financial Risk Management Policies and Objectives

Financial assets by category

The IFRS 9 categories of financial asset included in the consolidated and company statements of financial position and the headings in which they are included are as follows:

Group

|                             | Receivables held at<br>amortised cost |                          | Non-financial assets |                          | Statement of financial<br>position total |                          |
|-----------------------------|---------------------------------------|--------------------------|----------------------|--------------------------|--|--------------------------|
|                             | 30 June<br>2022<br>£                  | 31 December<br>2020<br>£ | 30 June<br>2022<br>£ | 31 December<br>2020<br>£ | 30 June<br>2022<br>£                     | 31 December<br>2020<br>£ |
| Trade and other receivables | 283,088                               | 499,017                  | –                    | –                        | 283,088                                  | 499,017                  |
| Cash and cash equivalents   | 2,819,161                             | 4,078,320                | –                    | –                        | 2,819,161                                | 4,078,320                |
| Total                       | 3,102,249                             | 4,577,337                | –                    | –                        | 3,102,249                                | 4,577,337                |

Company

|                             | Receivables held at<br>amortised cost |                          | Non-financial assets |                          | Statement of financial<br>position total |                          |
|-----------------------------|---------------------------------------|--------------------------|----------------------|--------------------------|--|--------------------------|
|                             | 30 June<br>2022<br>£                  | 31 December<br>2020<br>£ | 30 June<br>2022<br>£ | 31 December<br>2020<br>£ | 30 June<br>2022<br>£                     | 31 December<br>2020<br>£ |
| Trade and other receivables | 3,031                                 | 490                      | –                    | –                        | 3,031                                    | 490                      |
| Group receivables           | 751,771                               | 3,960,516                | –                    | –                        | 751,771                                  | 3,960,516                |
| Cash and cash equivalents   | 1,517,824                             | –                        | –                    | –                        | 1,517,824                                | –                        |
| Total                       | 2,272,626                             | 3,961,006                | –                    | –                        | 2,272,626                                | 3,961,006                |

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16. Financial Risk Management Policies and Objectives (continued)

Financial liabilities by category

The IFRS 9 categories of financial liability included in the consolidated and company statements of financial position and the headings in which they are included are as follows:

Group

|                          | Other financial liabilities at amortised cost |                       | Liabilities carried at fair value |                       | Liabilities not within the scope of IFRS9 |                       | Total             |                       |
|--------------------------|---|-----------------------|-----------------------------------|-----------------------|---|-----------------------|-------------------|-----------------------|
|                          | 30 June 2022<br>£                             | 31 December 2020<br>£ | 30 June 2022<br>£                 | 31 December 2020<br>£ | 30 June 2022<br>£                         | 31 December 2020<br>£ | 30 June 2022<br>£ | 31 December 2020<br>£ |
| Trade and other payables | 1,154,622                                     | 1,102,321             | –                                 | –                     | –   | –                     | 1,154,622         | 1,102,321             |
| Accruals                 | 213,798                                       | 140,515               | –                                 | –                     | –   | –                     | 213,798           | 140,515               |
| Loans                    | –   | 11,884,068            | –                                 | –                     | –   | –                     | –                 | 11,884,068            |
| Lease liabilities        | 108,724                                       | –                     | –                                 | –                     | –   | –                     | 108,724           | –                     |
| Total                    | 1,477,144                                     | 13,126,904            | –                                 | –                     | –   | –                     | 1,477,144         | 13,126,904            |

Company

|                          | Other financial liabilities at amortised cost |                       | Liabilities carried at fair value |                       | Liabilities not within the scope of IFRS9 |                       | Total             |                       |
|--------------------------|---|-----------------------|-----------------------------------|-----------------------|---|-----------------------|-------------------|-----------------------|
|                          | 30 June 2022<br>£                             | 31 December 2020<br>£ | 30 June 2022<br>£                 | 31 December 2020<br>£ | 30 June 2022<br>£                         | 31 December 2020<br>£ | 30 June 2022<br>£ | 31 December 2020<br>£ |
| Trade and other payables | 141,280                                       | 59,655                | –                                 | –                     | –   | –                     | 141,280           | 59,655                |
| Group payables           | 3   | 200,000               | –                                 | –                     | –   | –                     | 3                 | 200,000               |
| Accruals                 | 156,502                                       | 83,361                | –                                 | –                     | –   | –                     | 156,502           | 83,361                |
| Loans                    | –   | 11,884,068            | –                                 | –                     | –   | –                     | –                 | 11,884,068            |
| Lease liabilities        | 108,724                                       | –                     | –                                 | –                     | –   | –                     | 108,724           | –                     |
| Total                    | 406,509                                       | 12,227,084            | –                                 | –                     | –   | –                     | 406,509           | 12,227,084            |

The financial statements include an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. The categories are set out below.

- level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

16. Financial Risk Management Policies and Objectives (continued)

The initial fair value of loans from the convertible loan agreement has been calculated using the present value technique IFRS 13.B11(a) with cash flows arising discounted at fair market interest rate determined using the methodology set out in the principal accounting policies note above. The reconciliation of the opening and closing fair value balance for level 2 financial liabilities (the convertible loan (see notes 11 and 17) is provided below:

|  | Level 2 financial liabilities<br>£ |
|--|------------------------------------|
| At 1 January 2020  | 1,005,297                          |
| Fair value of loans advanced during the year                         | 10,223,495                         |
| Imputed interest charge  | 655,276                            |
| At 31 December 2020  | 11,884,068                         |
| Fair value of loans advanced during the 18-month period              | 22,001,148                         |
| Imputed interest charge  | 3,855,799                          |
| Transferred to Retained losses reserve (note 17)                     | (7,464,064)                        |
| Transferred to Other Capital Contributions on modification (note 17) | (30,276,951)                       |
| At 30 June 2022  | –                                  |

Credit risk

The Group and Company's principal financial assets are cash balances and other receivables. The Group considers trade and other receivables individually in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Group and Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the consolidated and company statements of financial position date, as summarised below:

|                             | Group     |           | Company   |           |
|-----------------------------|-----------|-----------|-----------|-----------|
|                             | 2021<br>£ | 2020<br>£ | 2021<br>£ | 2020<br>£ |
| Trade and other receivables | 283,088   | 499,017   | 3,031     | 490       |
| Due from subsidiaries       | –         | –         | 751,771   | 3,960,516 |
| Total                       | 283,088   | 499,017   | 754,802   | 3,961,006 |

None of the amounts included in trade and other receivables are past due or considered to be impaired.

Liquidity risk

The Group and Company seek to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The key funding for the group continues to be through the convertible loan agreement as modified. The Board do not believe that there has been any change in liquidity risk arising from the modification. The group is dependent upon continuing investment and financial support from Mr Wurmser to implement its business plan and to provide financial support. Mr Wurmser has extended his agreement to provide funding under a convertible loan to the Company of up to £100 million of which £31.2 million had been drawn at 30 June 2022 (2020: £12 million) leaving a balance of £68.8 million available to be drawn in the period ending 31 December 2024. A drawdown schedule has been discussed with Mr Wurmser designed to ensure that funding is available as required.

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements. For this purpose, they have prepared projected cash flow information to March 2024. These forecasts show that the funding is adequate to cover forecast costs. Whilst the Board is confident that it will continue to receive funding as and when required, it recognises that there exists a material uncertainty regarding the availability of future funding.



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For the 18-month period ended 30 June 2022

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16. Financial Risk Management Policies and Objectives (continued)

Maturity of financial liabilities

The Group's financial liabilities comprise trade and other payables and accruals which are due within one year and loans and lease liabilities with maturities as set out below:

18-month period ended 30 June 2022

|                          | Up to<br>3 months<br>£ | Between<br>3 and 12<br>months<br>£ | Between<br>1 and 2<br>years<br>£ | Between<br>2 and 5<br>years<br>£ |
|--------------------------|------------------------|------------------------------------|----------------------------------|----------------------------------|
| Trade and other payables | 1,368,420              | –                                  | –                                | –                                |
| Loans                    | –                      | –                                  | –                                | –                                |
| Lease liabilities        | 5,910                  | 18,355                             | 26,002                           | 58,457                           |
| <b>Total</b>             | 1,374,330              | 18,355                             | 26,002                           | 58,457                           |

Year ended 31 December 2020

|                          | Up to<br>3 months<br>£ | Between<br>3 and 12<br>months<br>£ | Between<br>1 and 2<br>years<br>£ | Between<br>2 and 5<br>years<br>£ |
|--------------------------|------------------------|------------------------------------|----------------------------------|----------------------------------|
| Trade and other payables | 1,242,836              | –                                  | –                                | –                                |
| Loans                    | –                      | –                                  | –                                | 11,884,068                       |
| Lease liabilities        | –                      | –                                  | –                                | –                                |
| <b>Total</b>             | 1,242,836              | –                                  | –                                | 11,884,068                       |

Foreign exchange risk

An analysis of the group's net monetary assets and liabilities by functional currency of the underlying companies at the period end is as follows:

At 30 June 2022

|                        | UK<br>£   | Norway<br>£ | Total<br>£ |
|------------------------|-----------|-------------|------------|
| Sterling (GBP)         | 2,271,915 | 218,067     | 2,489,982  |
| Norwegian Kronar (NOK) | –         | 320,982     | 320,982    |
| US Dollars             | 8,197     | –           | 8,197      |
| <b>Total</b>           | 2,280,112 | 539,049     | 2,819,161  |

At 31 December 2020

|                        | UK<br>£   | Norway<br>£ | Total<br>£ |
|------------------------|-----------|-------------|------------|
| Sterling (GBP)         | 3,964,754 | –           | 3,964,754  |
| Norwegian Kronar (NOK) | –         | 113,566     | 113,566    |
| <b>Total</b>           | 3,964,754 | 113,566     | 4,078,320  |

The table above indicates that the group's primary exposure on monetary assets and liabilities is to exchange rate movements between GB Pound Sterling and Norwegian Kronar. The table below shows the impact of potential changes in exchange rates and the result on the financial position of the group.

16. Financial Risk Management Policies and Objectives (continued)

|  | 30 June<br>2022<br>£ | 31 December<br>2020<br>£ |
|--|----------------------|--------------------------|
| Impact of 10% weakening in NOK against GBP     | 35,665               | 12,618                   |
| Impact of 10% strengthening in NOK against GBP | (29,180)             | (10,324)                 |
| Impact of 20% weakening in NOK against GBP     | 80,246               | 28,392                   |
| Impact of 20% strengthening in NOK against GBP | (53,497)             | (18,928)                 |

The Group has foreign exchange risk relating to costs incurred in Euros, Swedish Kronar and Norwegian Kronar. The level of such costs is becoming increasingly material. Such costs have been settled at spot rates as the costs arise. The Group does not have a policy to hedge arrangements but will continue to keep this under review.

Capital risk management

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for the shareholders and can continue to progress its exploration and mining strategy;
- to support the Group's stability and growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability.

The Group monitors capital on the basis of the carrying amount of equity and cash and cash equivalents as presented on the face of the statement of the financial position. As noted above, the Board do not believe that the modification of the convertible loan agreement has any impact on risks faced by the business.

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The management regards total equity as capital and reserves, for capital management purposes.

17. Prior Year Adjustments

(a) Restatement of Goodwill

Historically the goodwill arising on consolidation of Norge Mineraler AS has been held on that balance sheet as a separate item. Having conducted a review of all accounting policies and treatments it has been decided that the balance should be treated as part of the underlying Exploration and Evaluation intangible asset as this better reflects the nature of the balance. The correction of this error in accounting treatment has been recorded as a prior year adjustment and the impact is set out in the tables below.

(b) Treatment of Convertible Loan

The original convertible loan was recognised as equity in 2019 and 2020 in error. Per terms of the original agreement the loan amount advanced was to be converted into fully paid ordinary shares at the conversion price in the occurrence of the conversion event. Whilst the agreement contained a clause which stated that the loan balance could only be capitalised into new shares, the Company had contractual obligation to deliver a number of shares that varied so that the fair value of the shares delivered equaled certain values dependent on the terms of the conversion event (see Note 14). For this reasons, under IAS 32, the original convertible loans should have been classified as financial liability instead of equity. To correct the error, Other capital - Convertible loan of £1,277,179 and £11,896,961 in 2019 and 2020 respectively were reclassified to non-current loans. The impact of the difference of the carrying amount of the loans measured at amortised cost and the original balance in Other capital - Convertible loan of £221,882 (finance income) and £208,999 (finance cost) respectively for 2019 and 2020 is recognised in retained deficit and finance cost in income statement respectively. This adjustment has the same impact to the Company and Consolidated financial statements and it results in a decrease of £1,005,297 and £11,884,068 in net assets of the Group and the Company in 2019 and 2020 respectively. The Company and Consolidated Cash flow statements of 2020 have been restated accordingly following the corrections.

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For the 18-month period ended 30 June 2022

17. Prior Year Adjustments (continued)

(c) Treatment of Intangible assets

In 2019 Norge Mining Limited in error capitalised the incurred Exploration and Evaluation expenditure in its statement of financial position. The expenditure should have been recognised as an investment in subsidiary, as the costs were incurred on behalf of the subsidiary that holds exploration licenses. As a result of this £891,969 has been reclassified from intangible assets to investment in subsidiary in the company statement of financial position as at 31 December 2019. There is no impact on the consolidated statement of financial position as the result of this error. There is no impact on the net assets of the Company and the Group.

The Company also misstated the cash flow of ‘transfer of intangible asset to subsidiary’ and ‘investment in subsidiaries’ in the Company statement of cash flow of 2020 by the same amount as a result of this error. The respective line of the Company statement of cash flow for 2020 was restated accordingly.

(d) Cash flow restatement

The Consolidated cash flow statement of 2020 has incorrectly included £870,699 of non-cash acquisition of intangible assets as cash outflow from investing activities and an increase in trade and other payables under operating activities. The respective line in the consolidated cash flow statement has been adjusted accordingly to correct this error. There is no impact on the net cash flows or other primary statements of the consolidated financial statements.

Set out below are tables showing the impact of the prior year adjustments on the primary statements in these accounts.

Consolidated statement of total comprehensive income

|   | Year to 31 December 2020 |                 |                  |
|---|--------------------------|-----------------|------------------|
|   | Original<br>£            | Adjustment<br>£ | As restated<br>£ |
| See note 17(b)  |                          |                 |                  |
| Finance (costs)/income in relation to Convertible Loan                          | –                        | (208,999)       | (208,999)        |
| Administrative expenses   | (1,499,152)              | –               | (1,499,152)      |
| (Loss)/income from operations before taxation                                   | (1,499,152)              | (208,999)       | (1,708,151)      |
| (Loss)/income before taxation   | (1,499,152)              | (208,999)       | (1,708,151)      |
| Taxation  | (930)                    | –               | (930)            |
| (Loss)/income for the year  | (1,500,082)              | (208,999)       | (1,709,081)      |
| <b>Other comprehensive losses</b>   |                          |                 |                  |
| Foreign exchange movement   | (20,049)                 | –               | (20,049)         |
| Loss after taxation, and loss attributable to the equity holders of the Company | (1,520,131)              | (208,999)       | (1,729,130)      |
| <b>Loss per share</b>   |                          |                 |                  |
| Basic and diluted loss per share (pence)  | (0.186)                  |                 | (0.212)          |

17. Prior Year Adjustments (continued)

Consolidated statement of financial position

|                                   | Note  | As at 31 December 2020 |                 |                  | As at 1 January 2020 |                 |                  |
|-----------------------------------|-------|------------------------|-----------------|------------------|----------------------|-----------------|------------------|
|                                   |       | Original<br>£          | Adjustment<br>£ | As restated<br>£ | Original<br>£        | Adjustment<br>£ | As restated<br>£ |
| <b>Assets</b>                     |       |                        |                 |                  |                      |                 |                  |
| <b>Non-current</b>                |       |                        |                 |                  |                      |                 |                  |
| Intangible assets                 | 17(a) | 6,558,936              | 195,568         | 6,754,504        | 891,969              | 195,568         | 1,087,537        |
| Goodwill arising on consolidation | 17(a) | 195,568                | (195,568)       | –                | 195,568              | (195,568)       | –                |
|                                   |       | 6,754,504              | –               | 6,754,504        | 1,087,537            | –               | 1,087,537        |
| Tangible fixed assets             |       | 6,539                  | –               | 6,539            | –                    | –               | –                |
| Total non-current assets          |       | 6,761,043              | –               | 6,761,043        | 1,087,537            | –               | 1,087,537        |
| <b>Current</b>                    |       |                        |                 |                  |                      |                 |                  |
| Trade and other receivables       |       | 499,017                | –               | 499,017          | 36,500               | –               | 36,500           |
| Cash and cash equivalents         |       | 4,078,320              | –               | 4,078,320        | 12,476               | –               | 12,476           |
| Total current assets              |       | 4,577,337              | –               | 4,577,337        | 48,976               | –               | 48,976           |
| Total assets                      |       | 11,338,380             | –               | 11,338,380       | 1,136,513            | –               | 1,136,513        |
| <b>Liabilities</b>                |       |                        |                 |                  |                      |                 |                  |
| <b>Current</b>                    |       |                        |                 |                  |                      |                 |                  |
| Trade and other payables          |       | 1,242,836              | –               | 1,242,836        | 202,310              | –               | 202,310          |
| Lease liabilities                 |       | –                      | –               | –                | –                    | –               | –                |
| Total current liabilities         |       | 1,242,836              | –               | 1,242,836        | 202,310              | –               | 202,310          |
| <b>Non-current</b>                |       |                        |                 |                  |                      |                 |                  |
| Loans                             | 17(b) | –                      | 11,884,068      | 11,884,068       | –                    | 1,005,297       | 1,005,297        |
| Lease liabilities                 |       | –                      | –               | –                | –                    | –               | –                |
| Total non-current liabilities     |       | –                      | 11,884,068      | 11,884,068       | –                    | 1,005,297       | 1,005,297        |
| Total liabilities                 |       | 1,242,836              | 11,884,068      | 13,126,904       | 202,310              | 1,005,297       | 1,207,607        |
| <b>Equity</b>                     |       |                        |                 |                  |                      |                 |                  |
| Issued share capital              |       | 101,000                | –               | 101,000          | 100,500              | –               | 100,500          |
| Share premium                     |       | –                      | –               | –                | –                    | –               | –                |
| Other reserve                     |       | 100,000                | –               | 100,000          | 100,000              | –               | 100,000          |
| Other capital Contributions       | 17(b) | 11,896,951             | (11,896,951)    | –                | 1,227,179            | (1,227,179)     | –                |
| Share based payment reserve       |       | 12,180                 | –               | 12,180           | 980                  | –               | 980              |
| Foreign currency translation      |       | (20,049)               | –               | (20,049)         | –                    | –               | –                |
| Retained losses                   | 17(b) | (1,994,538)            | 12,883          | (1,981,655)      | (494,456)            | 221,882         | (272,574)        |
| Total equity                      |       | 10,095,544             | (11,884,068)    | (1,788,524)      | 934,203              | (1,005,297)     | (71,094)         |
| Total equity and liabilities      |       | 11,338,380             | –               | 11,338,380       | 1,136,513            | –               | 1,136,513        |



Notes to the Financial Statements

For the 18-month period ended 30 June 2022

Notes to the Financial Statements

For the 18-month period ended 30 June 2022

17. Prior Year Adjustments (continued)

Company statement of financial position

|   | Note  | As at 31 December 2020 |                 |                  | As at 1 January 2020 |                 |                  |
|---|-------|------------------------|-----------------|------------------|----------------------|-----------------|------------------|
|   |       | Original<br>£          | Adjustment<br>£ | As restated<br>£ | Original<br>£        | Adjustment<br>£ | As restated<br>£ |
| See note 17(b)                                  | Note  |                        |                 |                  |                      |                 |                  |
| <b>Assets</b>                                   |       |                        |                 |                  |                      |                 |                  |
| <b>Non-current</b>                              |       |                        |                 |                  |                      |                 |                  |
| Intangible assets                               | 17(c) | –                      | –               | –                | 891,969              | (891,969)       | –                |
| Investment in subsidiary                        | 17(c) | 6,850,750              | –               | 6,850,750        | 100,750              | 891,969         | 992,719          |
|   |       | 6,850,750              | –               | 6,850,750        | 992,719              | –               | 992,719          |
| Tangible fixed assets                           |       | –                      | –               | –                | –                    | –               | –                |
| Total non-current assets                        |       | 6,850,750              | –               | 6,850,750        | 992,719              | –               | 992,719          |
| <b>Current</b>                                  |       |                        |                 |                  |                      |                 |                  |
| Trade and other receivables                     | 17(c) | 3,961,006              | –               | 3,961,006        | 48,556               | –               | 48,556           |
| Cash and cash equivalents                       |       | –                      | –               | –                | –                    | –               | –                |
| Total current assets                            |       | 3,961,006              | –               | 3,961,006        | 48,556               | –               | 48,556           |
| Total assets                                    |       | 10,811,756             | –               | 10,811,756       | 1,041,275            | –               | 1,041,275        |
| <b>Liabilities</b>                              |       |                        |                 |                  |                      |                 |                  |
| <b>Current</b>                                  |       |                        |                 |                  |                      |                 |                  |
| Trade and other payables                        |       | 343,016                | –               | 343,016          | 382,603              | –               | 382,603          |
| Lease liabilities                               |       | –                      | –               | –                | –                    | –               | –                |
| Total current liabilities and total liabilities |       | 343,016                | –               | 343,016          | 382,603              | –               | 382,603          |
| <b>Non-current</b>                              |       |                        |                 |                  |                      |                 |                  |
| Loans   | 17(b) | –                      | 11,884,068      | 11,884,068       | –                    | 1,005,297       | 1,005,297        |
| Lease liabilities                               |       | –                      | –               | –                | –                    | –               | –                |
| Total non-current liabilities                   |       | –                      | 11,884,068      | 11,884,068       | –                    | 1,005,297       | 1,005,297        |
| Total liabilities                               |       | 343,016                | 11,884,068      | 12,227,084       | 382,603              | 1,005,297       | 1,387,900        |
| <b>Equity</b>                                   |       |                        |                 |                  |                      |                 |                  |
| Issued share capital                            |       | 101,000                | –               | 101,000          | 100,500              | –               | 100,500          |
| Share premium                                   |       | –                      | –               | –                | –                    | –               | –                |
| Other capital Contributions                     | 17(b) | 11,896,951             | (11,896,951)    | –                | 1,227,179            | (1,227,179)     | –                |
| Share based payment reserve                     |       | 12,180                 | –               | 12,180           | 980                  | –               | 980              |
| Foreign currency translation                    |       | –                      | –               | –                | –                    | –               | –                |
| Retained losses                                 | 17(b) | (1,541,391)            | 12,883          | (1,528,508)      | (669,987)            | 221,882         | (448,105)        |
| Total equity                                    |       | 10,468,740             | (11,884,068)    | (1,415,328)      | 658,672              | (1,005,297)     | (346,625)        |
| Total equity and liabilities                    |       | 10,811,756             | –               | 10,811,756       | 1,041,275            | –               | 1,041,275        |

17. Prior Year Adjustments (continued)

Consolidated statement of cash flows

|   | Year to 31 December 2020 |                 |                  |
|---|--------------------------|-----------------|------------------|
|   | Original<br>£            | Adjustment<br>£ | As restated<br>£ |
| See note 17(b)  |                          |                 |                  |
| <b>Cash flows from operating activities</b>           |                          |                 |                  |
| <b>Continuing operations</b>                          |                          |                 |                  |
| Loss before taxation                                  | (1,499,152)              | (208,999)       | (1,708,151)      |
| Share based payments                                  | 11,200                   | –               | 11,200           |
| Depreciation charge                                   | 1,186                    | –               | 1,186            |
| Finance cost/(income) in relation to Convertible loan | –                        | 208,999         | 208,999          |
| (Increase) in trade and other receivables             | (462,517)                | –               | (462,517)        |
| Increase in trade and other payables                  | 1,039,596                | (870,699)       | 168,897          |
| Net cash outflow from operating activities            | (909,687)                | (870,699)       | (1,780,386)      |
| <b>Cash flows from investing activities</b>           |                          |                 |                  |
| Payments to acquire intangible assets                 | (5,666,967)              | 870,699         | (4,796,268)      |
| Payments to acquire tangible fixed assets             | (7,725)                  | –               | (7,725)          |
| Net cash outflow from investing activitives           | (5,674,692)              | 870,699         | (4,803,993)      |
| <b>Cash flows from financing activities</b>           |                          |                 |                  |
| Proceeds from issue of share capital                  | 500                      | –               | 500              |
| Proceeds from other capital                           | 10,669,772               | (10,669,772)    | –                |
| Proceeds from borrowing                               | –                        | 10,669,772      | 10,669,772       |
| Proceeds from lease liabilities                       | –                        | –               | –                |
| Net cash inflow from financing activities             | 10,670,272               | –               | 10,670,272       |
| Net change in cash and cash equivalents               | 4,085,893                | –               | 4,085,893        |
| Cash and cash equivalents at beginning of the year    | 12,476                   | –               | 12,476           |
| Exchange (losses) on cash and cash equivalents        | (20,049)                 | –               | (20,049)         |
| Cash and cash equivalents at the end of the year      | 4,078,320                | –               | 4,078,320        |

Notes to the Financial Statements

For the 18-month period ended 30 June 2022

Notes to the Financial Statements

For the 18-month period ended 30 June 2022

17. Prior Year Adjustments (continued)

Company statement of cash flows

|  | Notes | Year to 31 December 2020 |                 |                  |
|--|-------|--------------------------|-----------------|------------------|
|  |       | Original<br>£            | Adjustment<br>£ | As restated<br>£ |
| <b>Cash flows from operating activities</b>            |       |                          |                 |                  |
| <b>Continuing operations</b>                           |       |                          |                 |                  |
| Loss before taxation                                   | 17(b) | (871,404)                | (208,999)       | (1,080,403)      |
| Share based payments                                   |       | 11,200                   | –               | 11,200           |
| Depreciation charge                                    |       | –                        | –               | –                |
| Finance costs/(income) in relation to Convertible loan | 17(b) | –                        | 208,999         | 208,999          |
| Increase in trade and other receivables                |       | (3,912,450)              | –               | (3,912,450)      |
| Increase/(decrease) in trade and other payables        |       | (39,587)                 | –               | (39,587)         |
| Net cash outflow from operating activities             |       | (4,812,241)              | –               | (4,812,241)      |
| <b>Cash flows from investing activities</b>            |       |                          |                 |                  |
| Investment in subsidiaries                             | 17(c) | (6,750,000)              | 891,969         | (5,858,031)      |
| Payments to acquire tangible fixed assets              | 17(c) | –                        | –               | –                |
| Transfer of intangible asses to subsidiary             | 17(c) | 891,969                  | (891,969)       | –                |
| Net cash outflow from investing activitives            |       | (5,858,031)              | –               | (5,858,031)      |
| <b>Cash flows from financing activities</b>            |       |                          |                 |                  |
| Proceeds from issue of share capital                   |       | 500                      | –               | 500              |
| Proceeds from other capital                            | 17(b) | 10,669,772               | (10,669,772)    | –                |
| Proceeds from borrowing                                | 17(b) | –                        | 10,669,772      | 10,669,772       |
| Proceeds from lease liabilities                        |       | –                        | –               | –                |
| Net cash inflow from financing activities              |       | 10,670,272               | –               | 10,670,272       |
| Net change in cash and cash equivalents                |       | –                        | –               | –                |
| Cash and cash equivalents at beginning of the year     |       | –                        | –               | –                |
| Cash and cash equivalents at the end of the year       |       | –                        | –               | –                |

18. Related Party Transactions

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

In addition to his fees as a director, Bert Nacken provides consultancy services to the group. During the period fees amounting to £246,820 (2020: £38,060) were paid to Mr Nacken and at 30 June 2022 £9,020 (2020: £4,290) was owed to Mr Nacken. In addition to her fees as a director, Ingvil Smines Tybring-Gjedde provides consultancy services to the group. During the period fees amounting to £44,000 were paid to Mrs Tybring-Gjedde and at 30 June 2022 £2,737 (NOK 33,000) (2020: £nil) was owed to Mrs Tybring-Gjedde.

During the period 1,510,000 additional warrants were issued to each of Oliver Baring and Bert Nacken, 1,330,000 warrants were issued to former director Christian Gübeli and 350,000 warrants were issued to each of Bente Hagem and Ingvil Tybring-Gjedde. Full details are set out in Note 15. No warrants have been issued since the period end.

At 30 June 2022 Creditors falling due within one year included an amount of £93 (2020: £1,105) owed to John Vergopoulos in respect of expenses incurred.

During the period fees amounting to £nil (2020: £2,000 plus VAT of £400) were paid to Kitwell Administration Limited for company secretarial and administrative services, a Company owned by Mike Hirschfield, CFO. No balance was outstanding at 30 June 2022 (2020 £297.15 was accrued as owing to Kitwell Administration Limited).

The ultimate controlling party is Michael Wurmser through a 49.39% (2020: 52.35%) holding in the ordinary share capital of Norge Mining Limited. As at 30 June 2022, Mr Wurmser had advanced £31,203,376 (2020: £11,896,951) to the Company under the Convertible Loan Agreement (note 14). On 9 June 2022 £30,275,000 of the amount advanced was capitalised into 30,275,000 new ordinary shares.

19. Post Balance Sheet Events

Since the balance sheet date a further £6.3 million has been advanced by Mr Wurmser.



Company Information

|                              |  |
|------------------------------|--|
| Company registration number: | 11703765   |
| Registered office:           | 4th Floor, 43 Berkeley Square<br>London<br>W1J 5FJ   |
| Directors:                   | Oliver Baring<br>John Vergopoulos<br>Mike Hirschfield<br>Bert Nacken<br>Gunnar Holen (resigned 30 March 2022)<br>Ingvil Smines Tybring-Gjedde<br>Bente Hagem<br>Olav Skalmerraas |
| Secretary:                   | Kitwell Administration Limited<br>High Turnshaw Farm<br>Pickles Hill, Oldfield<br>BD22 0RY   |
| Bankers:                     | MBaer Merchant Bank AG<br>Holbeinstrasse 25<br>CH-8008 Zürich<br>Switzerland<br><br>HSBC UK Bank plc<br>31 Chequer Street,<br>St Albans<br>Hertfordshire<br>AL1 3YN              |
| Solicitors:                  | Fladgate LLP<br>16 Great Queen Street<br>London<br>WC2B 5DG  |
| Auditor:                     | BDO LLP<br>55 Baker Street<br>London<br>W1U 7EU  |

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## Registered Office (UK)

Norge Mining Limited  
4th Floor  
43 Berkeley Square  
London, W1J 5FJ  
United Kingdom

## Norway Office

Norge Mineraler AS  
Langholmveien 6,  
4373 Egersund  
Norway



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.



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for an environmental management  
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