LISTING PROSPECTUS

Rana Gruber ASA

(A public limited liability company organised under the laws of Norway)

Listing of the Shares in Rana Gruber ASA on Oslo Børs

This prospectus (the "**Prospectus**") has been prepared by Rana Gruber ASA, a public limited liability company incorporated under the laws of Norway (the "**Company**" or "**Rana Gruber**") solely for use in connection with the listing (the "**Listing**") of the Company's shares (the "**Shares**") on Oslo Børs, a regulated market operated by Oslo Børs ASA ("**Oslo Børs**").

On 12 January 2022, the Company applied for the Shares to be admitted to listing and trading on Oslo Børs, and simultaneously for a delisting of the Shares on Euronext Growth, a multilateral trading facility operated by Oslo Børs ASA. The Company's application for admission to listing and trading on Oslo Børs was approved by the board of directors of Oslo Børs ASA on 23 February 2022.

The first day of listing and trading in the Shares on Oslo Børs is expected to be on or about 28 March 2022. The Shares will be listed on Oslo Børs under the ticker code "RANA".

The Shares are registered in the Norwegian Central Securities Depository (the **"Norwegian CSD**") in book-entry form. All Shares rank in parity with one another and carry one vote. Except where the context otherwise requires, references in this Prospectus to the Shares refer to all issued and outstanding ordinary shares of the Company.

Investing in the Shares involves a high degree of risk. Prospective investors should read the entire Prospectus and, in particular, consider Section 2 "Risk factors" before investing in the Shares and the Company.

This Prospectus does not constitute an offer or an invitation to buy, subscribe or sell the securities described herein, and the Prospectus relates solely to the Listing.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities law of any such jurisdiction. See Section 15 "Selling and transfer restrictions".

Managers

Clarksons Platou Securities AS | **DNB Markets** | **SpareBank 1 Markets AS**

The date of this Prospectus is 25 March 2022

IMPORTANT INFORMATION

This Prospectus has been prepared solely for use in connection with the Listing of the Shares on Oslo Børs. Please see Section 17 "Definitions and glossary" for definitions of terms used throughout this Prospectus.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language. This Prospectus has been approved by the Financial Supervisory Authority of Norway (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Clarksons Platou Securities AS, DNB Markets, a part of DNB Bank ASA, and SpareBank 1 Markets AS have acted as the Company's financial advisors in connection with the Listing (the "**Managers**").

No person is authorised to give information or to make any representation concerning the Company or in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or the Managers or by any of the affiliates, representatives, advisers or selling agents of any of the foregoing.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the listing of the Shares on Oslo Børs, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstances imply that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

No Shares or any other securities are being offered or sold in any jurisdiction pursuant to this Prospectus. The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, subscribe or sell any of the Shares in any jurisdiction in which such offer, sale or subscription would be unlawful. No one has taken any action that would permit a public offering of the Shares. Accordingly, neither this Prospectus nor any advertisement may be distributed or published in any jurisdiction except under circumstances that is in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. In addition, the Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. See Section 15 "Selling and transfer restrictions" for further information.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its content is prohibited.

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Listing or this Prospectus.

Investing in the Shares involves a high degree of risk. See Section 2 "Risk factors".

In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Company, including the merits and risks involved. Neither the Company or the Managers, or any of their respective affiliates, representatives, advisers or selling agents, are making any representation to any purchaser of the Shares regarding the legality or suitability of an investment in the Shares by such purchaser under the laws applicable to such purchaser. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

All Sections of the Prospectus should be read in context with the information included in Section 4 "General information".

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Company's shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

The members of the Company's board of directors (the "**Board of Directors**" or the "**Board**") and the members of the senior management of the Company (the "**Management**") are not residents of the United States, and the Company's assets are located outside the United States. As a result, it may be difficult for investors in the United States to effect service of process on the Company or its board members and members of Management in the United States or to enforce in the United States judgments obtained in U.S. courts against the Company or those persons, including judgments based on the civil liability provisions of the securities laws of the United States or any State or territory within the United States. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its board members or members of the Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its board members or members of the Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway. The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters.

Similar restrictions may apply in other jurisdictions.

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APPENDICES

1. SUMMARY

Introduction

Warnings.....	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. An investment in the Company's Shares involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
The securities	The Company has one class of shares in issue. The existing Shares are registered in book-entry form with VPS with international securities identification number ("**ISIN**") NO 001 0907389.
The issuer	The Company's name is Rana Gruber ASA, with business registration number 953 049 724 in the Norwegian Register of Business Enterprises and legal entity identifier ("**LEI**") 5493003MBTQHX9VNKN13. Its registered office is at Mjølanveien 29, 8622 Mo i Rana, Norway, with headquarter at the same address. The main telephone number at the headquarter is +47 75 13 73 00. The Company's website is www.ranagruber.no.
Competent authority	The Prospectus was approved by the Financial Supervisory Authority of Norway as competent authority, with business registration number 840 747 972, registered address at Revierstredet 3, 0151 Oslo, Norway, telephone number +47 22 93 98 00 and e-mail: post@finanstilsynet.no. The Prospectus was approved on 25 March 2022.

Key information on the issuer

Who is the issuer of the securities?

Corporate information.....	The Company is a public limited liability company existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company was incorporated on 28 August 1989, its registration number in the Norwegian Register of Business Enterprises is 953 049 724 and its LEI is 5493003MBTQHX9VNKN13.
Principal activities ..	Rana Gruber is one of Norway's largest companies within mining and iron ore beneficiation, with products based on its own natural mineral resources, upgraded and tailored for applications and exported to customers worldwide. The Company produces and sells iron ore concentrate, and primarily serves steel producers and participants in the chemical industry. Rana Gruber operates own mines with iron ore deposits. The mines are located approximately 35 kilometers north east from the city Mo i Rana in Norway, in Storforshei and Ørtfjell, located in the area called the Dunderland Valley. The iron ore production takes place at the Company's iron ore deposits at Ørtfjell as open pit production and underground operation. The Company's processing

plant is also located near Mo i Rana, more precisely in Gullsmedvik, with direct access to the Company own port and railway connection.

Major shareholders — Shareholders owning more than 5% if the Shares have an interest in the Company's share capital that is notifiable pursuant to the Norwegian Securities Trading Act. As of the date of this Prospectus, no shareholder other than Leonhard Nilsen & Sønner – Eiendom AS and Hi Capital AS hold more than 5% of the Shares.

Key managing directors .....

Name	Position
Gunnar Moe	Chief Executive Officer
Erlend Høyen	Chief Financial Officer
Stein Tore Bogen Liljenström	Chief Operation Officer
Anita Brattaas Mikalsen	HR Director

Statutory auditor .... The Company's statutory auditor is Ernst & Young AS, with business registration number 976 389 387 in the Norwegian Register of Business Enterprises and registered address at Dronning Eufemias gate 6A, 0191 Oslo, Norway.

What is the key financial information regarding the issuer?

Selected historical key financial information ..... The tables below set out selected financial information for the Company for the financial years ended 31 December 2021 and 2020, prepared in accordance with IFRS as adopted by the EU. The selected financial information set out below has been extracted from the Company's audited consolidated financial statements as of and for the financial years ended 31 December 2021 and 2020, prepared and restated in accordance with IFRS.

Income statement and other comprehensive income

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
	IFRS (audited)	*IFRS (audited)*
Revenue	1,668,429	1,549,749
Changes in inventories	44,190	7,959
Raw materials and consumables used	(327,567)	(307,580)
Employee benefits expenses	(258,611)	(214,292)
Depreciation and amortisation	(174,247)	(148,702)
Other operating expenses	(189,106)	(144,445)
Operating profit/(loss)	**763,088**	**742,688**
Financial income	541	6,609
Financial expenses	(12,439)	(27,906)
Other financial gains/(losses)	8,555	(363,823)
Profit/(loss) before income tax	**759,745**	**357,568**
Income tax expense	(167,697)	(78,681)
Profit/(loss) for the year	**592,048**	**278,887**

Statement of financial position

(In NOK thousand)	Year ended 31 December	
	2021	**2020**
	IFRS (audited)	*IFRS (audited)*
Total non-current assets	572,968	732,351
Total current assets	556,714	395,044
Total assets	**1,129,682**	**1,127,395**
Total equity	**581,811**	**378,696**
Total non-current liabilities	130,480	316,814
Total current liabilities	417,391	431,885
Total liabilities	**547,871**	**748,699**
Total equity and liabilities	**1,129,682**	**1,127,395**

Statement of cash flow

(In NOK thousand)	Year ended 31 December	
	2021	**2020**
	IFRS (audited)	*IFRS (audited)*
Net cash flow from operating activities	868,445	520,886
Net cash flow provided by / (used in) investment activities	8,286	(95,843)
Net cash flow used in financing activities	(637,363)	(409,697)
Net increase in cash and cash equivalents	239,369	15,346
Cash and cash equivalents at the end of the period	264,363	24,994

What are the key risks that are specific to the issuer?

Key risks specific to the issuer .....

- Decreases in iron ore prices and increases in freight costs may have a material adverse effect on the Company's business, results, profitability and financial position.
- The Company is dependent on a few key suppliers and contractors which subject the Company to, among others, risk of delays in deliveries and production, disruption in operations and increased costs.
- The Company is highly dependent on its agreement with Cargill International Trading Pte Ltd as it has agreed to purchase the Company's entire annual production of hematite iron ore for steel making applications.
- The Company may experience practical and/or technical problems in the operation of its processing plants.
- There are risks related to the estimation of ore/mineral reserves, mineral resources and metallurgical sampling and studies, and there is a risk that measured, indicated and inferred mineral resources cannot be converted into mineral reserves.

- The Company's development and operating activities involve a high degree of risk, and the Company is subject to risks related to health and safety hazards.

- The Company's business may lead to pollution and damage to the environment, and may expose the Company to negative attention and consequently harm its reputation.

- The Company may not be able to acquire and profitably develop ore/mineral reserves which is required by the Company in order to continue its production activities.

- The Company's business is subject to currency and exchange rate risk as the majority of the Company's products are sold in USD, most of its specialty products are sold in EUR and most of its costs are denominated in NOK.

- The Company is dependent on permits and registration in order to carry out its operations, and there is a risk that such permits and registration may be withdrawn, amended or not renewed.

- The Company is subject to several laws and regulation in relation to its business, for example, exploration, development, mining and construction operations in Norway are subject to a variety of general and industry-specific laws, regulations and permits.

Key information the securities

What are the main features of the securities?

Type, class and ISIN	All Shares in the Company are common shares and have been created under the Norwegian Public Limited Companies Act. The Shares are registered in book-entry form in VPS with ISIN NO 001 0907389.
Currency, number of shares and nominal value	The Shares are issued in NOK and will traded in NOK on Oslo Børs. As of the date of this Prospectus, the Company's registered share capital is NOK 9,348,000 divided on 37,392,000 Shares, each with a nominal value of NOK 0.25.
Rights attaching to the securities.....	The Company has one class of Shares and all Shares carry equal rights in the Company in accordance with the Norwegian Public Limited Companies Act. Each Share carries one vote.
Restrictions on transfer.....	The Shares are freely transferable. The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal upon transfer of the Shares. Share transfers are not subject to approval by the Board of Directors.
Dividend and dividend policy	The Company will strive to follow a dividend policy favourable to its shareholders. The amount of any dividend to be distributed will be dependent on, inter alia, the Company's investment requirements and rate of growth. Pursuant to the Company's dividend policy, applicable from the Q1 2022 dividends scheduled to be paid from Q2 2022, the Company will target to distribute 50-70 percent of its adjusted net profit as quarterly dividends. The

Board of Directors may decide that 0-30 percent of the allocated dividend amount can be applied for acquisition of own Shares.

Adjusted net profit shall for the purpose of the dividend policy constitute the IFRS based net profit after tax, adjusted for unrealised gains and losses from the Company's portfolio of hedging positions related to iron ore, USD and freight, which does not impact the shipments concluded in the quarter. The Board of Directors can also adjust for larger specific events that it does not consider to be of relevance for normal business.

There can be no assurance that in any given quarter or financial year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy. In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account legal restrictions as well as capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility.

Where will the securities be traded?

Admission to trading

The Company applied for the Listing of its Shares on Oslo Børs on 12 January 2022 and the board of directors of Oslo Børs approved the listing application on 23 February 2022. The Company expects commencement in trading of its Shares on Oslo Børs on or about 28 March 2022. The Company has not applied for admission to trading of its Shares on any other stock exchange, regulated market or multilateral trading facility.

What are the key risks that are specific to the securities?

Key risks specific to the securities.....

- The price of the Shares could fluctuate significantly.
- Future sales or the possibility of future sales, of substantial numbers of Shares could affect the Shares' market price.
- Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares.
- The Company's ability to pay dividends in accordance with its dividend policy or otherwise is dependent on the availability of distributable reserves and the Company may be unable, unwilling or restricted to pay any dividends in the future.
- Market interest rates could influence the price of the Shares.
- The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions.

Key information on the admission to trading on a regulated market

Why is the Prospectus being produced?

Reasons for the offer/admission to trading.....

This Prospectus has been prepared in order to facilitate the Listing of the Shares on Oslo Børs.

Use of proceeds .....

There will not be any proceeds in connection with the Listing since there will not be carried out any offering of Shares in connection with the Listing.

Underwriting agreements.....

Not applicable.

Conflicts of interest	..	There are no conflict of interests in connection with the Listing.

2. RISK FACTORS

An investment in the Company and the Shares involves inherent risk. Before making an investment decision with respect to the Shares, investors should carefully consider the risk factors set out in this Section 2 and all information contained in this Prospectus. The risks and uncertainties described in this Section 2 are the known principal risks and uncertainties faced by the Company as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors included in this Section 2 are not exhaustive with respect to all risks relating to the Company and the Shares, but are limited to risk factors that are considered specific and substantial to the Company and the Shares. The risk factors are presented in a limited number of categories, where each risk factor is placed in the most appropriate category based on the nature of the risk it represents. Within each category, the risk factors deemed most material for the Company, taking into account their potential negative effect for the Company and its subsidiary and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence.

If any of the following risks were to materialize, individually or together with other circumstances, they could have a material and adverse effect on the Company and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in the loss of all or part of an investment in the same. Additional specific risk factors of which the Company is currently unaware, or which it currently deems not to be material risks, may also have corresponding negative effects. Before making any investment decision, any potential investor must also take into account that a number of general risk factors that are not included in this Section 2 still applies to the Company and the Shares.

2.1 Risk factors related to the industry and market in which the Company operates

2.1.1 The Company's business operations have been and will continue to be affected by general economic and political conditions in the markets in which it operates

Rana Gruber is a sustainable iron ore producer in Norway, serving primarily steel producers and the chemical industry with products based on its own natural mineral resources, upgraded and tailored for applications and exported to customers worldwide. Its operations may be affected by economic and political conditions globally or in the markets in which it operates.

As of the date of this Prospectus, the outlook for the world economy remains subject to uncertainty. Downturns in general economic conditions, whether globally or in the specific regional and/or end markets segments in which the Company operates, can result in reduced demand for, and lower prices of, the Company's products, which could have a material negative impact on the Company's revenues, profitability and growth prospects. Furthermore, downturns in general economic conditions may affect the customers' income, capital and liquidity, which in turn could affect the customers' payment ability for the Company's products. Factors relating to general economic conditions, such as business and customer confidence, employment trends, business investment, government spending, inflation, volatility and strength of both debt and equity markets, may all affect the prices and demand for the Company's products, and thereby affect the revenue, profitability and financial condition of the Company.

Russia's ongoing invasion of Ukraine has and is expected to continue to have a significant impact on global political and economic conditions. The conflict is, among other things, causing instability in the world's financial and commercial markets, and is resulting in international sanctions and significant restrictions in trade. This may significantly increase the political and economic instability in the geographic markets in which the Company operates. The further development of the conflict, including a worsening or in direction of a solution, may contribute to high levels of volatility in global and local markets for, among other things, iron ore, energy and freight rates.

Furthermore, the ongoing outbreak of Covid-19 has had a significant negative impact on global trade and economic activity, and it is difficult to predict the continued impact it will have on the world economy

going forward. The outbreak of Covid-19 has led to governmental shutdowns of cities, borders and companies to close business operations. The impact of these restrictions and potential further restrictions on the Company are difficult to predict, but they have had and are likely to continue to have a negative effect on the general economy, and this may in turn have negative consequences for the Company's business.

If any of the abovementioned risks or related risks materialise, it could have a material adverse effect on the Company's business, financial position and profits.

2.1.2 The Company operates in a highly competitive market

The mining industry is highly competitive in all of its phases, including quality, quantity, price of products and production costs. Competition in the European market mainly consists of players from Russia, Ukraine, Sweden, Canada and Brazil, among others; LKAB, Kaunis Iron AB, Voerst Alpine, Vale SA and Anglo American Plc. Such competition may affect the Company's exploration activities, development activities and financial condition. Some of the Company's competitors are large, sophisticated and well-capitalised mining companies that may have greater financial, technical and marketing resources than the Company.

Furthermore, these competitors may have larger research and development expenditures, and thereby, have a greater ability to fund product research and can respond more quickly to changes in customer demands. Increased competition in the mining and iron ore market could result in price reductions, loss of market share, reduced margins and fewer customer orders. There can be no assurance that the Company will continue to compete successfully against current or new entrants on the mining and iron ore market. Any failure by the Company to compete successfully against current or new competitors could have a material adverse effect on the Company's business, financial position and profits.

2.1.3 Decreases in iron ore prices and increases in freight costs may have a material adverse effect on the business, results, profitability and financial position of the Company

The Company is exposed to the development in commodity prices, and in particular iron ore. Commodity prices can fluctuate widely and are affected by many factors beyond the Company's control. Iron ore prices and demand are cyclical and influenced strongly by world economic growth, particularly in the United States and Asia (particularly China). The Company has entered into an off-take agreement with Cargill International Trading Pte Ltd ("**Cargill**") in which the Company delivers its entire annual production of hematite iron ore for steel making applications to Cargill (the "**Cargill Agreement**", see Section 7.10.1 for further information about the Cargill Agreement). The pricing mechanism under the Cargill Agreement is linked to iron ore spot prices. The Company has carried out certain short-term hedging transactions to reduce the exposure to iron ore spot price fluctuations. However, such hedging transactions only concerns a very limited volume of the Company's future production and applies for a limited time period. Such hedging transactions may also be imperfect. Accordingly, despite of such hedging transactions, the Company remains heavily exposed to iron ore future marked price fluctuations. If the price of iron ore drops significantly or over an extended period, in addition to adversely affecting the Company's anticipated revenues from the sale of iron ore, the economic prospects of the Company could be significantly reduced. Such conditions could result in the cessation of mining activities that become uneconomic, halt or delay the development of the Company's activities and other new areas to mine, and reduce funds available for proving reserves, which would result in the depletion of reserves. A decline in the market price of iron ore would materially and adversely affect the production, earnings, asset values and growth prospects of the Company, which consequently could have an overall material adverse effect on the Company's business, financial position and profits.

The Company is also exposed to the development in shipping freight costs, and in particular the development in the Baltic Capesize Index. Freights costs are cyclical and strongly influenced by world economic growth, customer demand, available capacity and other factors. Hence, freight rates can fluctuate widely and are affected by factors beyond the Company's control. Under the Cargill Agreement, the Company's shipping freight costs are linked with floating market prices through the Baltic Capesize Index. Accordingly, the Company is exposed to future market fluctuations which can be volatile. During 2021 there has been a global surge in shipping freight rates and the Baltic Capesize Index has risen substantially. To mitigate the Company's exposure to fluctuations in the Baltic Capesize Index and to increase visibility, the Company and Cargill have agreed on certain periods with fixed freight rates under

the Cargill Agreement. However, such fixed freight rate periods only apply for a limited period of time and is an exemption to the standard pricing mechanism under the agreement. Further such fixed freight rates could prove to be less beneficial to the Company than the standard pricing mechanism under the Cargill Agreement, depending on the development of the Baltic Capesize Index. The current fixed freight rate period agreed under the Cargill Agreement expires on 31 March 2022, and the Company will accordingly be subject to the standard pricing mechanism under the Cargill Agreement and the developments of the Baltic Capesize Index as of and from 1 April 2022, unless additional fixed price arrangements are entered into. If the freight rates increase significantly in the future, the financial impact from freight costs on profits can increase substantially.

The Company is also exposed to fluctuations in the energy prices and energy price increases can have additional negative implications on the Company's financial performance. These effects can come in addition to the strong volatility in the iron ore market.

2.2 Risk factors relating to the Company's business

2.2.1 The Company is dependent on a few key suppliers and contractors which subject the Company to, among others, risk of delays in deliveries and production, disruption in operations and increased costs

The Company has a number of Norwegian and international suppliers and contractors. The Company is dependent on the Cargill Agreement for the delivery of its entire annual production of hematite iron ore for steel making applications (see 7.10.1 for further information). Except for Cargill, the Company does not consider it to be dependent on any specific supplier or contractor. However, in the event that any supplier or contractor should experience financial difficulties or otherwise be unable to provide services to the Company, the Company's operations and productions may experience delays or short-fall. Even though the Company believes that the Company is not dependent upon a single supplier, the Company may not be able to replace its suppliers in a timely manner to continue production at the forecasted rate. Should these events materialize, they may have a material adverse effect on the Company's financial performance and results of operations. Furthermore, should certain of the risks described herein materialise, counterparties to any supplying or contracting agreements could, among other things, exercise their rights of renegotiation, termination and/or right to payment of liquidated damages or other amounts. Further, any termination of agreements or change of supplier may cause delay or shortfall of the Company's production. If any of these risks materialize it could have a material adverse effect on the Company's business, financial position and profits.

2.2.2 The Company depends on the Cargill Agreement

The Company is highly dependent on the Cargill Agreement as Cargill has agreed to purchase the Company's entire annual production of hematite iron ore for steel making applications. The loss of business from Cargill or the failure to perform under any contract with a significant customer, and in particular the Cargill Agreement, could have a material adverse effect on the business, results of operations and financial condition of the Company. The Cargill Agreement has a term until 31 March 2030. Although not imminent, there is a risk that the Company may not be able to renew or renegotiate the Cargill Agreement when the current termination date approaches, or any of its customer contracts on favourable terms or at all. The Cargill Agreement may be terminated in the event of breach or deadlock. A commercial success of the Company requires that the Company retains the Cargill Agreement or enters into new customer contracts on commercially favourable terms in order to develop and increase its customer base. However, there is a risk that the Company may lose the Cargill Agreement or other existing customers, important customer collaborations may be terminated, existing customers may refrain from renewing contracts on the same or more favourable terms and the Company may not be able to attract new customers, all of which could result in a significant loss of revenues which may in turn adversely impact the Company's business, financial position and profits.

2.2.3 Risks related to service agreement with LNS

Furthermore, one of the Company's main suppliers is Leonhard Nilsen & Sønner AS ("**LNS**") which provides services related to the open-pit mine and smaller entrepreneur services to the underground mine as well as general maintenance services to the Company. Leonhard Nilsen & Sønner - Eiendom AS, which is the majority shareholder of the Company, owns all of the shares in LNS. There is consequently a risk of potential conflict of interests in connection with the service agreements in relation

to the Company, its majority shareholder Leonhard Nilsen & Sønner - Eiendom AS and other shareholders of the Company. If the service agreement with LNS is terminated, the Company must find a new supplier of the mining services currently provided by LNS. There is a risk that the Company will not be able to find a similar service provider, with the required qualifications, at an acceptable cost or within due course.

2.2.4 The Company's development and operating activities involve a high degree of environmental, health and safety risk

The natural resource sector is a hazardous industry, which is highly regulated by health, safety and environmental laws, including general and specific regulations and restrictions governing production, land tenure and use, environmental requirements, and workplace health and safety regulations. See Section 7.6.2 and 7.6.3 for further information.

Certain of the Company's development and operating activities may involve a high degree of risk in the form of dust, noise or leakage of polluting substances from site operations, which even a combination of careful evaluation, experience and knowledge cannot eliminate. Whilst the Company intends to operate in accordance with relevant environmental regulations, major expenses may be required to develop metallurgical processes and to construct mining and processing facilities at a particular site in a way that mitigates the environmental risks. There is no assurance that the Company will be successful in developing such metallurgical processes and its processing activities in general. If any of these risks materialize it could have a material adverse effect on the Company's business, financial position and profits.

Further, while the Company operates in accordance with health and safety regulations, the Company cannot guarantee that none of its employees will ever be injured or become ill from any occupational disease related to the workplace or that such injuries or diseases may not have any implications on the Company. For instance, such injuries may occur in relation to the extraction of minerals from the mines, the construction of mining and processing facilities, or transportation of the products. The materialization of such injuries or diseases may have a material and adverse effect on the Company's business, financial position and profits.

2.2.5 The Company may experience practical and/or technical problems in the operation of its processing plants

The Company operates processing plants in Mo i Rana, Norway. The Company may experience practical or technical problems in the operation of technical advanced mineral processing equipment. Break down of vital equipment may lead to prolonged outage or shutdowns of the processing plants. This could substantially increase production costs and/or result in production shortfall. The Company's inability to efficiently process iron ore into iron ore concentrate in a cost effective and timely manner, in the grades and quality that it currently anticipates and as required under its off-take agreement, could materially adversely affect the sale ability of the product and the Company may not be able to realize the anticipated premiums or may even be required to apply discounts to its prices or its customers may reject the product. This could materially and adversely affect its business, results of operations, contractual obligations under various supply agreements and its financial condition or prospects.

Furthermore, there are risks related to the Company's logistics system with respect to its railway connection used to transport the iron ore from the iron ore deposits to the Company's processing plant at Gullsmedvik, Norway. Any operational or technical problem related to the railway, leading to downtime of the railway and/or fewer runs of wagon sets per day, may result in a significant disruption in the Company's processing operations. This could subsequently result in material delays in the delivery of the Company's iron ore products to its customers which could have an adverse effect on the Company's business and financial position. Further, any operational or technical problems related to the railway, as well as any accidents on the railway, may lead to unexpectedly higher operating costs, loss of earnings and significant repair costs. While the Company believes that its railway and its wagons, as well as the third-party operated locomotives, are in good conditions, the railway and wagons will periodically need to undergo repairs and upgrading. The timing and costs of repairs and upgrades are difficult to predict with certainty and may be substantial, and large repair expenses could decrease the Company's profits. As for the Company's shipping operations, the Company is also exposed to shipping freight costs which

will generally increase depending on the distance to the final customer and also is subject to market price fluctuations in freight rates.

2.2.6 Risks that measured, indicated and inferred mineral resources cannot be converted into mineral reserves

There is a risk that measured, indicated and inferred mineral resources cannot be converted into mineral reserves as the ability to assess geological continuity is not sufficient to demonstrate economic viability. Due to the uncertainty of measured, indicated and inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven and probable mineral reserves as a result of continued exploration. Actual recoveries of mineral products may differ from reported mineral reserves and resources due to inherent uncertainties in acceptable estimation techniques. In particular, indicated and inferred mineral resources have a great amount of uncertainty as to their existence, economic and legal feasibility. It cannot be assumed that all or any part of an indicated or inferred mineral resource will ever be upgraded to a higher category of resource. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Investors are cautioned not to assume that all or any part of the deposits in these categories will ever be converted into proven and probable mineral reserves or that any proven or probable reserves will lead to economically viable production or production at all.

If any of the risks related to measured, indicated and inferred mineral resources materialize it could have a material adverse effect on the Company's business, financial position and profits.

2.2.7 The Company may not be able to implement its business strategy successfully or manage its growth effectively

The Company's ability to implement its strategy and achieve its business and financial objectives is subject to a variety of factors, many of which are beyond the Company's control, such as increased competition in the mining industry, a decrease in the demand for the Company's iron ore products, and other changes in market conditions due to economic and/or political changes. The Company's failure to execute its business strategy or to manage its growth effectively could adversely affect the Company's business, prospects, financial condition and results of operations. In addition, there can be no guarantee that even if the Company successfully implements its strategy, it would result in the Company achieving its business and financial objectives.

For example, within its overall business strategy Rana Gruber has initiated a Fe65 project which aims to increase the average iron (Fe) content of its hematite products to 65 per cent from the current average grade of 63 percent (which will enable steel mills to use less hematite concentrate in their production which again will lead to less carbon emissions and waste, see Section 7.2 for further information). There is a risk that the Company will not succeed with the Fe65 project, including that the project will not be finalised within the expected timeframe or at all. Furthermore, there is a risk that the project will be more costly than anticipated or that the project will not be able to cover all hematite products of the Company. If any of these risks materialise it could have an adverse effect on the Company's business, financial position and profits.

2.2.8 The Company's business may lead to pollution and damage to the environment, and may expose the Company to negative attention and consequently harm its reputation

Mineral extraction involves processes that interfere with the natural environment and may, even if the Company remains compliant with all applicable regulations, lead to pollution or damage to the environment or the properties of others. Even though the Company has not been subject to any negative attention from environmental organizations, the mining industry and the Company is exposed to such negative attention from both environmental organizations as well as local campaign initiatives. If the Company is involved in an accident leading to pollution or damage to the environment such organizations or campaigns may generate negative media attention. Even if no accidents or pollution occur, the inherent risk of accidents, pollution or environmental damage associated with the mining industry and the Company may generate negative media attention, which may have a material adverse effect on the Company's business, financial position and profits.

2.2.9 The Company may not be able to acquire and profitably develop ore/mineral reserves which is required by the Company in order to continue its production activities

Mines have limited lives based on proven and probable ore/mineral reserves. The Company must continually replace and expand its ore/mineral reserves for a mine to continue production. The estimates for the Company's anticipated operations may not be correct and ultimately the Company's ability to maintain or increase its anticipated annual production will depend on its ability to bring new mines into production and/or to expand ore/mineral reserves at its then existing mines. Furthermore, there is a risk that additional ore/mineral reserves may not be available for the Company or that available ore/mineral reserves may not be of sufficient size/volume in order to replace and expand the Company's current ore/mineral reserves. In addition, there is a risk that the required capital expenditure for the development of additional reserves may be higher than currently assessed which would result in disruptions in the Company's development activities, decreases in production and loss of income. If any of these risks materialize it could have a material adverse effect on the Company's business, financial position and profits.

2.2.10 The Company is dependent upon its key personnel, and retaining and attracting current and prospective highly skilled personnel

The Company's ability to operate its business and implement its strategies depends, in part, on the skills, experience and efforts of its key personnel involved in, among others, management, research, technical operations and sales. As a result, the Company believes that its success depends to a significant extent upon its ability to retain such personnel, and attract prospective key employees, competition for whom may be intense. If the Company were to lose the service of one or more of its executive officers or other highly skilled personnel, there is a risk that the Company may not be able to execute its business operations effectively. There is a risk that the Company may not be able to retain such personnel on acceptable terms or at all, and the loss of such personnel could affect the Company's ability to develop and sell its products effectively, which could have a material adverse effect on the Company's business, financial position and profits.

2.2.11 The Company relies on IT and other infrastructure systems to conduct its business and any disruption, failure or security breaches of these systems could adversely affect its business operations

The Company is highly dependent on IT and other infrastructure systems in its day-to-day business, in order to achieve its business objectives and in order to carry out its operations. The Company is consequently subject to several risks associated with maintaining, developing and securing its IT and other infrastructure systems. The Company relies upon industry accepted security measures and technology such as access control systems to securely maintain confidential and proprietary information maintained on its IT systems, and market standard virus control systems. However, the Company is exposed to external threats associated with data security. There is a risk of virus attacks, attempts at hacking, social manipulation and phishing scams. Further, the Company electronically maintains sensitive data, including proprietary business information and that of its customers, and some personally identifiable information of customers and employees, on the Company's networks. Any failure or disruption of the Company's IT systems to perform as anticipated for any reason could disrupt the Company's business and day-to-day operations and result in decreased performance, significant remediation costs, transaction errors, loss of data, processing inefficiencies, litigation, claims from customers and downtime, all of which could have a material adverse effect on the Company's business, financial position and profits.

2.2.12 The Company's insurance policies may not be adequate to cover all types of risks, which could result in significant costs and liability for the Company

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground failures, drill hole cave-ins and natural phenomena such an inclement weather conditions, floods, snow falls and avalanches. Such occurrences could result in damage to exploration equipment, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in exploration and production activities, monetary losses and possible legal liability.

Although the Company maintains insurance policies to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with the Company's business and operations and may not be adequate to cover any particular liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums associated with insuring against those risks or for other reasons. Furthermore, insurance coverage may not continue to be available at economically feasible premiums, or at all. Thus, there can be no assurance that the Company will be able to enter into full complement of insurance policies for expanded and/or future operations. Losses arising from events that are not insured or are not adequately insured may cause the Company to incur significant costs that could have a material adverse effect upon the Company's business, financial position and profits.

2.2.13 The Company may not be able to maintain or improve the strength of its brand

The Company's business depends upon the strength of its brand Rana Gruber. A critical component of the Company's future growth is its ability to maintain, improve and promote the strength of its brand in the Company's markets. The Company believes this can be achieved by providing high-quality products. The Company has invested and will continue to invest substantial amounts of resources in the control and development of its products. However, there can be no assurance that the Company will be able to provide high-quality and safe products. Any failure to provide customers with high-quality and safe products for any reason could harm the Company's reputation and adversely impact the Company's efforts to develop its brands as a trusted, high-quality and secure brand, which could in turn adversely impact the Company's business, financial position and profits.

2.2.14 The Company may be subject to disputes or other claims in relation to its title to its properties

The Company's title to its properties may be subject to disputes or other claims. Although the Company has, in its opinion, exercised reasonable due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. Although the Company does not have knowledge of any valid challenges to the title of the Company's properties, no assurance can be given that no such challenges may exist, which, if successful, could impair the Company's ability to explore, develop and/or operate its properties or to enforce its rights with respect to its properties.

The Company's title to the properties in which it has an interest may be challenged or disputed, and such properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected encumbrances or defects or government actions. An impairment to or defect in the Company's title to its properties could have a material adverse effect on the Company's business, financial condition or results of operations. In addition, such claims, whether or not valid, will involve additional costs and expenses to defend or settle which could adversely affect the Company's business, financial position and profits. As of this date, the Company is not involved in any disputes or claims in relation to its title to its properties.

2.2.15 The Company may from time to time make acquisitions and engage in other transactions to complement or expand its existing business, but the Company may not be successful at identifying and acquiring suitable targets

The Company may from time to time consider acquiring or making investments in other companies or forming joint ventures. There can be no assurance that any future acquisition or investment will be successful. The Company may not be able to identify or acquire suitable targets, and the Company may not be able to complete acquisitions or other transactions on acceptable terms or at all. Moreover, if, in the future, the Company seeks to acquire an acquisition target that is of a significant size, it may need to finance such an acquisition with either additional debt or equity financing or a combination of additional debt and equity financing. If the Company is unable to identify suitable targets, the Company's growth prospects may suffer and the Company may not be able to realize sufficient scale advantages to compete effectively. In addition, in pursuing acquisitions, the Company may face competition from other companies to acquire new businesses or assets. The Company's ability to acquire targets may also be limited by applicable antitrust laws and other regulations. To the extent that the Company is successful in making acquisitions, it may have to spend substantial amounts of cash, incur debt, assume loss-making business units and incur other types of expenses in order to acquire and integrate the acquired businesses, and such integration may not be successful. In addition, the Company may be

required to increase costs, reduce anticipated synergies and reduce return of investments. If any of these risks materialise, it could have a material adverse effect on the Company's business, financial position and profits.

2.3 Risk factors related to financial matters

2.3.1 The Company's business is subject to currency and exchange rate risk

Movements in currency exchange rates may have a material negative effect on the Company's financial condition and result of operations. The majority of the Company's products are sold in USD, while most of its specialty products are sold in EUR. Most of the Company's costs are denominated in NOK. If the value of NOK appreciated against the USD and/or EUR, there would be an adverse impact on the Company's results of operations. The Company carries out certain short-term hedging transactions for hedging fluctuations in the price of iron ore and similarly for fluctuations in the USD/NOK exchange rate. These hedging positions currently only in very limited degree removes the Company's total exposure to fluctuations in the market price of iron ore and currency fluctuations in the future and only for a limited time period. Accordingly, despite of such hedging transactions, the Company remains heavily exposed to iron ore future marked price fluctuations, stated in USD and EUR, and currency fluctuations. In particular, a strengthened NOK against the USD could have a material adverse effect on the Company's results of operations.

2.3.2 The Company may not be able to meet its funding needs as they arise

The Company may be unable to raise sufficient funds in the future to meet its ongoing or future capital and operating expenditure needs. Similarly, the Company may be unable to obtain funding in order for it to take advantage of opportunities for acquisitions, investments or other business opportunities. The Company may in the future decide to offer additional Shares or other securities in order to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. The Company cannot predict what effect, if any, future issuances and sales of Shares will have on the price of the Shares Furthermore, depending on the structure of any future offering, existing shareholders may not have the ability to subscribe for or purchase additional equity securities.

There can be no assurance that any funding will be available to the Company on sufficiently attractive terms or at all. Available sources of funding may be affected by general market conditions, if the Company faces an economic downturn in its main markets, or if the creditworthiness of the Company is weakened. If financing available to the Company is insufficient to meet its financing needs, the Company may be forced to reduce or delay capital expenditures, sell assets at unanticipated times and/or at unfavourable prices, seek additional equity capital or restructure or refinance its debt. There can be no assurance that such measures would be successful or adequate to meet the Company's financing needs or would not result in the Company being placed in a less competitive position. If the Company raises additional funds by issuing additional equity securities, this may result in a significant dilution of the existing shareholders, including in relation to dividends, shareholding percentages and voting rights. If any of these risks materialise, it could have a material adverse effect on the Company's business, financial positions and profits.

2.4 Risk factors relating to laws, regulations and compliance

2.4.1 The Company is dependent on permits and registrations in order to carry out its operations, and there is a risk that such permits and registrations may be withdrawn, amended or not renewed

Various competent authorities' approvals and permits are required in connection with the Company's activities (see Section 7.6.2). To the extent approvals and permits are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned operation or development of mineral properties. Although the Company has all permits and registrations required to operate its business, there is no guarantee that title to the Company's assets will not be challenged or impugned. The Company's concessions, permits and licenses may be subject to prior unregistered agreements, transfers, leases or native land claims and title may be affected by such unidentified or unknown claims or defects. Furthermore, there is a risk that any concession, permit or license may be withdrawn or not be renewed for a number of reasons, for instance if the Company fails to pay license fees or fails to fulfil their reporting obligations on time. Terms and conditions of any concession, permit and/or license may also be changed by the relevant authority in case the Company does not comply with its obligations

under applicable laws or such specific concession, permit or license or if there otherwise are compelling reasons, e.g. effects of the operations that could not have been foreseen at the time of authorization of such concession, permits and licenses. There can be no assurance that the Company will be able to maintain or obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects. As of this date, the Company has submitted an application to the Norwegian Directorate of Mining for the conversion of two exploitation right areas (Stensundtj. 2 and 3). The application has not yet been approved, and there is consequently a risk that the application is denied. If these risks materialize it could have a material adverse effect on the Company's business, financial position and profits.

The Company's current environmental permit and emission standards set out in this permit is based on a yearly production of 4.5 metric tons ("**mt**") crude ore. The Company's production exceeds 4.5mt per year, but this exceedance does not affect the Company's production or emission standards in the environmental permit. The Norwegian Environmental Agency, which grants environmental permits and carries out periodical audits of the licensee's, is aware of the Company's current production quantities and the Company is in dialogue with the agency regarding increasing the production quantity.

2.4.2 The Company is subject to several laws and regulations in relation to its business

Exploration, development, mining and construction operations in Norway are subject to a variety of general and industry-specific laws, regulations and permits concerning the environment, the health and safety of employees, land access, infrastructure creation and access, royalties, taxation, accounting policies and other matters. In addition, certain types of operations require the use of certain mining and construction methods and equipment, submission of impact statements and approval thereof by government authorities. Compliance with such existing laws, regulations and permits may cause delays or require capital outlays in excess of those anticipated, which, in turn, could have a material adverse effect on the Company's financial condition and results of operations. Environmental legislation is evolving in a manner which may result in stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in laws, regulations or permitting will not adversely affect the Company's activities, for example delay or add material additional expenditures. The Company's operations may be affected in varying degrees by government regulations with respect to, for example, restrictions on exploration, development, processing, production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities, pursuant to which the Company may be required to cease or curtail its operations or take corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties, such as the Company, engaged in mining operations or in the operation or development of mineral properties may be required to compensate those suffering loss or damage by reason of their operations and development activities and may be subjected to civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies or more stringent implementation thereof could have a material adverse impact on the Company and cause increases in operation and exploration expenses or require abandonment of or delays in the exploration and development of new mining properties. There can be no assurance that future changes in environmental regulation will not adversely affect the Company's activities. Any delays or increased costs as a result of existing regulations, new regulations or fines for a breach of such regulations could materially and adversely affect the Company's business, results of operations, financial condition or prospects. Further, failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. If any of the above-mentioned risks materialize it could have a material adverse effect on the Company's business, financial position and profits.

2.4.3 The Company operates in a legal and regulatory environment that exposes and subjects it to litigation and disputes, which could have a negative impact on the Company's operations

The Company may from time to time be subject to commercial disagreements, contractual disputes, and, possibly, litigation with its counterparties, in the ordinary course of its operations such as liability claims, administrative claims and in relation to insurance matters, environmental issues, and governmental claims for taxes or duties. The Company cannot predict with certainty the outcome or effect of any future disagreement, dispute or litigation involving the Company. The ultimate outcome of any disagreement, dispute or litigation, and the potential costs, time and management focus associated with prosecuting or defending such, could have a material adverse effect on the Company's business, financial condition and cash flows. In addition, the Company might suffer economic and/or reputational damage from involvement in claims or disputes, which could have a material adverse effect on the Company's business, financial position and profits, as well as lead to the deterioration of existing customer relationships and the Company's ability to attract new customers. As of this date, the Company is not involved in any litigation or disputes and the Company is not aware of any such pending or possible litigation or disputes.

2.5 Risks factors relating to the Listing and Shares

2.5.1 Potential volatility of share prices

An investment in the Shares involves risk of loss of capital, and securities markets in general have been volatile in the past. The trading volume and price of the Shares may fluctuate significantly in response to a number of factors, many of which are beyond the Company's control, including the following: (i) changes to commodity prices, in particular iron ore prices and currency exchange rates, in particular USD/NOK, (ii) actual or anticipated fluctuations in the Company's quarterly results of operations, (iii) recommendations by securities research analysts, (iv) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company, (v) addition or departure of the Company's executive officers, directors and other key personnel, (vi) release or expiration of lock-up or other transfer restrictions on outstanding Shares or securities convertible into Shares, (vii) sales or perceived sales of additional Shares or securities convertible into Shares, (viii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors, and (ix) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

Another factor that may influence the market price of the Shares is the annual yield on the Shares. An increase in market interest rates may lead purchasers of shares to demand a higher annual yield, which accordingly could materially adversely affect the market price of the Shares.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental and governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in limited or no investment in the Shares by those institutions, which could materially adversely affect the trading price of the Shares. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, the Company's operations could be materially adversely impacted and the trading price of the Shares may be materially adversely affected.

2.5.2 The Company's ability to pay dividends in accordance with its dividend policy or otherwise is dependent on the availability of distributable reserves and the Company may be unable, unwilling or restricted to pay any dividends in the future

Norwegian law provides that any declaration of dividends must be adopted by the shareholders at the General Meeting, or by the Board of Directors in accordance with an authorisation from the General Meeting. Dividends may only be declared to the extent that the Company has distributable funds and the Board of Directors finds such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Company's operations and the need to strengthen its liquidity and financial position.

Further, the Board of Directors must take into account the Company's capital requirements, including capital expenditure requirements, its financial conditions, general business conditions and any restrictions pursuant to its borrowing arrangements and other contractual arrangements. As the Company's ability to pay dividends is dependent on the availability of distributable reserves, it is, among other things, dependent upon receipt of dividends and other distributions of value from its subsidiaries and companies in which the Company may invest. As a general rule, the General Meeting may not declare higher dividends than the Board of Directors has proposed or approved. If, for any reason, the General Meeting does not declare dividends in accordance with the above, a shareholder will, as a general rule, have no claim in respect of such non-payment, and the Company will, as a general rule, have no obligation to pay any dividend in respect of the relevant period.

3. RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared in connection with the Listing of the Shares on Oslo Børs.

The Board of Directors of Rana Gruber ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that to the best of their knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

25 March 2022

The Board of Directors of Rana Gruber ASA

Morten Støver
Chairman

Kristian Adolfsen *Board member*	Frode Nilsen *Board member*	Ragnhild Wiborg *Board member*
Hilde Rolandsen *Board member*	Thomas Hammer *Board member*	Johan Hovind *Board member*

Lasse Strøm
Board member

4. GENERAL INFORMATION

4.1 Other important investor information

This Prospectus has been approved by the Norwegian FSA, as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Company has furnished the information in this Prospectus. The Managers make no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future. The Managers disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this Prospectus or any such statement. The Managers are acting exclusively for the Company and no one else in connection with the Listing. It will not regard any other person (whether or not a recipient of this document) as its clients in relation to the Listing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Listing. Neither the Company nor the Managers, nor any of their respective affiliates, representatives, advisers or selling agents is making any representation to any purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

Investing in the Shares involves a high degree of risk. See Section 2 "Risk Factors".

4.2 Date of information

The information contained in this Prospectus is current as at the date of the Prospectus and is subject to change or amendment without notice. In accordance with Article 23 of the Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time of approval of this Prospectus by the Norwegian FSA and the Listing, will be included in a supplement to this Prospectus. Except as required by applicable law and stock exchange rules, the Company does not undertake any duty to update the information in this Prospectus. The publication of this Prospectus shall not under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

4.3 Presentation of financial information

4.3.1 Historical financial information

For the financial years up to and including 31 December 2020, the Company prepared its consolidated financial statements in accordance with the Norwegian Accounting Act and general accepted accounting principles in Norway ("**NGAAP**").

The Company's consolidated financial statements for the financial year ended 31 December 2021 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (the "**EU**") ("**IFRS**"). Going forward the Company will continue to prepare its consolidated financial statements in accordance with IFRS.

The Company's audited financial statements as of and for the financial years ended 31 December 2021 and 2020 are prepared and restated, respectively, in accordance with IFRS (the "**IFRS Financial Statements**"). The Company's audited financial statements as of and for the years ended 31 December 2019 and 2018 are prepared in accordance with NGAAP (the "**NGAAP Financial Statements**"), jointly (the "**Audited Financial Statements**").

The IFRS Financial Statements and NGAAP Financial Statements for 2020 have been incorporated by reference into this Prospectus, see Section 16.3 "Incorporation by reference". The NGAAP Financial Statements for 2019 are attached to this Prospectus as Appendix C.

The Audited Financial Statements have been audited by Ernst & Young AS, as set forth in their report which have been incorporated by reference into this Prospectus in Section 16.3.

4.3.2 Non-IFRS financial measures

In this Prospectus, the Company presents certain non-IFRS financial measures and ratios.

In order to measure the Company's performance on a historic basis, the Company has primarily made use of the following measures: EBIT, EBITDA, EBITDA Margin, Cash Cost, Cash Cost per Metric Tonnes and Equity Ratio.

These are Alternative Performance Measures ("**APMs**") that aim to provide a better understanding of the Company's performance.

The non-IFRS financial measures presented herein are not recognised measurements of financial performance under IFRS, but are used by the Company to monitor and analyse the underlying performance of the Company's business and operations. Investors should not consider any such measures to be an alternative to profit and loss for the period, operating profit for the period or any other measures of performance under generally accepted accounting principles.

The Company believes that the non-IFRS measures presented herein are commonly used by investors in comparing performance between companies. Accordingly, the Company discloses the non-IFRS financial measures presented herein to permit a more complete and comprehensive analysis of the Company's operating performance relative to other companies across periods. Because companies calculate the non-IFRS financial measures presented herein differently, the non-IFRS financial measures presented herein may not be comparable to similarly defined terms or measures used by other companies.

The following APMs are used by the Company:

- **EBIT** is defined as the profit/(loss) for the year before net financial income (expenses) and income tax expense. EBIT is a non-IFRS financial measure that the Company considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measures. The Company has presented this APM because it considers it to be an important supplemental measure for prospective investors to understand the overall picture of the profit generation in the Company's operating activities.

- **EBITDA** is defined as the profit/(loss) for the year before net financial income (expenses), income tax expense, depreciation and amortisation. EBITDA is a non-IFRS financial measure that the Company considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measures. The Company has presented this APM because it considers it to be an important supplemental measure for prospective investors to understand the overall picture of the profit generation in the Company's operating activities.

- **EBIT Margin** is defined as EBIT in percentage of revenues. EBIT Margin is a non-IFRS financial measure that the Company considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measures. The Company has presented this APM because it considers it to be an important supplemental measure for prospective investors to understand the overall picture of the profit generation in the Company's operating activities.

- **EBITDA Margin** is defined as EBITDA in percentage of revenues. EBITDA Margin is a non-IFRS financial measure that the Company considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measures. The Company has presented this APM because it considers it to be an important supplemental measure for prospective investors to understand the overall picture of the profit generation in the Company's operating activities.

- **Adjusted Equity Ratio** is defined as total equity in percentage of total assets. Total equity is defined as reported equity adjusted for unrealised gains or losses on derivatives. In addition, the unrealised gains or losses on derivatives are adjusted for iron ore derivatives which matures within three months as these derivatives are linked to actual firm shipments. Adjusted Equity Ratio is a non-IFRS financial measure that the Company considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measures. The Company has presented this APM because it considers it to be an important supplemental measure for prospective investors to understand the portion of total assets that are financed from owners' equity.

- **Cash Cost** is defined as the sum of raw materials and consumables used, employee benefit expenses and other operating expenses. Cash Cost is a non-IFRS financial measure that the Company considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measures. The Company has presented this APM because it considers it to be an important supplemental measure for prospective investors to understand the overall picture of cost of production in the Company's operating activities.

- **Cash Cost Per Metric Tonnes** is defined as Cash Cost divided by metric tonnes of iron ore produced. Metric tonnes of iron ore are defined as metric tonnes of hematite and magnetite produced in the current period. Cash Cost Per Metric Tonnes is a non-IFRS financial measure that the Company considers to be an APM, and this measure should not be viewed as a substitute for any IFRS financial measures. The Company has presented this APM because it considers it to be an important supplemental measure for prospective investors to understand the overall picture of cost of production in the Company's operating activities.

- **Net Interest Bearing Debt** is defined as the Company's interest-bearing debt less cash and cash equivalents. Interest bearing debt consists of debt to credit institutions and financial leasing debt. Net Interest Bearing Debt is a non-IFRS measure for the financial leverage of the Company, a financial APM the Company intends to apply in relation to its capacity for dividend distribution and/or for doing investments, when and if the Company will be able to carry out its dividend distribution and/or investments policy.

4.3.3 Reconsolidation of APMs

The table below sets forth reconciliation of EBIT, EBITDA and EBITDA Margin.

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
Profit/(loss) for the year	592,048	278,887
Income tax expense	167,697	78,681
Net financial (income)/expenses[1]	3,343	385,120
(a) EBIT	**763,088**	**742,688**
Depreciation and amortisation	174,247	148,702
(b) EBITDA	**937,335**	**891,390**
(c) Revenues	1,668,429	1,549,749
EBIT margin (a/c)	**45.7%**	**47.9%**
EBITDA margin (b/c)	**56.2%**	**57.5%**

1 IFRS numbers comprise of financial income, financial expenses, and other financial gains/(losses).

The table below sets forth reconciliation of Adjusted Equity Ratio.

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
(a) Reported equity	581,811	378,696
(b) Derivative financial assets	103,247	31,237
(c) Derivative financial liabilities	(7,680)	(188,983)
(d) Net derivative financial asset/(liability) (b + c)	95,567	(157,746)
(e) Adjusted for Iron ore derivatives with 3 months maturity [1]	43,278	(88,724)
(f) Unrealised gains or losses on derivatives (d - e)	52,289	(69,022)
(g)Total equity (a-f)	529,522	447,781
(h) Total assets	1,129,682	1,127,395
Adjusted Equity Ratio (g/h)	**46,9%**	**39,7%**

1 The unrealised gains or losses on derivatives are adjusted for iron ore derivatives with 3 months maturity as these derivatives are linked to actual firm shipments and have a natural counterpart with invoiced amounts. Firm shipments fall due, typically 3 months after each shipment, and the invoiced amount is remeasured using the forward price and changes are recognised in revenues.

The table below sets forth reconciliation of Cash Cost and Cash Cost Per Metric Tonnes.

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
Raw materials and consumables used	327,567	307,580
Employee benefit expenses	258,611	214,292
Other operating expenses	189,106	144,445
(a) Cash Cost	**775,284**	**666,317**
Metric tonnes of hematite produced	1,545	1,453
Metric tonnes of magnetite produced	108	106
(b) Metric tonnes of iron ore produced	1,653	1,559
Cash cost per metric tonnes (a/b)	**469.0**	**427.4**

The table below sets forth reconciliation of Net Interest-Bearing Debt.

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
Interest-bearing loans and borrowings	-	193,295
Lease liabilities	113,708	118,563
Total interest-bearing debt	113,708	311,858
Cash and cash equivalents	264,363	24,994
Net Interest-Bearing Debt	**(150.655)**	**286,864**

For the year ended 31 December 2021 the Company had repaid its interest-bearing loans and borrowing in full. A negative number in the table above indicate a positive net debt position.

4.4 Rounding

Percentages and certain amounts included in this Prospectus have been rounded for ease of presentation. Accordingly, figures shown as totals in certain tables may not be the precise sum of the figures that precede them.

4.5 Industry and market data

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company's business and the industries and markets in which it operates. Unless otherwise indicated, such information reflects the Company's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and analysts and information otherwise obtained from other third party sources, such as annual and interim financial statements and other presentations published by listed companies operating within the same industry as the Company, as well as the Company's internal data and its own experience, or on a combination of the foregoing. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Company's competitive position is based on the Company's own assessment and knowledge of the market in which it operates.

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified, however, source references to websites shall not be deemed as incorporated by reference to this Prospectus. The Company does not intend, and does not assume any obligations to, update industry or market data set forth in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus and projections, assumptions and estimates based on such information may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "Risk factors" and elsewhere in this Prospectus.

4.6 Cautionary note regarding forward-looking statements

This Prospectus contains forward-looking statements. All statements contained in this Prospectus other than statements of historical facts, including statements regarding the Company's future results of operations and financial position, its business strategy and plans, and its objectives for future operations, are forward-looking statements. The words "believe", "may", "will", "estimate," "continue", "anticipate", "intend", "expect", and similar expressions are intended to identify forward-looking statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and trends that it believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. Forward-looking statements are found in Sections 2 "Risk Factors", 5 "Dividends and Dividend Policy", 6 "Industry and Market Overview", 7 "Business of the Company", 10 "Operating and Financial Review", 11 "Board of Directors, Management, Employees and Corporate Governance", 12 "Corporate information and Description of the Share Capital".

Prospective investors in the Company's Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company’s actual financial position, operating results and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown, risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Important factors that could cause those differences include, but are not limited to:

- changes and fluctuations in earnings, cash flows and financial results and conditions;
- changes in general and sector-specific economic conditions, including competition, tax and pricing environments;
- competitive pressure and changes to the competitive environment in general;
- inadequate insurance coverages within the Company;
- technical developments;
- logistics and distribution infrastructure changes in general;
- the ability to attract and retain skilled personnel;
- risks associated with use of third-party suppliers;
- risks relating to international trade;
- failure to implement strategy and ability to further expand its business and growth;
- unsuccessful acquisitions;
- failure to protect and enforce intellectual property right and liability from intellectual property claim;
- failure of IT systems;
- fluctuations of exchange and interest rates; and
- changes in laws and regulations in the jurisdictions in which the Company operates or their interpretation or enforcement.

The risks that are currently known to the Company and which could affect the Company's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 2 "Risk factors".

The information contained in this Prospectus, including the information set out under Section 2 "Risk Factors", identifies additional factors that could affect the Company's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all Sections of this Prospectus and, in particular, Section 2 "Risk factors" for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates when considering an investment in the Company.

Except as required by applicable law, the Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company’s behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

5. DIVIDENDS AND DIVIDEND POLICY

5.1 Dividend policy

The Company will strive to follow a dividend policy favourable to its shareholders. The amount of any dividend to be distributed will be dependent on, inter alia, the Company's investment requirements and rate of growth. There can be no assurance that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy. In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account legal restrictions as well as capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility.

Pursuant to the Company's dividend policy, applicable from the Q1 2022 dividends scheduled to be paid from Q2 2022, the Company will target to distribute 50-70 percent of its adjusted net profit as quarterly dividends. The Board of Directors may decide that 0-30 percent of the allocated dividend amount can be applied for acquisition of own Shares.

Adjusted net profit shall for the purpose of the dividend policy constitute the IFRS based net profit after tax, adjusted for unrealised gains and losses from the Company's portfolio of hedging positions related to iron ore, USD and freight, which does not impact the shipments concluded in the quarter. The Board of Directors can also adjust for larger specific events that it does not consider to be of relevance for normal business.

5.2 Historical dividend payments

The Company has distributed dividends to its shareholders during the last three financial year as follows:

- Quarterly dividend distributed in 2022 of NOK 56.1 million (NOK 1.51 per Share) with payment date 23 February 2022.
- Extraordinary dividend distributed in 2021 of NOK 93.3 million (NOK 2.50 per Share) with payment date 20 December 2021.
- Quarterly dividend distributed in 2021 of NOK 39.2 million (NOK 1.05 per Share) with payment date 22 November 2021.
- Quarterly dividend distributed in 2021 of NOK 144.1 million (NOK 3.86 per Share) with payment date 8 September 2021.
- Quarterly dividend distributed in 2021 of NOK 108.4 million (NOK 2.90 per Share) with payment date 26 May 2021.
- Extraordinary dividend distributed in 2020 of NOK 126 million (NOK 13.45 per Share, prior to a share split of 4,000:1) to LNS Mining AS, the previous sole shareholder of the Company. NOK 30 million of the extraordinary dividend was made during December 2020-February 2021, and the remaining NOK 96 million represented settlement of debts to LNS Mining AS.
- Quarterly dividend distributed in 2019 of NOK 18 million (NOK 1.9 per Share) with payment date 8 September 2020.
- Extraordinary dividend distributed in 2019 of NOK 71.9 million (NOK 7.7 per Share) with payment date 9 August 2019.

5.3 Legal constraints on distribution of dividends

The Norwegian Public Limited Liability Companies Act provides several constraints on the distribution of dividends:

- Dividend may only be distributed to the extent that the Company after the distribution has a sound equity and liquidity.
- The Company may only distribute dividends to the extent that its net assets following the distribution are at least equal to the sum of (i) the Company's share capital, (ii) the reserve for valuation differences and (iii) the reserve for unrealised gains. In determining the distribution capacity, deductions must be made for (i) the aggregate amount of any receivables held by the Company and

dating from before the balance sheet date which are secured by a pledge over Shares in the Company, (ii) any credit and collateral etc. from before the balance sheet date which according to Sections 8-7 to 8-10 of the Norwegian Public Limited Liability Companies Act must not exceed the Company's distributable equity (unless such credit has been repaid or is set-off against the dividend or such collateral has been released prior to the decision to distribute the dividend), (iii) other dispositions carried out after the balance sheet date which pursuant to law must not exceed the Company's distributable equity and (iv) any amount distributed after the balance sheet date through a capital reduction.

- The calculation of the distributable equity shall be made on the basis of the balance sheet in the Company's last approved annual accounts, provided, however, that the registered share capital as of the date of the resolution to distribute dividends shall apply. Dividends may also be distributed by the general meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date which does not lie further back in time than six months before the date of the general meeting's resolution.

5.4 Manner of dividend payments

Any dividends on the Shares will be denominated in NOK. Any dividends or other payments on the Shares will be paid through the Company's registrar in VPS, DNB Bank ASA (the "**Share Registrar**"). Dividends and other payments on the Shares will be paid, on a payment dated determined by the Company, to the bank account registered in connection with the VPS account of the registered shareholder as of the record date for the distribution.

Dividends and other payments on the Shares will not be paid to shareholders who have not registered a bank account with their VPS account. Shareholders who have not received dividends for this reason will receive payment if they register a bank account with their account operator in the VPS and inform the Share Registrar of the details of such bank account.

Shareholders with a registered address outside of Norway may register a bank account in another currency than NOK with their VPS account. Shareholders who have done so will receive payment in the currency of such bank account. The exchange rate(s) applied will be the VPS Registrar's rate on the date of payment.

The Norwegian Public Limited Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. Accordingly, a shareholder's right to receive dividends or other distributions will lapse three years after the payment date if bank account details have not been provided to the Share Registrar within such date. Following the expiry of the limitation period, any remaining dividend amounts will be returned from the Share Registrar to the Company.

There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 14 "Norwegian taxation".

6. INDUSTRY AND MARKET OVERVIEW

6.1 Principal markets

The third most common element making up the earth is iron ore. Besides being an abundant metal, it is an essential component for the global iron and steel industries as approximately 98% is used in steelmaking. Iron ore almost always consists of iron oxides, of which the primary forms are magnetite (Fe_3O_4) and hematite (Fe_2O_3). The ore itself is not a very usable material and it is refined into iron and steel to be applied as a construction material. This refinement procedure is based on a chemical reduction process where the iron ore (iron oxides) are heated in large furnaces in combination with carbon in the form of metallurgical coal. The heat makes the iron oxide react with the carbon, forming CO_2 and iron. As iron is not strong enough for construction or other purposes alone, it is alloyed with carbon to form steel. Steel has much better mechanical properties than iron alone, but can still be widely improved by alloying further with other elements such as tungsten, manganese, nickel, vanadium, and chromium to make steel with a selection of qualities such as strength, oxidization, or brittleness.

The steel made from iron ore is used for construction, automobile manufacturing, and other industrial applications.[1] Companies in the sector vary widely in size, from junior exploration companies with undeveloped iron ore assets, and to some of the largest companies in both the mining space and the world. Many of these mining majors produce several commodities and not just iron ore.

Rana Gruber's principal market is iron ore for the steel industry. Steel, together with concrete, has become an essential part of modern societies and is used in all aspects of construction, buildings, and infrastructure. The demand is driven by investments in these categories and over the last years, Asia, with China on top, has become the main steel consumer. Below is an overview of apparent steel consumption per country per year. Apparent steel consumption is defined as the sum of production and imports, minus exports. It is a common methodology when measuring steel demand.[2]

	Apparent steel consumption (Mt)				
	2016	2017	2018	2019	2020
World	1,524	1,636	1,712	1,777	1,774
China	681	774	836	912	995
India	84	89	97	103	89
United States	92	98	100	98	80
Japan	62	64	65	63	53
South Korea	57	56	54	53	49
Russia	39	41	41	44	42
Germany	40	41	40	35	31
Turkey	34	36	31	26	29
Vietnam	22	22	22	24	23
Mexico	25	26	26	25	22
Brazil	19	20	21	21	21
Italy	24	25	25	25	20
Taiwan	18	18	18	18	19
Iran	19	20	20	18	17
Thailand	21	19	19	18	16
Rest of world	286	289	298	294	266

Source: https://worldsteel.org/steel-by-topic/statistics/annual-production-steel-data/C_asu_fsp_pub/CHN/IND

[1] https://mineralseducationcoalition.org/minerals-database/iron/

[2] https://www.statista.com/statistics/428744/apparent-steel-use-asu-per-capita-in-china/

China has been the dominating element in the steel market for several years. In 2019, for the first time and again in 2020, China's demand for steel was larger than the rest of the world combined. The 2020 coronavirus reduced growth on a global scale and the effect is clear on the need for the iron-based building material as 2020 was the first year in the table above, where the total demand fell YoY. Only 4 countries of the top 15 consumers increased their steel consumption in 2020, compared to 2019, with China as the largest increaser.

6.2 Production/mining

Most of the global supply of iron ore is mined from a few regions with the top 4 countries producing over 77% of the total global market in 2020. Australia was the largest producer of iron ore in 2020 with a production of 560 million metric tons of iron ore content. Brazil was the second largest with a production of 252 million metric tons, closely followed by China with 210 million metric tons. In 4th place, India mined 140 million metric tons of iron ore.

Below is an overview of the global production of iron ore in 2019 and 2020 per country.

World Mine Production (kt)	**2019**	**2020**
United States	29,800	24,000
Australia	569,000	560,000
Brazil	258,000	252,000
Canada	35,200	34,000
Chile	8,430	8,000
China	219,000	210,000
India	148,000	140,000
Iran	21,700	21,000
Kazakhstan	6,150	5,900
Peru	10,100	10,000
Russia	64,300	63,000
South Africa	41,200	40,000
Sweden	22,100	22,000
Turkey	9,110	8,900
Ukraine	39,500	39,000
Other countries	39,000	43,000
World total (rounded)	1,520,000	1,500,000

Source: https://pubs.usgs.gov/periodicals/mcs2021/mcs2021-iron-ore.pdf

2020 saw a minor decrease in mined ore, compared to 2019.

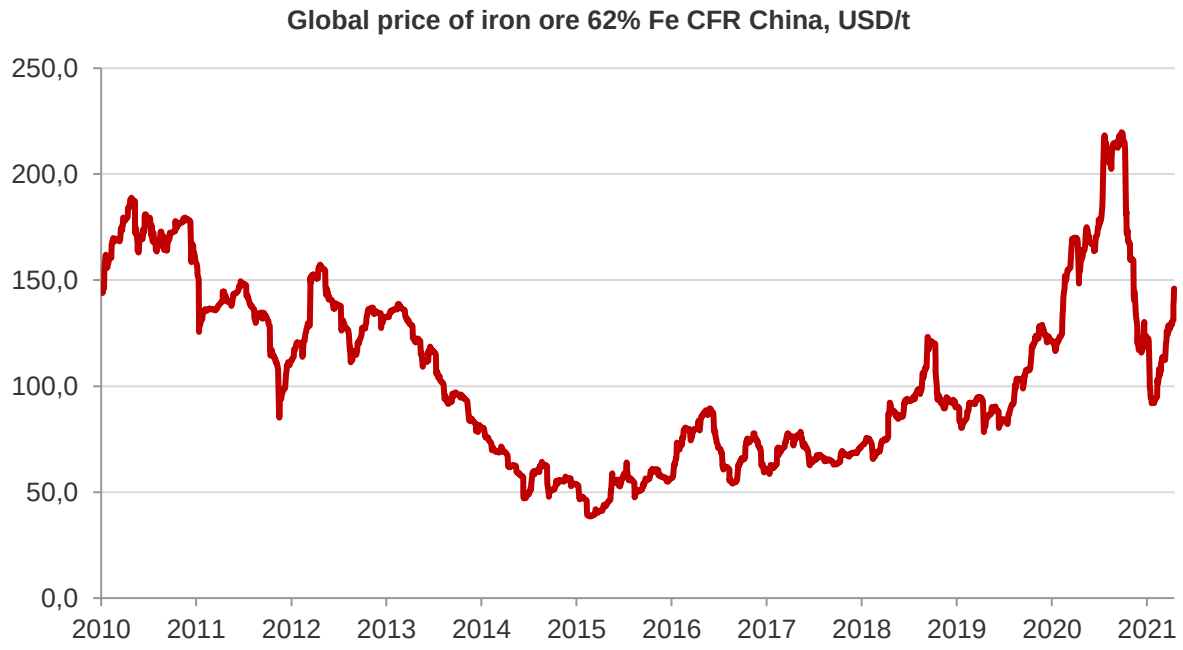
The Norwegian production of iron ore has in recent times been based on the mining from Sydvaranger and Rana Gruber.[3] After the Sydvaranger mine went on care and maintenance, Norway's commercial iron ore mining has been solely based on the Rana Gruber operation.[4] The production currently stands just below 2 million tons per year (1.6 million tons in 2020).[5] Sweden in comparison has a production of about 11 times the Norwegian with 22 million tons, as illustrated in the table above.

[3] https://snl.no/Bergverksdrift_i_Norge

[4] https://www.sydvarangergruve.no/historie

[5] https://ranagruber.no/wp-content/uploads/ANNUAL-REPORT-2020.pdf - Page 4

6.3 Historical price development



Source: Refinitive 4 February.2022

The average price of iron ore from October 2010 until February 2022 was USD/t 105.2. During 2014 the price of iron ore fell from 138 USD/t in January 2014 to USD/t 39 in January 2015. The price collapse was largely attributed to a drop in steel demand from China. The country purchases nearly two-thirds of the seaborne iron ore supply. Since iron ore is used as a raw material in the production of steel, Chinese steel production is the most significant driver of global demand for iron ore. Due to a slowing Chinese economy, domestic demand for steel in China declined 3.3% in 2014 and another 0.5% in 2015. Despite the decrease in demand, the global iron ore producers heavily boosted their production capacity, resulting in an oversupply situation that kept prices subdued during 2015 and 2016.[6]

A fatal tailings dam disaster in Brazil at the end of January 2019 resulted in the death of 270 people. The dam was owned by Vale, one of the world's largest iron ore miners.[7] Brazilian officials responded by demanding a full rundown on the safety aspects of several other dams of similar structure. This resulted in a stop in the production of some of the most productive mines in the world, limiting global supply. Iron ore prices responded by rising sharply on the news of tighter supply.[8]

The novel corona virus pandemic hit the world in March 2020. The initial effect was a limitation on both supply and demand, as the world struggled to grasp the situation. Mining operations were shut down or limited worldwide as quarantine requirements, issues transporting people across borders, and issues with the supply chains made it challenging to continue operations as usual. The halt in operations resulted in a tighter supply of ore. Iron ore's main market, China, responded to the pandemic with large infrastructure investments. Steel demand in China increased from 2019 to 2020 as a result of increased

[6] https://www.forbes.com/sites/greatspeculations/2015/12/08/iron-ore-prices-how-much-further-to-the-bottom/?sh=25502f5f6967#35ff49f36967

[7] https://en.wikipedia.org/wiki/Brumadinho_dam_disaster

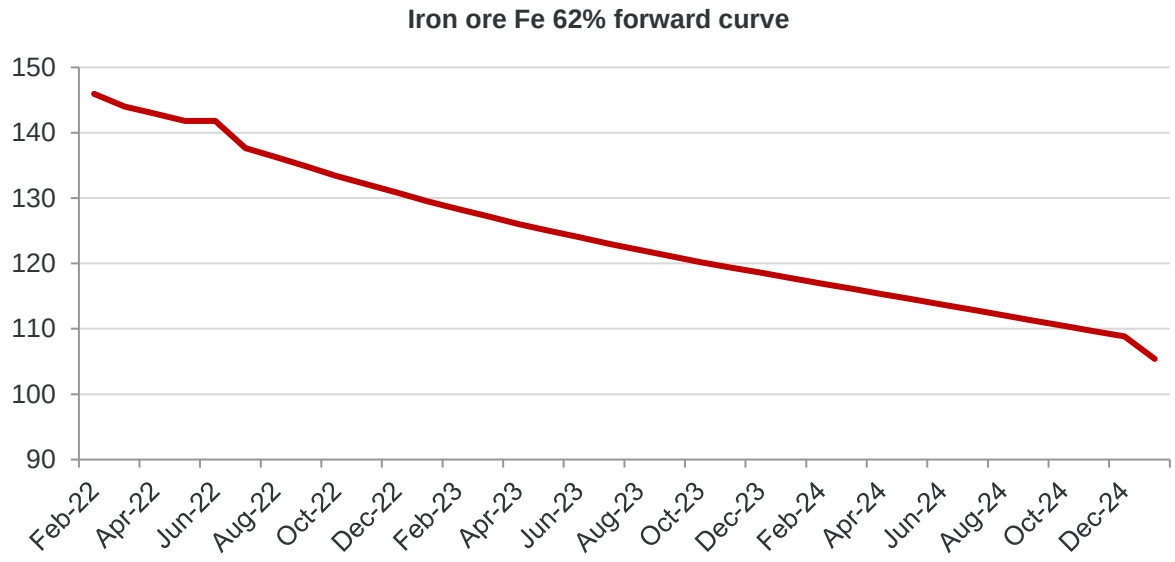
[8] https://www.spglobal.com/marketintelligence/en/news-insights/research/vale-dam-burst-implications-for-the-2019-iron-ore-marketplace

construction and activity. Supply was still limited as the miners were still constrained. This dynamic contributed to increasing commodity prices.[9]

After a peak in the summer of 2021, iron ore prices dropped sharply during the fall from a high of 219 USD/t in June/July to a low of about 90 USD/t in November. One factor contributing to this dynamic was lower demand from China as the government introduced several limitations on industrial pollution, partly to obtain a clearer sky towards the winter Olympics of 2022.[10] Another important factor regarding the Chinese demand side in the second half of 2021 was the downturn in the property sector, highlighted by the default of Evergrande. This aspect also contributed to a reduction in steel demand, and iron ore prices.[11]

6.4 Market trends

Global economic development is a key driver for the demand for iron ore. In addition, urbanization leads to higher demand for steel. China has been the main driver, and it is not unlikely that this will be the case for 2022 as well. Post the turmoil of the Chinese property market in the fall of 2021, the government's infrastructure spending is expected to increase to mitigate a rough downturn in GDP.[12] Governmental stimuli and infrastructure projects has historically ed to increased demand for iron ore and can be a contributing factor for the price, going forward.[13]



Source: Refinitive 04.02.2022

The forward curve of iron ore has historically mostly been in backwardation. This is because the dynamic of the curve is not of a financial and predictive nature, but rather the current spot price with a discount for storage and insurance cost until delivery.

[9] https://www.cnbc.com/2020/08/21/iron-ore-prices-hit-multi-year-highs-on-china-infrastructure-investment.html

[10] https://www.reuters.com/article/fortescue-output-idUSKBN2HH2VS

[11] https://www.bloombergquint.com/markets/iron-ore-gloom-deepens-as-china-property-woes-threaten-demand

[12] https://www.fitchratings.com/research/corporate-finance/infrastructure-investment-to-support-chinas-gdp-growth-in-2022-28-01-2022

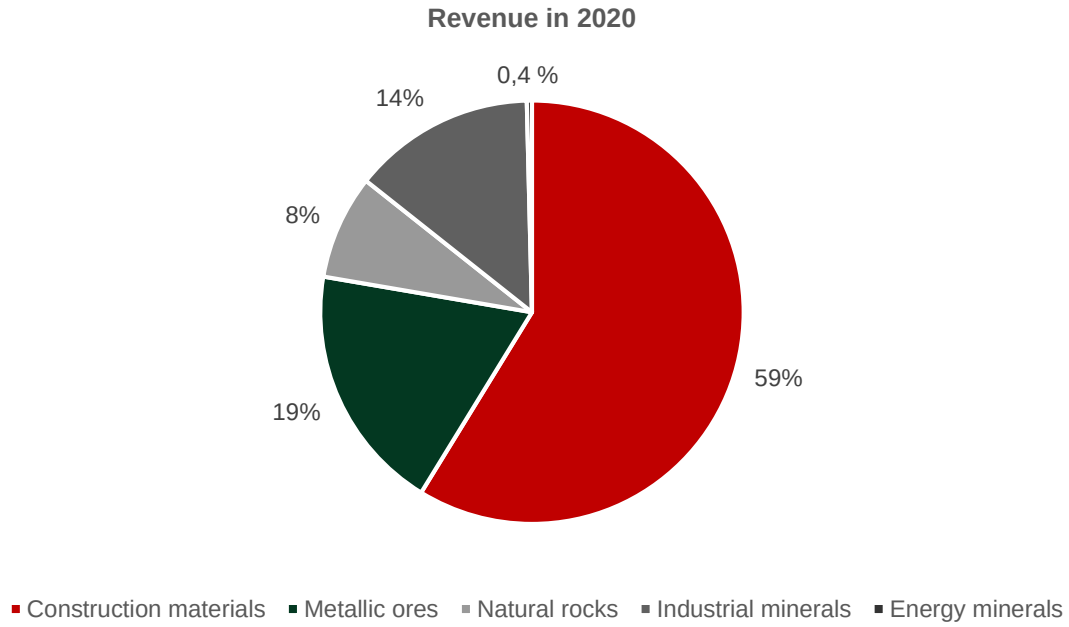
[13] https://www.fastmarkets.com/insights/rebuilding-a-nation-long-steel-demand-and-production-through-the-lens-of-us-infrastructure-investing

6.5 The Norwegian mining industry

Norway has a long history of mining. It is an industry with a major impact on the country's economy going back as far back as the 1600s and has stood as one of the first true export industries for the nation.[14] It is common to divide the materials mined into the following categories; industrial minerals (graphite, lime, dolomite, etc.), metallic ores (iron ore, copper, etc.), building materials (sand, gravel, etc.), natural rock (marble, larvikite, etc.) and energy minerals (coal, peat).[15] Metallic ores have for most of the time since the 1600s been the greatest constituent of the value creation in the industry e.g. silver in Kongsberg, copper from Visnes and Røros, and iron ore from the Dunderland Valley. One of the most famous iron ore operations in Norway is the Bjørnevatn deposit in Sydvaranger. It started production in 1910 and has produced over 220 million tonnes of iron ore until 2015. It was the largest mine in Norway during most of this period.[16]

Norway has since the 1980s pivoted from metallic ores being the most important category to building materials being the most important category. The only operational metallic miners in Norway today are Rana Gruber with their iron ore mining in Nordland and Titania with their production of the titanium-based material ilmenite, located in Rogaland.[17] Construction materials and natural rocks are the only categories with production in every Norwegian county. Industrial minerals are mined in all counties, except for Oslo.

In 2020, the total revenue of the minerals sector amounted to NOK 11,960 million, of which NOK 7,012 million stemmed from construction materials. The second most profitable category after construction materials was the metallic ores with a revenue of NOK 2,291 million.



[14] https://snl.no/Bergverksdrift_i_Norge

[15] https://www.dirmin.no/mineralske-rastoffer

[16] https://www.sydvarangergruve.no/historie

[17] https://snl.no/Bergverksdrift_i_Norge

Source: https://dirmin.no/sites/default/files/hf20-rapport_web.pdf

46% of the total revenue generated by the industry was related to export, at a total of NOK 5,440 million. This was mainly due to the metallic iron and titanium-based ores produced in Nordland and Rogaland.[18]

Norway's mining industry employed 4,646 people in 2020. Rogaland had the largest number of employees with 943 with Nordland and Vestland in second and third place with 753 and 606, respectively.

County	Number of operations	Domestic revenue	Export revenue	Total revenue	Employees
Oslo	2	56	0	56	14
Rogaland	92	787	1,838	2,626	943
Møre og Romsdal	89	331	291	622	280
Nordland	113	639	1,478	2,117	753
Viken	169	1,493	3	1,496	463
Innlandet	246	840	23	864	343
Vestfold og Telemark	118	489	625	1,114	377
Agder	82	198	61	259	98
Vestland	131	453	587	1,040	606
Trøndelag	251	795	33	828	374
Troms og Finnmark	126	422	471	893	355
Svalbard	1	17	31	47	40
Total	**1,420**	**6,519**	**5440**	**11,960**	**4,646**

Source: https://dirmin.no/sites/default/files/hf20-rapport_web.pdf

As presented in the table above, Norway has a large amount of smaller operations with a wide distribution. These are mostly related to the production of sand, gravel, and crushed stones to supply the local construction market. The larger-scale operations with more valuable ore have to be located where the orebody is less dependent on the local demand for their product.

[18] https://dirmin.no/sites/default/files/hf20-rapport_web.pdf

7. THE BUSINESS OF THE COMPANY

7.1 Introduction

Rana Gruber is a sustainable iron ore producer in Norway, with products based on own natural mineral resources which are upgraded and tailored for applications, and exported to customers worldwide. The Company produces and sells iron ore concentrate, and primarily serves steel producers and participants in the chemical industry. The Company also produces and sells micronized iron oxides and other dissemination of iron ore primarily served to paint manufactures and participants in the building- and automotive industries.

Rana Gruber operates own mines with iron ore deposits. The mines are located approximately 35 kilometres north east from the city Mo i Rana in Norway, in Storforshei and Ørtfjell, located in the area called the Dunderland Valley. The iron ore production takes place at the Company's iron ore deposits at Ørtfjell as open pit production and underground operation. The Company's processing plant is also located near Mo i Rana, more precisely in Gullsmedvik, with direct access to the Company's own port and railway connection.

As of the date of this Prospectus, the Company has around 300 employees. The Company's headquarter is located in Mo i Rana, Norway.

7.2 Business strategy

The Company's objective is to produce and sell iron ore concentrates and related activities, and – through economically sound business operations – create lasting and safe jobs in the Company.

As of this date, a key challenge for the mining industry is to produce steel in a more climate friendly manner. A solution is the production of green steel, which requires steel production to be performed with the lowest carbon footprint possible. As a supplier of iron ore concentrate to the steel industry, Rana Gruber is part of the steel industry's journey to a more climate friendly steel production. The Company is especially focusing on decarbonizing its own mining operations while being part of the decarbonisation of other sectors. Rana Gruber’s ambition is to be a force for change and a positive influence on society and the environment. Hence, the Company has committed to remove all carbon emissions from the production by the end of 2025, as the first in the global iron ore industry.

The Company has defined three strategic development projects for the next 3-5 years, all of which, if successful, will contribute to achieve the Company’s overarching objective of leading the way towards a sustainable mining industry:

1. **Carbon free production**
   It is the Company's objective to eliminate all carbon emissions from its production by the end of 2025 by substituting fossil energy powered equipment with electrical alternatives, in addition to introduce fossil free railway transportation such as electric railways.

2. **Increased iron content**
   Rana Gruber has initiated a Fe65 project which aims to increase the average iron (Fe) content of all its hematite products to 65 per cent from the current average grade of 63 per cent. If successful, this will enable steel mills to use less hematite concentrate in their production, which again leads to less carbon emissions and waste from this part of the value chain. Furthermore, a higher-grade product will be linked to a premium grade price index rendering increased price for the hematite products. The Company's aim to lift the iron content is an integral part of the partnership between Rana Gruber and Cargill, and the two are joining forces to start the decarbonisation of the global steel industry’s value chain. The Company's objective is to complete the project by the end of 2024.

3. **Increased magnetite production**
   The third strategic project also contributes to the objective of leading the way towards a sustainable mining industry. Rana Gruber has decided to increase its magnetite M40 volumes – a production process which does not contain any use of chemicals. Increased production of

chemical-free magnetite will be a force in the market, hopefully substituting competing products containing chemicals. This project is motivated by the opportunity to exploit the current situation in which the global demand exceeds the supply. The Company's objective is to complete the project by the end of 2024.

7.3 History and important events

As stated above, the Company's iron mining activities are carried out in the Dunderland Valley in the municipality of Rana, Norway. The iron ore deposits in the Dunderland Valley have a long history, dating back to the early 1800s. Since then, a number of different investors and companies have controlled and exploited the iron ore reserves in the Dunderland Valley.

Below is an overview of the history of the Company.

Year	Event
1800-1901	Iron ore deposits in the Dunderland Valley has been well known since before the 1800s. Swedish industrialist Mr. Pehrsson initiated mining operations. Thomas Alva Edisson raised GBP 200,000 on the London Stock Exchange and established Dunderland Iron Ore Company (DIOC).
1902-1963	DIOC produced iron during 1902-1908. DIOC taken over by AS Sydvaranger who established Rana Gruber in 1937, but was expropriated in 1945. Rana Gruber became a state-owned company and later a part of Norsk Jernverk in 1951.
1964-1990	Rana Gruber established as a unit under Norsk Jernverk. New processing plant finished in 1964 and signalled the initiation of modern production. Processing plant was further modernised in 1981. New main crusher at Ørtfjell together with the opening of a new open-pit mine in 1983.
1991-2009	Rana Gruber privatised in 1991 after a management and employee buy-out. Leonhard Nilsen & Sønner AS – Eiendom AS became majority owner of Rana Gruber in 2008.
2010-2020	A.H. Holding, Roger Adolfsen, Kristian Adolfsen, Even Carlsen and Benn Eidissen became shareholders. Major upgrade programme introduced in 2010 with new mining plan until 2025. Dedicated Research & Development department established to further improve operations. Business optimisation system Lean Mining was introduced in 2017.
2021	Completion of a private placement through a sale of existing shares in Rana Gruber held by LNS Mining AS. Listing of the shares in Rana Gruber on Euronext Growth Oslo.

Year	Event
	LNS Mining AS, the majority shareholder, distributed all shares owned in Rana Gruber (corresponding to 50% of the shares) to its ultimate shareholders. The Cargill agreement is extended from 2025 to 2030, concerning the exclusive off-taking and marketing of Rana Gruber's hematite concentrate.
2021	Completion of merger between Rana Gruber Mineral AS as the transferring company and Rana Gruber AS as the acquiring company.
2022	Conversion of Rana Gruber to a public limited liability company.

7.4 The Company's business activities

7.4.1 Overview of principal activities

Rana Gruber's operations involve iron ore mining and mineral processing to yield iron ore concentrates and special products. The operation involves several complex steps, that starts with mining and ore transport logistics, through advanced mineral processing in several product lines. A strong emphasis on Research and Development has resulted in high process yield without the use of chemicals, and products that goes into different markets tiers, e.g.:

- Hematite concentrated for steel production
- Magnetite for water purification systems
- Nano-scale iron ore minerals for pigments and other special products

Rana Gruber operates in the beginning of a long value chain, as illustrated below:

The mining of ore from the iron ore deposits is done in both open-pit and underground operations. After primary crushing in the mine, the ore is transported by train to the processing plant, situated in the city of Mo i Rana. Hematite iron ore concentrate is then shipped by sea transport primarily to European steel mills, and to a smaller extent to Chinese steel mills. The magnetite-based products are shipped in smaller vessels to specialist companies, mainly in Europe.

In the Company's view, it is considered a preferred supplier for European steel mills as the short distance from the port in Mo i Rana to its customers allows efficient inventory management (smaller and more frequent shipments). In addition, the Company's iron ore represents a significant share of some of the European steel mills total demand and their mills are therefore tuned to the iron ore supplied by the Company. The Company also benefits from reduced transportation costs for deliveries to European steel mills.

Rana Gruber currently delivers its entire annual production of hematite iron ore for steel making applications pursuant to the off-take agreement with Cargill. See Section 7.11 about the Cargill Agreement.

In addition to iron ore, the Company manufactures and markets special products. These products are marketed under the flagship brand COLORANA. The primary application of COLORANA is as pigment for building materials and paint products. Other applications are within industrial and technical use, including heat management products (functional oxides) and products with magnetic properties. The COLORANA process, established in 1990, is still the only plant in the world for ultrafine milling of natural magnetite.

An independent expert report has been prepared on the Company's resources and reserves (the "**Mineral Reserves and Resource Report**") in accordance with the disclosure requirements set out in the EU Prospectus Regulation.[19] The Mineral Reserves and Resources Report has been prepared by Micon International Co Limited and Baker Geological Services Ltd[20] in accordance with the Pan-European Reserves and Resources Reporting Committee (PERC) Standard for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves Reporting Standard, which is one of the acceptable reporting standards for mining reporting.[21] The Mineral Reserves and Resource Report describes the Company's mineral resources, open-pit mining and reserves, geotechnical matters and the underground mining. The Mineral Reserves and Resource Report dated 30 November 2021 is attached to this Prospectus as Appendix B.

The responsible author of the Mineral Reserves and Resource Report, Liz de Klerk on behalf of Micon International Co Limited, meets the requirements of a "Competent Person" as explicitly defined in the PERC reporting standard. Reference is made to page 38-40 of the Mineral Reserves and Resource Report for a description of the qualifications of all competent persons involved in preparing the Mineral Reserves and Resource Report.
The business address of Micon International Co Limited is Suite 10 Keswick Hall, Norwich, NR4 6TJ, United Kingdom. The business address of Baker Geological Services Ltd is 54 Llanedeyrn Road, Penylan, Cardiff, Wales CF23 9DY. Neither Micon International Co Limited nor Baker Geological Services Ltd has any direct or indirect interest in relation to the Company and its business. The Mineral Reserves and Resource Report has been produced at the Company's request and is attached to this Prospectus with the consent of Micon International Co Limited and Baker Geological Services Ltd.

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[19] Including the specific requirements for mineral companies set out in the ESMA update of the CESR recommendations: The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive of 20 March 2013, cf. section 2.3 no. 10 in Final Report: ESMA Guidelines on disclosure requirements under the Prospectus Regulation of 15 July 2020.

[20] "Rana Gruber – Mineral reserve statement for the Dunderland Valley iron ore project Norway" dated 30 November 2021.

[21] Appendix I – "Acceptable Internationally Recognised Mineral Standards" in ESMA update of the CESR recommendations: The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive of 20 March 2013, which refers to "The Pan European Resources Code jointly published by the UK Institute of Materials, Minerals, and Mining, the European Federation of Geologists, the Geological Society, and the Institute of Geologists of Ireland, as amended ('PERC')".

Below is a further description of the Company's mineral resources and reserves.

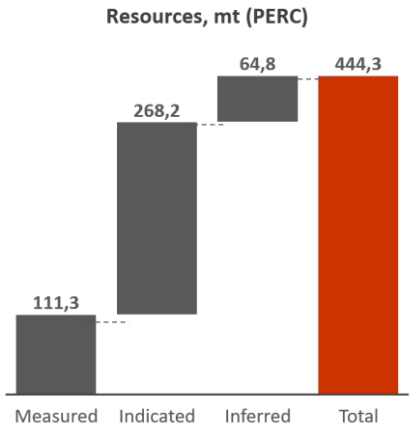
7.4.2 Mineral resources

Rana Gruber controls five iron ore deposits. All deposits are located in Storforshei and Ørtfjell in the Dunderland Valley in Norway. In total, Rana Gruber operates more than 23 000 000 m^2 (5,700 acres) with mineral rights and forest.

The Company has a vast resource base exceeding 444.4mt, as shown in the table and graph below, which is expected to ensure production for the Company for several decades. The graph below summarizes the existing iron ore resources broken down into inferred, indicated and measured resources. This categorization has been done based on the amount of information available, the spacing of available drill core information, assays, geological mapping and status of geostatistical work.

Overview of deposits (mt)

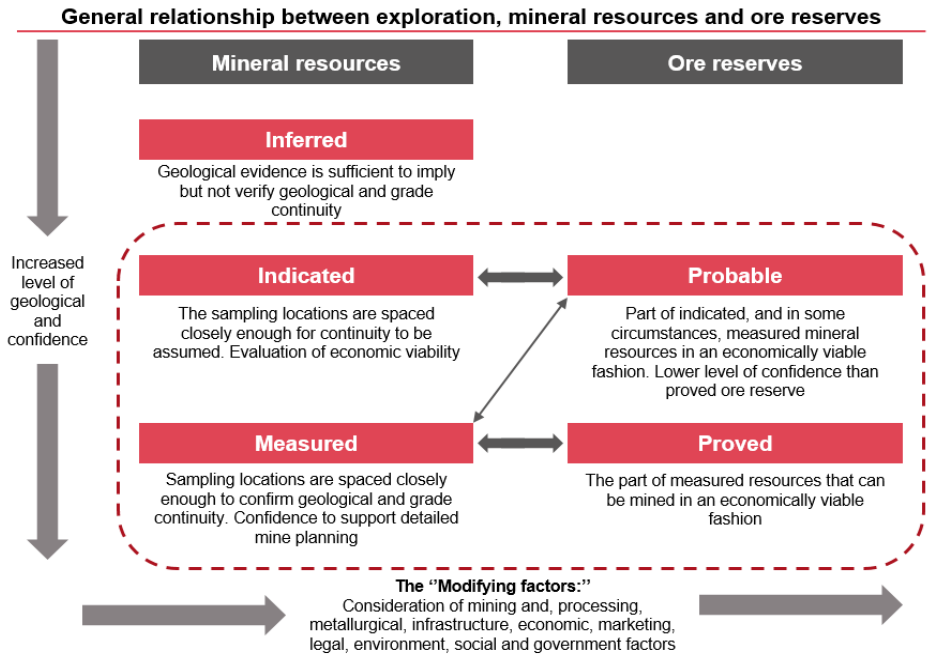
Location	Measured	Indicated	Inferred
1 Finnkåteng	-	6.6	6.0
2 Stensundtjern	-	35.9	0.2
3 Ørtvann	-	28.8	31.5
4 Ørtfjellet	111.3	196.9	11.5
5 Dunderland	-	-	15.6
Total	**111.3**	**268.2**	**64.8**



Definitions are based on the Mineral Resources reported in accordance with PERC

Mineral resources are potentially valuable, and for which reasonable prospects exists for eventual economic extraction. Ore reserves are valuable, and legally, economically and technically feasible to extract. Rana Gruber's current resource estimates are based on extensive exploration work in more recent time. Estimates are based on geological mapping combined with ground geophysics sampling, diamond drilling and airborne geophysical investigation.

Below is an illustration of the general relationship between exploration, mineral resources and ore reserves.



Further to the above, below is a full overview of Rana Gruber's resources.

Deposit	Classification	Million Tonnes	Density	Fe Tot %	Fe Mag %
Ørtfjell	Measured	111.3	3.4	32.5	3.7
Sub-Total - Measured		**111.3**	**3.4**	**32.5**	**3.7**
Ørtfjell	Indicated	196.9	3.5	33.9	5.6
Stensundtjern	Indicated	35.9	3.5	34.3	8.7
Finnkåteng	Indicated	6.6	3.5	36.2	4.8
Ørtvann	Indicated	28.8	3.4	32.8	20.4
Sub-Total - Indicated		**268.2**	**3.5**	**33.9**	**7.6**
Ørtfjell	Inferred	0.7	3.4	30.7	6.7
Stensundtjern	Inferred	0.2	3.5	34.7	5.8
Finnkåteng	Inferred	6	3.6	37.9	4.9
Ørtvann	Inferred	31.5	3.5	33.3	16.3
Nord Dunderland	Inferred	15.6	3.6	37.1	4.1
Sub-Total - Inferred		**64.8**	**3.5**	**33.5**	**10.02**

The table above summarizes Rana Gruber's resources as of this date, including expected grades of the economically important grades. As illustrated in the table, the estimated iron grade is well above 30% Fe Total with variable amounts of magnetic minerals.

7.4.3 Mineral reserves

Based on the Mineral Reserves and Resource Report, the Company's latest mineral reserves are summarized in the table below.

Deposit	Deposit Zone	Classification	Million Tonnes	Density	Fe Tot %	Fe Mag %	S %	MnO %
Ørtfjell	UG - KV 123 Level, SLC	Proved	15.5	3.4	27.9	1.8	0.01	0.3
Sub-Total - UG Proved			**15.5**	**3.4**	**27.9**	**1.8**	**0.01**	**0.3**
Ørtfjell	UG - KV 91, SLC	Probable	14.2	3.4	29.7	1.9	0.01	0.03
Ørtfjell	UG - Eriksmalmen	Probable	10.2	3.4	30.2	5.1	0.01	0.4
Ørtfjell	UG - KV East	Probable	3.5	3.4	29.4	1.7	0	0.7
Ørtfjell	UG - KV West	Probable	12.3	3.4	30.8	6.3	0.02	0.1
Ørtfjell	UG - all development	Probable	1.7	3.4	31.3	4	0.02	0.3
Sub-Total - UG Probable			**41.9**	**3.4**	**30.2**	**4.0**	**0.0**	**0.2**
Ørtfjell	KV East	Probable	5.7	3.4	29.8	1.3	0.01	0.8
Ørtfjell	Nordmalm	Probable	1.3	3.5	33.5	11.3	0.01	0.1
Stensundtjern	East	Probable	17.4	3.4	32.8	8.7	0.04	0.4
Stensundtjern	West	Probable	12	3.5	36.2	8.3	0.06	0.5
Sub-Total - Open Pit Probable			**36.4**	**3.4**	**33.5**	**7.5**	**0.04**	**0.5**
Total - Proved and Probable			**93.8**	**3.4**	**31.1**	**5.0**	**0.02**	**0.3**

The anticipated mine life of the Ørtfjell area, together with the exploitation of the Stensundtjern open pit mine, is more than 15 years. The anticipated mine life is based on the depth of the drill holes, which is measured based on meters above or below sea level. The current drill holes indicate that the ore body at Ørtfjellet continues deeper than the current level. Ørtfjellet therefore represents the largest exploration potential for the Company.

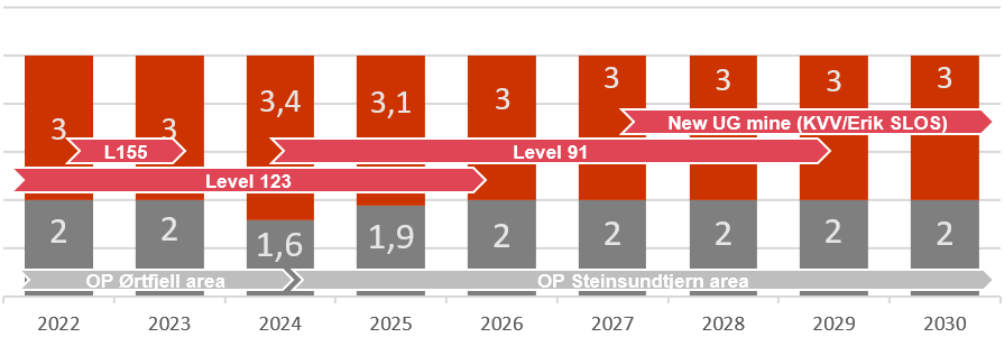
Mining in the Ørtfjell area is based on a continuation of the sub level cave mine and sub level open stope mines. The current exploration campaign aims to increase Rana Gruber's resource base and increase the level of confidence in the western parts of the resources at Ørtfjellet (inferred to indicated, and indicated to measured). The drilling is done from the existing exploration drive at Ørtfjellet, and further exploration potential is found below the sub level cave mine where singular deep drill holes indicate that the ore body continues to depth of 0 m above sea level and below.

7.4.4 Mining

All mining plans relating to Rana Gruber's mining operations are prepared and continuously monitored by the Company's planning department. The operations of the open-pit mine are outsourced to LNS, while the underground mine is operated by the Company. The primary equipment used in both the open-pit and the underground mine includes drilling rigs, loaders/excavators, and trucks.

Rana Gruber's current mining plan ensures production volumes through mid-2025 with limited requirement for infrastructure investments.

Below is an overview of Rana Gruber's planned annual ore production under the current mining plan (mt).



The table above summarizes the Company's planned annual ore production in million tonnes each year, as of this date and until 2030. The mining plan sets out the annual iron ore production from open pit mining as illustrated in dark grey and from underground mining in the Ørtfjell area as illustrated in red.

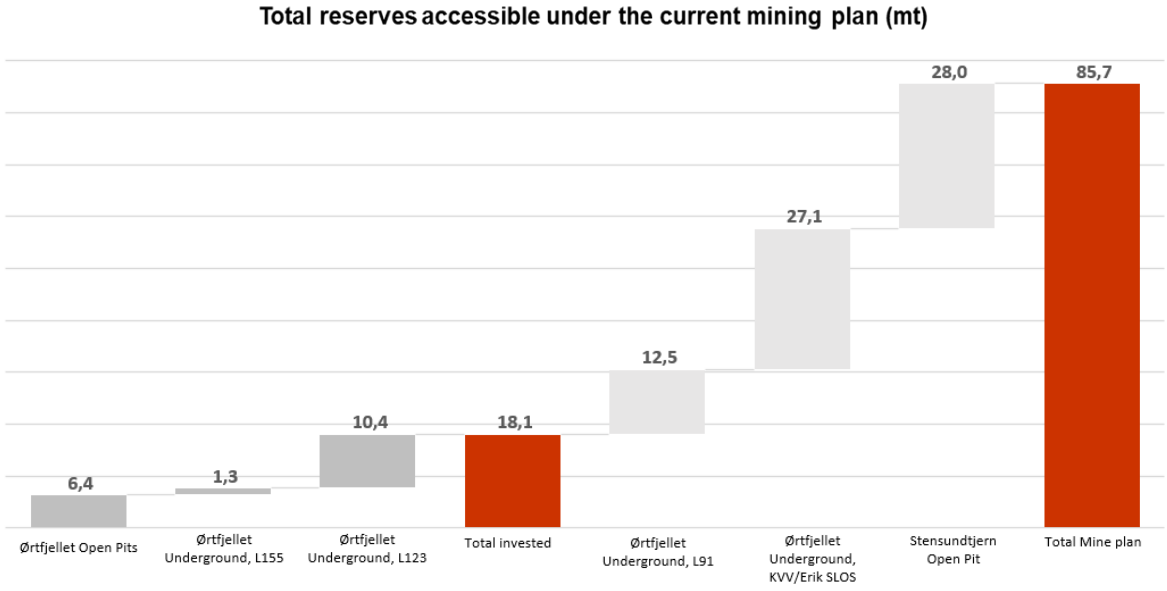
Rana Gruber has a fully invested mining plan with open-pit mining and underground mining from deposits around the Ørtfjell area, with total accessible reserves of 20.9mt.

The current invested mining plan also includes the development of a new underground level (L123) that is completed, and came into production during the fourth quarter of 2020. The total investment in relation to the new underground level was approximately NOK 200 million during 2019-2020.

Rana Gruber's next underground level (L91) is expected to be in production from 2025. The next open pit will be established in the “Steinsundstjern” area.

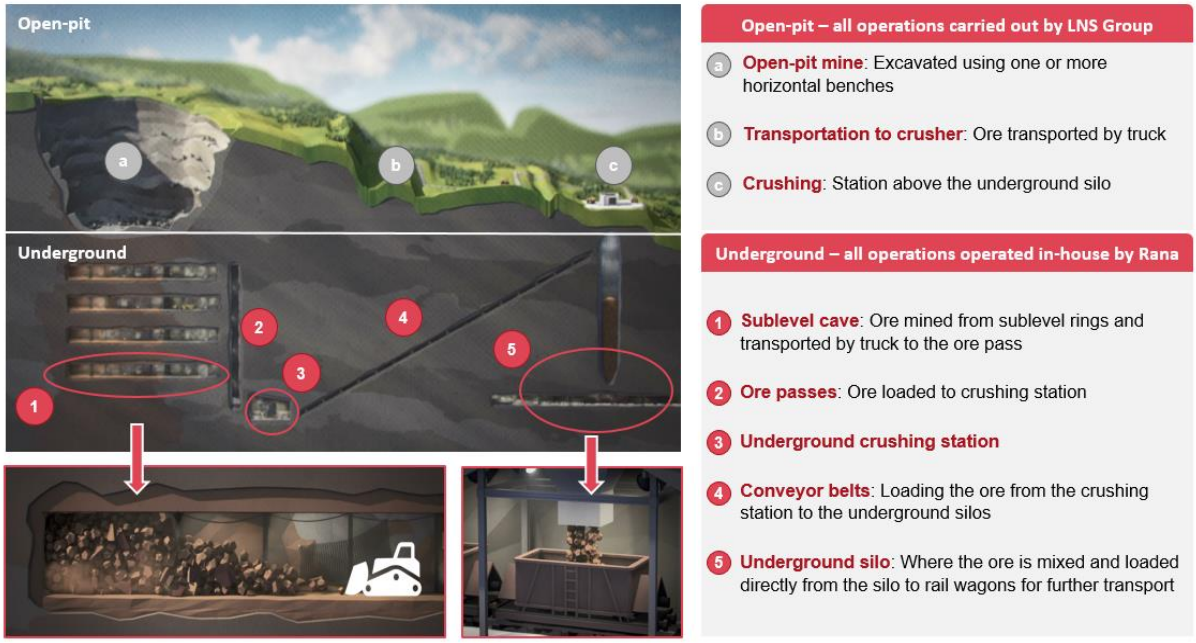
Based on an annual mine production of ~4.8mt, Rana Gruber currently expects to be able to maintain its current annual iron ore concentrate capacity of ~1.8mt (metric tons) (corresponding to a mining factor of ~2.8x.[22])

Below is an overview of Rana Gruber's total reserves accessible under the current mining plan (mt).



[22] Mining factor is a measure of process plant efficiency, calculated as the ore consumed divided by the total production of iron ore concentrates, annually and on dry basis.

Below is an illustration of Rana Gruber's process for open-pit mining and underground mining.



Open-pit mining

Rana Gruber is responsible for planning, survey and supervision of the open-pit mining, but all blasting and mass transport operations are outsourced to LNS on a fixed cost per ton basis. See Section 7.11 for a description of the agreement with LNS concerning the open-pit operations.

Open-pit mining is the process of mining a near surface deposit by means of a surface pit that is excavated using one or more horizontal benches (i.e. levels beneath the ground in which ore is mined). Open-pit mining requires that both the ore and any overburden/waste are removed in benches with a height ranging from 9 meters to 30 meters. The height of each bench depends on a number of factors, including the mining equipment used in the mine, the thickness of the orebody, deposit character and geology, production strategy, ore/waste ratios, blending requirements, number of working faces, operating/capital costs and slope stability considerations.

The number of benches required depends on the thickness of the deposit (i.e. a thin deposit requires one or a few benches while thicker deposits require a higher number of benches). For thicker deposits, the pit in its production stage resembles an inverted cone. Open-pit mines are typically operated until the depth reaches a break-even point beyond which it is not economic to continue production, as the costs of widening the pit and removing the overburden that is required to access the ore becomes too large.

Underground mining

The Company operates all of its underground operations. Underground mining is the process of mining a deposit that cannot be accessed directly from the surface and therefore requires sub-surface operations. There are several different methods that can be applied in underground mining depending on, among other things, the characteristics of the source rock.

Underground mining based on sub-level caving involves dividing the ore body into separate horizontal layers. The mining is initiated at the horizontal level intersecting the top of the ore body before further horizontal levels are established at lower levels. The development and mining of each horizontal level is divided into four different stages, including drilling of development drifts, long-hole drilling, production and blasting and loading.

The benefit of the sub-level caving method is that the method enables work to be carried out at different sub-levels simultaneously, as excavation work can be carried out at one level without interfering with excavation work at another level.

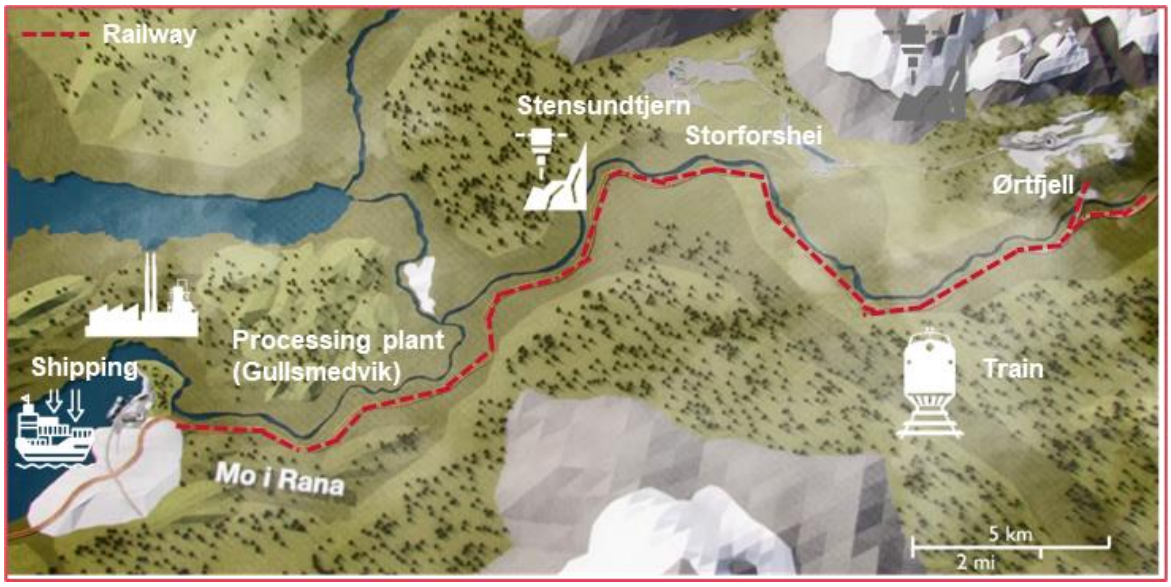
7.4.5 Logistics

Rana Gruber has an automated and highly efficient logistics system from mining until the end product is delivered to customers or shipped at the port in Mo i Rana.

Crude ore, mined from either the underground mine or the open-pit mine, is stored in an underground silo before being loaded directly onto railway wagons for transportation to Rana Gruber's processing plant in Gullsmedvik in Mo i Rana. After processing, the final products are shipped out either by sea from Rana Gruber's own terminal or by truck. Rana Gruber's integrated processing plant, with several production lines for different products, is located in close vicinity to the port shipping facility, resulting in highly cost-efficient operations.

The distance from the mine to the processing plant is approximately 32 kilometers along the public railway, and it takes approximately 40 minutes from the underground silo until the ore is delivered at the processing plant.

The illustration below shows Rana Gruber's logistics system.



The Company's railway is connected to BaneNor/Nordlandsbanen. The railway wagons used to transport the iron ore are owned by the Company (leased through a company in Switzerland, Wascosa) while the operation is performed by Cargonet, which owns the locomotives. The Company currently has one wagon set from 2014. The wagon set consists of approximately 38-39 wagons (depends on maintenance status), with a capacity of 97 ton carrying around 68 ton of crude ore. The maximum number of wagons that can be run is 40, due to limitations in the length of the loading-tunnel beneath the silo. On average, the wagon set completes six runs per day, and transports approximately 100,000+mt of ore to the process plant per week. The Company's maximum annual transport capacity from the storage silo to the process plant is approximately 5.5mt, which gives sufficient headroom for the production volumes under the current mining plan of 4.8mt per year. Maintenance of the railway is carried out by BaneNor usually once a year, during the summer months, for a period of 7-14 days. The Company aligns its facility maintenance with the railway maintenance in their production plan, which reduces the impact of the temporary halt in production. Small scale maintenance performed outside the annual maintenance schedule is planned and aligned as much as possible with the Company's production plan.

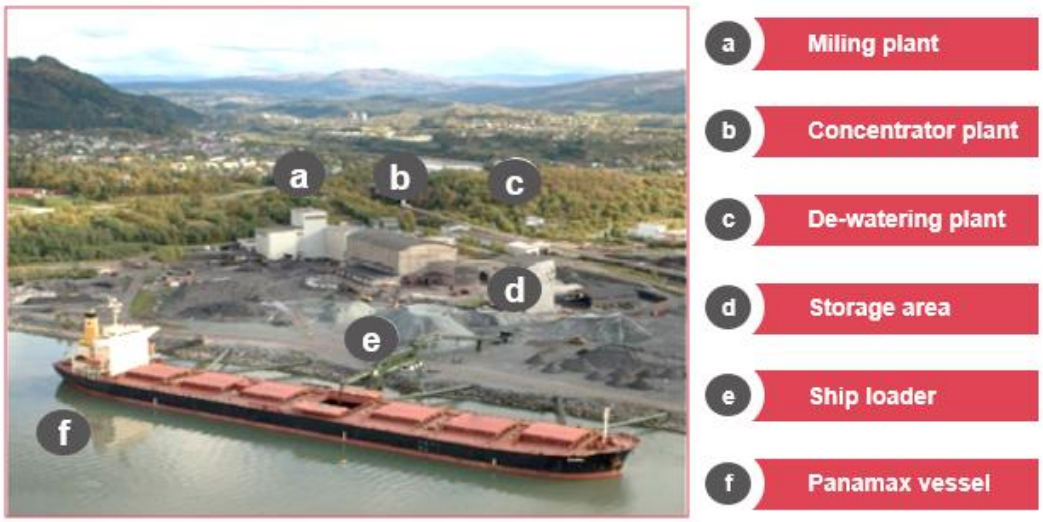
The Company controls its own port which functions as an iron ore terminal and is located by the processing plant in Gullsmedvik directly at the Rana fjord in Norway. The port can accommodate from 1500 dwat up to Panamax sized vessels. The ice free harbour of Mo i Rana is one of Norway's busiest trading points in terms of loaded cargo volume. Approximately 1.6-1.8 million tons of iron ore oxides is loaded annually at the Rana Gruber terminal.

After the iron ore has been processed through a beneficiation process, see Section 7.5.5 "Processing" below, the end products are stored at the dock next to the processing plant before being loaded on

vessels that transport the respective products to the end customer. On average, two to three Panamax sized vessels, as well as a variety of other smaller vessels, are loaded every month. Loading a Panmax vessel typically takes around 70 hours. The loading facility at the harbour is owned and operated by the Company, and the loading operation from the dock onto the vessels is done by the Company, using large loaders.

The iron oxide pigments from COLORANA are packed into bags and put on pallets for dispatch via truck or a combination of truck and railway transport to the final customer. A reliable network and close cooperation with selected logistic providers, among others DB Schenker, North Sea Container Line (NCL) and DSV A/S, secure on-time delivery on the market.

Below is an illustration of Rana Gruber's processing plant in Gullsmedvik.

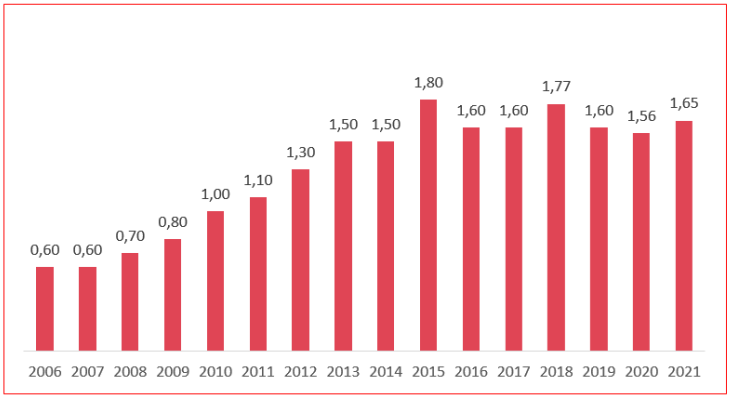


7.4.6 Processing

After being delivered at the processing plant, the iron ore is processed to derive the refined iron ore products based on the specifications of Rana Gruber's customers. See below for further information about the processing operations.

As of the date of this Prospectus, Rana Gruber has an annual production capacity of iron ore concentrate of 1.65mt. Rana Gruber's historical production of iron ore concentrate (mt) is shown in the graph below.[23]

Historical production of iron ore concentrate (mt)

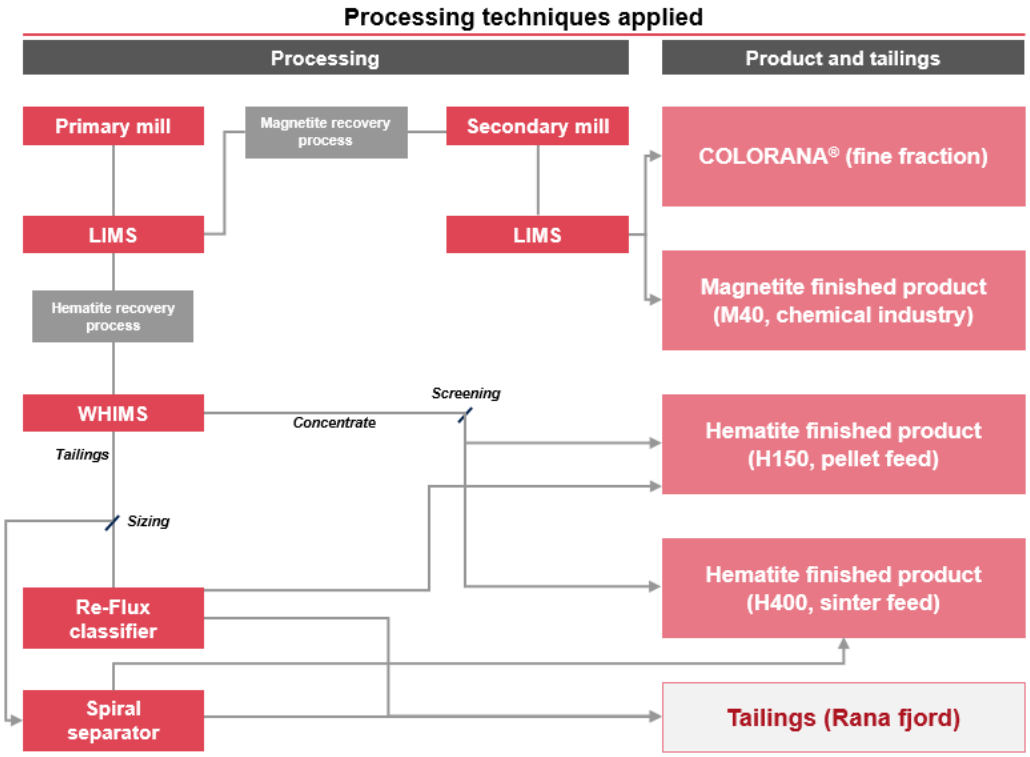


[23] Numbers as of 2021 are actuals and unaudited

The mission for the processing is to liberate and enrich the iron ore minerals hematite and magnetite to produce products suitable for the intended industrial applications. The greatest challenge is to obtain a high recovery of the ore minerals magnetite and hematite, while minimizing the extraction of gangue minerals with similar physical and magnetic properties. The Company has considerable experience and knowledge of the processing required for the iron ore produced from its mines, and utilizes highly efficient processing techniques without the use of flotation or other chemical processes. Thus, both products and the surplus gangue minerals in the tailings are free of chemicals which is a prerequisite for the special products and a safe storage of tailings.

Depending on the mineralogy and the textural conditions of the ore, various processing techniques are applied to reach the desired result. Rana Gruber's processing techniques involves primary autogenous milling, LIMS (Low intensity magnetic separation) extraction of magnetite, WHIMS (Wet high-intensity magnetic separation/Jones-process) recovery and upgrading of hematite in combination with advanced gravimetric methods (Re-flux Classifiers), screening, dewatering and storage of the final products.

Below is an overview of the processing techniques applied by Rana Gruber.

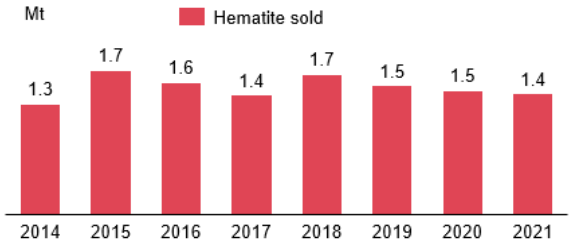


Rana Gruber predominantly produces hematite and magnetite concentrate.

Hematite

Hematite concentrates are used for metallurgical applications, mostly as a part of blast furnace burdens. The end markets are processed steel for buildings, infrastructure and the automotive industry. As further described above and in Section 7.11 below, Rana Gruber delivers its entire annual production of hematite iron ore for steel making applications to Cargill.

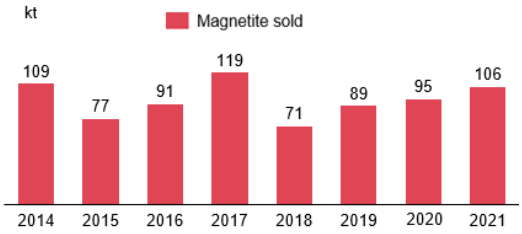
Below is an overview of hematite sold by Rana Gruber.[24]



Magnetite:

Chemical-free magnetite iron oxide concentrates are used in a variety of products, such as water purification systems and the production of natural sourced iron chemicals. The key customers are the chemical industry yielding premium prices compared to the steel industry. In the Company's view, there is a potential increase in production of magnetite.

Below is an overview of magnetite sold by Rana Gruber.[25]



COLORANA:

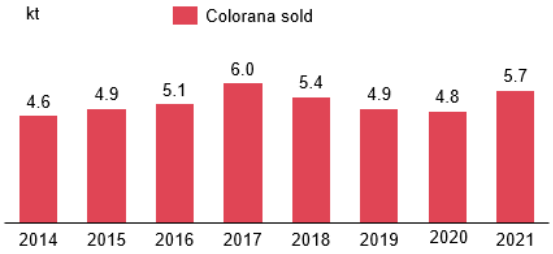
The products within the COLORANA brand are based on two types of magnetite concentrate. The products are used for both colorants and highly advanced products such as brake linings, magnetic stripes and chemical processes. The primary application of COLORANA is as pigment for building materials and paint products, other uses are within industrial and technical applications, including heat management products (functional oxides) and products with magnetic properties. The Company considers the COLORANA process, which was established in 1990, to currently be the only plant in the world for ultrafine milling of natural magnetite.

Below is an overview of COLORANA products sold by Rana Gruber.[26]

[24] The concentrated ore is the output after the crude ore has gone through the beneficiation process to ensure a product with the desired grade. Numbers as of 2021 are actuals and unaudited.

[25] The concentrated ore is the output after the crude ore has gone through the beneficiation process to ensure a product with the desired grade. Numbers as of 2021 are actuals and unaudited.

[26] The concentrated ore is the output after the crude ore has gone through the beneficiation process to ensure a product with the desired grade. Numbers as of 2021 are actuals and unaudited.



As opposed to industry standards, Rana Gruber considers it to have a total chemical free mineral extraction process for all its products. Further, all electricity used in mineral processing plant is from CO_2 free hydroelectric power stations.

Rana Gruber has made considerable investments in the processing plant at Gullsmedvik to ensure an efficient processing with limited risk of breakdowns. The first major investment was an upgrade program that was introduced in 2010 to enable increased production volumes in the new mining plan. The program included investments in two new WHIMS-machines in 2013, as well as several smaller investments, such as new pumps, upgrades of automation systems and new screens and cyclones, to remove bottlenecks from the production line. In 2017, Rana Gruber carried out an upgrade program, based on innovative and new technology for even more efficient processing. The project included replacement of equipment such as screens, cyclones, pumps, piping and constructions, as well as the new Re-Flux Classifier technology. The project also includes a massive rebuild of the existing mass-flow in the processing plant, rendering what the Company believes is a more energy efficient process.

There are several key planned projects that are expected to increase production grade, volume and reduce production costs, summarized below:

- **Hematite Fe65**
  Scope: Increase the Hematite product mix Iron content from current average grade of 63% to 65%. A higher-grade product will be linked to a premium grade price index rendering increased price for the hematite products. The product is expected to be in in the Fe65 market tier, and hence a higher premium price per ton is expected. The Company's objective is to complete the project by the end of 2024.

  Key elements are:
  - Further research and development ("**R&D**") and full-scale test works
  - Re-flux classifiers already invested is at the core of the enhanced process set up
  - Re-milling and enhanced screening systems
  - De-bottlenecking and enhanced process monitoring systems

- **Increased magnetite production**
  Scope: Increase the volume of magnetite product M40. This product is sold at a premium in markets detached from metallurgical iron ore. The Company's objective is to complete the project by the end of 2024.

  Key elements are:
  - Expansion of existing magnetite processing capacity to handle higher magnetite ore blends
  - Fine tuning milling system and the M40 de-watering plant

- **Electrification of mining equipment and carbon free production**
  Scope: It is the Company's objective to eliminate all carbon emissions from its production by the end of 2025 by substituting fossil energy powered equipment with electrical alternatives, in addition to introduce fossil free railway transportation such as electric railways.

Key elements are:

- Substitution of conventional diesel-powered mining equipment with new and more eco-friendly electrical alternatives
- Close collaboration with world class mining equipment manufacturers Epiroc and Sandvik already started
- Data network and control-room systems in the mine
- Evaluation potential for government support schemes, including grants from Enova

Rana Gruber has always had a strong focus on cost-efficient solutions. During the weak markets in 2014-2015, the Company postponed mass removal initiatives to reduce overall operating expenses. This, amongst other cost reducing initiatives, resulted in a relatively low cost per produced ton in the period. The last few years have been characterized by relatively higher mass removal including waste rock for Rana Gruber, in order to be in line with its current mining plan. This has resulted in lower cost per ton total mass removal (including waste rock). Overall, the Company has a strong and continuous focus on applying advanced processing procedures and efficient logistics solutions to ensure and maintain cost efficiency.

As mentioned under Section 7.4, Rana Gruber introduced the new business optimisation system Lean Mining in 2017. Through the Lean Mining system, the Company ensures that the entire organization is focused on continuous improvement. As part of the initiative, the full organization is trained on the "5s method" (Sort, Set in Order, Shine, Standardise, Sustain), and has a strong focus on preventive maintenance to reduce risk of unexpected equipment failure.

7.4.7 Sales and marketing

Rana Gruber is a small player in the worldwide iron ore commodity market. While selling a commodity, Rana Gruber has several characteristics which, in the Company's opinion, makes it a preferred partner:

- Firstly, Rana Gruber is located in proximity to its core end users, European steel mills, with a maximum sailing time of 3.5 days from berth in Mo i Rana to the end customers. This is a key competitive advantage, as the cost of transportation is a considerable share of the overall cost of iron ore in the global trade. By comparison, the sailing time from Brazil, one of the Company's biggest competitive countries, is approximately 14 days.

- Secondly, Rana Gruber has long-standing relationships with its core end users, which has enabled it to develop products to enable efficient sinter and pellet production.

- Thirdly, Rana Gruber benefits from the Cargill Agreement which provides for off-take of its entire annual production of hematite iron ore for steel making applications. Historically, the end users in Europe has had Rana Gruber as their main supplier of iron ore and Rana Gruber has been of strategic importance for their operations, as a switch of supplier would cause production halts for these customers as the steel mill would have to be adjusted to the quality of the iron ore from the new supplier. Rana Gruber is therefore confident with respect to the short- and long-term demand of its iron ore.

- Fourthly, certainty of delivery, low political risk, limited reputational risk, long history of operating in compliance with regulations/permits.

- Finally, with the increasing focus on environment, Rana Gruber's use of hydroelectric power and short haulage distances between the mine and the processing plant/the port, as well as from the port to the end client, ensures a very limited environmental footprint.

7.4.8 Suppliers and contractors

Rana Gruber aims to establish, and maintain, long-term relationship with its suppliers. The Company currently has a number of international suppliers, of which a majority have local offices in Norway.

The majority of the operations in the underground mine is carried out by Rana Gruber internally, while LNS provides services related to the open-pit mine. In addition, LNS provides smaller entrepreneur

services to the underground mine as well as general maintenance services. See Section 7.11 for a description of the agreement with LNS.

It is in the interest of Rana Gruber to establish consignment inventories in cooperation with its suppliers. This is particularly of interest for parts and equipment which is critical to the Company and has a long lead time. The Company has identified its most important suppliers, which is reviewed at least annually, to assess if the cooperation shall continue or if new suppliers should be considered for critical deliveries.

7.4.9 Sustainable mining operations is key priority for the Company

It is a key priority for the Company to conduct sustainable mining operations. Below is a description of the Company's sustainable focus and operations:

Environmental

The Company is deeply committed to extract iron ore with diligent emphasis on avoiding emissions leaving minimal environmental impact:

- The Company's operations are located close to the city of Mo i Rana, Norway, which implies stricter compliance of environmental requirements
- The Company's target eliminating fossil fuel transportation used in its operations
- 95% of all electricity is derived from renewable power
- High utilization of ore yields more environmentally friendly products
- Residual mineral sand with eco-friendly composition is disposed into the Rana fjord, in a monitored sea deposit
- There are no heavy metals in the iron ore and no chemicals are used in the beneficiation process
- Sustainable mining certification is currently in progress liaising with Norsk Bergindustri

Social

The Company has a long heritage of safe operations with minimal harm, leaks or injuries occurred:

- Emphasis on accident-free work environment based on proper and thorough training modules
- Established efforts and procedures to identify workplace hazards
- Best-in-class protective clothing and equipment
- Culture of reporting abnormal situations or incidents
- Company handbook delivered to all employees detailing safety routines
- Annual job environment survey and appraisal interviews
- Launched and supported initiatives such as science centre in cooperation with NTNU, Sintef, etc.
- The Company has had no serious injuries for the last 10 years
- The Company has low turnover of employees
- The Company supports sports, culture and local community

Governance

The Company has a strong focus on operating in the interest of all shareholders of Rana Gruber:

- Part of an industrial cluster with a strong emphasis on sustainability and future-proof solutions

- High standards of governance and business conduct
- Focus on ethics and anti-corruption. The Company has clearly defined anti-corruption policies for the Company
- Strong cooperation with unions, neighbours and local industry to preserve stakeholder incentives
- Several certifications granted with regards to quality management
- Close cooperation with the Norwegian Directorate of Mining and the Norwegian Environment Agency. The Company has annual reporting to the Norwegian Directorate of Mining and the Norwegian Environment Agency
- ISO9001 compliant with ISO 14001 reporting standard in progress

Rana Gruber's vision is to be a world-class sustainable iron ore producer and seek sustainable solutions in its daily activities. Due to the environmental impact of the mining sector in general, and Rana Gruber in particular, the Company aims to become an iron-ore producer contributing to a far more sustainable value chain than that of today. To this end, the Company has set ambitious goals and aim to become the world's first iron-ore producer with zero CO_2 emissions by the end of 2025. The Company considers it to be positioned among the best with respect to CO_2 footprint, due to the combination of hydroelectric power, short transport distance and highly efficient and optimized processing facility. This results in a carbon intensity that is much lower than comparable operations, which makes a good starting point for reaching the zero emissions target.

7.4.10 Certain environmental issues

There are certain environmental issues that may affect the Company's utilization of its assets. Higher water levels and flooding from extreme rains may cause operational disruptions to the Company's operations, for example lead to mine closure, washed-out roads and railroads, as well as unsafe water levels in the tailings. Accordingly, such environmental issues may significantly affect the Company's utilization of its infrastructure systems.

7.5 Research and development

The Company's R&D Department was established in 2019, and is responsible for process development and improvement in all production lines, with a particular focus on developing and improving the recovery and processing of iron ore. The Department runs the Laboratory that serves both the Mine and the Process-plants with chemical and physical analyses of a large variety of samples.

The department consists of 7 employees, including the lab. The strong emphasis on Research and Development has resulted in high process yield without the use of chemicals, and products that goes into different market tiers, e.g.:

- Hematite concentrate for steel production
- Magnetite for water purification systems
- Nano-scale iron ore minerals for pigments and other special products

In 2021, further investments were made in the laboratory to introduce new methods and instruments, which subsequently have multiplied capacity for analyses. Project Fe65 was initiated to find solutions which can increase the quality of its hematite products. The aim of the project is to increase the average iron content from the current average grade of ~63 % to ~65 %. This will enable the product to be linked to a premium grade price index, resulting in increased prices for the hematite products. The Company has gathered extensive experience in this field, and substantial R&D efforts will be allocated to the further development of the project. The commitment to R&D is the basis for increased development activity, and the strategic development projects identified in Section 7.2 will require increased R&D investments moving forward.

7.6 Regulatory matters

7.6.1 Overview

The Company's operations in Norway are subject to a variety of general and industry-specific regulations and permits concerning the environment, the health and safety of employees, land access, infrastructure creation and access, royalties, taxation, accounting policies and other matters. The description below does not purport to give an exhaustive overview of the regulations and permits which applies for the Company's operations.

As of the date of this Prospectus, Rana Gruber holds all necessary concession, exploitation and environmental permits required for its operations.

7.6.2 Licenses and permits

Mining operations

Rana Gruber's mining operations are subject to the Norwegian Minerals Act (No: *Mineralloven*), which replaced the former Norwegian Mine Act (No: *Bergverksloven*). Pursuant to the Minerals Act, different licenses and permits are required for the various mining operations, including licenses for exploration (No: *undersøkelsesrett)*, exploitation (No: *utvinningsrett*)[27] and operation (No: *driftskonsesjon*).

Rana Gruber, and formerly Norsk Jernverk AS, were first granted operation licences for their mining operations in the 1960s. Rana Gruber's current operation license, which includes its current operations, both mines above and below ground, was granted on 8 November 2019.

In connection with the granting of its current operation license in 2019, Rana Gruber submitted a 20-year general long-term plan (No: *overordnet langtidsplan*) until 2050 and a detailed 5-year operation plan (No: *detaljert driftsplan*) for the period 2019-2023 for all relevant mining sites to the Directorate of Mining. These plans have been approved and Rana Gruber's operations are carried out in compliance with these plans. Rana Gruber owns the properties where its current operations are carried out.

As described above, Rana Gruber carries out its mining operations at Storforshei and Ørtfjell. Thus, the operation licence encompasses all of Rana Gruber's planned operations for the period ending 2023. The Norwegian Directorate of Mining can revise the operation license after a period of 10 years as per the Norwegian Minerals Act.

In addition, Rana Gruber has exploitation licences for the following areas:

Name	Licence ID	Valid from
Stensundtj. 2	0032/1986-NB	1986-09-08
Stensundtj. 3	0033/1986-NB	1986-09-08
Ørtvann Sør 1	0020-1/2015	2015-12-18
Ørtvann Sør 2	0021-1/2015	2015-12-18
Nord-Dunderland 1	0017-1/2015	2015-10-26
Nord-Dunderland 2	0018-1/2015	2015-10-26

[27] Exploitation licenses granted pursuant to the Mine Act was named (*Norwegian Utmålsbrev)*.

All licences described in the table above are held by Rana Gruber, except from the exploitation licences for Stensundtj. 1 and 4, which were rented from the Norwegian Government. The agreement expired on 26 June 2020 as the government was not interested in extending this lease. To secure mining rights in these areas Rana Gruber holds exploration rights covering the areas east and west of the exploitation rights Stensundtjern 2 and 3. An application to convert these areas to exploitation rights has been sent to the Norwegian Directorate of Mining and currently awaits approval.

The exploitation licences expire after 10 years unless they are covered by/included in operating licenses or such licences has been applied for, cf. section 33 of the Mineral Act. An exploitation licence may be renewed for another 10 years at the time, cf. section 33 of the Mineral Act.

Rana Gruber owns the properties which encompassed the exploitation licences for Ørtvann Sør 1 and Ørtvann Sør 2, while the properties which encompassed the exploitation licences for Nord-Dunderland 1 and Nord-Dunderland 2 are held by private persons and Statskog. If Rana Gruber in the future is to start operations at private properties, Rana Gruber must compensate the landowners a standardized annual fee of 0.5% of the market value of the extracted minerals in accordance with section 57 of the Mineral Act. Rana Gruber also has the opportunity to apply for expropriation of the private properties pursuant to section 38 of the Mineral Act. Compensation for such expropriation is governed by the Mineral Act.

The Stensundtjern areas are potential open-pit mining areas for the period after 2025, and Rana Gruber is in a process with the municipality of Rana regarding regulations for these areas.

Environment

Rana Gruber has a special environmental permit enabling Rana Gruber to dispose of waste material associated with the extraction and beneficiation process pursuant to section 11 (Special permit for any activity that may cause pollution) of the Norwegian Pollution Control Act. The permission has been given on certain terms, and applies to production, landfilling and the use of flotation chemicals, cf. section 16 (Conditions laid down in a permit) of the Norwegian Pollution Control Act.

7.6.3 Ethics, Health, Environment, Security and Quality Performance

Rana Gruber operates in accordance to its business principles, which are materialised into implemented routines to secure good standards for health, security and environment ("**HSE**"). Based on the type of business Rana Gruber operates, there may accrue deviations regarding health, environment and / or safety, even though good routines have been incorporated.

Rana Gruber imposes, as far as possible, that suppliers and co-contractors comply with Rana Gruber's HSE routines. Before signing an agreement, Rana Gruber's suppliers and co-contractors are made familiar with the HSE routines and receive a copy of the routines. Deviations from the HSE routines by the Rana Gruber' suppliers and co-contractors are reported in the same way as internally in Rana Gruber and are followed up.

Rana Gruber's environmental systems also follow the principles of ISO 14001. Rana Gruber has an environmental stewardship in place, and the goal is to minimize the environmental impact of Rana Gruber's activities and to maximize the restoration of the ecosystems. Environmental data are reported on a regular basis from the QHES manager of Rana Gruber to the CEO. Environmental issues are also reported and discussed in board meetings of the board of directors of Rana Gruber.

Rana Gruber received its renewed environmental permit on 26 June 2015. The permit sets various emission standards based on a production of 4.5mt crude ore per year. The most important emission standard applies to the depositing of tailings in the Rana fjord, which may not exceed 3mt per year. In addition, the permit governs dust emission, noise, use of energy (ENØK) and handling of waste generated from Rana Gruber's operation. The permit requires that Rana Gruber monitors the effect its operations has on the environment, which in particular is sewage water from the mine and disposal of tailings from the ore dressing process. Rana Gruber has established settling ponds in the underground Kvannevann mine and a new tailings pipeline for the processing plant at Mo i Rana.

Although Rana Gruber's production exceeds 4.5mt per year, it operates in compliance with the emissions standards in the permit, including the depositing of tailings, which are the most important emission standard in the permit. The Norwegian Environmental Agency, which granted the permit and carries out periodical audits of Rana Gruber's operations, is aware of Rana Gruber's current production quantities and Rana Gruber is in dialogue with the Norwegian Environmental Agency regarding increasing the production quantity. The Company's emission permit does not represent a limit on the Company's production volume. The permit of 4.5mt per year is consequently not a measure for the Company's production, rather it is a measure on the Company's emissions from production based on the production of 4.5mt per year. The Company expects that the process with the Norwegian Environmental Agency will be completed within approximately 6 months.

In recent years, Rana Gruber has implemented a number of measures which, to ensure that suspended substances in the river are in accordance with, and preferably below, the limits set by the Norwegian Environmental Agency. There is an ongoing dialogue with the Agency about these measures, and although this dialogue is challenging, Rana Gruber is confident that this dialogue and the mentioned measures will result in a regime that all is for the best of the environment. Rana Gruber will do its utmost to reduce the negative impact on the environment, whether its air, ground or water.

Furthermore, Rana Gruber has procedures for non-conformance management. Deviation systems are available to all employees on Rana Gruber's intranet. Registered non-compliance is followed-up by the management together with the employees.

Rana Gruber is ISO-9001 certified. This system is based on process-oriented management with the customer in focus and where continuous improvement is ongoing. The system is built up with close involvement of the employees.

7.6.4 Withholding tax – iron ore in Norway

There is no withholding tax for iron ore in Norway.

7.6.5 Insurance

Rana Gruber has engaged Willies Towers Watson as insurance agent. Rana Gruber has a property damage and business interruption insurance with Gjensidige Forsikring ASA with a full value coverage for property damage and business interruption losses following property damage for a period of 12 months. There is an overall loss limit in the insurance policy of a maximum coverage NOK 600 million for each loss. For ore wagons, there is an additional liability insurance provided by Moderna Försäkringar AB, with an insured amount up to SEK 220 million. The Company also has a board liability insurance which applies to the entire board and the CEO. The amount insured is NOK 100 million.

7.7 Property, plants and equipment

Rana Gruber is one of the region's largest landowners, with ownership of 5,700 acres of land consisting of mineral rights and forest. In the mining area of the Company's property, the Company has a mining infrastructure consisting of equipment such as silos, conveyors, crushers and railroad tracks. This is supplemented by workshop buildings and other facilities.

The processing plant is situated directly adjacent to the port and ship loader facility. The plant has all necessary mineral processing equipment, backed by mechanical workshops and other supporting infrastructure, all owned by Rana Gruber.

7.8 Legal proceedings

From time to time, the Company may become involved in litigation, disputes and other legal proceedings arising in the course of its business. Neither the Company nor its subsidiary, are, nor have been, during the course of the preceding 12 months involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's and/or the Company's financial position or profitability, and neither the Company nor its subsidiary are aware of any such proceedings which are pending or threatened.

7.9 Dependency on contracts, patents, licences etc.

The Company's has registered its trademark Colorana in several European countries. The Company has no registered patents.

As of the date of this Prospectus, the Company holds all necessary concession, exploitation and environmental permits and licenses required for its operations, including operational and exploitation licenses for its mining operations and a special environmental permit enabling the Company to dispose of waste material associated with the extraction and beneficiation process. See Section 7.7 above regarding regulatory matters concerning the Company.

The Company is dependent on the Cargill Agreement for the delivery of its entire annual production of hematite iron ore for steel making applications. Below is a description of the Cargill Agreement and other contracts in which the Company considered as material for its current business operations.

7.10 Material contracts

The Company has not entered into any material agreements outside of the ordinary course of business. Below is a description of agreements that are considered to be material for the Company's business.

7.10.1 The Cargill Agreement

On 24 April 2020, the Company entered into a cooperation agreement with Cargill relating to the marketing and sales of Company's entire annual production of hematite iron ore for steel making applications to Cargill (the Cargill Agreement). The Cargill Agreement, stipulates that the Company shall ensure that the shipments of hematite iron ore to Cargill are evenly spread out during the term of the agreement, whilst Cargill shall use reasonable endeavours to ensure that the stock position of hematite iron ore will not exceed 150 kiloton (kt). The pricing mechanism for the sale of hematite iron ore is linked to iron ore spot prices in USD. As further set out in section 7.12, the Company has however entered into certain iron ore swap contracts. Cargill shall towards its own customers and for marketing purposes use the trade name "Mo i Rana Concentrate" for hematite iron ore purchased from the Company under the Cargill Agreement. In addition to the sale of hematite iron, the Cargill Agreement stipulates that Cargill shall provide the Company consultancy services relating to financial services, freight services, risk management services, sales and marketing services and technical services.

Under the Cargill Agreement, the Company's shipping freight costs are linked with floating market prices through the Baltic Capesize Index. In order to mitigate future market fluctuations in the Baltic Capesize Index, the Company and Cargill have agreed on certain periods with fixed freight rates under the agreement. As of the date of this Prospectus, the Company has agreed on a fixed freight rate of USD 35/mt for a total of 840,000mt of hematite iron ore. The current fixed freight rate period expires on 31 March 2022. The Company will accordingly be subject to the standard pricing mechanism under the agreement and the developments of the Baltic Capesize Index as of and from 1 April 2022, unless additional fixed price arrangements are entered into. Such additional fixed price arrangements may be entered into to mitigate the Company's exposure to future market fluctuations, similar to the global surge in freight rates that occurred in 2021. The current fixed price arrangement is the only arrangement the Company has entered into as of this date. Whether the Company will enter into new arrangements depends on the development in shipping freight costs, and in particular the development in the Baltic Capesize Index.

In June 2021, the Company and Cargill extended the term for the Cargill Agreement to 31 March 2030.

Each party may terminate and sue for breach of agreement if the other party commits a material breach, if an insolvency event occurs, or in the event of a deadlock. The Cargill Agreement is governed by English law.

7.10.2 The LNS agreements

On 10 December 2018, the Company entered into an operating agreement with the contracting firm Leonhard Nilsen & Sønner AS (LNS) relating to the operation of the Company's open pit mine in the Ørtfjell area in Mo i Rana. The agreement is a cooperation agreement where the parties jointly strive to optimize the operational efficiency and quality in the open pit mine. LNS's obligations under the

agreement include providing machinery and resources and performing all activities necessary for operating the open pit mine, including, but not limited to i.a. drilling, blasting, transportation and loading of iron ore and waste rock. Rana Gruber is responsible for i.a. providing LNS with the open pit mine plans (Nw: dagbruddsplaner), ensuring that licenses necessary for operating the mine are in place, and that the physical working conditions are in accordance with LNS' reasonable expectations. The contract is based on a price per metric ton, and a yearly outtake of 6 million metric tons. Save for certain types of work, the pricing mechanism is based on account sales (Nw: regningsarbeid).

The term of the agreement is five years, ending on 1 October 2023. If the open pit mine is not empty after the initial term, the Company has an option of prolonging the agreement after negotiations with LNS. Each party may terminate the agreement upon 9 months' notice. If the Company terminates the agreement prior to 1 October 2023, Rana Gruber is obligated to buy LNS' primary machinery. The obligation ensures that the Company may continue the operation of the Company's open pit mine in the Ørtfjell area, without LNS partaking in the operations, while LNS is alleviated of machinery that is intended for use in the open pit mine and difficult to utilize in other operations. LNS has no obligations in the event of termination of the agreement.

All agreements with LNS are done on an arms-length principles. All operations and responsibilities are well coordinated between the two companies, and well defines in the agreements. The cooperation is evaluated on a steady basis, and all settlements are done on a monthly basis.

7.10.3 Service agreement with LNS Greenland A/S

On 6 May 2016, the Company entered into a service agreement with LNS Greenland A/S. Each party may terminate the agreement by giving the other party three months written notice. Under the agreement, the Company shall provide LNS Greenland A/S expertise services related to geology, exploration, short and long term mine planning and surface surveying. Rana Gruber invoices LSN Greenland DKK 100,000 on a monthly basis for the services provided and normal use of equipment. In addition, the Company shall invoice LNS Greenland A/S on a cost basis for expenses including travelling and lodging expenses.

7.11 Related party transactions

In connection with the admission to trading on Euronext Growth Oslo in February 2021, the Company carried out a private placement in which LNS Mining AS (the sole shareholder of the Company prior to the listing) sold 50% of its shares in the Company. The sale was carried out in accordance with an amendment to a shareholders' agreement in LNS Mining AS which governed how LNS Mining AS, as the selling shareholder in the private placement, was going to distribute the net proceeds from the private placement and its remaining 50% shares in the Company to its ultimate shareholders (the "**LNS Distribution**"). The LNS Distribution took place on 30 March 2021 and the ultimate shareholders of LNS Mining AS were then made subject to customary lock-up undertakings for the shares in the Company until 26 February 2022 (12 months following the admission to trading of the Company's shares on Euronext Growth Oslo). LNS Mining AS did not hold any Shares in the Company following the LNS Distribution and does not hold any Shares in the Company as of this date. The Company's current majority shareholder, Leonhard Nilsen & Sønner – Eiendom AS, is still a majority shareholder of LNS Mining AS. Following the LNS Distribution, the Company has sold certain administration services to LNS Mining on an ongoing basis.

In addition, up until late 2019, the Company had issued a joint surety with LNS Mining AS to Grønlandsbanken for Greenland Ruby Aps, a subsidiary of LNS Mining AS. In late 2019, the Company resolved an extraordinary dividend of a total of NOK 71.9 million to LNS Mining AS against the conversion of the Company's receivables towards Greenland Ruby Aps to Shares in the Company, and the Shares were then transferred to LNS Mining AS as dividend. As stated above, LNS Mining AS does not hold any Shares in the Company as of this date. Furthermore, as of this date, there are no outstanding claims between the Company, LNS Mining AS and Greenland Ruby Aps. In 2021, the Company has sold certain administration and mining services to Greenland Ruby Aps in 2021 related to IT, geology and lab work.

The agreements entered into with LNS and LNS Greenland A/S as described in Section 7.10.2 and 7.10.3, respectively, are also considered to be related party agreements. All relates party agreements have been entered into on market terms and in accordance with arms' length principle.

7.12 Iron ore swap contracts

In order to reduce the exposure to iron ore spot price fluctuations, the Company has entered into certain Iron Ore 62% Fe, CFR China (TSI) swap contracts. Going forward, the Company expects to enter into such contracts on an ongoing basis. The key terms of the contracts are published by the Company through stock exchange announcements.

As of the date of this Prospectus, the Company's total volume of iron ore swap contracts is as follows:

- Q1 2022: 360,000mt (average price of USD 134.3/mt);
- Q2 2022: 240,000mt (average price of USD 135.8/mt);
- Q3 2022: 130,000mt (average price of USD 144.9/mt);
- Q4 2022: 150,000mt (average price of USD 143.7/mt);
- Q1 2023: 150,000mt (average price of USD 137.6/mt);
- Q2 2023: 90,000mt (average price of USD 145.2/mt)

As of the date of this Prospectus, the Company has not entered into any iron ore swap contracts following Q2 2023.

8. CAPITALISATION AND INDEBTEDNESS

8.1 Introduction

The information presented below should be read in conjunction with the other parts of this Prospectus, in particular Section 9 "Selected financial and other information" and Section 0 "Operating and financial review" and the Audited Financial Statements and the notes related thereto, as incorporated by reference in this Prospectus in Section 16.3.

8.2 Capitalisation

(In NOK thousand)

	As of 31 December 2021	Adjustment amounts	As adjusted
Indebtedness			
Total current debt:			
Guaranteed	-	-	-
Secured[1]	31,107	-	31,107
Unguaranteed/unsecured[2]	386,284	-	386,284
Total non-current debt:			
Guaranteed	-	-	-
Secured[3]	82,601	-	82,601
Unguaranteed/unsecured[4]	47,879	-	47,879
Total indebtedness	**547,871**	**-**	**547,871**
Shareholders' equity			
Share capital	9,348	-	9,348
Legal reserve	92,783	-	92,783
Other reserves	479,680	-	479,680
Total shareholder's equity	**581,811**	**-**	**581,811**
Total capitalization	**1,129,682**	**-**	**1,129,682**

1 Current secured debt consists of current portion of lease liability of NOK 31,107 thousand. The lease liability is secured with the leasing institution having security in the underlying leasing objects. The leasing objects are mainly production machines including duper-truck, excavator, wheeled loader, train wagons and other vehicles used in the iron ore extraction and transportation process.

2 Current unguaranteed/unsecured debt consists of trade payable of NOK 119,115 thousand, current tax liability of NOK 145,653 thousand, derivative financial liabilities of NOK 7,680 thousand and other current liabilities of NOK 113,837 thousand.

3 Non-current secured debt consists of non-current lease liability of NOK 82,601 thousand. The lease liability is secured with the leasing institution having security in the underlying leasing objects. The leasing objects are mainly production machines including duper-truck, excavator, wheeled loader, train wagons and other vehicles used in the iron ore extraction and transportation process.

4 Non-current unguaranteed/unsecured debt consists of net deferred tax liabilities of NOK 30,351 thousand, provisions of NOK 15,000 thousand, other non-current liabilities of NOK 1,553 thousand and net defined benefit liabilities of NOK 975 thousand.

8.3 Net financial indebtedness

(In NOK thousand)

	As of 31 December 2021	Adjustment amounts	As adjusted
(a) Cash[1]	264,363	-	264,363
(b) Cash equivalents	-	-	-
(c) Other current financial assets	-	-	-
(d) Liquidity (a + b + c)	**264,363**	**-**	**264,363**
(e) Current financial debt	-	-	-
(f) Current portion of non-current financial debt[2]	31,107	-	31,107
(g) Current financial indebtedness (e + f)	**31,107**	**-**	**31,107**
(h) Net current financial indebtedness (g - d)	**(233,256)**	**-**	**(233,256)**
(i) Non-current financial debt[3]	82,601	-	82,601
(j) Debt instruments	-	-	-
(k) Non-current trade and other payables	-	-	-
(l) Non-current financial indebtedness (l + j + k)	**82,601**	**-**	**82,601**
(m) Total financial indebtedness (h + l)	**(150,655)**	**-**	**(150,655)**

1 Cash includes NOK 11,890 thousand of restricted cash. Restricted cash relates to regulatory restrictions on payroll tax liabilities and is therefore not available for general use by the Company.

2 Current portion of non-current financial debt consist of current portion of lease liability of NOK 31,107 thousand

3 Non-current financial debt consists of non-current portion of lease liability of NOK 82,601 thousand

8.4 Working capital statement

The Company is of the opinion that the working capital available to the Company is sufficient for the Company's present requirements, for the period covering at least 12 months from the date of this Prospectus.

8.5 Contingent and indirect indebtedness

As at 31 December 2021 and as at the date of the Prospectus, the Company did not have any contingent or indirect indebtedness.

9. SELECTED FINANCIAL AND OTHER INFORMATION

9.1 Introduction

The tables included in this Section 9 set out selected consolidated financial information for the Company for the periods indicated.

The selected consolidated financial information is derived from the Company's audited financial statements as of and for the financial years ended 31 December 2021 and 2020, prepared and restated, respectively, in accordance with IFRS. The Company's audited financial statements as of and for the years ended 31 December 2019 and 2018 are prepared in accordance with NGAAP (jointly the Audited Financial Statements). The Audited Financial Statements have been audited by Ernst & Young AS.

The information below should be read in connection with the Audited Financial Statements and is qualified in its entirety by reference to the Audited Financial Statements, including the auditor opinion, which have been incorporated into this Prospectus in Section 16.3. The NGAAP Financial Statements 2019 are attached in Appendix C.

9.2 Summary of accounting principles

For information regarding accounting principles and the use of estimates and judgments, please refer to Note 3 of the Audited Financial Statements as of, and for the year ended, 31 December 2021, as incorporated by reference in this Prospectus in Section 16.3.

9.3 Consolidated statement of income

9.3.1 Consolidated statement of income prepared in accordance with IFRS

The table below sets out selected information from the Company's audited consolidated statement of income for the years ended 31 December 2021 and 2020 extracted from the IFRS Financial Statements.

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
	IFRS (audited)	*IFRS (audited)*
Revenue	1,668,429	1,549,749
Changes in inventories	44,190	7,959
Raw materials and consumables used	(327,567)	(307,580)
Employee benefits expenses	(258,611)	(214,292)
Depreciation and amortisation	(174,247)	(148,702)
Other operating expenses	(189,106)	(144,445)
Operating profit/(loss)	**763,088**	**742,688**
Financial income	541	6,609
Financial expenses	(12,439)	(27,906)
Other financial gains/(losses)	8,555	(363,823)
Profit/(loss) before income tax	**759,745**	**357,568**
Income tax expense	(167,697)	(78,681)
Profit/(loss) for the year	**592,048**	**278,887**

9.3.2 Consolidated income statement prepared in accordance with NGAAP

The table below sets out selected information from the Company's audited consolidated statement of income for the years ended 31 December 2020 and 2019 extracted from the NGAAP Financial Statements.

(In NOK thousand)	Year ended 31 December	
	2020	**2019**
	NGAAP (audited)	*NGAAP (audited)*
Sales income	1,328,554	1,110,855
Other operating income	5,007	9,936
Total revenue	**1,333,561**	**1,120,791**
Cost of goods sold	347,604	345,586
Change in stock of products	(7,959)	38,997
Personnel expenses	213,900	200,616
Depreciation	107,148	101,502
Other operating expenses	153,841	147,437
Operating profit	**519,027**	**286,654**
Other financial income	7,628	8,475
Financial expenses	(176,708)	(222,628)
Profit/loss before tax	**349,947**	**72,501**
Income tax expense	76,912	15,536
Net profit for the year	**273,035**	**56,965**
Allocations		
Group contribution provided/dividends	-	18,000
Transferred to other equity	273,035	38,965
Total allocations	**273,035**	**56,965**

9.4 Consolidated statement of comprehensive income in accordance with IFRS

The table below sets out selected information from the Company's audited consolidated statement of income for the years ended 31 December 2021 and 2020 extracted from the IFRS Financial Statements.

(In NOK thousand)	Year ended 31 December	
	2021	**2020**
	IFRS (audited)	*IFRS (audited)*
Other comprehensive income		
Items that are not reclassified to profit or loss:		
Actuarial gains and losses	(1,296)	(2,348)
Tax on items that are not reclassified to profit or loss	285	517
Net other comprehensive income/(loss)	(1,011)	(1,831)
Comprehensive profit/(loss) for the year, net of tax	**591,037**	**277,055**

9.5 Consolidated statement of financial position

9.5.1 Consolidated statement of financial position prepared in accordance with IFRS

The table below sets out selected information from the Company's audited consolidated statement of financial position for the years ended 31 December 2021 and 2020 extracted from the IFRS Financial Statements.

(In NOK thousand)	Year ended 31 December	
	2021	**2020**
	IFRS (audited)	*IFRS (audited)*
ASSETS		
Non-current assets		
Mine properties	303,768	346,344
Property, plant and equipment	153,416	134,691
Right-of-use asset	114,284	115,877
Other non-current financial assets	1 500	135,439
Net deferred tax assets	-	-
Total non-current assets	**572,968**	**732,351**
Current assets		
Inventories	89,215	35,106
Trade receivables	63,087	297,950
Other current receivables	36,802	5,758
Derivative financial assets	103,247	31,237
Cash and cash equivalents	264,363	24,994
Total current assets	**556,714**	**395,044**
TOTAL ASSETS	**1,129,682**	**1,127,395**
EQUITY AND LIABILITIES		
Equity		
Share capital	9,348	9,348
Share premium	92,783	92,738
Retained earnings	479,680	276,565
Total equity	**581,811**	**378,696**
Non-current liabilities		
Borrowings	-	193,295
Lease liabilities	82,601	89,479
Net deferred tax liabilities	30,351	9,147
Provisions	15,000	15,000
Other non-current liabilities	1,553	3,156
Net defined benefit liabilities	975	6,737
Total non-current liabilities	**130,480**	**316,814**
Current liabilities		
Borrowings	-	-
Trade payables	119,115	70,718
Lease liabilities (current portion)	31,107	29,084
Current tax liabilities	145,653	33,265
Derivative financial liabilities	7,680	188,983
Other current liabilities	113,836	109,834
Total current liabilities	**417,391**	**431,885**
Total liabilities	**547,871**	**748,699**
TOTAL EQUITY AND LIABILITIES	**1,129,682**	**1,127,395**

9.5.2 Consolidated balance sheet prepared in accordance with NGAAP

The table below sets out selected information from the Company's audited consolidated statement of financial position for the years ended 31 December 2020 and 2019 extracted from the NGAAP Financial Statements.

	Year ended 31 December	
(In NOK thousand)	**2020**	**2019**
	NGAAP (audited)	*NGAAP (audited)*
ASSETS		
Non-current assets		
Mines	238,856	264,408
Land, buildings and other real estate	16,803	12,527
Machinery and equipment	190,814	192,410
Operating equipment and office furniture	7,044	4,274
Total property, plant and equipment	**453,517**	**473,619**
Investments in other shares and businesses	2,097	1,678
Loan to group companies	133,939	224,464
Other subordinated loans	1,500	1,500
Other long term receivables	13,574	11,475
Total financial non-current assets	**151,110**	**239,117**
Total non-current assets	**604,627**	**712,736**
Current assets		
Stock	**211,683**	**123,523**
Trade accounts receivable	152,074	187,438
Other current receivables	39,634	25,646
Total current receivables	**191,708**	**213,084**
Bank deposits and other liquid assets	24,994	9,648
Total current assets	**428,385**	**346,255**
TOTAL ASSETS	**1,033,012**	**1,058,992**
EQUITY AND LIABILITIES		
Equity		
Share capital	9,348	9,348
Share premium	92,783	92,783
Total paid-in equity	**102,131**	**102,131**
Other equity	389,132	242,097
Total retained earnings	**389,132**	**242,097**
Total equity	**491,263**	**344,228**
Non-current liabilities		
Deferred tax	54,455	10,843
Financial leasing liabilities	75,526	63,510
Debt to financial institutions	193,295	281,146
Other non-current liabilities	4,656	6,258
Total non-current liabilities	**327,931**	**361,757**
Current liabilities		

(In NOK thousand)	Year ended 31 December 2020 NGAAP (audited)	2019 NGAAP (audited)
Income tax payable	33,265	(1,608)
Debt to financial institutions	0	177,089
Trade accounts payable	111,225	100,352
Public duties payable	14,233	10,755
Other current liabilities	27,595	26,241
Current liabilities group companies	0	22,178
Group contribution payable	27,500	18,000
Total current liabilities	**213,818**	**353,007**
Total liabilities	**541,749**	**714,764**
TOTAL EQUITY AND LIABILITIES	**1,033,012**	**1,058,992**

9.6 Consolidated statement of cash flow

9.6.1 Consolidated statement of cash flows prepared in accordance with IFRS

The table below sets out selected information from the Company's audited consolidated statement of cash flows for the years ended 31 December 2021 and 2020 extracted from the IFRS Financial Statements.

(In NOK thousand)	Year ended 31 December 2021 IFRS (audited)	2020 IFRS (audited)
Cash flow from operating activities		
Profit before income tax	759,745	357,568
Adjustments for:		
Movements in provisions, pensions and government grants	(554)	1,608
Depreciation of tangible assets	174,247	148,702
Unsettled loss/(gain) on derivative financial instruments	(95,567)	157,747
Net finance income / expense	11,898	21,297
Working capital changes:		
Change in inventories	(54,109)	(7,674)
Change in trade receivables and payables	119,100	(135,069)
Income tax paid	(33,265)	-
Interests received	541	6,609
Interests paid	(13,589)	(29,902)
Net cash flow from operating activities	**868,446**	**520,886**
Cash flow from investment activities		
Expenditure on mine development	(67,011)	(156,287)
Expenditures on property, plant and equipment	(58,642)	(30,082)
Cash receipt from repayment of loans	133,939	90,526
Net cash flow from investing activities	**8,286**	**(95,843)**
Cash flow from financing activities		

(In NOK thousand)	Year ended 31 December	
	2021	**2020**
	IFRS (audited)	*IFRS (audited)*
Acquisition of treasury shares	(9,793)	-
Cash receipts from sale of treasury shares	6,958	-
Payment of principal portion of lease liabilities	(25,653)	(26,925)
Cash repayments of amounts borrowed	(196,288)	(266,272)
Dividends paid	(412,587)	(116,500)
Net cash flow from financing activities	**(637,363)**	**(409,697)**
Net increase/(decrease) in cash and cash equivalents	239,369	15,346
Cash and cash equivalents at the beginning of the period	24,994	9,648
Cash and cash equivalents at the end of the period	**264,363**	**24,994**

9.6.2 Consolidated statement of cash flow prepared in accordance with NGAAP

The table below sets out selected information from the Company's audited consolidated statement of cash flows for the years ended 31 December 2020 and 2019 extracted from the NGAAP Financial Statements.

(In NOK thousand)	Year ended 31 December	
	2020	**2019**
	NGAAP (audited)	*NGAAP (audited)*
Cash flow from operating activities		
Profit before tax	349,947	72,501
Proceeds from Norwegian tax incentive scheme	1,608	4,684
Gain on sale of fixed assets	(2,627)	(141)
Depreciation	107,148	101,501
Change in stock, mine tunnel	(80,486)	17,132
Change in stock, other	(7,674)	38,363
Change in trade accounts receivable and payable	46,236	(59,551)
Change in other accruals	(10,794)	(11,883)
Net cash flow from operating activities	**403,358**	**162,606**
Cash flow used in investment activities		
Proceeds from sale of fixed assets	2,627	2,471
Investments in fixed assets	(87,045)	(132,608)
Proceeds from sale of shares	0	1
Investments in associated companies and other shares	(420)	444
Change in other investments	(2,098)	(1,094)
Net cash flow used in investing activities	**(86,936)**	**(130,786)**
Cash flow used in financing activities		
Repayment of non-current liabilities and financial leasing	(99,020)	(61,379)
New long-term debt and financial leasing	23,185	14,480
Change in current liabilities (bank overdraft)	(177,089)	(48,607)
Change in liabilities and intercompany balances	68,348	66,261
Dividends (paid)	(116,500)	0

(In NOK thousand)	Year ended 31 December	
	2020	**2019**
	NGAAP (audited)	*NGAAP (audited)*
Net cash flow used in financing activities	**(301,077)**	**(29,245)**
Total cash flows (change in liquid assets)	**15,345**	**2,574**
Bank deposits and cash at 1 January	9,648	7,075
Bank deposits and cash at 31 December	**24,994**	**9,648**
Ordinary limit bank overdraft	100,000	205,000
Bank overdraft not utilised and deposits	112,349	27,911

9.7 Consolidated statement of changes in equity

9.7.1 Consolidated statement of changes in equity prepared in accordance with IFRS

The table below sets out selected information from the Company's audited consolidated statement of changes in equity for the years ended 31 December 2021 and 2020 extracted from the IFRS Financial Statements.

(In NOK thousand)

	Share capital	**Share premium**	**Treasury shares**	**Retained earnings**	**Total equity**
At 1 January 2020 (2020 IFRS)	**9,348**	**92,783**	**-**	**125,510**	**227,641**
Profit for the year	-	-	-	278,887	278,887
Other comprehensive income	-	-	-	(1,831)	(1,831)
Total comprehensive income	-	-	-	277,055	277,055
Dividends paid	-	-	-	(126,000)	(126,000)
Issue of share capital	-	-	-	-	-
Acquisition of treasury shares	-	-	-	-	-
At 31 December 2020 (2020 IFRS)	**9,348**	**92,783**		**276,565**	**378,696**
At 1 January 2021 (2021 IFRS)	**9,348**	**92,783**	**-**	**276,565**	**378,696**
Profit for the year	-	-	-	592,048	592,048
Other comprehensive income	-	-	-	(1,011)	(1,011)
Total comprehensive income	-	-	-	591,037	591,037
Dividends paid	-	-	-	(385,087)	(385,087)
Issue of ordinary shares	-	-	-	-	-
Acquisition of treasury shares	-	-	(2,835)	-	(2,835)
At 31 December 2021 (2021 IFRS)	**9,348**	**92,783**	**(2,835)**	**482,515**	**581,811**

9.7.2 Consolidated statement of changes in equity prepared in accordance with NGAAP

The table below sets out selected information from the Company's audited consolidated statement of changes in equity for the years ended 31 December 2020 and 2019 extracted from the NGAAP Financial Statements.

(In NOK thousand)	Share capital	Share premium	Other equity	Total equity
At 1 January 2019 (2019 NGAAP)	**9,348**	**92,783**	**275,044**	**377,175**
Net profit/loss for the year	-	-	56,965	56,965
Dividend	-	-	18,000	18,000
Extraordinary dividend	-	-	71,912	71,912
At 31 December 2019 (2019 NGAAP)	**9,348**	**92,783**	**242,097**	**344,228**
At 1 January 2020 (2020 NGAAP)	**9,348**	**92,783**	**242,097**	**344,228**
Net profit/loss for the year	-	-	273,035	273,035
Extraordinary dividend	-	-	(126,000)	(126,000)
At 31 December 2020 (2020 NGAAP)	**9,348**	**92,783**	**389,132**	**491,263**

9.8 Segment information

Rana Gruber's business is primarily related to the excavating, processing and sale of iron oxide in the form of hematite, magnetite and iron oxide pigments. Hematite is used for iron and steel production in smelting plants in Europe and magnetite is used in industrial water purification processes. Operating segments are components of the Company regularly reviewed by the chief operating decision maker to assess performance and be able to allocate resources. The Company's CEO (Chief Executive Officer) is the chief operating decision maker ("**CODM**") at Rana Gruber. The Company, as a whole, is operated as a single segment. The table below sets forth a disaggregation of revenue from external customers by product.

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
	IFRS (audited)	*IFRS (audited)*
Sales of hematite	1,644,212	1,189,515
Sales of magnetite	115,254	112,721
Sales of Colorana	43,840	38,522
Total revenue from contracts with customers	**1,803,306**	**1,340,758**
Effect from provisionally priced receivables	(146,195)	203,984
Other income	11,318	5,007
Total revenue	**1,668,429**	**1,549,749**

9.9 Auditor

The Company's auditor is Ernst & Young AS, with business registration no. 976 389 387 and registered business address at Dronning Eufemias gate 6A, 0191 Oslo. The partners of Ernst & Young AS are members of The Norwegian Institute of Public Accountants (Norwegian: Den Norske Revisorforeningen).

Ernst & Young AS has audited the Audited Financial Statements. Ernst & Young AS has not audited any other information in this Prospectus.

10. OPERATING AND FINANCIAL REVIEW

The following is a discussion and analysis of the Company's results of operations and financial condition, based on the Audited Financial Statements. This operating and financial review should be read together with Section 4 "General information", Section 9 "Selected financial and other information", and the Audited Financial Statements and related notes, as incorporated by reference in this Prospectus in Section 16.3, and as attached in Appendix C. The selected consolidated financial information is derived from the Company's audited financial statements as of and for the financial years ended 31 December 2021 and 2020, prepared and restated, respectively, in accordance with IFRS. The Company's audited financial statements as of and for the years ended 31 December 2019 and 2018 are prepared in accordance with NGAAP (jointly the Audited Financial Statements). *This following discussion and analysis may contain forward-looking statements that reflect the Company's plans and estimates. Factors that could cause or contribute to differences to these forward-looking statements include those discussed in Section 2 "Risk Factors", see also Section 4.6 "Cautionary note regarding forward-looking statements".*

10.1 Overview

Rana Gruber is a mining company established in 1964 and operates own mines with iron ore deposits. The mines are located approximately 35 kilometres north east from the city Mo i Rana in Norway, in Storforshei and Ørtfjell, located in the area called the Dunderland Valley. The iron ore production takes place at the Company's iron ore deposits at Ørtfjell as open pit production and underground operation. The Company's processing plant is also located near Mo i Rana, more precisely in Gullsmedvik, with direct access to the Company's own port and railway connection.

The Company has a stable production and sale of iron ore and currently delivers its entire annual production of hematite iron ore to Cargill. The agreement with Cargill has a term until 31 March 2030. For the year ended 31 December 2021, the Company produced and sold iron ore concentrate of 1.65 million tonnes and 1.55 million tonnes, respectively. The Company had total revenues of NOK 1,668,429 thousand and operating profit of NOK 763,088 thousand for the year ended 31 December 2021.

10.2 Key factors affecting the Company's results of operations and financial performance

The Company's results of operations have been, and will continue to be, affected by a range of factors, many of which are beyond the Company's control. The factors that management believes have had a material effect on the Company's results of operations during the periods under review, as well as those considered likely to have a material effect on its results of operations in the future are described below.

10.2.1 Commodity prices, production volume, freight cost and hedging positions

Revenue is primarily driven by production volume, in addition to commodity price and foreign exchange rates. Approximately 90% of revenue relates to Hematite, which is sold to Cargill based on a long-term off-take agreement, securing volume through 2030. Hematite prices follow the global iron ore price development, which have fluctuated significantly in recent years. The production of Hematite is relatively stable year on year, while the price fluctuates, hence the share of revenue from Hematite will fluctuate consequently. Sale of iron ore is denominated in USD and the risk associated with iron ore sales prices is managed through financial hedging positions which can have positive or negative outcomes depending on the fluctuation in NOK/USD and iron ore price.

Freight is embedded in the settlement from customers as part of a pricing mechanism. Freight is therefore recorded as part of revenue and not presented as a separate cost element. Historically, freight rates have been fixed at USD 20.25 per metric tonnes. The Company changed from fixed to spot freight prices in June 2021, which exposes the Company to an index and will give the Company floating rates both over and under 20.25 going forward.

10.2.2 Operating cost base

The operating cost base mainly comprises costs directly related to the extraction and processing of iron ore, in addition to personnel expenses. The mining industry is very capital intensive, and the Company has made significant investments in and lease agreements for machinery related to extraction which in turn impacts depreciation and other operating expenses. Energy is one of the most important input

factors in iron concentrate production. The Company is exposed to fluctuations in electricity and fuel prices, and the fluctuation in energy prices related to the production process pose a risk to the Company's profit. The risk related to electricity purchases is managed by entering into contracts where power is brought forward at a fixed price. These contracts are included in a hedging portfolio where limits have been established for how large a proportion of expected consumption (GWh) at a given future point can be bought forward today. On this basis, the portfolio is brought forward continuously for part of the expected consumption. Operating costs are predominantly denominated in NOK.

10.2.3 Exchange rates

The Company is exposed to fluctuations in exchange rates for EUR/NOK, USD/NOK and GBP/NOK, since revenues from the sale of its products are nominated in these currencies. Revenues in EUR match the Company's power trading costs, which are also denominated in that currency. Hedging EUR/NOK is therefore only undertaken for individual transactions of significant size. The volume of revenues in GBP/NOK is currently limited and no hedging is done with regards to this currency risk exposure. All sales of iron-ore concentrates (hematite) to the steel industry are nominated in USD. The main exposure on the currency side therefore relates to USD/NOK. To reduce the effect on profits related to fluctuations in this currency, the Company sells part of its expected USD revenues forward or secures the prices through the use of other financial instruments. All forward currency contracts and structured derivatives are included in a hedging portfolio.

10.3 The Company's results of operations

10.3.1 Descriptions of principal statement of income items for the year ended 31 December 2021 compared to the year ended 31 December 2020

Descriptions of certain principal statement of income items for the year ended 31 December 2021 compared to the year ended 31 December 2020 are set forth below. This description must be read in conjunction with the significant accounting policies in this section and in the notes to the Company's IFRS Financial Statements.

Revenue

Revenue is related to revenues generated by sales of hematite, magnetite and iron oxide pigments (Colorana). Substantially, all revenue from contracts with customers arise from the sale of hematite products. The Company does not typically provide freight, shipping or insurance services to its customers. Therefore, providing goods is the only performance obligation identified on the contracts with customers. Each shipment is treated as a separate performance obligation.

The sale of hematite is typically subject to a provisional price mechanism. At the moment of the sale, invoices are issued to the client based on provisional prices, reflecting the average of past spot prices of iron ore. Final prices are derived from monthly averages of iron ore prices during the reference period (typically, three months (M+3) after each shipment has taken place).

Revenue is recognised at the shipment date for an amount that corresponds to the forward prices for the last day of the month in which the invoice will be finally settled. At each reporting date after the date of the sale, the corresponding trade receivable is measured using the updated forward prices. Subsequent changes in the value of the trade receivables due to changes in the forward prices are recognised as revenue up until the date of the final settlement for the shipment.

Changes in inventories

Changes in inventories comprise changes in the inventory of in-house manufactured finished goods, goods in progress, purchased semi-manufactured goods, and production supplies and spare parts.

Raw materials and consumables used

Raw materials and consumables reflect the cost of material directly linked to the production of iron ore.

Employee benefits expenses

Employee benefit expenses include all types of remuneration to personnel employed by the Company, including salaries, social security costs, pension costs and other employee expenses, and are expensed when earned. Ordinary salaries can be both fixed pay and hourly wages and are earned and paid periodically. Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. The employer's national insurance contribution (social security) is calculated and expensed for all payroll related costs including pensions. Pension contributions are earned on a monthly basis. Other employee expenses consist of other benefits such as insurance, and telephones and remuneration to the Company's directors.

Depreciation

Depreciation relates to the depreciation of mine-properties, property, plant and equipment and right-of-use assets.

Other operating expenses

Other operating expenses are recognized when they occur and represent a broad range of operating expenses incurred by the Company in its day-to-day activities. Other operating expenses consist of mainly maintenance and service costs, equipment rental costs, energy costs, shipping costs, insurance costs and other fixed administrative costs. Moreover, expenses that are not classified as cost of materials, employee benefit expenses or depreciation.

Financial income

Financial income interest income from bank deposits and loans to related parties.

Financial expenses

Finance costs consists of interest costs on borrowings and lease liabilities.

Other financial gains/(losses)

Other financial gains/(losses) consist of the net gains (losses) from derivatives and net foreign exchange gains (losses).

Income tax expense

Income tax expense consists of both current and deferred tax. Current tax is the amount of the income tax payable or recoverable in respect of the pre-tax profit/loss for the period. Deferred tax liabilities are the amounts payable in future periods while deferred tax assets are the amount recoverable in future periods.

10.3.2 Results of operations for the year ended 31 December 2021 compared to the year ended 31 December 2020

The table below sets forth selected comparative results of operations for the year ended 31 December 2021 compared to 2020 derived from the IFRS Financial Statements:

(In NOK thousand)	Year ended 31 December	
	2021	**2020**
	IFRS (audited)	*IFRS (audited)*
Revenue	1,668,429	1,549,749
Changes in inventories	44,190	7,959
Raw materials and consumables used	(327,567)	(307,580)
Employee benefits expenses	(258,611)	(214,292)
Depreciation and amortisation	(174,247)	(148,702)
Other operating expenses	(189,106)	(144,445)
Operating profit/(loss)	**763 088**	**742,688**
Financial income	541	6,609
Financial expenses	(12,439)	(27,906)
Other financial gains/(losses)	8,555	(363,823)
Profit/(loss) before income tax	**759,745**	**357,568**
Income tax expense	(167,697)	(78,681)
Profit/(loss) for the year	**592,048**	**278,887**

Revenue

Revenue increased by NOK 118,680 thousand, or 7.7%, to NOK 1,668,429 thousand for the year ended 31 December 2021 compared to NOK 1,549,749 thousand for the year ended 31 December 2020, primarily due to higher average market prices which had a positive impact on revenue growth, partly offset by income deductions related to freight. Prices for the Company's hematite product continued to develop strongly throughout the first half of 2021, driven by continued high steel demand from infrastructure stimulus investments in China and supply chain issues. Prices peaked on 12 May at USD 233.1 per tonne, with the average price for the year being USD 159 per tonne, compared to a peak of USD 177 per tonne on 21 December and an average price of USD 108 per tonne for the year 2020. During the second half of 2021, iron ore prices declined on the back of lower Chinese steel demand due to decarbonisation efforts and a weaker property market. Additionally, the price of NOK per 1 USD decreased from an average of 9.40 in 2020 to 8.60 in 2021, contributing to lower realised sales prices measured in the Company's functional and presentation currency, NOK. The Company produced 1.65 million tonnes and sold 1.55 million tonnes of iron ore concentrate in 2021, compared to production of 1.55 million tonnes and sales of 1.58 million tonnes of iron ore concentrate in 2020.

Changes in inventories

Changes in inventories increased by NOK 36,231 thousand, or 455.2%, to NOK 44,190 thousand for the year ended 31 December 2021 compared to NOK 7,959 thousand for the year ended 31 December 2020, primarily due to an increase in inventory levels of in-house manufactured finished goods during the year. The Company had a sales volume of 1.55 million tonnes of iron ore for the year ended 31 December 2021 compared to a production volume of 1.65 million tonnes, leading to the increase in inventory levels. For the year ended 31 December 2020, the Company had sales volume of 1.58 million tonnes of iron ore concentrate and production volume at 1.55 million tonnes.

Raw materials and consumables used

Raw materials and consumables used increased by NOK 19,987 thousand, or 6.5%, to NOK 327,567 thousand for the year ended 31 December 2021 compared to NOK 307,580 thousand for the year ended 31 December 2020, primarily due to increased activity in open pit and underground production. The increased activity in the open pit mine was in part a result of movement from one underground mining level to another during the third quarter of 2021.

Employee benefit expenses

Employee benefit expenses increased by NOK 44,319 thousand, or 20.7%, to NOK 258,611 thousand for the year ended 31 December 2021 compared to NOK 214,292 thousand for the year ended 31 December 2020, primarily due to an increase in personnel as a result of higher activity, in part related to the movement from one underground mining level to another during the third quarter. In addition, IPO-related expenses and preparations towards becoming a public entity contributed to the increase.

Depreciation

Depreciation increased by 25,545 thousand, or 17.2%, to NOK 174,247 thousand for the year ended 31 December 2021 compared to NOK 148,702 thousand for the year ended 31 December 2020, primarily due to an increased depreciation charge for mine properties. Production activity increased in 2021 compared to 2020, leading to a higher depreciation charge for mine properties in accordance with the unit-of-production (UoP) depreciation method. In addition, the higher depreciation charge was a result of the full-year effect from additions to mine properties of NOK 156,287 thousand during 2020.

Other operating expenses

Other operating expenses increased by NOK 44,661 thousand, or 30.9%, to NOK 189,106 thousand for the year ended 31 December 2021 compared to NOK 144,445 thousand for the year ended 31 December 2020, primarily due to increased power and fuel prices. Power prices experienced a sharp increase throughout Norway in the second half of 2021 due to scarcity of hydropower, wind power and rain, a global supply deficit of gas, and the commissioning of direct power cables from Norway to Europe. Additionally, the average Brent crude oil price returned to pre-pandemic levels following a pick-up in demand and continued productions restraints by OPEC and its partners. Expenses related to service contracts in connection with the movement to a new underground mining level during the third quarter, also contributed to the increase.

Financial income

Financial income decreased by NOK 6,068 thousand, or 91.8 %, to NOK 541 thousand for the year ended 31 December 2021 compared to NOK 6,609 thousand for the year ended 31 December 2020, primarily due to reduced interest income from related parties. In connection with the Group's listing on Euronext Growth in the first quarter of 2021, receivables towards LNS Mining AS and Greenland Ruby AS were settled. As a result, the Group had no outstanding loans to related parties as of the year ended 31 December 2021, compared to NOK 133,939 thousand as of the year ended 31 December 2020.

Financial expenses

Financial expenses decreased by NOK 15,467 thousand, or 55.4 %, to NOK 12,439 thousand for the year ended 31 December 2021 compared to NOK 27,906 thousand for the year ended 31 December 2020, primarily due to settlement of the Group's debt to financial institutions during 2021. Following a restructuring of debt towards financial institutions in connection with the listing on Euronext Growth in the first quarter of 2021, the Group's bank borrowings was related in its entirety to a single USD loan of NOK 50 million which was repaid during the fourth quarter of 2021. As a result, the Group had no outstanding bank borrowings as of the year ended 31 December 2021, compared to bank borrowings of NOK 193,295 thousand as of the year ended 31 December 2020.

Other financial gains/(losses)

Other financial gains/(losses) increased by NOK 372,378 thousand, to a gain of NOK 8,555 thousand for the year ended 31 December 2021 compared to a loss of NOK 363,823 thousand for the year ended 31 December 2020, primarily due to a small gain from hedging of iron ore in 2021 compared to a loss in 2020, partly offset by a loss on hedging of exchange rates in 2021 compared to a gain in 2020. The Group's net gain on iron ore price derivatives booked as financial assets at fair value through profit or loss was NOK 23,401 thousand for the year ended 31 December 2021, compared to a net loss of NOK 358,376 thousand for the year ended 31 December 2020.

Income tax expense

Income tax expense increased by NOK 89,151 thousand, or 113.3%, to NOK 167,832 thousand for the year ended 31 December 2021 compared to NOK 78,681 thousand for the year ended 31 December 2020, primarily due to an increased tax base in 2021 compared to 2020. The Group's profit before tax increased from NOK 357,568 thousand in 2020 to NOK 759,745thousand in 2021.

10.3.3 Descriptions of principal statement of income items for the year ended 31 December 2020 compared to the year ended 31 December 2019

Descriptions of certain principal statement of income items for the year ended 31 December 2020 compared to the year ended 31 December 2019 are set forth below. This description must be read in conjunction with the significant accounting policies and in the notes to the Company's NGAAP Financial Statements.

Sales income

Sales income is recognized at the shipment date using the prices from the provisional invoices, which are based on the average of past spot prices of iron ore, adjusted at each month end. Final prices are derived from monthly averages of iron ore prices during the reference period (typically, three months after each shipment has taken place) and measured based on a provisional price calculated from the previous 5-day average iron ore price. At the end the reference period, when the final price is known, and the final invoice can be issued. Under the Cargill agreement, the final price is settled with a three month lag based on the average iron ore price in the month in which the final invoice is settled. Consequently, revenue is remeasured based on the final price and any differences are recognized as sales income.

Prior to the Cargill agreement (in force as from April 2021), the final price was settled at the end of each quarter based on the average iron ore price in the quarter in which the shipment was made and the final invoice was settled.

In addition, sales income includes gains and losses from iron ore price derivatives related to hedging of a limited number of Cargill sales contracts in 2020. The Company has been applying hedge accounting for its iron ore price derivatives where there was a one to one relationship between the hedged sales contracts and the hedging instrument, being the iron ore price derivatives. Therefore, the gains and losses from such derivatives were included in the sales income. However, this is considered an exceptions as gains and losses from iron ore price derivatives in general are presented as part of financial income/expense, please see further below.

Other operating income

Other operating income is mainly comprised of income from leasing arrangements where the company is the lessor.

Cost of goods sold

Cost of goods sold reflect the cost of material directly linked to the production of iron ore.

Change in stock of products

Change in stock of products comprise changes in the stock of in-house manufactured finished goods, goods in progress, preparatory production, preparatory production long-hole drilling, semi-manufactured goods, and operating equipment and spare parts.

Personnel expenses

Personnel expenses include all types of remuneration to personnel employed by the Company, including salaries, social security costs, pension costs and other employee expenses, and are expensed when earned. Ordinary salaries can be both fixed pay and hourly wages and are earned and paid periodically.

Holiday pay is earned on the basis of ordinary pay and is normally paid in the holiday months of the following year. The employer's national insurance contribution (social security) is calculated and expensed for all payroll related costs including pensions. Pension contributions are earned on a monthly basis. Other employee expenses consist of other benefits such as insurance, cars and telephones and remuneration to the Company's directors.

Depreciation

Depreciation relates to the depreciation of property, plant and equipment.

Other operating expenses

Other operating expenses are recognized when they occur and represent a broad range of operating expenses incurred by the Company in its day-to-day activities. Other operating expenses consist of mainly maintenance and service costs, equipment rental costs, insurance costs, external services and other fixed administrative costs. Moreover, expenses that are not classified as cost of materials, employee benefit expenses or depreciation and amortization.

Other financial income

Financial income consists interest income from banks and group companies, other financial income, exchange rate gains and income gained on derivative instruments through hedging of iron ore, foreign currency and interest risk.

Financial expenses

Finance costs consist of interest costs and commission on bank overdrafts, interest costs on mortgages, leasing and loans from group companies, other financial costs, exchange rate losses and loss on hedging of iron ore.

Income tax expense

Income tax expense consists of both current and deferred tax. Current tax is the amount of the income tax payable or recoverable in respect of the pre-tax profit/loss for the period. Deferred tax liabilities are the amounts payable in future periods while deferred tax assets are the amount recoverable in future periods.

10.3.4 Results of operations for the year ended 31 December 2020 compared to the year ended 31 December 2019

The table below sets forth selected comparative results of operations for the year ended 31 December 2020 compared to 2019 derived from the NGAAP Financial Statements:

(In NOK thousand)	Year ended 31 December	
	2020	**2019**
	NGAAP (audited)	*NGAAP (audited)*
Sales income	1,328,554	1,110,855
Other operating income	5,007	9,936
Total revenue	**1,333,561**	**1,120,791**
Cost of goods sold	347,604	345,586
Change in stock of products	(7,959)	38,997
Personnel expenses	213,900	200,616
Depreciation	107,148	101,502
Other operating expenses	153,841	147,437
Operating profit	**519,027**	**286,654**
Other financial income	7,628	8,475
Financial expenses	(176,708)	(222,628)
Profit/loss before tax	**349,947**	**72,501**
Income tax expense	76,912	15,536
Net profit for the year	**273,035**	**56,965**

Sales Income

Sales income increased by NOK 217,699 thousand, or 19.6%, to NOK 1,328,554 thousand for the year ended 31 December 2020 compared to NOK 1,110,885 thousand for the year ended 31 December 2019, primarily due to higher realised sales prices explained by a strong price development for the Company's haematite product, combined with a weakening of the Norwegian krone against the US dollar. Prices for the Company's haematite product developed strongly throughout the second half of 2020, driven by surging steel demand from infrastructure stimulus investments in China and concerns over Brazil's iron ore supply. Prices peaked on 21 December at USD 176.9 per tonne, with the average price for the year being USD 108.87 per tonne. The price development is a continuation of the trend observed in 2019, when prices peaked at USD 126.4 per tonne on 3 July after developing strongly throughout the first half of the year. The average price for the year 2019 was 93.40 per tonne. The price of NOK per 1 USD increased from an average of 8.80 in 2019 to 9.40 in 2020, furthermore contributing to higher realised sales prices measured in the Company's functional and presentation currency, NOK. Production and sales volume for 2020 remained on par with 2019. The company produced 1.55 million tonnes and sold 1.58 million tonnes of iron ore concentrate in 2020, compared to production of 1.60 million tonnes and sales of 1.66 million tonnes of iron ore concentrate in 2019.

Other operating income

Other operating revenue decreased by NOK 4,929 thousand, or 49.6%, to NOK 5,007 thousand for the year ended 31 December 2020 compared to NOK 9,936 thousand for the year ended 31 December 2019, primarily due to an insurance settlement.

Cost of goods sold

Cost of goods sold increased slightly by NOK 2,018 thousand, or 0,6%, to NOK 347,604 thousand for the year ended 31 December 2020 compared to NOK 345,586 thousand for the year ended 31 December 2019, primarily due to stable production activity and extraction costs.

Changes in stock of products

Changes in stock of products decreased by NOK 46,956 thousand, or 120.4%, to NOK -7,959 thousand for the year ended 31 December 2020 compared to NOK 38,997 thousand for the year ended 31 December 2019, primarily due to a reduction in inventory levels of iron ore and finished goods in 2019

compared to a slight increase in 2020. The Company had a sales volume of 1.66 million tonnes of iron in 2019 compared to a production volume of 1.60 million tonnes, leading to a drawdown in inventory of in-house manufactured finished goods for the year. In 2020, the Company had sales volume of 1.58 million tonnes of iron ore concentrate and production volume, at 1.55 million tonnes.

Personnel expenses

Personnel expenses increased by NOK 13,284 thousand, or 6.6%, to NOK 213,900 thousand for the year ended 31 December 2020 compared to NOK 200,616 thousand for the year ended 31 December 2019. Sickness absence totalled 7.7% in 2020 compared to 6.5% in 2019 due to the precautionary principle imposed by the Norwegian government as a result of Covid-19, contributing to the increase in personnel expenses. Preventive Covid-19 measures and the establishment of level 123 also led to an increase in the use of substitutes in 2020 compared to 2019.

Depreciation

Depreciation increased by NOK 5,646 thousand, or 5.6%, to NOK 107,148 thousand for the year ended 31 December 2020 compared to NOK 101,502 thousand for the year ended 31 December 2019, primarily due to new additions to mine properties and machinery and plants during 2020.

Other operating expenses

Other operating expenses increased by NOK 6,404 thousand, or 4.3%, to NOK 153,841 thousand for the year ended 31 December 2020 compared to NOK 147,437 thousand for the year ended 31 December 2019 and is in line with previous year.

Other financial income

Other financial income decreased by NOK 847 thousand, or 10.0%, to NOK 7,628 thousand for the year ended 31 December 2020 compared to NOK 8,475 thousand for the year ended 31 December 2019, primarily due to reduced interest income from group companies as a related party loan was settled during 2020. An extraordinary dividend was paid by Rana Gruber during 2020, of which 96 million represented settlement of debts from LNS Mining. Following this, the long-term loan to LNS Mining was reduced from NOK 224,464 thousand at 31 December 2019 to NOK 133,939 thousand at 31 December 2020.

Financial expenses

Finance expenses decreased by NOK 45,920 thousand, or 20.6%, to NOK 176,708 thousand for the year ended 31 December 2020 compared to NOK 222,628 thousand for the year ended 31 December 2019, primarily due to a decrease in loss on hedging of iron ore. The company lost NOK 134,044 thousand on hedging of iron ore in 2020, compared to NOK 171,402 thousand in 2019.

Income tax expense

Income tax expense increased by NOK 61,376 thousand, or 395.1%, to NOK 76,912 thousand for the year ended 31 December 2020 compared to NOK 15,536 thousand for the year ended 31 December 2019, primarily due to an increase in earnings and temporary differences. The company’s tax basis before tax losses carried forward increased from NOK 116,130 thousand in 2019 to NOK 241,176 thousand in 2020. Additionally, utilised tax losses carried forward decreased from NOK 116,130 thousand in 2019 to NOK 89,816 thousand in 2020. Deferred tax increased from NOK 10,843 thousand in 2019 to NOK 54,455 thousand in 2020 due to an increase in temporary differences related to preparatory production (mine tunnel) and utilisation of tax losses and excluded interest deduction carried forward from the prior year.

10.4 The Company's financial position

10.4.1 Descriptions of principal statement of financial position items as at 31 December 2021 compared to the year ended 31 December 2020

Descriptions of certain principal statement of financial position items for the year ended 31 December 2021 compared to the year ended 31 December 2020 are set forth below. This description must be read in conjunction with the significant accounting policies and the notes to the Company's IFRS Financial Statements.

Total non-current assets

Total non-current assets comprises mine properties, property, plant and equipment, right-of-use assets, other non-current financial assets and net deferred tax assets.

Total current assets

Total current assets comprises inventories, trade receivables, other current receivables, derivative financial assets, other current financial assets and cash and cash equivalents.

Total assets

Total assets are the total of non-current assets and current assets.

Total equity

Total equity comprises share capital, share premium and retained earnings.

Total non-current liabilities

Total non-current liabilities comprises borrowings, lease liabilities, deferred tax liabilites, provisions, other non-current liabilities and net defined benefit liabilities.

Total current liabilities

Total current liabilities comprises borrowings, trade payables, lease liabilities (current portion), current tax liabilities, derivative financial liabilities and other current liabilities.

Total liabilities

Total liabilities are the total of non-current liabilities and current liabilities.

Total equity and liabilities

Total equity and liabilities are the total of total equity and total liabilities.

10.4.2 Financial position as at 31 December 2021 compared to the year ended 31 December 2020

The table below sets forth selected comparative figures from the statement of financial position for the year ended 31 December 2021 compared to 2020 derived from the IFRS Financial Statements:

(In NOK thousand)	Year ended 31 December	
	2021	**2020**
	IFRS (audited)	*IFRS (audited)*
Total non-current assets	572,968	732,351
Total current assets	556,714	395,044
Total assets	**1,129,682**	**1,127,395**
Total equity	**581,811**	**378,696**
Total non-current liabilities	130,480	316,814
Total current liabilities	417,391	431,885
Total liabilities	**547,871**	**748,699**
Total equity and liabilities	**1,129,682**	**1,127,395**

Total non-current assets

Total non-current assets decreased by NOK 159,383 thousand, or 21.8%, to NOK 572,968 thousand for the year ended 31 December 2021 compared to NOK 732,351 thousand for the year ended 31 December 2020, primarily due to a reduction in mine properties and other non-current financial assets, which includes a full settlement on loans to related parties of NOK 133,939 thousand. LNS Mining had a loan with Rana Gruber which was settled in connection with the Euronext Growth listing and divestment of 50% of former owner LNS Mining. The reduction in mine properties is related to the depreciation charge of NOK 109,587 thousand which was partially offset by the additions of NOK 67,011 thousand related to level 123 in the Ørtfjell deposit in 2021.

Total current assets

Total current assets increased by NOK 161,670 thousand, or 40.9%, to NOK 556,714 thousand for the year ended 31 December 2021 compared to NOK 395,044 thousand for the year ended 31 December 2020, primarily due to an increase in cash and cash equivalents, partly offset by a decrease in trade receivables. Unrestricted cash increased from NOK 12,385 thousand in 2020 to NOK 252,473 thousand in 2021. Increases in inventories and derivative financial assets also contributed to the increase.

Total equity

Total equity increased by NOK 203,115 thousand, or 53.6%, to NOK 581,811 thousand for the year ended 31 December 2021 compared to NOK 378,696 thousand for the year ended 31 December 2020, primarily due to increase in retained earnings. The Company's profit for the year increased from NOK 278,887 thousand in 2020 to NOK 592,048 thousand in 2021.

Total non-current liabilities

Total non-current liabilities decreased by NOK 186,334 thousand, or 58.8%, to NOK 130,480 thousand for the year ended 31 December 2021 compared to NOK 316,814 thousand for the year ended 31 December 2020, primarily due to reduction in borrowings. The Company agreed with all lenders to repay all outstanding borrowings of NOK 193,295 thousand during 2021.

Total current liabilities

Total current liabilities decreased by NOK 14,494 thousand, or 3.4%, to NOK 417,391 thousand for the year ended 31 December 2021 compared to NOK 431,885 thousand for the year ended 31 December 2020, primarily due to a decrease in derivative financial liabilities which was offset by an increase in current tax liabilities. The decrease in derivative financial liabilities is primarily related to favourable price development for the Group's iron ore forward contracts.

10.4.3 Descriptions of principal statement of financial position items as at 31 December 2020 compared to the year ended 31 December 2019

Descriptions of certain principal statement of financial position items for the year ended 31 December 2020 compared to the year ended 31 December 2019 are set forth below. This description must be read

in conjunction with the significant accounting policies and the notes to the Company's NGAAP Financial Statements.

Total non-current assets

Total non-current assets comprises mines, land, buildings and other real estate, machinery and equipment, operating equipment and office furniture, investments in subsidiaries, investments in other shares and businesses, loan to group companies, other subordinated loans and other long term receivables.

Total current assets

Total current assets comprises trade accounts receivables, other current receivables, group contribution receivable and bank deposits and other liquid assets.

Total assets

Total assets are the total of non-current assets and current assets.

Total equity

Total equity comprises share capital, share premium and other equity.

Total non-current liabilities

Total non-current liabilities comprises deferred tax, financial leasing liabilities, debt to financial institutions and other non-current liabilities.

Total current liabilities

Total current liabilities comprises income tax payable, debt to financial institutions, trade accounts payable, public duties payable, other current liabilities, income tax payable of this year’s profit, current liabilities group companies and group contribution payable.

Total liabilities

Total liabilities are the total of non-current liabilities and current liabilities.

Total equity and liabilities

Total equity and liabilities are the total of total equity and total liabilities.

10.4.4 Financial position as at 31 December 2020 compared to the year ended 31 December 2019

The table below sets forth selected comparative figures from the statement of financial position for the year ended 31 December 2020 compared to 2019 derived from the NGAAP Financial Statements:

(In NOK thousand)	Year ended 31 December 2020	2019
	NGAAP (audited)	*NGAAP (audited)*
Total non-current assets	604,627	712,736
Total current assets	428,385	346,255
Total assets	**1,033,012**	**1,058,992**
Total equity	**491,263**	**344,228**
Total non-current liabilities	327,931	361,757
Total current liabilities	213,818	353,007
Total liabilities	**541,749**	**714,764**
Total equity and liabilities	**1,033,012**	**1,058,992**

Total non-current assets

The Company had non-current assets of NOK 604,627 thousand for the year ended 31 December 2020 compared to NOK 712,736 thousand for the year ended 31 December 2019. The decrease of NOK 108,100 thousand, or 15.2%, was primarily due to a reduction in loans to related parties. An extraordinary dividend was paid by Rana Gruber during 2020, of which 96 million represented settlement of debts from LNS Mining. Following this, the long-term loan to LNS Mining was reduced from NOK 224,464 thousand at 31 December 2019 to NOK 133,939 thousand at 31 December 2020. In addition, a reduction in the carrying value of mines, from NOK 264,408 thousand in 2019 to NOK 238,856 thousand in 2020, also contributed to the decrease in non-current assets.

Total current assets

The Company had current assets of NOK 428,385 thousand for the year ended 31 December 2020 compared to NOK 346,255 thousand for the year ended 31 December 2019. The increase of NOK 82,130 thousand, or 23.7%, was primarily due to an increase in stock. The increase in stock mainly relates to preparatory production (opening of mine tunnel), which increased from NOK 75,883 thousand in 2019 to NOK 156,369 thousand in 2020.

Total equity

Total equity increased by NOK 147,035 thousand, or 42.7%, to NOK 491,263 thousand for the year ended 31 December 2020 compared to NOK 344 228 thousand for the year ended 31 December 2019, primarily due to an increase in retained earnings. The company's profit for the year increased from NOK 56,965 thousand in 2019 to NOK 273,035 thousand in 2020, while equity allocated to dividend increased from NOK 89,912 thousand in 2019 to NOK 126,000 in 2020.

Total non-current liabilities

Total non-current liabilities decreased by NOK 33,826 thousand, or 9.4%, to NOK 327,931 thousand for the year ended 31 December 2020 compared to NOK 361,757 thousand for the year ended 31 December 2019, primarily due to a reduction in debt to financial institutions, partially offset by an increase in deferred tax. The reduction in debt to financial institutions was mainly related to repayments on existing non-current liabilities and financial leasing liabilities. The increase in deferred tax from NOK 10,843 thousand in 2019 to NOK 54,455 thousand in 2020, was mainly related to utilisation of tax losses and excluded interest deduction carried forward from 2019.

Total current liabilities

Total current liabilities decreased by NOK 139,189 thousand, or 39.4%, to NOK 213,818 thousand for the year ended 31 December 2020 compared to NOK 353,007 thousand for the year ended 31 December 2019, primarily due to a reduction in debt to financial institutions, partially offset by an increase in income tax payable. The reduction in debt to financial institutions was mainly related to a

reduction in drawings on the Company's overdraft facilities amounting to NOK 177 million. The increase in income tax payable from NOK from a negative NOK 1,608 thousand in 2019 to a positive NOK 33,265 thousand in 2020, was mainly related to full utilisation of tax losses and excluded interest deduction carried forward in 2019 compared to only partial utilisation in 2020.

10.4.5 Alternative Performance Measures

The table below sets forth the Company's key APM's for the periods presented. For the definitions and reconciliations of the following APMs, please see Section 4.3.2.

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
EBITDA	937,335	891,390
EBITDA Margin	56.2%	57.5%
EBIT	763,088	742,688
EBIT Margin	45.7%	47.9%
Adjusted Equity Ratio	46.9%	39.7%
Cash Cost	775,284	666,317
Cash Cost Per Metric Tonnes	469.0	427.4
Net Interest-Bearing Debt	(150,655)	286,864

10.4.6 Other performance indicators

The table below sets forth the Company's other performance indicators for the periods presented.

	Year ended 31 December		
	2021	**2020**	**2019**
H-number (injuries with absence)[28]	0,0	4.3	9,8
Production (1,000 metric tonnes):			
Production of Concentrate:			
(a) Production hematite	1,545	1,453	1,507
(b) Production magnetite	108	106	100
Total production of Concentrate (a+b)	**1,653**	**1,559**	**1,607**
Total production of Coleran	**5**	**5**	**5**
Production of ore			
(c) Production underground (ore)	2,767	3,097	2,634
(d) Production open pit (ore)	2,383	2,081	2,227
Total production of ore (c+d)	**5,150**	**5,178**	**4,085**

10.5 Liquidity and capital resources

10.5.1 Capital resources

The Company manages its financing structure and cash flow requirements in response to the Company's strategy and objectives, deploying financial and other resources related to those objectives.

[28] H-number is injuries with absence and is calculated as: (work-related accidence x 1,000,000)/total hours worked

The Company monitors its risk to a shortage of funds by monitoring its working capital, overdue trade receivables and establishing credit agreements.

The Company's liquidity requirements arise primarily from the need to maintain continuity of funding through downturns in general economic conditions, whether globally or in the specific region and/or end markets segments in which the Company operates. The Company's main source of liquidity in 2021 was cash flow from operations, with cash deposits and financing arrangements being additional sources.

In connection with the Company's listing on Euronext Growth in February 2021 and the 50 per cent divestment of former owners LNS Mining AS, receivables towards LNS Mining AS and Greenland Ruby AS were settled. The settlement was mainly used to restructure the Company's long-term debt, resulting in a net change in long term debt towards financial institutions of a negative NOK 128 million in the first quarter of 2021. In the fourth quarter of 2021, the Company repaid in its entirety a USD loan amounting to NOK 42.3 million. With the exception of lease liabilities of NOK 113,708 thousand, the Company's debt towards financial institutions at 31 December 2021 consequently consists of a single unused credit facility with DNB Bank ASA of NOK 100 million, as further described in Section 10.8 "Borrowing requirements and funding structure".

As of 31 December 2021, the Company has available cash and cash equivalents amounting to NOK 264,363 thousand. In addition, the Company has undrawn credit facilities amounting to NOK 100,000 thousand. The Company mainly holds cash in the following currencies: NOK, USD, GBP and EUR.

The Company is in its current condition not dependent on any further debt or equity financing and does not have any significant financial commitments in the 12-month period from the date of the Prospectus relating to projects that are due to be finalised in the next 12 months period. For further descriptions of material investments in progress or planned, see section 10.7 "Investments".

The Company may in the future decide to offer additional shares or other securities in order to finance new capital-intensive projects, investments or other business opportunities.

10.5.2 Cash flow for the year ended 31 December 2021 compared to the year ended 31 December 2020

The table below sets forth selected comparative figures from the statement of cash flow for the year ended 31 December 2021 compared to 2020 derived from the IFRS Financial Statements:

	Year ended 31 December	
(In NOK thousand)	**2021**	**2020**
	IFRS (audited)	*IFRS (audited)*
Net cash flow from operating activities	868,466	520,886
Net cash flow provided by / (used in) investment activities	8,286	(95,843)
Net cash flow used in financing activities	(637,363)	(409,697)
Net increase in cash and cash equivalents	239,369	15,346
Cash and cash equivalents at the end of the period	264,363	24,994

Cash flow from operating activities

Cash flow from operating activities increased by NOK 347,560 thousand to NOK 868,446 thousand for the year ended 31 December 2021 compared to NOK 520,886 thousand for the year ended 31 December 2020, primarily due to an increase in operational profits, partially offset by working capital changes and changes in unsettled derivative financial instruments.

Cash flow used in investing activities

Cash flow used in investing activities decreased by NOK 104,129 thousand to an inflow of NOK 8,286 thousand for the year ended 31 December 2021 compared to an outflow of NOK 95,843 thousand for

the year ended 31 December 2020, primarily due to reduced investments in mine development from NOK 67,011 thousand in 2021 compared to NOK 156,287 thousand in 2020, in addition to an increase in cash receipt from repayment of loans from NOK 133,939 thousand in 2021 compared to NOK 90,526 thousand in 2020. The decrease was partly offset by higher investments in property, plant and equipment in 2021 of NOK 58,642 thousand compared to NOK 30,082 thousand in 2020.

Cash flow used in financing activities

Cash flow used in financing activities increased by NOK 227,666 thousand to NOK 637,363 thousand for the year ended 31 December 2021 compared to NOK 409,697 thousand for the year ended 31 December 2020, primarily due to higher dividend paid in 2021 of NOK 412,587 thousand compared to NOK 116,500 thousand for 2020. The increase was partly offset by reduced repayment of loans and borrowings in 2021 of NOK 196,288 thousands compared to NOK 266,272 thousands in 2020.

Cash and cash equivalents at the end of the period

Cash and cash equivalents at the end of the period increased by NOK 239,369 thousand to NOK 264,363 thousand for the year ended 31 December 2021 compared to NOK 24,994 thousand for the year ended 31 December 2020.

10.5.3 Cash flow for the year ended 31 December 2020 compared to the year ended 31 December 2019

The table below sets forth selected comparative figures from the statement of cash flow for the year ended 31 December 2020 compared to 2019 derived from the NGAAP Financial Statements:

	Year ended 31 December	
(In NOK thousand)	**2020**	**2019**
	NGAAP (audited)	*NGAAP (audited)*
Net cash flow from operating activities	403,358	162,606
Net cash flow used in investment activities	(86,936)	(130,786)
Net cash flow used in financing activities	(301,077)	(29,245)
Total cash flows (change in liquid assets)	15,345	2,574
Bank deposits and cash at 31 December	24,994	9,648

Cash flow from operating activities

Cash flow from operating activities increased by NOK 240,752 thousand to an inflow of NOK 403,358 thousand for the year ended 31 December 2020 compared to an inflow of NOK 162,606 thousand for the year ended 31 December 2019, primarily due to an increase in operating profits, partially offset by an increase in stock.

Cash flow used in investing activities

Cash flow used in investing activities decreased by NOK 43,850 thousand to an outflow of NOK 86,936 thousand for the year ended 31 December 2020 compared to an outflow of NOK 130,786 thousand for the year ended 31 December 2019, primarily due to a decrease in investments in fixed assets.

Cash flow used in financing activities

Cash flow used in financing activities increased by NOK 271,832 thousand to an outflow of NOK 301,077 thousand for the year ended 31 December 2020 compared to an outflow of NOK 29 245 thousand for the year ended 31 December 2019, primarily due to a reduction in drawings on the Company's overdraft facilities and an extraordinary dividend paid in 2020. The Company reduced drawings on credit facilities by NOK 177,089 thousand in 2020 compared to NOK 48,607 thousand in 2019. Dividends paid amounted to NOK 116,500 thousand in 2020, whereas no dividend was paid in 2019.

10.6 Financial risk management

The Company's business involves risks in several areas. Risk management is not about eliminating risk but taking the right risk on the basis of the Company's willingness and ability to accept risk, competence, capital adequacy and development plans. The aim of risk management is to identify threats and opportunities facing the Company, and steering risk towards an acceptable level so that a reasonable certainty exists that the Company's targets will be met. On the basis of an integrated view of risk, the Board has established overall strategies for risk management and parameters for financial risk in the areas of foreign currency and hedging raw materials

10.6.1 Market risk

Decreases in iron ore prices and increases in freight costs may have a material adverse effect on Rana Gruber's business, results, profitability and financial position. Prices of iron ore and freight are concluded every day based on global supply and demand.

Rana Gruber's business is subject to currency and exchange rate risk as the majority of the Company's products are sold in USD, most of its specialty products are sold in EUR and most of its costs are denominated in NOK.

10.6.2 Currency risk

The Company is exposed to fluctuations in exchange rates for EUR/NOK, USD/NOK and GBP/NOK, since revenues from the sale of its products are priced in these currencies. Revenues in EUR serves as a natural hedge against the Company's power trading costs, which are also priced in that currency. However, there is no perfect alignment and there is still a currency risk, although reduced by the natural hedge. Hedging EUR/NOK is therefore only undertaken for individual transactions of significant size. The volume of revenues in GBP/NOK is currently so small that no hedging is done with this currency pair. All sales of iron-ore concentrates (haematite) to the steel industry are priced in USD. The main exposure on the currency side therefore relates to USD/NOK. To reduce the effect on profits of fluctuations in this currency, the Company sells part of its expected USD revenues forward or through the use of other financial instruments. All forward currency contracts and structured derivatives are included in a hedging portfolio.

10.6.3 Electricity price risk

Power is one of the most important input factors in iron concentrate production. Fluctuations in electricity prices and in power consumption for production pose a risk to profits at Rana Gruber.

The risk related to electricity purchases is managed by a third-party contract provider. These contracts are included in a hedging portfolio where limits have been established for how large a proportion of expected consumption (GWh) at a given future point can be bought forward today. On this basis, the portfolio is bought forward continuously for part of the expected consumption.

The management and the finance department follow up the on-going risk exposures on the basis of parameters approved by the board.

10.6.4 Interest risk

The Company has exposure to interest-rate risk, but then almost entirely through interest-bearing debt. At present, the Company has no Board approved strategy for moderating profit fluctuations from this exposure but manages it by following up day-to-day financial management in the administration. The external interest-bearing debt were fully repaid as of 31 December 2021.

10.7 Investments

10.7.1 Material investments in progress or planned

Investments for the Company relates mainly to opening of new mining levels, process development and strategic projects. Rana Gruber's next underground level, L91, is expected to be in development from 2022/2023. The cost associated with opening of this new underground level is expected to be in line with levels established previously. The Company has made no significant commitments of costs associated with opening level L91. Beside L91, the Company has firm commitments related to Fe65 of approximately NOK 10 million. In addition, the Company has planned investments related to other strategic development projects estimated at NOK 10-20 million in 2022. The Company anticipates using excess cash flow from operating activities to finance the investments.

10.7.2 Material historical investments

The Company's material investments relate to investments in mine development and property, plant and equipment. The most significant investment made on mine levels during the years 2021, 2020 and 2019 relates to work carried out to opening a new mine level, level 123 in Ørtfjell deposits, amounting to NOK 258,999 thousand for the three years. Investments made in mine development consist mainly of preparatory production costs related to opening of mine tunnels, long-hole drilling and infrastructure.

The Company finalized the new mining level during the first quarter of 2021. Other mining related investments in 2021 relates for the most part to investments made in developing the infrastructure in the Ørtfjell deposit and a transportation tunnel to get to a new mine level in the Kvannevann Øst Mine.

The Company bought back the Rana Gruber administration building from Mo Industripark AS for an amount of NOK 18 million in 2021. Other investments made in property plant and equipment relates mostly to machinery used in the operation and other operating equipment.

The table below sets out an overview of the material investments made by the Company for the years ended 31 December 2021, 2020 and 2019.

	Year ended 31 December		
(In NOK thousand)	**2021**	**2020**	**2019(1)**
Expenditures on property plant and equipment	58,642	30,081	67,456
Expenditures on mine levels:			
Level 123	28,916	154,412	75,671
Level 155	-	1,874	5,963
Other mining related investments	38,095	-	-
Total expenditures on mine levels	**67,011**	**156,286**	**81,634**

(1) Not all investments made in mine levels for 2019 were under NGAAP treated as investment activities in the cash flow statement. The table is therefore not reconcilable against the 2019 cash flow statement prepared under NGAAP. The different presentation relates mainly to preparatory production costs when opening new mine tunnels and long-hole drilling. Under NGAAP this was presented under cash flow from operating activities compared to investing activities under IFRS. In addition, expenditures on property, plant and equipment include, under NGAAP, a financial lease component predominantly consisting of railway carriages and mining equipment. IFRS 16 leases are presented as cash flow used in financing and operating activities under IFRS.

10.8 Borrowing requirements and funding structure

The Company have repaid in full its interest-bearing debt as at 31 December 2021. The current financing in place relates to the 100 million credit facility described herein. Amounts under the credit facility can be drawn up in either NOK, USD, GBP and EUR, and interest on loans drawn under the agreement shall from 1 January 2022 be paid using a reference rate based on NOWA +/- margin (currently +5 bps credit margin and +350 bps debt margin). For amounts drawn up in USD, GBP and EUR, the reference rate should be based on day-to-day market rates +/- margin (currently -0 bps credit margin and +350

bps debit margin). As of the date of this Prospectus, the Company had not drawn any amount under this facility. The borrowing facility agreement includes the following quarterly financial covenant for the Company:

- Gearing (NIBD/EBITDA) should not exceed 1.5
- Equity ratio > 35 %, adjusted for unrealized gains or losses on hedges
- The Company should have a board approved hedging strategy for USD and iron ore
- Negative mark-to-market value on hedging positions should not exceed NOK 250 million

10.9 Leasing arrangements

Under IFRS, The Company recognizes right-of-use assets and lease liabilities for all lease contracts, except leases that are considered short-term (lease term of 12 months or less), or for which underlying assets are of a low value when new. The Company chooses not to separate lease and non-lease components when calculating the right-of-use asset and the lease liability.

The Company leases most of its production machines including dumpster-trucks, excavators, wheeled loaders, train waggons and other vehicles used in the iron ore extraction and transportation process. The Company also had one office premises lease which was terminated during 2021. The lease term normally varies from one to five years and will usually contain options to extend and terminate the lease contracts at management's discretion.

At 31 December 2021, the Company had right-of-use assets of NOK 114,284 thousand and lease liabilities of NOK 113,708 thousand. The total cash outflow for leases was NOK 55,177 thousand in 2021 and NOK 42,727 thousand in 2020.

The table below sets forth the maturity profile of the Company's current leasing arrangements.

(In NOK thousand)

As at 31 December 2021	Less than 1 year	1-3 years	4-5 years	More than 5 years	**Total**
Lease liability	31,890	63,844	15,818	24,645	**136,196**

Under NGAAP, the Company recognized lease contracts related to railway carriages and mining machines as financial leases. Leases related to premises, vehicles etc. were recognized as operating leases with costs being expensed through the income statement over the lease period.

10.10 Recent developments and changes

The year 2021 was impacted by volatile markets for minerals, from historically high prices of iron ore in the first half of the year to a more normalised level following a period of increased volatility after the summer. Production in 2021 was slightly higher than in 2020, delivering on the Company's promise to deliver stable production over time.

On a global level, market fundamentals for iron ore remain strong as of this date, and increased governmental spending on infrastructure projects globally continues to be a positive demand driver for Rana Gruber's products. At the entry of a new year, stable iron ore prices at the current levels are considered to provide a solid foundation for the Company's performance also in 2022. Prices at levels around USD 120/mt are evidently high in a historic context.

The switch to a new mining level during 2021 is considered to provide a good foundation for the Company's continued stable production going forward. Furthermore, long-term strategic projects have been initiated, which are expected to increase product margins, in addition to represent a production with less emissions. Increased activity will for some time involve increased cash costs. However, the Company now has the capacity to insource some workstreams previously handled by external providers. Operational improvements securing continued strong production, combined with a stabilised market for its products, imply that Rana Gruber enters 2022 on a positive note.

There have been no significant changes in production, sales, inventory or cost for the Company in the period after 31 December 2021 up to the date of this Prospectus. However, the Company see prices increasing for iron ore as a result of Russia invading Ukraine. The price increase is driven by the expectation of lower supply of iron ore from Russia, Ukraine and Belarus. At this point it’s difficult to predict the long-term effect on supply of iron ore in the global market and the effect this will have on the iron ore prices. The financial performance and prospects of the Company is expected to be overall unchanged for the current financial year, however the increase in iron ore prices can have a positive effect on the financial performance of the Company, depending on the development in the conflict between Russia and Ukraine.

There has been no significant change in the Company's financial or trading position or performance in the period after the Audited Financial Statements as of 31 December 2021 and up to the date of this Prospectus, except the increase in iron ore prices as a result of Russia invading Ukraine.

11. BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

11.1 Introduction

The General Meeting is the highest authority of the Company. All shareholders in the Company are entitled to attend and vote at General Meetings of the Company and to table draft resolutions for items to be included on the agenda for a General Meeting.

The overall management of the Company is vested with the Board and the Management. In accordance with Norwegian law, the Board is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organisation, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The chief executive officer (the "**CEO**") is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board.

11.2 Board of Directors

11.2.1 Overview

The Company's Articles of Association provide that the Board shall consist of a minimum of three and a maximum of eight members. The names and positions in the Company of the board members as at the date of this Prospectus are set out in the table below.

Name	Position	Served since	Term expires
Morten Støver	Chairman	2020	2023
Kristian Adolfsen	Board member	2016	2023
Frode Nilsen	Board member	2008	2023
Ragnhild Wiborg	Board member	2021	2023
Hilde Rolandsen	Board member	2021	2023
Johan Hovind	Board member, employee-elected	2020	2022
Lasse Strøm	Board member, employee-elected	2020	2022
Thomas Hammer	Board member, employee-elected	2020	2022

All members of the Board of Directors are independent from the Company's executive management. Frode Nilsen is not independent from the Company's majority shareholder Leonhard Nilsen & Sønner – Eiendom AS, which is also a material business contact to the Company, due to his position in the company as Chief Executive Officer. In addition, several companies controlled by Kristian Adolfsen own Shares in the Company amounting to, as of this date, a total of 7.9% of the Company's share capital.

Accordingly, the composition of the Board is in compliance with the recommendations of the Norwegian Code of Practice for Corporate Governance dated 15 October 2021 (the "**Corporate Governance Code**"). The Corporate Governance Code recommends that (i) the majority of the shareholder-elected members of the Board is independent of the Company's executive management and material business contacts, (ii) at least two of the shareholder-elected members of the Board are independent of the Company's main shareholders, and (iii) no members of the Company's executive management are members of the Board.

There are no family relationships between any of the members of the Board or the Management.

The Company's registered office in Mjølanveien 29, 8622 Mo i Rana, Norway serves as the business address for the members of the Board in relation to their directorships in the Company.

11.2.2 Brief biographies of the members of the Board

Set out below are brief biographies of the members of the Board, including their relevant expertise and experience, an indication of any significant principal activities performed by them outside the Company

and names of companies and partnerships of which a director is or has been a member of the administrative, management or supervisory bodies or partner the previous five years.

Morten Støver, Chairman
Morten Støver has served as chairman of the Company's Board of Directors since January 2020. He also serves as chairman of the board of directors of Eksportkreditt/GIEK, LNS Mining AS, Løvold Solutions AS, Elektro AS, Nofir AS and Linkpro AS. He is also a members of the board of directors of Seaworks AS and Chr. Jakhelln AS. Morten Støver held the position as Chief Executive Officer of Nordlandsbanken from 2003-2012, and was a Division Manager for the corporate market in DNB Bank ASA from 2009-2019.

Current directorships and senior management positions	*Chairman of Rana Gruber ASA, Eksportkreditt/GIEK (chairman), LNS Mining AS, Løvold Solutions AS, Elektro AS, Nofir AS and Linkpro AS.* *Board member of Seaworks AS and Chr. Jakhelln AS.*
Previous directorships and senior management positions last five years	*Division Manager, Corporate market, in DNB Bank ASA.*

Kristian Adolfsen, Board member
Kristian Adolfsen has served as a member of the Company's Board of Directors since 2016. He is the co-owner of the Adolfsen group, which invests in companies across a wide range of sectors. Kristian Adolfsen has extensive experience from the hospitality and care service industry, having founded and managed several companies within the sector over the past decades. He has broad experience from various board of directors, and currently holds numerous board positions, including as board member of LNS Mining AS.

Current directorships and senior management positions	*Chief Executive Officer of Invenor A/S, Kidprop AS, Norlandia Holding AS and Gostoso Eiendom AS.* *Chairman of Rana Gruber ASA, Invenor A/S, Kidprop AS, Totalentreprise AS, Trøndelag Vekst AS, Jentespranget Eiendom AS, Staffing Invest AS, Voksentoppen Ice AS, Ght Eiendom AS, Pioneer Capital Group AS, Pioneer Investor AS, Pioneer Investor Management AS, Norlandia Health & Care Group AS, Norab Eiendom Vest AS, Kadaso 2020 AS, Tjuvholmen EIendom AS, Advisory Group AS, Sudtio City Norway AS, Vikhammer Hotell Eiendom KS, Oslo Corporate Holding AS, Bodø Eiendom AS, Vika Eiendomsutvikling AS, Skullerudbakken Prosjektutvikling, Kara Invest AS; Hospitality Invest AS; Klevenstern AS, Karl Johan Hotellinvest AS, Neptun Eiendom Invest AS, Pennestrøket Eiendom AS, Brennemoen Eiendom AS, Pioneer Capital Partners AS, Strandski Eiendom AS and Scandia Healthcare AS.* *Board member of Andenes Eiendommer AS, Turistutvikling AS, LNS Mining AS, Bonor Eiendom AS, Solsiden Eiendomsutvikling AS; Bodøsjøen Eiendom AS, Travel Invest AS, Naturvitamin Norge AS, Gostoso Eiendom AS; Blåbyen Eiendom AS, Norlandia Hotel Group AS, Vestfjorden AS, Omtanke AS, Hi Capital AS, Acea Properties AS; Ferda Gruppen AS, Carafin AS, Zymfonix AS, Pioneer Property Group International AS, Caracap AS, Wayfare Invest AS, Aap Aviation Group AS, Evenes Holding AS, Pioneer Property Development AS, Up North Hospitality AS, Pioneer Retail Properties AS, Up North Property AS, Pioneer Hotel Properties AS, Adco Eiendommer AS, Aap Group AS, Adco Eiendommer AS, European Cruise Service AS, Andøy Cekst AS, Corponor AS, Norlandia Holding AS, Norlandia Eiendom AS, Acea Development AS, Adolfsen Consult A/S, Kuba Svolvær AS, Adacc Invest AS, Norsk Selskap for Gjenopplivning AS, Otiga Group AS, Milarium Bolig AS,*

	Evenes Tomteselskap AS; Pioneer Preschools AS and Arcticoncepts AS.
Previous directorships and senior management positions last five years	*Various board positions in the Hospitality Invest Group, Otiga Group, Norlandia Health & Care Group and Brado AB.*

Frode Nilsen, Board member

Frode Nilsen has served as a member of the Company's Board of Directors since 2008. Frode Nilsen is the Chief Executive Officer of Leonhard Nilsen & Sønner – Eiendom AS (LNS Eiendom) and the chairman of the board of directors of Leonhard Nilsen & Sønner AS (LNS). In addition, he holds the position as Chief Executive Offiver of Hålogaland Anlegg AS and serves as chairman of the board of directors of Hålogaland Element AS, TunComp AS and LNS Spitsbergen AS, and as board member of LNS Mining and Greenland Ruby ApS. Prior to these positions and directorships, he has held several executive management positions within the LNS group, including as Chief Executive Officer of LNS and Chief Executive Officer of LNS Spitsbergen AS, and has served as the chairman of the board of directors of LNS Eiendom, Skaland Graphite AS and Hålogaland Grus og Betong AS.

Current directorships and senior management positions	*Chief Executive Officer of Leonhard Nilsen & Sønner – Eiendom AS and of Hålogaland Anlegg AS.* *Chairman of TunComp AS, Bfn Invest AS. Leonhard Nilsen & Sønner AS, Hålogaland Element AS and LNS Spitsbergen AS.* *Board member of LNS Mining AS and Greenland Ruby ApS.*
Previous directorships and senior management positions last five years	*Chief Executive Officer of Leonhard Nilsen & Sønner AS and LNS Spitsbergen AS.* *Chairman of Skaland Graphite AS.*

Ragnhild Wiborg, Board member

Ragnhild Wiborg has served as a member of the Company's Board of Directors since March 2021. She also serves as the chair of the board of directors of EAM Solar ASA and Cerebrum Invest AS, and as a board member of, among others, Kistefos AS, Intrum AB, EWS Stiftelsen and AS Taurus. Wiborg has extensive experience from management positions within the financial sector, including as CIO and portfolio manager at Odin Forvaltning and Wiborg Kapitalförvaltning, and has held several positions within UK and Nordic investment banks.

Current directorships and senior management positions	*Chief Executive Officer of Cerebrum AS and Partner in Wiborg Kapitalförvaltning AB.* *Chair of Cerebrum AS and EAM Solar ASA.* *Board member of Rana Gruber ASA, Norske Skogindustrier ASA, AS Taurus, EWS Stiftelsen,Kistefos AS and Bank Norwegian ASA.*
Previous directorships and senior management positions last five years	*Board member of Gränges AB, Borregaard ASA, Rec Silicon ASA, Insr Insurance Group ASA, Sevan Drilling ASA, IM Skaugen and SBanken ASA.*

Hilde Rolandsen, Board member

Hilde Rolandsen has served as a member of the Company's Board of Directors since March 2021. She also serves as the chair of the board of directors of Sulitjelma Mineral AS and was previously a member of the board of directors of Fordypningsrommet Fleinvær AS. She worked 23 years in Elkem ASA of which seven years as a director, and has also served as factory director in REC Silicon ASA. Rolandsen has been the Director for corporate governance in Helse Nord RHF since 2011.

Current directorships and senior management positions	*Director in Helse Nord RHF.* *Chair of Sulitjelma Mineral AS and board member of Rana Gruber ASA.*
Previous directorships and senior management positions last five years	*Chair of Fordypningsrommet Fleinvær AS.*

Johan Hovind, Board member

Johan Hovind has served as an employee-elected member of the Board of Directors since June 2020. He joined Rana Gruber in 2010 and held the position as production worker until April 2020. Since then, Johan Hovind has held the position as club leader in Rana Gruber. He served as an employee-elected member of the Board of Directors from 2013-2015 and was a deputy member of the Board of Directors from 2015-2020.

Current directorships and senior management positions	*Club leader in Rana Gruber ASA* *Employee-elected board member of Rana Gruber ASA.*
Previous directorships and senior management positions last five years	*Production worker in Rana Gruber ASA.* *Deputy board member of Rana Gruber ASA.*

Lasse Strøm, Board member

Lasse Strøm has served as an employee-elected member of the Board of Directors since June 2020. He joined Rana Gruber in 2013 and currently holds the position as specialty worker at the Company's processing plant. Lasse Strøm has also been personnel safety representative in the Company since 2016.

Current directorships and senior management positions	*Speciality worker and personnel safety representative in Rana Gruber ASA* *Employee-elected board member of Rana Gruber ASA.*
Previous directorships and senior management positions last five years	*N/A*

Thomas Hammer, Board member

Thomas Hammer has served as an employee-elected member of the Board of Directors since June 2020. He has over 20 years of experience from positions within Rana Gruber. He joined the Company in 2011 and currently holds the position as supply manager. In addition, Thomas Hammer is the representative in Rana Gruber for the Norwegian Engineer and Managers Association (FLT).

Current directorships and senior management positions	*Supply manager in Rana Gruber ASA.* *Employee-elected board member of Rana Gruber ASA.*
Previous directorships and senior management positions last five years	*N/A*

11.2.3 Shares held by the members of Board

As of the date of this Prospectus, the following members of the Board of Directors own Shares in the Company:

Name	Number of Shares
Morten Støver	6,000
Kristian Adolfsen	0*
Frode Nilsen	20,250**
Ragnhild Wiborg	3,000***
Hilde Rolandsen	0
Johan Hovind	606
Lasse Strøm	606
Thomas Hammer	606

* Total shareholding of 7.9% indirectly owned through several wholly-owned companies and other related companies (Gizmo AS: 0.22%, Kasco Invest AS: 0.21%, Klevernstern AS: 1.16%, Hi Capital AS: 5.9%, Kara Invest AS: 0.5%).
** Owned through his wholly-owned company TunComp AS.
*** Owned through her wholly-owned company Cerebrum AS.

As of this date, the Company has not issued any options and none of the members of the Board of Directors consequently hold any options in the Company.

11.3 Management

11.3.1 Overview

The Management of the Company consists of four individuals. The names of the members of the Management as at the date of this Prospectus and their respective positions are presented in the table below:

Name	Position	Position held since
Gunnar Moe	Chief Executive Officer	2010-2015, 2017-
Erlend Høyen	Chief Financial Officer	2020
Stein Tore Bogen Liljenström	Chief Operating Officer	2016
Anita Brattaas Mikalsen	HR & EHS Manager	2012

The Company's registered office, Mjølanveien 29, 8622 Mo i Rana, Norway, serves as the business address for the members of the Management in relation to their positions in the Company.

There are no family relationships between any of the members of the Management or the Board.

11.3.2 Brief biographies of the members of the Management

Set out below are brief biographies of the members of the Management, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years.

Gunnar Moe, Chief Executive Officer
Gunnar Moe has been Chief Executive Officer of the Company since 2017, a position which he also held from 2010-2015. Gunnar Moe has extensive experience from various management positions, including as Director of Development and thereafter Chief Executive Officer in Momek Group, Director of Development in Leonhard Nilsen & Sønner AS (LNS), and HR and administrative manager in Rana Gruber. He currently serves as chairman of the board of directors of Strand Shipping AS and as member of the board of directors of Greenland Ruby A/S. Prior to this, he has held several directorships, including in LNS Mining, Bilalliansen AS and Skaland Graphite AS, NHO Nordland and Norsk Industri – Olje & Gass (The Federation of Norwegian Industries – Oil & Gas) .

Current directorships and senior management positions	*Chief Executive Officer of Rana Gruber ASA.* *Chairman of Strand Shipping AS and board member of Greenland Ruby A/S.*
Previous directorships and senior management positions last five years	*Board member of LNS Mining, Bilalliansen AS and Skaland Graphite AS and NHO Nordland.*

Erlend Høyen, Chief Financial Officer

Erlend Høyen was appointed Chief Financial Officer of the Company in 2020 and has extensive experience from the mining industry. Erlend Høyen joined Rana Gruber in 2013 as Controller/field Economist and was thereafter appointed Purchasing Manager. Prior to joining the Company, he held the position as Senior Associate in PricewaterhouseCoopers AS, and Controller and Controller Manager in TDC AS (Telia Norge AS).

Current directorships and senior management positions	*Chief Financial Officer of Rana Gruber ASA.* *Purchasing Manager in Rana Grubeer ASA.*
Previous directorships and senior management positions last five years	*N/A*

Stein Tore Bogen Liljenström, Chief Operating Officer

Stein Tore Liljenström has been Chief Operating Officer in the Company since 2016 and has extensive experience from various management positions. He was Department Manager in Molab AS for several years before joining Rana Gruber in 2006 as Plant Manager. Prior to being appointed as Chief Operating Officer in the Company, he held the position as Chief Executive Officer in Glør AS. Stein-Tore Bogen is currently chairman of the board of directors of Nd-Yag Invest AS and a member of the board of directors of PSupply AS. He holds a Ph.D. in Physical Chemistry from Umeå University, Sweden.

Current directorships and senior management positions	*Chief Operating Officer of Rana Gruber ASA.* *Chairman of Nd-Yag Invest AS and board member of PSupply AS.*
Previous directorships and senior management positions last five years	*N/A*

Anita Brattaas Mikalsen, HR & EHS Manager

Anita Mikalsen was appointed HR Director in the Company in 2012 and HR & EHS Manager in 2018. Prior to joining Rana Gruber, she worked at Helgeland Police District and has also been a union leader at the Regional Norwegian Police Association.

Current directorships and senior management positions	*HR Director in Rana Gruber ASA.*
Previous directorships and senior management positions last five years	*N/A*

11.3.3 Shares held by members of the Management

As of the date of this Prospectus, the following members of the Management own Shares in the Company:

Name	Number of Shares
Gunnar Moe	15,730
Erlend Høyen	9,682
Stein Tore Bogen Liljenström	9,192
Anita Brattaas Mikalsen	606

As of this date, the Company has not issued any options and none of the members of the Management consequently hold any options in the Company.

11.4 Remuneration and benefits

11.4.1 Remuneration of the Board of Directors

The members of the Board of Directors receive remuneration from the Company for their work as board members. The remuneration is paid out on annual basis.

The remuneration paid to members of the Board of Directors during the year ended 31 December 2021 was a total of NOK 2.5 million, as further specified in the table below:

Name	Position	Total remuneration
Morten Støver	Chairman	NOK 600 000
Kristian Adolfsen	Board member	NOK 400 000
Frode Nilsen	Board member	NOK 400 000
Ragnhild Wiborg	Board member	NOK 400 000
Hilde Rolandsen	Board member	NOK 400 000
Johan Hovind	Board member	NOK 100 000
Lasse Strøm	Board member	NOK 100 000
Thomas Hammer	Board member	NOK 100 000

11.4.2 Remuneration of Management

The remuneration paid to members of the Management during the year ended 31 December 2021 was a total of NOK 10.9, as further specified in the table below:

Name	Position	Salary	Bonus	Pension	Total remuneration
Gunnar Moe	CEO	3 172 916	625 000	530 043	4 327 959
Erlend Høyen	CFO	1 692 854	375 000	155 684	2 223 538
Stein Tore Bogen Liljenström	COO	1 913 803	425 000	130 357	2 469 160
Anita Brattaas Mikalsen	HR	1 675 525	0	215 739	1 891 264

11.4.3 Share incentive programs

As of this date, the Company has not established any share incentive program or other incentive programs for its employees.

11.5 Bonus scheme

Under the Company's current bonus scheme five of the employees belonging to the management group of the Company may be entitled to up to 50% of their annual salary in bonus per year, pursuant to the achievement of a set of company goals.

For other employees in the Company, a maximum of NOK 34,000 per year may be achieved in bonus per individual. This scheme is also based on company performance goals and the achievement of such goals.

11.6 Benefits upon termination

As if this date, there are no benefits upon termination for the Company's employees, the members of the Board of Directors and the members of the Management.

11.7 Loans and guarantees

The Company has not granted any loans, guarantees or other commitments to any of the members of the Board of Directors or the Management.

11.8 Employees

The following table shows the development in the number of full-time equivalents in the Company, for the years ended 31 December 2021, 2020 and 2019:

31 December		
2021	2020	2019
286	263	261

All employees are employed by the Company and working from the Company's offices in Norway.

11.9 Pension and retirement benefits

As of this date, the Company operates a defined benefit pension plan for its employees. For the year 2021, the Company's total defined benefit expenses amounted to NOK 6.4 million.

The Company has a collective defined benefit scheme comprising of 429 (405 in 2020) persons at year-end 2021, of which 292 (257 in 2020) are working individuals. The pension agreement is financed by funding organised with an independent insurance company. The Company also has an unfunded pension commitment related to membership in the AFP (early retirements) scheme financed by the Company's operations. The Company expects to replace its defined benefit pension plan with a defined contribution plan in 2022.

11.10 Nomination committee

The Company's Articles of Association provide for a nomination committee composed of 3 members which shall be elected by the Company's General Meeting. The current members of the nomination committee are: Leif Teksum, Lisbeth Flågeng and Robert Sotberg. The nomination committee is elected for a period of two years.

The nomination committee is responsible for nominating candidates for the General Meeting's election of shareholder-elected members of the Board and members of the nomination committee. The nomination committee is also responsible for making recommendations for remuneration to the board members and members of the nomination committee.

11.11 Audit committee

The Board has established an audit committee. The current members of the audit committee are Hilde Rolandsen (chairman) and Morten Støver.

Pursuant to Section 6-43 of the Norwegian Public Limited Liability Companies Act, the primary purposes of the audit committee are to:

- prepare the Board's supervision of the company's financial reporting process;
- monitor the systems for internal control and risk management;
- have continuous contact with the Company's auditor regarding the audit of the annual accounts; and

- review and monitor the independence of the Company's auditor, including in particular the extent to which services other than auditing provided by the auditor or the audit firm represent a threat to the independence of the auditor

The audit committee reports and makes recommendations to the Board, but the Board retains responsibility for implementing such recommendations.

11.12 Conflict of interests

The member of the Board of Directors, Frode Nilsen is the Chief Executive Officer of Leonhard Nilsen & Sønner – Eiendom AS, the Company's majority shareholder. In addition, Frode Nilsen is the chairman of the board of directors of Leonhard Nilsen & Sønner AS (LNS). As mentioned above, LNS is one of the Company's suppliers. See Section 7.11 about the agreements between LNS and the Company. Accordingly, there is a potential conflict between the Company's interests and the interests of LNS and Leonhard Nilsen & Sønner – Eiendom AS. Leonhard Nilsen & Sønner - Eiendom AS is the majority shareholder of the Company, and owns all of the shares in LNS.

Except for the above, there are currently no actual or potential conflicts of interest between the board members and members of the Management's duties to the Company and their private interests or other duties. Further, there are no interests material to the Listing.

11.13 Convictions for fraudulent offences, bankruptcy etc.

None of the members of the Board or Management has during the last five years preceding the date of this Prospectus:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;

- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or

- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his/her capacity as a founder, director or senior manager of a company or partner of a limited partnership.

The member of the Board of Directors, Frode Nilsen, was previously a member of the board of directors of True North Gems Greenland (TNGG) as a representative for the minority shareholder in the company LNS Greenland (LNSG). LNSG owned 17% of the shares in TNGG. TNGG filed for bankruptcy in 2016 due to lack of funding for investment needs. The mining operations and assets were later acquired by Greenland Ruby DK ApS from the bankruptcy estate. Today, LNS Mining AS, the former sole shareholder of the Company, is the majority shareholder of Greenland Ruby DK ApS.

11.14 Corporate governance

The Company has adopted and implemented a corporate governance regime which complies with the Corporate Governance Code. The Company is not aware of any deviations from the Corporate Governance Code.

12. CORPORATE INFORMATION AND DESCRIPTION OF THE SHARE CAPITAL

12.1 Corporate information

The Company's registered name is Rana Gruber ASA and its commercial name is Rana Gruber. The Company is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company's registered office is in the municipality of Rana, Norway.

The Company was incorporated on 28 August 1989, and its registration number in the Norwegian Register of Business Enterprises is 953 049 724. The Company's LEI is 5493003MBTQHX9VNKN13.

The Company's registered business address is Mjølanveien 29, 8622 Mo i Rana, Norway, and its principal place of business is at the same address. The main telephone number to that address is +47 75 13 73 00. The Company's website can be found at www.ranagruber.no. The information on the website does not form part of this Prospectus unless information has been incorporated by reference into this Prospectus in Section 16.3.

12.2 Legal structure

As of this date, the Company has no subsidiaries.

Rana Gruber ASA completed a merger with Rana Gruber Mineral AS in December of 2021. Prior to the merger, Rana Gruber Mineral AS was a wholly owned subsidiary of Rana Gruber AS, and the merger was completed according to the simplified parent-subsidiary merger rules of the Norwegian Companies Act § 13-23, by the subsidiary transferring all its assets, rights and liabilities as a whole to the parent company as the acquiring company. The purpose of the merger was to simplify the company structure, and had no practical or legal significance for the individual shareholder in Rana Gruber ASA.

12.3 Share capital and share capital history

The Company's current share capital is NOK 9,348,000 divided into 37,392,000 Shares of a nominal value of NOK 0.25 each. All the Shares have been created under the Norwegian Public Limited Liability Companies Act, and are validly issued and fully paid.

The Shares are registered in book-entry form in the Norwegian Central Securities Depository (*Norwegian*. Verdipapirsentralen) (VPS). The Company's Share Registrar is DNB Issuer Services, a part of DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo, Norway. The Shares have ISIN NO 001 0907389.

During the period covered by the Audited Financial Statements and up to the date of this Prospectus, the Company's share capital has remained the same. On 24 November 2020, the Company reduced the nominal value of the Shares from NOK 1000 to NOK 0.25, resulting in a change in the share capital from NOK 9,348,000 divided on 9,348 Shares, each with a nominal value of NOK 1000, to the current share capital of 37,392,000 Shares divided on 37,392,000 Shares, each with a nominal value of NOK 0.25.

12.4 Ownership structure

As at the date of this Prospectus, the Company has 5,050 shareholders.

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. As of the date of this Prospectus, no shareholder other than Leonhard Nilsen & Sønner – Eiendom AS and Hi Capital AS holds more than 5% of the issued Shares.

Name	Number of Shares %
Leonhard Nilsen & Sønner – Eiendom AS	31.26%
Hi Capital AS	5.95%

There are no specific measures in place regulating the exercise of the influence which follows from holding a majority of the Shares in the Company. The Company's major shareholders do not have different voting rights. See Section 13.7 "Disclsoure obligations" for a description of the disclosure obligations under the Norwegian Securities Trading Act.

As of the date of this Prospectus, the Company holds 306,908 treasury shares. On 22 March 2022, the annual general meeting of the Company resolved to redeem all treasury shares held by the Company. The share capital decrease following from the redemption has not yet been registered in the Norwegian Register of Business Enterprises at the date of this Prospectus.

No arrangements are known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

12.5 Shareholder rights

The Company has one class of Shares in issue, and in accordance with the Norwegian Public Limited Liability Companies Act, all Shares in that class will provide equal rights in the Company, including the right to any dividends. Each of the Shares carries one vote. The rights attached to the Shares are described further in Section 12.11 "The Articles of Association" and Section 12.12 "Certain aspects of Norwegian corporate law".

12.6 Admission to trading

As of the date of this Prospectus, the Company's Shares are admitted to trading on Euronext Growth Oslo and are trading under the ticker "RANA". The Shares are not admitted to trading on any regulated market, or other multilateral trading facilities or SME Growth Markets.

The Company applied for admission to trading of its Shares on Oslo Børs on 12 January 2022 and the board of directors of Oslo Børs ASA approved the listing application on 23 February 2022. The Company currently expects commencement of trading in the Shares on Oslo Børs on or about 28 March 2022 under the ticker symbol "RANA".

The Company believes that the admission to trading of the Shares on Oslo Børs will:

- enhance the Company's profile with investors, business partners, suppliers and customers;
- allow for a more liquid market for the Shares;
- facilitate for a more diversified shareholder base and enable additional investors to take part in the Company's future growth and value creation;
- provide better access to capital markets; and further improve the ability of the Company to attract and retain key management and employees.

12.7 Convertible instruments, warrants and share options

As of this date, the Company has not issued any convertible instruments, warrants or share options.

12.8 Outstanding authorisations

12.8.1 Authorisation to distribute dividends

On 22 March 2022, the annual general meeting of the Company resolved to grant an authority to the Board of Directors to determine quarterly dividends on a quarterly basis based on the audited financial statements for 2021 in accordance with the Company's dividend policy. The authority has at the time of this Prospectus not yet been registered in the Norwegian Register of Business Enterprises and will be in force from the time of such registration and until the annual general meeting of the Company in 2023. As of this date, the Board of Directors has not approved any dividends pursuant to the authority.

12.8.2 Authorisation to acquire treasury shares

On 22 March 2022, the annual general meeting of the Company resolved to grant an authority to the Board of Directors to acquire Shares in the Company on behalf of the Company with an aggregate

nominal value of up to NOK 934,800. The authority also encompasses contractual pledges over own Shares. Pursuant to the authority, when acquiring own Shares the consideration per Share may not be less than NOK 1 and may not exceed NOK 400, and the Board of Directors determines the methods by which own Shares can be acquired or disposed of. The authority has at the time of this Prospectus not yet been registered in the Norwegian Register of Business Enterprises and will be in force from the time of such registration and until the annual general meeting of the Company in 2023, but in no event later than 30 June 2023. As of the date of this Prospectus, the Board of Directors has not acquired Shares in the Company pursuant to the authority.

12.9 Shareholder agreements

The Company is not aware of any shareholders' agreements in relation to the Shares.

12.10 Public takeover bids

The Company's Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company. The Shares have not been subject to any public takeover bids during the current or last financial year.

12.11 The Articles of Association

The Company's Articles of Association are set out in Appendix A to this Prospectus. Below is a summary of the provisions in the Articles of Association.

12.11.1 Objective of the Company

The objective of the Company, as set out in § 2 of the Articles of Association, is to conduct production and sales of mining products and related activities, and through economically sound business operations create lasting and safe jobs in the company. The company shall seek to develop new products and businesses, and the company may participate in other companies as owner or otherwise to fulfil the above objectives.

12.11.2 Registered office

The Company's registered office is in the municipality of Rana, Norway.

12.11.3 Share capital and par value

The Company's current share capital is NOK 9,348,000, divided into 37,392,000 Shares of a nominal value of NOK 0.25 each. The Shares are registered in the VPS.

12.11.4 Board of directors

The Company's Board shall consist of a minimum of three and a maximum of eight members. The authority to sign on behalf of the Company is held by the chairman of the Board of Directors and one board member, or by three board members jointly.

12.11.5 Restrictions on transfer of Shares

The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Company. Share transfers are not subject to approval by the Board. Thus, the applicable provisions in the Norwegian Public Limited Liability Act apply to any transfer of the Shares.

12.11.6 General meetings

Documents relating to matters to be dealt with by the Company's general meeting, including documents which by law shall be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if such documents have been made available on the Company's website. A shareholder may nevertheless request that documents which relate to matters to be dealt with at the general meeting are sent to him/her.

12.11.7 Nomination committee

The Company shall have a nomination committee consisting of three members. The members shall be shareholders or representatives of shareholders. The members, including its chairman, are elected by the general meeting and the members of the nomination committee's period of service shall be two years unless the general meeting decides otherwise. The members of the nomination committee's fees shall be determined by the general meeting.

The nomination committee shall have the following responsibilities: i) to give the general meeting its recommendations regarding the election of board members to be elected by the shareholders, ii) to give the general meeting its recommendations regarding the board members' fees, iii) to give the general meeting its recommendations regarding the election of members of the nomination committee and iv) to give the general meeting its recommendations regarding the members of the nomination committee's fees.

12.12 Certain aspects of Norwegian corporate law

12.12.1 The general meeting of the shareholders

Under Norwegian law, a company's shareholders exercise supreme authority in the Company through the general meeting.

In accordance with Norwegian law, the annual General Meeting of the Company's shareholders is required to be held each year on or prior to 30 June. The following business must be transacted and decided at the annual General Meeting:

- approval of the annual accounts and annual report, including the distribution of any dividend;
- the Board's declaration concerning the determination of salaries and other remuneration to senior executive officers;
- any other business to be transacted at the General Meeting by law or in accordance with the Company's Articles of Association

In addition to the annual General Meeting, extraordinary General Meetings of shareholders may be held if deemed necessary by the Board. An extraordinary General Meeting must also be convened for the consideration of specific matters at the written request of the Company's auditors or shareholders representing a total of at least 5% of the share capital.

Norwegian law requires that written notice of General Meetings needs be sent to all shareholders whose addresses are known at least three weeks prior to the date of the meeting. The notice shall set forth the time and date of the meeting and specify the agenda of the meeting. It shall also name the person appointed by the Board to open the meeting. A shareholder may attend General Meetings either in person or by proxy. The Company will include a proxy form with its notices of General Meetings.

A shareholder is entitled to have an issue discussed at a General Meeting if such shareholder provides the Board with notice of the issue within seven days before the mandatory notice period, together with a proposal to a draft resolution or a basis for putting the matter on the agenda.

The shareholders of the Company as of the date of the General Meeting are entitled to attend the General Meeting.

12.12.2 Voting rights

Under Norwegian law and the Articles of Association, each Share carries one vote at General Meetings of the Company. No voting rights can be exercised with respect to any treasury Shares held by the Company.

In general, decisions that shareholders are entitled to make under Norwegian law or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections, the persons who obtain the most votes are elected. However, as required under Norwegian law, certain decisions,

including resolutions to set aside preferential rights to subscribe in connection with any share issue, to approve a merger or demerger, to amend the Company's articles of association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants or to authorise the Board to purchase shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a General Meeting.

Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any Shares or class of Shares, receive the approval by the holders of such Shares or class of Shares as well as the majority required for amending the Articles of Association. Decisions that (i) would reduce the rights of some or all shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of shares, require that at least 90% of the share capital represented at the general meeting of shareholders in question vote in favour of the resolution, as well as the majority required for amending the articles of association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the articles of association. There are no quorum requirements for General Meetings.

In general, in order to be entitled to vote at a General Meeting, a shareholder must be registered as the owner of Shares in the Company's share register kept by the VPS.

Under Norwegian law, a beneficial owner of Shares registered through a VPS-registered nominee may not be able to vote the beneficial owner's Shares unless ownership is re-registered in the name of the beneficial owner prior to the relevant General Meeting. Investors should note that there are varying opinions as to the interpretation of Norwegian law in respect of the right to vote nominee-registered shares. In the Company's view, a nominee may not meet or vote for Shares registered on a nominee account. A shareholder must, in order to be eligible to register, meet and vote for such Shares at the General Meeting, transfer the Shares from the nominee account to an account in the shareholder's name. Such registration must appear from a transcript from the VPS at the latest at the date of the General Meeting.

12.12.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus shares (i.e. new Shares issued by a transfer from funds that the Company is allowed to use to distribute dividend), the Company's articles of association must be amended, which requires the support of at least (i) two thirds of the votes cast and (ii) two thirds of the share capital represented at the relevant General Meeting.

In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for the new Shares on a pro rata basis in accordance with their then-current shareholdings in the Company. Preferential rights may be set aside by resolution in a general meeting of shareholders passed by the same vote required to approve amendments of the Articles of Association. Setting aside the shareholders' preferential rights in respect of bonus issues requires the approval of the holders of all outstanding Shares.

The General Meeting of the Company may, in a resolution supported by at least (i) two thirds of the votes cast and (ii) two thirds of the share capital represented at the relevant General Meeting, authorise the Board to issue new Shares. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the nominal share capital as at the time the authorisation is registered with the Register of Business Enterprises. The shareholders' preferential right to subscribe for Shares issued against consideration in cash may be set aside by the Board only if the authorisation includes the power for the Board to do so.

Any issue of Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United Stated under U.S. securities law. If the Company decides not to file a registration statement, these shareholders may not be able to exercise their preferential rights.

Under Norwegian law, bonus shares may be issued, subject to shareholder approval and provided, amongst other requirements, that the transfer is made from funds that the Company is allowed to use to distribute dividend. Any bonus issues may be effectuated either by issuing Shares or by increasing the nominal value of the Shares outstanding. If the increase in share capital is to take place by new Shares being issued, these new Shares must be allocated to the shareholders of the Company in proportion to their current shareholdings in the Company.

12.12.4 Minority rights

Norwegian law contains a number of protections for minority shareholders against oppression by the majority, including but not limited to those described in this and preceding and following paragraphs. Any shareholder may petition the courts to have a decision of the Board or General Meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. In certain grave circumstances, shareholders may require the courts to dissolve the Company as a result of such decisions. Shareholders holding in the aggregate 5% or more of the Company's share capital have a right to demand that the Company convenes an extraordinary General Meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any General Meeting as long as the Board is notified within seven days before the deadline for convening the General Meeting and the demand is accompanied with a proposed resolution or a reason for why the item shall be on the agenda. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the General Meeting has not expired.

12.12.5 Rights of redemption and repurchase of shares

The Company has not issued redeemable shares (i.e. shares redeemable without the shareholder's consent).

The Company's share capital may be reduced by reducing the nominal value of the Shares. According to the Norwegian Public Limited Liability Companies Act, such decision requires the approval of at least two-thirds of the votes cast and share capital represented at a General Meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares if an authorisation to the Board to do so has been given by the shareholders at a General Meeting with the approval of at least two-thirds of the aggregate number of votes cast and share capital represented. The aggregate nominal value of treasury Shares so acquired may not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the shareholders at the General Meeting cannot be given for a period exceeding two years. A Norwegian public limited liability company may not subscribe for its own shares.

12.12.6 Shareholder vote on certain reorganisations

A decision to merge with another company or to demerge requires a resolution of the Company's shareholders at a General Meeting passed by at least (i) two-thirds of the votes cast and (ii) two-thirds of the share capital represented at the General Meeting. A merger plan, or demerger plan signed by the Board along with certain other required documentation, would have to be available at the business offices or on the web pages of the Parent, at least one month prior to the general meeting to pass upon the matter. If a shareholder so requires, the Parent must also send the documentation to the shareholder free of charge.

12.12.7 Liability of board members

Members of the Board owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the board members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Members of the Board may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but

such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting of the Company's shareholders passing upon the matter. If a resolution to discharge the Company's board members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Company's board members from liability or not to pursue claims against the board members is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

12.12.8 Indemnification of board members

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board. The Company is permitted to purchase insurance for the board members against certain liabilities that they may incur in their capacity as such.

12.12.9 Distribution of assets on liquidation

Under Norwegian law, a company may be liquidated by a resolution of the company's shareholders in a general meeting passed by the same vote as required with respect to amendments to the articles of association. The shares rank equally in the event of a return on capital by the company upon liquidation or otherwise.

12.12.10 Compulsory acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited liability company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the issuer has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing 90% or more of the total number of issued shares, as well 90% or more of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial enterprise authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired 90% or more of the voting shares of an issuer and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory and/or voluntary offer unless specific reasons indicate that another price is the fair price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

13. SECURITIES TRADING IN NORWAY

Set out below is a summary of certain aspects of securities trading in Norway and the possible implications of owning tradable Shares on Oslo Børs. The summary is based on the rules and regulations in force in Norway as at the date of this Prospectus, which may be subject to changes occurring after such date. This summary does not purport to be a comprehensive description of securities trading in Norway. Investors who wish to clarify aspects of securities trading in Norway should consult with and rely upon their own advisors.

13.1 Introduction

The Oslo Stock Exchange was established in 1819 and is the principal market in which shares, bonds and other financial instruments are traded through five different marketplaces; Oslo Børs, Euronext Expand, Euronext Growth Oslo, Nordic ABM and Oslo Connect.

13.2 Trading and settlement

As of the date of this Prospectus, trading of equities on the Oslo Stock Exchange is carried out in the electronic trading system Optiq, which is the electronic trading system of Euronext.

Official regular trading for equities on the Oslo Stock Exchange takes place between 09:00 hours (Oslo time) and 16:20 hours (Oslo time) each trading day, with pre-trade period between 08:15 hours (Oslo time) and 09:00 hours (Oslo time), closing auction from 16:20 hours (Oslo time) to 16:25 hours (Oslo time) and a post-trade period from 16:25 hours (Oslo time) to 17:30 hours (Oslo time). Reporting of after exchange trades can be done until 17:30 hours (Oslo time).

The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in the VPS two trading days after the transaction, and that the seller will receive payment after two trading days.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from a member state of the EEA or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

13.3 Information, control and surveillance

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and the bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law implementing the Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (market abuse regulation) (**"MAR"**), a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company (i.e. precise information about financial instruments, the

issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

13.4 The VPS and transfer of shares

The Company's shareholder register is operated through the Norwegian CSD (VPS). The Norwegian CSD is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded.

All transactions relating to securities registered with the Norwegian CSD are made through computerised book entries. No physical share certificates are, or may be, issued. The Norwegian CSD confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

The entry of a transaction in the Norwegian CSD is generally prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security.

The Norwegian CSD is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the Norwegian CSD's control which the Norwegian CSD could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the Norwegian CSD may, however, be reduced in the event of contributory negligence by the aggrieved party.

The Norwegian CSD must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the Norwegian CSD regarding any individual's holdings of securities, including information about dividends and interest payments.

13.5 Shareholder register – Norwegian law

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in the Norwegian CSD through a nominee. However, foreign shareholders may register their shares in the Norwegian CSD in the name of a nominee (bank or other nominee) approved by the NFSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the issuer and to the Norwegian authorities. In case of registration by nominees, the registration in the Norwegian CSD must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote on shares at general meetings on behalf of the beneficial owners.

13.6 Foreign investment in Norwegian shares

Foreign investors may trade shares listed on Oslo Børs through any broker that is a member of Oslo Børs, whether Norwegian or foreign.

13.7 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in an issuer with its shares listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that issuer, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify the

Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the Company's share capital.

13.8 Insider trading

According to Norwegian law, implementing MAR, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in MAR art. 7. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

13.9 Mandatory offer requirements

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a Norwegian issuer with its shares listed on a Norwegian regulated market to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that issuer. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the issuer and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the issuer in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the issuer or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer is subject to approval by the Oslo Stock Exchange before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is required to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in unfulfilled, exercise rights in the issuer, such as voting on shares at general meetings of the issuer's shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a Norwegian issuer with its shares listed on a Norwegian regulated market is required to make an offer to purchase the remaining shares of the issuer (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40% or more of the votes in the issuer. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the issuer. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, required to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

13.10 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a Norwegian issuer who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

14. NORWEGIAN TAXATION

14.1 Introduction

The tax legislation in the Company's jurisdiction of incorporation and the tax legislation in the jurisdiction in which the shareholders are resident for tax purposes may have an impact on the income received from the Shares.

The summary regarding Norwegian taxation set out in this Section 14 is based on the laws in force in Norway as of the date of this Prospectus, which may be subject to any changes in law, administrative practice or interpretation occurring after such date. Such changes could possibly be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of shares in the Company. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisers. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be residents in Norway for tax purposes (under domestic tax law or under tax treaties) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder.

14.2 Taxation of dividends

14.2.1 Norwegian Personal Shareholders

Dividends received by shareholders who are natural persons resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are taxable as ordinary income currently at a rate of 22%, to the extent the dividends exceed a statutory tax-free allowance (Nw. *skjermingsfradrag*). The taxable amount is multiplied by a factor of 1.60, resulting in an effective tax rate of 35.20% (22% x 1.60).

The tax-free allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a determined risk-free interest rate based on the effective rate of interest on treasury bills (Nw.: *statskasseveksler*) with three months' maturity plus 0.5 percentage points, after tax. The allowance is calculated for each calendar year, and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year. The risk-free interest rate is published in January in the year following the income year. The risk-free interest rate for 2020 was 0.6%.

Norwegian Personal Shareholders who transfer shares will thus not be entitled to deduct any calculated tax-free allowance related to the year of the transfer when determining the taxable amount in the year of transfer. Any part of the calculated tax-free allowance one year that exceeds the dividend distributed on a share ("excess allowance") may be carried forward and set off against future dividends received on, or gains upon realization of, the same share.

Norwegian Personal Shareholders may hold the shares through a Norwegian share saving account (Nw. *Aksjesparekonto*). Dividends received on shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the paid in deposit will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the shares held in the account. Such income will be taxed with an effective tax rate of 35.20%, cf. the description above concerning taxation of dividends.

The tax-free allowance is, when investing through share saving accounts, calculated based on the lowest paid in deposit in the account during the income year, plus any unused tax-free allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income, and cannot increase or produce a deductible loss. Any excess allowance may be carried forward and set off against future withdrawals from the account.

14.2.2 Norwegian Corporate Shareholders

Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are largely exempt from tax on dividends distributed from the Company, pursuant to the Norwegian participation exemption method (Nw. *fritaksmetoden*). However, unless the Norwegian Corporate Shareholder holds more than 90% of the shares and the voting rights of the company, 3% of the dividend income distributed to the Norwegian Corporate Shareholder is taxable as ordinary income at a rate of 22%, resulting in an effective tax rate of 0.66% (22% x 3%).

14.2.3 Non-Norwegian Personal Shareholders

Dividends distributed to shareholders who are natural persons not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**") are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends, and the Company assumes this obligation.

Non-Norwegian Personal Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share (please see Section 14.2.1 "Taxation of dividends - Norwegian Personal Shareholders above"). However, the tax-free allowance deduction does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder carries out business activities in or managed from Norway and the shares are, in effect, connected to such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Personal Shareholder, as described above.

Non-Norwegian Personal Shareholders who have been deducted a higher withholding tax than set out in an applicable tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted, if certain documentation requirements are met. Non-Norwegian Personal Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

Non-Norwegian Personal Shareholders resident within the EEA may also establish Norwegian share saving account. Dividends received on shares held through a share saving account will not be subject to tax in Norway. Withdrawal of funds from the share saving account exceeding the paid in deposit will for tax purposes be regarded as dividends and may be subject to withholding tax. However, capital gains derived from alienation of shares will for tax purposes be regarded as paid-in deposit on the share savings account.

14.2.4 Non-Norwegian Corporate Shareholders

Dividends distributed to shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes ("**Non-Norwegian Corporate Shareholders**") are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are exempted from Norwegian withholding tax, provided that the shareholder is the beneficial owner of the shares and is considered to be "genuinely established and performs genuine economic activity" in the relevant EEA jurisdiction for Norwegian tax purposes.

If a Non-Norwegian Corporate Shareholder carries out business activities in or managed from Norway and the shares are, in effect, connected to such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Corporate Shareholder, as described above.

Non-Norwegian Corporate Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding

tax deducted. The same will apply to Non-Norwegian Corporate Shareholders who have suffered withholding tax although qualifying for the Norwegian participation exemption method.

All Non-Norwegian Corporate Shareholders must document their entitlement to a reduced withholding tax rate by either (i) presenting an approved withholding tax refund application or (ii) present an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate. In addition, certain other documentation requirements must be met, and the relevant documentation must be provided to either the nominee or the account operator registered with the VPS. Non-Norwegian Corporate Shareholders should consult their own advisers regarding the possibility of effectively obtaining a reduced withholding tax rate pursuant to either an applicable tax treaty or the participation exemption method.

14.3 Taxation of capital gains on realization of shares

14.3.1 Norwegian Personal Shareholders

Sale, redemption or other disposal of shares is considered a realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal. Ordinary income is currently taxable at a rate of 22%. However, the taxable capital gain (after the tax-free allowance reduction, cf. below) or tax deductible loss shall be adjusted by a factor of 1.60, resulting in a marginal effective tax rate of 35.20 %.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share as the difference between the consideration for the share and the Norwegian Personal Shareholder's cost price of the share, including costs incurred in relation to the acquisition or realizations of the share. Norwegian Personal Shareholders are entitled to deduct a statutory tax-free allowance from any capital gain, provided that such allowance has not already been used to reduce taxable dividend income. Please refer Section 14.2.1 "Taxation of dividends - Norwegian Personal Shareholders" above for a description of the calculation of the tax-free allowance. The allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realizations of a share will be annulled.

If the Norwegian Personal Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Gains derived upon the realization of shares held through a share saving account will be exempt from immediate Norwegian taxation and losses will not be tax deductible. Instead, withdrawal of funds from the share saving account exceeding the Norwegian Personal Shareholder's paid in deposit, will be regarded as taxable income, subject to tax at an effective tax rate of 35.20 % (please see Section 14.2.1 "Taxation of dividends - Norwegian Personal Shareholders" above for more information regarding share saving accounts).

14.3.2 Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are generally exempt from tax on capital gains derived from the realization of shares, pursuant to the Norwegian exemption method. Correspondingly, losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purposes.

14.3.3 Non-Norwegian Personal Shareholders

Gains from the sale or other disposal of shares by a Non-Norwegian Personal Shareholder will not be subject to taxation in Norway unless the shares held by the Non-Norwegian Personal Shareholder are, in effect, connected to business activities carried out in or managed from Norway, or the shares are held by a Non-Norwegian Personal Shareholders who has been a resident of Norway for tax purposes with

unsettled/postponed exit tax calculated on the shares at the time of cessation of Norwegian tax residency.

Please refer Section 14.2.3 "Taxation of dividends – Non-Norwegian Personal Shareholders" above for a description of the availability of a Norwegian share saving account for Non-Norwegian Personal Shareholders.

14.3.4 Non-Norwegian Corporate Shareholders

Capital gains derived from the sale or other realization of shares by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway unless the shares held by the Non-Norwegian Corporate Shareholder are, in effect, connected with business activities carried out in or managed from Norway.

14.4 Net wealth tax

The value of shares is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. Currently, the marginal net wealth tax rate is 0.95% of the value assessed. For assets that exceeds NOK 20,000,000, the marginal net wealth tax rate is 1,10%. The value for assessment purposes for listed shares is currently equal to 75% of the listed value as of 1 January in the year of assessment (i.e. the year following the relevant financial year). The value of debt allocated to the listed shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 75%.).

Norwegian Corporate Shareholders are not subject to net wealth tax.

Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders may, however, be liable for Norwegian net wealth tax if the shareholding is, in effect, connected to business activities carried out in or managed from Norway.

14.5 VAT and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

14.6 Inheritance tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

15. SELLING AND TRANSFER RESTRICTIONS

15.1 General

The Shares may, in certain jurisdictions, be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Receipt of this Prospectus shall not constitute an offer for Shares and this Prospectus is for information only and should not be copied or redistributed. Accordingly, if an existing shareholder receives a copy of this Prospectus, the existing shareholder should not distribute or send the same, or transfer the Shares to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If an existing shareholder forwards this Prospectus into any such territories (whether under a contractual or legal obligation or otherwise), the existing shareholder should direct the recipient's attention to the contents of this Section 15 "Selling and transfer restrictions".

The Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, any jurisdiction in which it would not be permissible to offer the Shares and this Prospectus shall not be accessed by any person in any jurisdiction in which it would not be permissible to offer the Shares.

Neither the Company nor its representatives, is making any representation to any purchaser of Shares regarding the legality of an investment in the Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

The information set out in this Section 15 "Selling and transfer restrictions" is intended as a general guide only. If you are in any doubt about any of the contents of these restrictions, or whether any of these restrictions apply to you, you should obtain independent professional advice without delay.

15.2 Selling and transfer restrictions in the United States

The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section 15.

Each purchaser of Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that:

- The purchaser is authorised to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, and, subject to certain exemptions, may not be offered or sold within the United States.

- The purchaser (and the person, if any, for whose account or benefit the purchaser is acquiring the Shares) was located outside the United States at the time the buy order for the Shares was originated, and continues to be located outside the United States, and has not purchased the Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Shares or any economic interest therein to any person in the United States.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not

acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser is aware of the restrictions on the offer and sale of the Shares pursuant to Regulation S described in this Prospectus.

- The Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

- The Company shall not recognise any offer, sale, pledge or other transfer of the Shares made other than in compliance with the above restrictions.

- If the purchaser is acquiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Each purchaser of the Shares within the United States purchasing Shares pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged, represented and agreed that:

- The purchaser is authorised to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.

- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Shares, as the case may be.

- The purchaser is aware that the Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.

- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Shares, or any economic interest therein, as the case may be, such Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser will not deposit or cause to be deposited such Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted

depositary receipt facility, so long as such Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act.

- The purchaser acknowledges that the Shares are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Shares, as the case may be.

- The purchaser acknowledges that the Company shall not recognise any offer, sale pledge or other transfer of the Shares made other than in compliance with the above-stated restrictions.

If the purchaser is acquiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

15.3 Selling and transfer restrictions in the European Economic Area (EEA)

Each person in a Relevant Member State (other than persons in Norway) must represent, warrant and agree that:

- it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and

- in the case of any Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Shares acquired by it in the offer have not been acquired on behalf of, nor with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Manager has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

16. ADDITIONAL INFORMATION

16.1 Advisors

Advokatfirmaet Wiersholm AS (business registration number 981 371 593 and registered business address at Dokkveien 1, 0250 Oslo, Norway) is acting as Norwegian legal counsel to the Company.

Clarksons Platou Securities AS (business registration number 942 274 238 and registered address Munkedamsveien 62C, 0270 Oslo, Norway), DNB Markets, a part of DNB Bank ASA (business registration number 984 851 006 and registered business address at Dronning Eufemias gate 30 0191 Oslo, Norway), and SpareBank 1 Markets AS (business registration number 992 999 101 and registered address at Olav Vs gate 5, 0161 Oslo), are acting as financial advisors to the Company in connection with the admission to trading on Oslo Børs.

16.2 Documents on display

Copies of the following documents will be available for inspection at the Company's website www.ranagruber.no for a period of twelve months from the date of this Prospectus.

- The Company's Articles of Association and Certificate of Incorporation;
- The Company's Audited Financial Statements as of and for the years ended 31 December 2021, 2020 and 2019;
- The independent competent persons report on the Company's resources and reserves dated 30 November 2021; and
- This Prospectus.

16.3 Documents incorporated by reference

The information incorporated by reference in this Prospectus should be read in connection with the following cross-reference table:

Section in Prospectus	Disclosure requirements of the Prospectus	Reference document and link	Page in reference document
4, 9 and 10	Audited historical financial information for the Company	Annual Report 2021: Rana-Gruber-AS-Annual-report-2021-IFRS.pdf (ranagruber.no)	72-75
4, 9 and 10	Audit report for the audited historical financial information for the Company	Annual Report 2021: Rana-Gruber-AS-Annual-report-2021-IFRS.pdf (ranagruber.no)	153-155
4, 9 and 10	Audited historical financial information for the Company	Annual Report 2020 (NGAAP): ANNUAL-REPORT-2020.pdf (ranagruber.no)	7-10
4, 9 and 10	Audit report for the audited historical financial information for the Company	Annual report 2020 (NGAAP): ANNUAL-REPORT-2020.pdf (ranagruber.no)	29-31

17. DEFINITIONS AND GLOSSARY

In the Prospectus, the following defined terms have the following meanings:

Articles of Association	The articles of association of the Company.
APM(s)	Alternative Performance Measures.
Audited Financial Statements	The IFRS Financial Statements together with the NGAAP Financial Statements.
Board of Directors or Board	The board of directors of the Company.
Cargill	Cargill International Trading Pte Ltd.
Cargill Agreement	The off-take agreement with Cargill in which the Company delivers its entire annual production of hematite iron ore for steel making applications to Cargill.
CEO	The chief executive officer of the Company.
CODM	Chief operating decision maker in the Company.
Company	Rana Gruber ASA.
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance dated 15 October 2021.
EU	The European Union.
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended.
IFRS	The International Financial Reporting Standards as adopted by the EU.
IFRS Financial Statements	The Company's audited financial statements as of and for the financial years ended 31 December 2021 and 2020 are prepared and restated, respectively, in accordance with IFRS.
ISIN	International securities identification number.
LEI	Legal entity identifier.
Listing	The listing of the Shares on Oslo Børs.
LNS	Leonhard Nilsen & Sønner AS.
LNS Distribution	The distribution on 30 March 2021 by LNS Mining AS of the net proceeds from the private placement in the Company and its remaining 50% of its shares in the Company to its ultimate shareholders.

Management	The senior management of the Company.
Managers	Clarksons Platou Securities AS, DNB Markets, a part of DNB Bank ASA, and SpareBank 1 Markets AS.
MAR	The Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (market abuse regulation).
MiFID II	EU Directive 2014/65/EU on markets in financial instruments, as amended.
MiFID Ii Product Governance Requirements	MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and local implementing measures.
Mineral Reserves and Resource Report	The independent expert report prepared on the Company's resources and reserves in accordance with the disclosure requirements set out in the EU Prospectus Regulation: "Rana Gruber – Mineral reserve statement for the Dunderland Valley iron ore project Norway" by Micon International Co Limited dated 30 November 2021.
Mt	Metric tons.
NGAAP	The Norwegian Accounting Act and general accepted accounting principles in Norway.
NGAAP Financial Statements	The Company's audited financial statements as of and for the years ended 31 December 2019 and 2018 are prepared in accordance with NGAAP.
Non-Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes.
Non-Norwegian Personal Shareholders	Shareholders who are natural persons not resident in Norway for tax purposes.
Norwegian Corporate Shareholders	Shareholders who are natural persons not resident in Norway for tax purposes.
Norwegian CSD	The Norwegian Central Securities Depository.
Norwegian FSA	The Financial Supervisory Authority of Norway.
Norwegian Personal Shareholders	Shareholders who are natural persons resident in Norway for tax purposes.
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended.
Oslo Børs	The regulated market operated by Oslo Børs ASA.
Prospectus	This prospectus.
R&S	Research and development.

Rana Gruber	Rana Gruber ASA or the Company.
Share(s)	All issued and outstanding shares by the Company.
Share Registrar	The Company's registrar in VPS, DNB Bank ASA.
Target Market Assessment	Has the meaning described to such term on page 3.

Vedtekter / Articles of association

VEDTEKTER

FOR

RANA GRUBER ASA

(org. nr. 953 049 724)

§ 1

Selskapets navn er Rana Gruber ASA. Selskapet er et allmennaksjeselskap.

§ 2

Selskapets forretningskontor er i Rana.

§ 3

Selskapets formål er å drive produksjon og omsetning av gruveprodukter og tilknyttet virksomhet, og gjennom bedriftsøkonomisk forsvarlig drift skape varige og trygge arbeidsplasser i selskapet. Selskapet skal søke å utvikle nye produkter og virksomheter, og selskapet kan delta i andre selskaper som eier eller på annen måte for å oppfylle ovennevnte formål.

§ 4

Selskapets aksjekapital er NOK 9 348 000 fordelt på 37 392 000 aksjer, hver pålydende NOK 0,25. Selskapets aksjer skal være registrert i et verdipapirregister.

§ 5

Selskapets styre skal bestå av 3 - 8 medlemmer.

§ 6

Selskapets firma tegnes av styrets leder samt et styremedlem i fellesskap eller av tre styremedlemmer. Styret kan gi særskilt fullmakt til styremedlem, daglig leder eller navngitte ansatte til å tegne selskapets firma. Styret kan meddele prokura.

ARTICLES OF ASSOCIATION

FOR

RANA GRUBER ASA

(reg. no. 953 049 724)

(office translation)

§ 1

The name of the company is Rana Gruber ASA. The company is a public limited liability company.

§ 2

The registered office of the company is located in the municipality of Rana.

§ 3

The company's objective is to conduct production and sales of mining products and related activities, and through economically sound business operations create lasting and safe jobs in the company. The company shall seek to develop new products and businesses, and the company may participate in other companies as owner or otherwise to fulfil the above objectives.

§ 4

The share capital of the company is NOK 9,348,000 divided on 37,392,000 shares, each with a nominal value of NOK 0.25. The shares shall be registered in a central securities depository.

§ 5

The board of directors of the company shall consist of 3-8 members.

§ 6

The authority to sign on behalf of the company is held by the chairman of the board and one member of the board jointly or by three board members jointly. The board of directors may grant a power of attorney to a member of the board, managing director or named

employees to sign on behalf of the Company. The board of directors may grant a power of procuration.

§ 7

Generalforsamlingen for selskapet skal holdes i Rana kommune. Styret kan beslutte at generalforsamling skal holdes i Oslo

Den ordinære generalforsamling skal behandle og avgjøre:

1. Godkjennelse av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
2. Andre saker som i henhold til loven eller vedtektene hører under generalforsamlingen.

Når dokumenter som gjelder saker som skal behandles på generalforsamlinger i selskapet er gjort tilgjengelige for aksjeeierne på selskapets internettsider, kan styret beslutte at dokumentene ikke skal sendes til aksjeeierne. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallinger til generalforsamlinger. En aksjeeier kan kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen. Selskapet kan ikke kreve noen form for godtgjøring for å sende dokumentene til aksjeeierne.

Aksjeeierne kan avgi skriftlig forhåndsstemme i saker som skal behandles på generalforsamlinger i selskapet. Slike stemmer kan også avgis ved elektronisk kommunikasjon. Adgangen til å avgi forhåndsstemme er betinget av at det foreligger en betryggende metode for autentisering av avsender. Styret avgjør om det foreligger en slik metode i forkant av den enkelte generalforsamling. Styret kan fastsette nærmere retningslinjer for skriftlige forhåndsstemmer. Det skal fremgå av generalforsamlingsinnkallingen om det er gitt adgang til forhåndsstemming og hvilke retningslinjer som eventuelt er fastsatt for slik stemmegivning.

§ 8

Selskapet skal ha en valgkomité bestående av tre medlemmer.

Valgkomiteens medlemmer skal være aksjeeiere eller representanter for aksjeeiere.

Valgkomiteens medlemmer, herunder dens leder, velges av generalforsamlingen. Tjenestetiden for valgkomitéens medlemmer skal være to år med mindre generalforsamlingen beslutter noe annet.

§ 7

The general annual meeting shall be held in the municipality of Rana. The board of directors may decide that the general meeting is to be held in Oslo.

The annual general meeting shall discuss and decide upon the following:

1. Approval of the annual accounts and annual report, including distribution of dividend.
2. Other matters that according to law or the articles of association are to be decided upon by the general meeting.

When documents concerning matters to be discussed at general meetings in the company have been made available to the shareholders on the company's web pages, the board of directors may decide that the documents shall not be sent to the shareholders. This also applies to documents which are required by law or by the articles of association to be included in or appended to notices of general meetings. If so, a shareholder may demand that documents concerning matters to be discussed at the general meeting be sent to him or her. The company cannot demand any form of compensation for sending the documents to the shareholders.

Shareholders may cast a written vote in advance in matters to be discussed at the general meetings of the company. Such votes may also be cast through electronic communication. The access to cast votes in advance is subject to the presence of a safe method of authenticating the sender. The board of directors decides whether such a method exists before each individual general meeting. The notice of general meeting must state whether votes in advance are permitted and which guidelines, if any, that have been issued for such voting.

§ 8

The company shall have a nomination committee consisting of three members.

The members of the nomination committee shall be shareholders or representatives of shareholders.

The members of the nomination committee, including its chairman, are elected by the general meeting. The members of the nomination committee's period of service shall be two years unless the general meeting

Tjenestetiden regnes fra valget når noe annet ikke er bestemt. Den opphører ved avslutningen av den ordinære generalforsamling i det året tjenestetiden utløper. Selv om tjenestetiden er utløpt, skal medlemmet bli stående i vervet inntil nytt medlem er valgt.

Honorar for valgkomiteens medlemmer skal fastsettes av generalforsamlingen.

Valgkomiteen skal ha følgende oppgaver:

i) å avgi innstilling til generalforsamlingen om valg av aksjonærvalgte styremedlemmer;

ii) å avgi innstilling til generalforsamlingen om honorar for styrets medlemmer, herunder for arbeid i styrets underutvalg;

iii) å avgi innstilling til generalforsamlingen om valg av medlemmer av valgkomiteen; og

iv) å avgi innstilling til generalforsamlingen om honorar for valgkomitéens medlemmer.

Generalforsamlingen kan fastsette nærmere retningslinjer for valgkomitéens arbeid.

***

decides otherwise. The period of service commences from the time of being elected unless otherwise decided. It terminates at the end of the annual general meeting of the year in which the period of service expires. Even if the period of service has expired, the member must remain in his or her position until a new member has been elected.

The members of the nomination committee's fees shall be determined by the general meeting.

The nomination committee shall have the following responsibilities:

i) to give the general meeting its recommendations regarding the election of board members to be elected by the shareholders

ii) to give the general meeting its recommendations regarding the board members' fees, including for work in the board's subcommittees

iii) to give the general meeting its recommendations regarding the election of members of the nomination committee

iv) to give the general meeting its recommendations regarding the members of the nomination committee's fees.

The general meeting may issue further guidelines for the nomination committee's work.

***

In case of any discrepancies between the Norwegian text and the English translation, the Norwegian text shall prevail.

micon INTERNATIONAL LIMITED | mineral industry consultants

RANA GRUBER

MINERAL RESERVE STATAMENT

FOR THE

DUNDERLAND VALLEY IRON ORE PROJECT

NORWAY

Report Date: 30th November 2021

Prepared By

Micon International Co Limited
Suite 10 Keswick Hall, Norwich, NR4 6TJ, United Kingdom

www.micon-international.com

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1.0 INTRODUCTION

Micon International Co Limited (Micon) has been requested by Rana Gruber AS (Rana Gruber or the Company) to prepare an independent Technical Report on the Mineral Reserves of the Dunderland Valley Iron Ore Project, Norway, held by the Company, which will form part of the prospectus to be used for listing on the Oslo Stock Exchange.

This Technical Report has been prepared in accordance with the Pan-European Reserves and Resources Reporting Committee (PERC) Standard for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves Reporting Standard (2021).

The effective date of the Mineral Reserves stated in this report is 1st April 2021.

1.1 LOCATION AND PERMITTING

The iron ore deposits in the Dunderland Valley are situated about 27 km northeast of the town Mo i Rana and approximately 15 km south of the Arctic Circle.

The Dunderland Valley Iron Ore Project is part of the greater Rana Gruber Mine, which is made up of five deposits of which only Ørtfjell is currently being mined by both open-pit and underground methods (Table 1.1).

Table 1.1: Rana Gruber Deposits

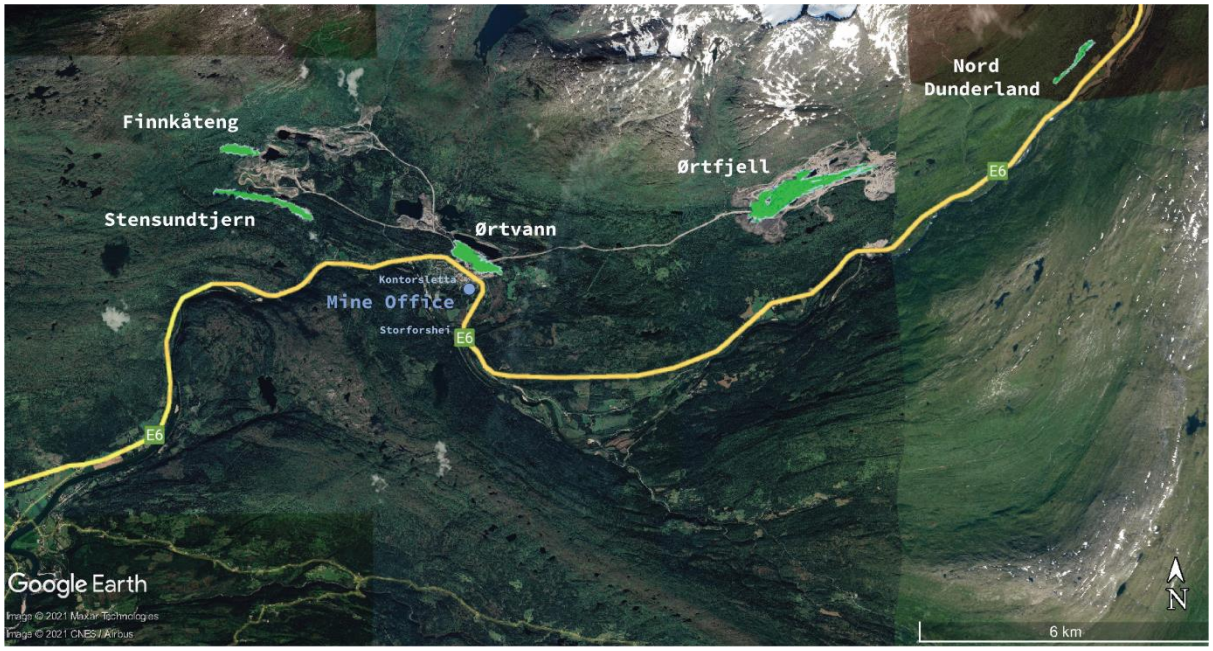
Deposit	Deposit Zone	Method	Status
Ørtfjell	Kvannevann UG	Underground	Active
	Eriksmalmen		
	Kvannevann West		Planned
	Kvannevann East	Open-Pit	Active
	Nordmalm		
Ørtvann	Ørtvann	Underground or Open-Pit	Planned
Stensundtjern	Stensundtjern	Open-Pit	Planned
Finnkåteng	Finnkåteng	Open-Pit	Planned
Nord Dunderland	Nord Dunderland	Open-Pit	Planned

Rana Gruber hold a combination of exploration and extraction rights across the Dunderland Valley, totalling 5,200 acres of land. The location of the Rana Gruber deposits is shown in Figure 1.1.

Rana Gruber has no joint ventures, partnerships or royalty agreements with third parties in the Dunderland Valley concerning the extraction of mineral resources.

Micon is not aware of any liabilities for the Dunderland Valley Iron Ore Project.

Figure 1.1: Location Map of the Rana Gruber Deposits



Source Google, 2021.

1.2 HISTORY

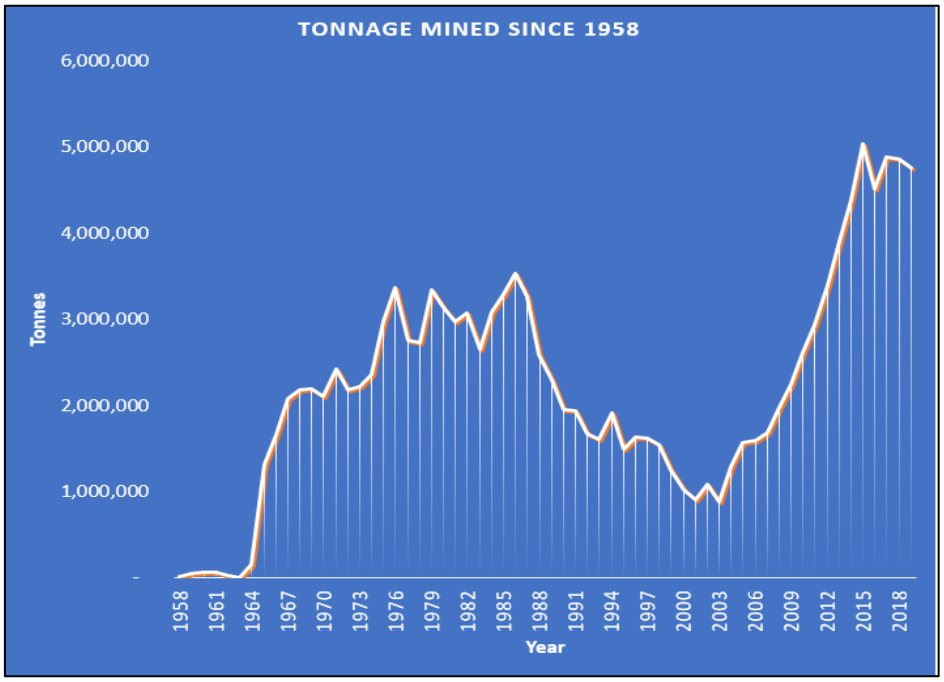
Rana Gruber was founded in 1937 as a collaboration between Sydvaranger AS and the German Vereinigte Stahlwerke to focus on iron ore findings north of Storforshei. After World War II, the Norwegian State overtook all assets in Rana Gruber and DIOC and in 1946 the Norwegian Parliament decided to establish an Iron Ore mill and steel plant in Norway and selected Mo i Rana as the location. In 1955, the first steel was produced in Norway and Rana Gruber became a part of Norsk Jernverk.

During this period the village of Mo i Rana changed to an industrial city and people from all over the country moved to Mo i Rana in order to obtain work. The community needed homes for thousands of new residents. Construction of houses and residential blocks started immediately. In 1930, the population was 1,300 people, this increased to 7,000 in 1955. In 1978, Norsk Jernverk employed approximately 4,500 of the 25,000 town's inhabitants.

During the late 1940s and 1950s a large exploration and mapping campaign was started to better map the iron ore occurrences in the Dunderland valley. The first focus was concentrated on the Ørtvann area with the Vesteråli area to follow (late 1960s). New infrastructure (crusher, ore silo, railway tunnel and bridge, workshops) were established at Storforshei. Following a period of test mining, full-scale, modern mining started in 1964 in the Ørtvann pit. Since then, Rana Gruber AS has been in un-interrupted production.

Reported tonnages from the companies archives document production since 1958. Since then, 138 Mt of iron ore have been mined. From these, 23 Mt were mine from underground with the remainder being produced from open-pits. The mined tonnages per year since 1958 are shown in Figure 1.2. In 2018 and 2019, approximately 4.9 Mt per annum was mined.

Figure 1.2: Production Tonnage from 1958 to 2019



Source Rana Gruber, 2019

1.3 ENVIRONMENTAL AND SOCIAL

Mining has a footprint due to use of land for open-pit mining, roads for access, lay down areas and land-fill areas. Mining operations are controversial even regarding the long mining traditions in the district. As such operations are followed closely and at times critically. Rana Gruber therefore aims to have responsible and safe operations, respecting regulative and environmental rules and the local community. Examples of measures taken to reduce Rana Gruber's footprint include:

- Re-vegetation of new land-fill areas;
- Back-filling of waste material into abandoned open-pits to reduce the environmental footprint;
- Always investigating ways of reducing its footprint by e.g. re-using so-called waste rock for other public or private construction projects;
- Use of tailings for land reclamation, large parts of "modern" Mo i Rana are built on these land areas;
- Water treatment and monitoring to ensure that no pollutants enter the rivers/creeks in the area neighbouring the mine; and,
- Reduction of dust and noise as well as vibrations due to blasting, through e.g. watering of the mining roads during the dry season.

A good example of a successful re-fill and re-vegetation is the project at Stortjønna. There, in close collaboration with the landowner, Rana Gruber re-filled an abandoned open-pit using waste rock from nearby mining operations. The area was compacted and covered with soil. Today the area is re-vegetated and used as wild pasture for sheep.

Rana Gruber has a vision of running all its mining operations CO_2 neutral by 2025 with the high aim for CO_2 free production in the following years.

1.4 MICON INDEPENDENCE

This Public Report has been compiled by Micon International Co Limited (Micon) on behalf of Rana Gruber AS (Rana Gruber) in accordance with the scope of work determined by Rana Gruber and in accordance with the PERC Standard for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves Reporting (2021).

Micon has exercised reasonable technical skill and diligence. The opinions expressed herein are those of Micon and are based on information provided by Rana Gruber. In conducting the independent review Micon has found no reason to doubt the reliability or completeness of the data provided by Rana Gruber.

Whilst Micon has reviewed the exploration and mining licences, permits and entitlements of the property in so far as these may influence the investigation and development of the mining assets, Micon has not undertaken legal due diligence of the asset portfolio described in this Public Report. The reader is therefore cautioned that the inclusion of exploration and mining properties within this Public Report does not in any form imply legal ownership.

Micon accepts no liability or responsibility for any use or reliance upon information in this Public Report that is used out of context.

Micon is a private company internally owned and is entirely independent of Rana Gruber and its affiliated companies. The personnel responsible for this review and opinions expressed in this Public Report are Micon's full-time employees or Micon associates. For its services in preparing the report, Micon is receiving payment based upon time and expenses and will not receive any capital stock from Rana Gruber or any of its affiliated companies. Micon is reimbursing its associates based upon time and expenses.

1.4.1 Competent Persons and Site Visit

Persons from Micon, Gosselin Mining and Lisheen Technical and Mining Services (LTMS) and who have reviewed the site, drill cores and supervised the preparation of this Public Report are as follows:

- Liz de Klerk, M.Sc., SAIMM, Pr.Sci.Nat., Senior Geologist and Project Manager and Managing Director of Micon's UK office;
- Mathieu Gosselin, B. Eng., Senior Micon Associate Mining Engineer and CEO of Gosselin Mining;
- Joe Burke, Senior Micon Associate Geotechnical Engineer; and,
- Tom Doidge-Harrison, Senior Micon Associate Mining Engineer.

The consultants from Micon and associates responsible for this Public Report and their responsibilities during the production of the different Sections of this Public Report are listed in Table 1.2.

Table 1.2: Authors Responsibilities

Company	Team Member	Site Visit	Responsibility
Micon	Liz de Klerk	18-20th October 2021	Overall of the Public Report
Baker Geological Services Ltd	Howard Baker	June 2019 and February 2020	Mineral Resources
Gosselin Mining	Mathieu Gosselin	18-20th October 2021	Open-Pit Mining and Reserves
LTMS	Joe Burke	18-20th October 2021	Geotechnical
LTMS	Tom Doidge-Harrison	18-20th October 2021	Underground Mining

The Competent Persons from the Project Team according to the definitions listed in PERC are Liz de Klerk, Mathieu Gosselin and Joe Burke.

In addition, Howard Baker of Baker Geological Services Ltd is the Competent Person responsible for the Mineral Resources, which have been summarised and reported herein.

A site visit to the Rana Gruber Mine was undertaken by Liz de Klerk, Mathieu Gosselin, Joe Burke and Tom Doidge-Harrison on 18th to 20th October 2021 covering aspects related to licensing, geology, exploration, QA/QC, mineralogy, laboratory testwork, drill core storage, drill core logging, open-pit mining method, underground mining method, mineral processing, access and infrastructure and environmental and social issues.

2.0 GEOLOGY AND MINERAL RESOURCES

For details regarding the geology, exploration, resources estimation and reporting of Mineral Resources the reader is referred to the April 2021 'Independent Mineral Resource Estimate for the Rana Gruber A|S Iron Ore Deposits, Norway' completed by Baker Geological Services Ltd.

The Dunderland Valley iron ore deposit is hosted in the Neoproterozoic-aged Ørtfjell Group Banded Iron Formation (BIF). The country rock is dominated by mica schists that occur in a sequence of dolomitic and calcitic marble units. Both the mica schists and BIF are strongly deformed with isoclinal folds and crenulations (Figure 2.1). The deposit at Kvannevann is a massive-scale isoclinal fold that can be seen from the morphology of the block model.

Figure 2.1: Photograph of Folded BIF at the Kvannevann Underground Mine

Source: Micon, 2021

Iron oxide mineralisation is dominated by sandy and flaky haemitite (Fe_2O_3) with lesser magnetite (Fe_3O_4). Due to the strong tectonic structure the deposits have a defined cleavage often populated with flaky haemitite, known as specularite. The banded iron mineralisation is interbedded with fine-grained quartz and carbonates.

2.1 EXPLORATION

Mapping of the BIF in the Dunderland Valley dates back to 1880. This was followed by historical drilling, which intensified in the 1940s. In 2012 the Norwegian Geological Survey flew an aeromagnetic survey and by the end of 2014 a total of 1,518 diamond drill holes had been completed on iron ore targets in the Dunderland Valley amounting to 206,390.19 m of core.

Rana Gruber have drilled 237 diamond drill holes over the project area including twin drilling of historical holes. A total of 1,518 diamond drill holes have been completed for a total of 206,309 m of drill core. The majority of drilling, both historical and modern, has been conducted on a 50 m grid spacing. The recent and historical core was visited by Micon whilst on site.

Core is prepared and assayed on site at Rana Gruber's laboratory which uses internationally recognised procedures for analysing total iron content sulphur and manganese (MnO). A data verification project was undertaken by Rana Gruber and a number of pulps from Ørtfjell (432) and Stensundtjern (100) were sent to ALS Scandinavia AB for XRF analysis. The results showed a good correlation between the two laboratories.

Detailed descriptions of the exploration and sampling can be found in the April 2021 Baker Geological Services Mineral Resource report.

2.2 MINERAL RESOURCES

In April 2021 Baker Geological Services Ltd (GBS) estimated the Rana Gruber Mineral Resources (Table 2.1).

Table 2.1: Rana Gruber Mineral Resources, 9th April 2021 (PERC, 2017)

Deposit	Mining Method	Classification	Tonnage (Mt)	Density (g/cm³)	Fe_Tot (%)	Fe_Mag (%)	S (%)
Ørtfjell	Block Cave	Measured	62.1	3.4	32.6	3	0.01
		Indicated	57.8	3.4	31.9	2.6	0.01
Block Cave M+I Total			**119.8**	**3.4**	**32.3**	**2.8**	**0.01**
Including 'must-take' material			*7.2*	*2.8*	*14.3*	*2.3*	*0.02*
Ørtfjell	Open Stope	Measured	24.3	3.5	34.1	5.7	0.02
		Indicated	32.1	3.5	34.8	3.6	0.02
Open Stope M+I Total			**56.4**	**3.5**	**34.5**	**4.5**	**0.02**
Ørtfjell	Open Stope	Inferred	10.8	3.3	26.7	3.4	0.01
Open Stope Inferred Total			**10.8**	**3.3**	**26.7**	**3.4**	**0.01**
Including 'must-take' material			*2.7*	*3*	*15.3*	*2.8*	*0.01*
Ørtfjell	Open-pit	Measured	24.9	3.4	33	6.5	0.03
		Indicated	107.0	3.5	33.5	6.1	0.02
Ørtvann			28.8	3.4	32.8	20.4	0.22
Stensundtjern			35.9	3.5	34.3	8.7	0.06
Finnkåteng			6.6	3.5	36.2	4.8	0.03
Open-Pit M+I Total			**203.2**	**3.5**	**33.6**	**8.6**	**0.06**
Ørtfjell	Open-pit	Inferred	0.7	3.4	30.7	6.7	0.01
Ørtvann			31.5	3.5	33.3	16.3	0.21
Stensundtjern			0.2	3.5	34.7	5.8	0.04
Finnkåteng			6.0	3.6	37.9	4.9	0.02
Nord Dunderland			15.6	3.6	37.1	4.1	0.01
Open-Pit Inferred Total			**54.1**	**3.5**	**34.9**	**11.3**	**0.13**
TOTAL RANA GRUBER RESOURCES			**444.4**	**3.5**	**33.3**	**6.7**	**0.05**

Notes:

1. Errors may occur due to rounding
2. The Open-pit Mineral Resources estimate was constrained within lithological and grade based solids and within an optimised pit shell defined by the following assumptions: metal price of NOK 1,470/tonne for a 71.5% Fe_TOT magnetite concentrate and NOK 910/tonne for a 62% Fe_TOT haematite concentrate; magnetite recovery of 60%, haematite recovery of 80%; processing costs of NOK 99.9/t ore processed (after 5% dilution and 95% recovery) and a mining cost of NOK 23.9/t.

3.0 STENSUNDTJERN OPEN-PIT PROJECT

3.1 INTRODUCTION

The Stensundtjern deposit is located about 4.5 km northwest of the village Storforshei. There is an existing open-pit at Stensundtjern, where marble was extracted for use in steel production in the 1970s (Figure 3.1). Iron ore mineralisation at Stensundtjern outcrops at surface and has been defined over 2.5 km in strike, dipping at around 50° south and known to extend to 200 m below the surface. The overburden is almost non-existent or very scarce. Apart from that the area is nearly untouched and covered by the typical pine/birch forest commonly found in the Dunderland Valley.

The open-pit is planned to be mined in two pits, East and West, due to a protected zone in the centre of the deposit that must be excluded from the mining area.

3.2 GEOTECHNICAL STUDIES

The proposed Stensundtjern open-pit area is currently overlayed with a shallow overburden, but exposed in several areas by outcrop and small scale historical mining.

The geotechnical conditions and stability parameters are expected to be similar to those at the nearby Kvannevann open-pits developed to mine Ørtfjell deposit.

The orebody is of medium strength and hosted in a slightly stronger undisturbed host rock. The orebody is steeply dipping with the predominant joints/structures being sub parallel to the orebody.

Evidence from surface exposures show a blocky and stable ground that will support similar design criteria as currently used in the Kvannevann open-pit.

No separate slope stability analysis or studies have been undertaken on the proposed site.

3.3 MINING DESIGN

The Stensundtjern Life-of-Mine (LoM) production plan was modelled in NPV Scheduler (NPVS) based on the BGS block model using the Lerchs-Grossmann (LG) algorithm. A series of nested pit shells were generated according to optimal economic inputs and technical optimisation parameters.

3.3.1 Mining Method

The proposed open-pit mining method that has been designed for extraction of iron ore at Stensundtjern has been selected based on historical information and the characteristics of the mineralisation.

The Stensundtjern deposit geometry combined with an outcropping mineralisation and a relatively flat topography favours surface mining methods.

Based on the rock strength drill and blast operations will be required before iron ore excavation. Drilling is planned to be performed using conventional down-the-hole drill rigs. Blasting will use commercial bulk explosive with down-hole delay initiation. Drilling depth will vary depending on

the actual waste and iron ore depth for different mining areas over the mining property. Multiple benches are used to handle waste.

Figure 3.1: Previous Open-Pit Mined in the 70s

Source: Micon, 2021

The commercial explosive selected for blasting is emulsion or slurry because it is easily accessible in the Rana Gruber regional area.

3.3.1.1 Waste Removal

Waste material comprises calcareous marble with slivers of mica schist meta sediments with a calcareous quartz-rich hangingwall and a footwall of dolomitic marble and mica schist iron ore mineralisation.

Waste excavation will progress ahead of iron ore excavation in maximum 10 m face height mining production benches for safe operational purposes. Since the waste thickness is generally less than or equal to 60 m within the open-pit, multiple waste mining benches will be developed and maintained ahead of iron ore excavation. Bench height and mining depths will vary depending on the actual waste rock thickness in different mining areas over the deposit. Waste mining fronts will be mined approximately 500 m in advance to iron ore mining fronts where possible to create a sufficient buffer area.

3.3.1.2 Iron Ore Mining

The iron ore will be blasted on 10 m benches. This conventional open-pit method uses shovels or front-end wheel loaders, supported by bulldozers, to load mining vehicles with either waste or iron ore. The size of the equipment will be smaller compared to that used for the overburden, allowing more selectivity for the different iron ore Low Fe_Mag type and High Fe_Mag type. The shovels will be located on top of the iron ore and excavated material loaded onto the trucks at the base level of the bench allowing additional loading height.

Iron ore Run-of-Mine (RoM) will be hauled using CAT 775G trucks directly to the planned primary crusher located on the east edge of the open-pits and direct tip it to the crusher or to a RoM rehandling pad. The crushed ore will then be loaded into a VOLVO 35-t payload truck and transported 3.7 km to the refurbished load out silo.

3.3.2 Planned Production Rates

The planned open-pit production rates for the Rana Gruber Mine are provided in Table 3.1 and illustrated in Figure 3.2.

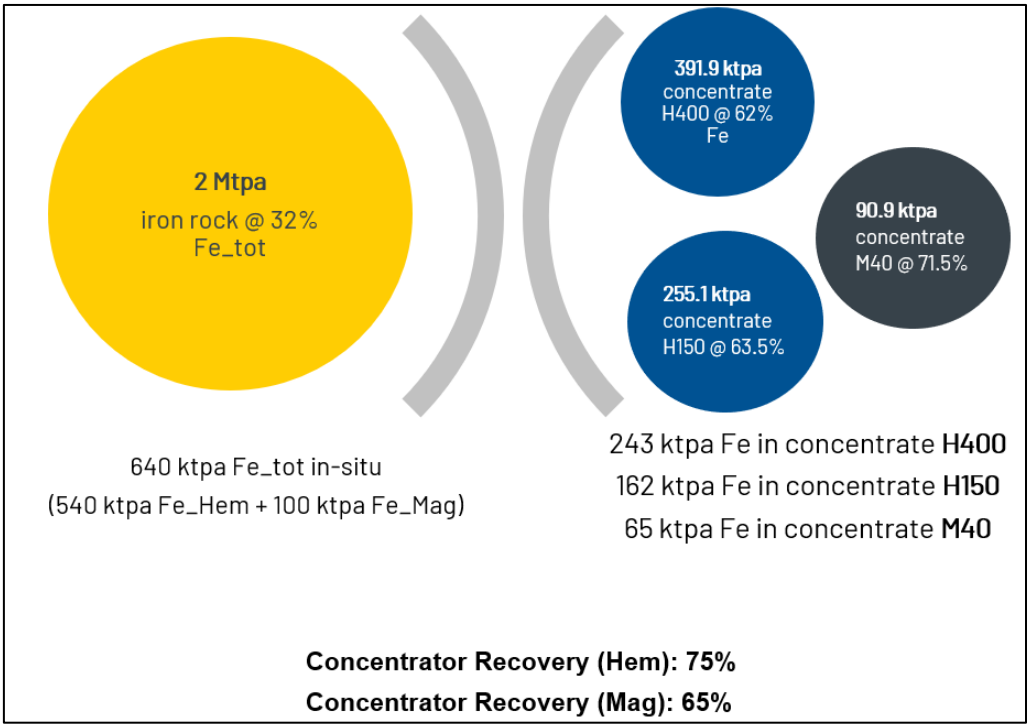
The mining production rate objective is set at 2 Mt RoM per annum delivered to the primary crusher or RoM pad stockpiles over the life of the project. The reference point at which RoM is defined is at the point where the RoM is delivered to the crusher i.e., primary crusher or RoM pad stockpiles. The expected LoM is 15 years for the Stensundtjern deposit.

The process plant overall recovery provided by Rana Gruber are 75% and 65% for haemitite and magnetite, respectively. The iron ore will be extracted from the current Stensundtjern exploitation rights (Utviningsrett).

Table 3.1: Stensundtjern Planned Production Rates

Parameter	Value
Magnetite Processing Plant Recovery	75%
Haemitite Processing Plant Recovery	65%
Weight Percentage of H400 Concentrate	60%
Weight Percentage of H150 Concentrate	40%
Processing Plant Iron Ore Planned Production	737.9 kt/a
Processing Plant Planned RoM Throughput	2 Mt/a

Figure 3.2: Stensundtjern Annual Mine Production Rates and Recoveries



Source: Rana Gruber

3.3.3 Processing Plant Requirements

The planned mining production target is approximately 2 Mt/a RoM from Stensundtjern open-pits mine targeting first the higher grade iron ore within Zone 101 (High Fe_Mag).

RoM feed will be processed in the Rana Gruber processing plant with an overall iron ore processing recovery of 75% and 65% for haemitite and magnetite, respectively.

The Stensundtjern processing recoveries and planned production rates are presented in Table 3.2.

Table 3.2: Stensundtjern Processing Recoveries and Planned Production Rates

Parameter	Unit	Value
Yearly M40 Concentrate at 71.5% Fe	kt/a	90.9
Yearly H400 Concentrate at 62% Fe	kt/a	391.9
Yearly H150 Concentrate at 63.5% Fe	kt/a	255.1
Yearly Fe_Mag in RoM	kt/a	100
Yearly Fe_Hem in RoM	kt/a	540
Average Fe_Mag in RoM	%	27
Average Fe_Hem in RoM	%	5

The Rana Gruber processing plant does not require a consistent RoM grade within defined variation limits. Variations will occur daily depending on the open-pit mine production plan and grade control, and throughout the Stensundtjern LoM. The assumed sulphur (S) and manganese oxide (MnO) grades for RoM were used as soft constraints to generate a LoM plan.

3.3.4 Open-Pit Design Parameters

An overall slope wall angle of 55^0 was applied based on the existing Kvannevann open-pit at the Rana Gruber Mine for a high wall slope design incorporating 10 m high double bench (total 20 m), 8.5 m wide berms and an 80° bench face angle for all rock types. This angle was applied on both the hangingwall and footwall for the optimisation. Ramps were not separately accounted for in the NPVS open-pit economics model determination and LG optimisation.

Overall slope angles achieved for the Stensundtjern open-pits will be flatter than the maximum inter-ramp angle listed in Table 3.3, due to the inclusion of haulage access ramps and safety berms.

Table 3.3: Open-Pits Design Parameters

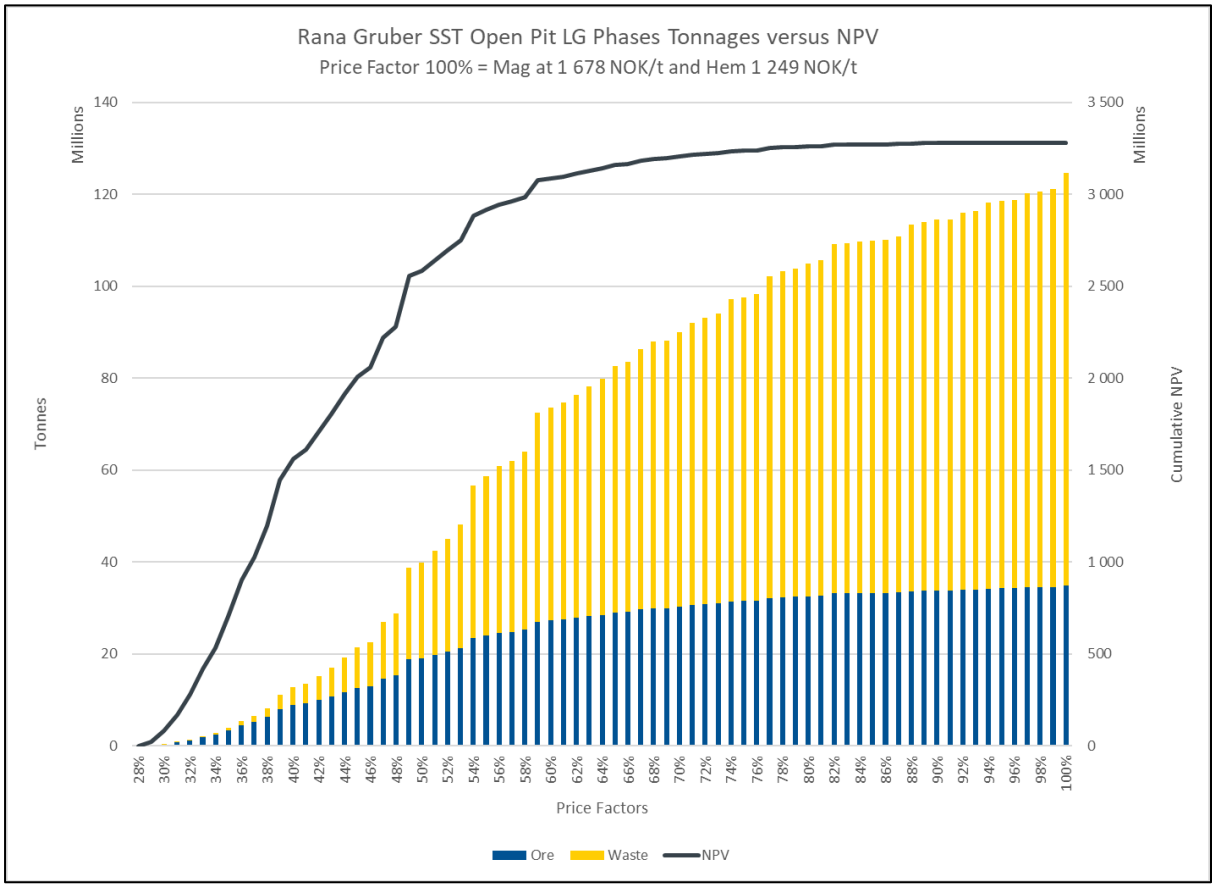
Parameter	Unit Symbol	Value
Single Bench Height in Waste Rock	m	10
No. of Benches between Catch Benches	no	2
Total Height	m	20
Bench Face Angle	°	80
Catch Bench Width	m	8.5
Single Lane Haulage Ramp Width	m	15
Haulage Ramp Gradient	%	10
Final Slope Angle	°	59
Minimum Mining Width	m	40

Rana Gruber provided the information regarding the main haul ramp gradient as a maximum 1:10 (or 1 in 10). Haul road widths are designed to be one and a half to two times the width of the largest haulage equipment for two-way traffic with extra width employed on the curves. Micon recommends that haul road gradients should not exceed 10% so that mining vehicles can be loaded to their maximum payload without slowing down too much driving up in-pit access ramps. Drainage cross falls should be approximately 2% to a culvert. Average hauling distances are estimated at 3,700 m one way over the LoM.

The Stensundtjern open-pit design used a direct iron ore mining cost of NOK/t 37.43, a waste mining cost of NOK/t 23.9 and a processing cost of NOK/RoM tonne 65. The resultant optimised pits tonnage versus NPV generated in NPVS are shown in Figure 3.3.

The Stensundtjern open-pits stability parameters are derived from the current mining open-pits slope stability operational experience at the Rana Gruber Kvannevann mine site. No mine slope stability analysis has been undertaken using any slope stability analysis software programme This is deemed to provide reliable guidance at the Pre-Feasibility Study (PFS) level of definition for the Stensundtjern open-pit mine design.

Figure 3.3: NPVS Cumulative Pit by Pit Results Summary



Source Micon, 2021

3.3.5 Mining Dilution and Losses

Based on Micon's experience mining modifying factors were applied in NPVS for iron ore dilution and losses. The overall mining losses was estimated at approximately 5% based on a 95% mining recovery assumption. The iron ore grade of the diluting material surrounding the mineralised domains was assumed to be zero at the exception of Inferred Mineral Resources considered as dilution.

3.3.6 Direct Mining Costs

Anticipated direct mining costs relate to the cost per unit of planned production such as load and haul and blasting. A combined anticipated mining cost per tonne was provided by Rana Gruber and listed in Table 3.4 for each rock type mined.

Table 3.4: Direct Mining Costs Assumptions

Parameters	Unit	Value	Description
Iron Ore	NOK/t of iron ore	37.43	-
Incremental Iron Ore Mining Costs	NOK/t of iron ore	0.02	Above and below bench toe elevation 170 m
Waste	NOK/t of waste	23.9	-
Incremental Direct Waste Mining Costs	NOK/t of waste	0.02	Above and below bench toe elevation 170 m

3.3.7 Processing Costs and Recovery

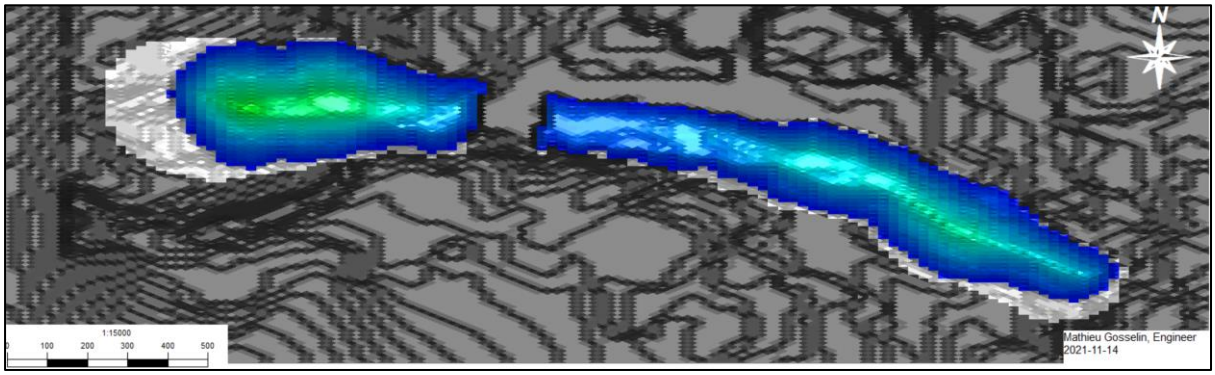
The following assumed values for iron ore processing recovery for both haemitite and magnetite elements as well as an average processing operating cost were provided by Rana Gruber:

- Average haemitite iron ore processing recovery of 62.0% and 63.5% for H400 concentrate and H150 concentrate, respectively;
- Average magnetite iron ore processing recovery of 71.5% for M40 concentrate; and,
- Plant and infrastructure operating expenses (inclusive of general and administration) 65 NOK/RoM tonne.

3.4 OPTIMISATION RESULTS

The selected pit shell was the LG pit shell with a price factor (PF) of 69% (Figure 3.4). Note the East and West pits with the exclusion zone separating them. The pit shell was selected as it was considered to contain a reasonable tonnage for both waste and ore to be extracted as open-pit before assessing other mining methods such as underground mining.

Figure 3.4: Stensundtjern Selected Pit Shell



3.4.1.1 Pushbacks

The tonnages and grades from the seven pushbacks are presented in Table 3.5.

Table 3.5: Stensundtjern Mine Pushback Phases

Pushback	Waste (Mt)	Iron Ore (Mt)	Revenue (MNOK)	Processing Cost (MNOK)	Mining Cost (MNOK)	Strip Ratio
1	11.5	4.9	1484	314	465	2.4
2	30.3	5.2	1763	335	956	5.8
3	13.1	5.3	1586	338	541	2.5
4	3.6	5.1	1704	321	299	0.7
5	3.5	5.1	1562	315	302	0.7
6	0.9	3.9	1255	239	191	0.2

4.0 ØRTFJELL WEST UNDERGROUND PROJECT

4.1 INTRODUCTION

Ørtfjell West, or Kvannevann West is the westerly extension of the currently operating Ørtfjell underground mine. Mining at Ørtfjell initiated with the Westbrudd, Kvannevann and Erik open-pits. Open stope mining began in 1999 at Kvannevann with drilling on level 320 and the transition from open stope to sub-level caving occurred between 2010 to 2011.

Rana Gruber plan to mine the western Kvannevann orebody using a sub-level open stope (SLOS) method utilising rib and sill pillars and no backfill.

This mining method was initially used with success in the early life of the eastern Kvannevann mine prior to adopting the sub-level caving (SLC) method currently used, but it must be noted that the early SLOS was undertaken in virgin ground conditions with a low stress regime. The proposed area for the change of mining is located in a more complex structural fold with significant induced stresses from the extensive SLC and overlying open-pit mining.

4.2 GEOTECHNICAL STUDIES

The Rana Gruber mines are a mature operation with extensive geotechnical data acquired from back analysis, monitoring, testwork, modelling and observations.

This data was examined to assess the proposed change in the mining method along with considering the specific conditions resulting from induces stresses, possible structures and parallel lens mining.

The mining of the proposed block of ore above the 123 level will create an unstable mining area that will require detailed study prior to mining beneath it at a later stage. It is recommended that a risk assessment be undertaken that evaluates the risk of the proposed mining to the current surface and environment and the ramifications for future mining at depth.

4.2.1 Rock Strength

The orebody (iron ore consisting of haemitite and magnetite) is in direct contact with the mica schists and carbonates host rocks forming a tight cohesive surface.

The rock mass is deformed and folded on a large scale, 30 m to 100 m wide and dipping at 85°, forming favourable lenses along the strike. The dominant joints sets are controlled by the foliation and are parallel to the orebody which is favourable for transverse mining. There is no evidence of large-scale structures at depth, but the effects of the tight folding will need further examination by diamond drilling, drift mapping and an examination of the open-pit benches.

The ore is a medium strength rock with an average UCS of 73 MPa, the host rock is stronger at 85 MPa, but readily unravels when unconfined. A stronger more competent quartz mica shist zone at 110 MPa occurs in places and can result in unfavourable stress distributions. These areas need to be identified and regarded as areas of potential high stress.

4.2.2 Rock Behaviour

Ongoing stress monitoring on site indicates that the major principal stress has rotated almost 90° and is now perpendicular to the strike.

The induced stresses have significantly increased with mining such that a K ratio greater than 4 is now acting on the ground in proximity to the caving front. It is anticipated that the mining of the west Kvannevann open-pit above the planned area of mining will have changed the stress environment and will need to be examined.

Extensometer monitoring shows that displacements are low and confined to the immediate area of caving with little indications of block failure or large-scale slabbing.

The underground excavations are supported by a 50 mm to 75 mm thick application of synthetic fibre reinforced shotcrete with a systematic pattern of resin grouted rebar in short life production excavations and longer cement grouted CT-bolts in long life infrastructural excavations. This enforcement ensures little or no unfavourable ground movements outside the caving zone.

The surface expression of the caving is very limited with only moderate tension cracking and no step slumping or toppling failures.

The proposed longitudinal stopes are designed to be 65 m high and 75 m on strike with a 35 m rib pillar and 25 m sill pillar giving a hydraulic radius (HR) of 15 to 17. The perpendicular direction of the stress will result in the long span (75 m) footwall and hangingwall being in a large tensile zone. This tensile zone will be further increased when the stopes parallel to the mined-out area are subsequently mined.

4.3 MINING DESIGN

A SLOS mining method using both transverse and longitudinal options depending on the ore width is being proposed to extract the ore above the 123 level at the western end of the Ørtfjell orebody at Kvannevann West.

The sharp folding nose of the orebody and parallel lenses (approximately 300 m apart) would make the use of the current SLC method unsuitable due to the interaction of the caving fronts.

Underground mine design has been completed in Maptek's Vulcan software.

4.3.1 Mining Method

The proposed underground mining method that has been modelled in this study involves a continuation of the existing (SLC) method in the Kvannevann Zone ('KVC'), on consecutive levels, incorporated with lateral development from the existing underground mine to large, Sub-Level Open Stopes (SLOSs) to the West (Kvannevann West – 'KVW'), North (Eriksmalmen – 'EMM') and East (Kvannevann East – 'KVE'). These SLOSs are intended to be both transverse and longitudinal with respect to strike.

4.3.1.1 Mining Method Selection Process

A qualitative assessment of suitable mining methods was undertaken by Rana Gruber in 2021. This assessment was reviewed during the course of this study. This process considered the following criteria:

- Drainage;
- Prior experience with SLC;
- Prior experience with SLOS;
- Rock strength, behaviour and characteristics;
- Modelled geometry of Mineral Resource; and,
- Production considerations.

4.3.1.2 Current Mining Method at Ørtfjell

Rana Gruber currently develops a cave with caving fronts on sub-levels with drilling / mucking drives on any given level spaced at an interval of 22 m with a 32 m interval between sub-levels. The maximum theoretical hole length to be drilled by the fleet of Simba M6 long-hole drill rigs is approximately 43 m, which is just beyond the accurate range of the rig. However, this set-up is understood to produce a reasonable result in terms of recovery and crucially is well practiced.

Both transverse and longitudinal SLOSs were developed and mined on the 250 Level at Rana Gruber and were reported to remain stable prior to the SLC being developed below.

4.3.2 Design Criteria

4.3.2.1 Sub-Level Cave Design

The sub-level caving mining method is a well-practiced mining technique employed at Rana Gruber and the caving design and caving front sequencing incorporated in this study reflects the current method being used. The level spacing for the SLC levels considered in this study (155, 123, 091) is 32 m. The individual SLC unit widths (drill / mucking drive spacing) are 22 m. All loading and access drives are placed in the footwall and are designed at a drainage gradient of 1.25%. All drilling / mucking drives are designed at a drainage gradient of 0.6%.

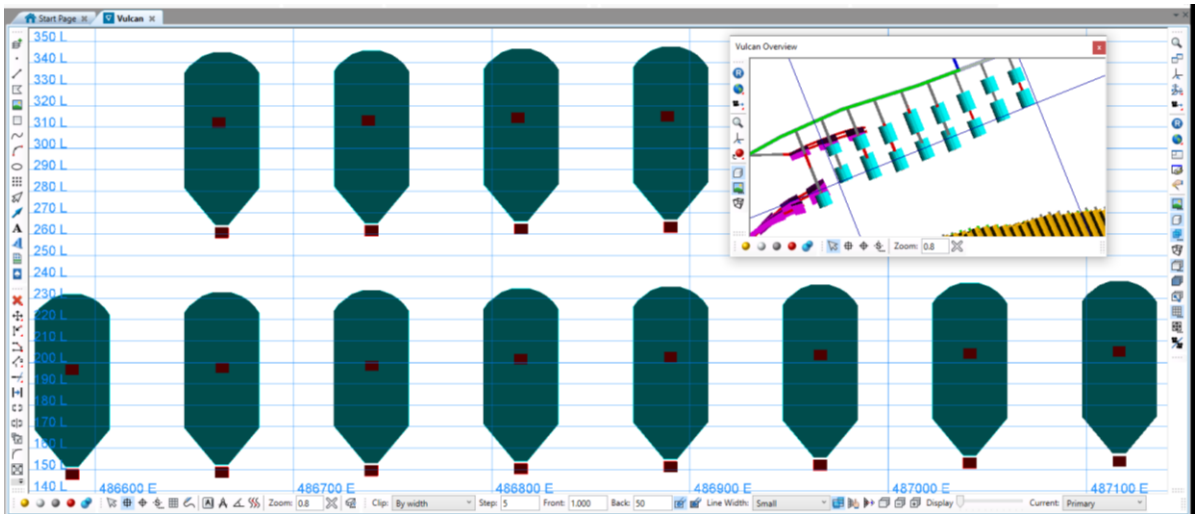
4.3.2.2 Sub-Level Open Stope Design

The transverse SLOS parameters are as follows:

- Transverse SLOSs are designed to a maximum H of 87 m, W of 35 m (Figure 4.1);
- 90^{o} Dump Angle;
- A mucking / uphole LH drilling level is designed at the base of the transverse SLOS and a central uphole/downhole LH drilling level is designed in the centre giving a maximum hole length of 33 m;
- A minimum 50^{o} rill is designed for the mucking level;
- SLOS maximum length 50 m based on a 15 m (HR);

- 50 m to 75 m long stoping 'runs' are divided such that a 50 m 'A' section corresponds with a 'Y' section for the >50 m portion. The 'Y' portion has reduced recovery of 70% applied;
- >75 m stope 'runs' have a 25 m rib pillar inserted in the centre portion;
- A 20 m stand-off from surveyed surface pit extents (as per topography provided by Rana Gruber) is imposed on all wireframes to act as a crown pillar;
- 25 m sill pillars are designed between levels;
- Loading / access drifts designed at a drainage gradient of 1.25%;
- Drilling / mucking drifts designed at a drainage gradient of 0.6%;
- The transverse SLOS layout is based on a stope W of 35 m with a sterilised pillar W of 35 m (Figure 4.1); and,
- T85 Loading / Mucking drift only on levels associated with stope production.

Figure 4.1: Transverse SLOS Cross-Section



Source: Micon, 2021

The longitudinal parameters are as follows:

- A maximum width of 35 m is imposed on all longitudinal SLOSs;
- 90° Dump Angle;
- Where no central up/downhole drilling level is planned a maximum H of 30 m is imposed;
- Minimum 25 m sill pillars are designed between levels; and,
- Mucking drifts are designed to return above the cut-off grade.

4.3.2.3 Assumptions

In relation to mine design the following assumptions have been made:

1. Natural drainage above the 123 Level.
2. Blasted material will rill at 50°.

3. No slots / raises / hammer-heads accounted for.
4. Default waste density 2.8 t/m^3.

4.3.2.4 Ventilation Considerations

The conceptual design that relates to this study assumes that it will be possible to create a fresh-air circuit utilising the strategic level-to-level ventilation connections and the underground to surface vent raises and breakouts.

4.3.2.5 Secondary Egress Considerations

A means of secondary egress has been designed via KVW235N_H09A which connects the upper EMM zone to the surface via a ramp and portal. This is not scheduled to be completed until the operation is in the medium term (2032) so consideration must be given to the use of refuge chambers for the blind ends that will be created.

4.3.3 Wireframing Process

4.3.3.1 Conceptual Layout

Wireframes have been digitised to demonstrate access to and feasible three dimensional mining shapes for, all the underground mining areas considered in this study. It has been demonstrated that access can be achieved for the 091 level for the SLC extension in the KVC zone, both 123 and 235 Levels in the EMM zone, both 123 and 190 Levels in the KVE zone and the 123, 235 and 347 Levels in the KVW zone. The development only conceptual layout is shown in Figure 4.2.

4.3.3.2 Digitising

The conceptual layout consists of digitised centre-line strings representing individual development headings. Wireframes were created using the 'Primitive' functionality in Maptek's Vulcan software (Figure 4.2)

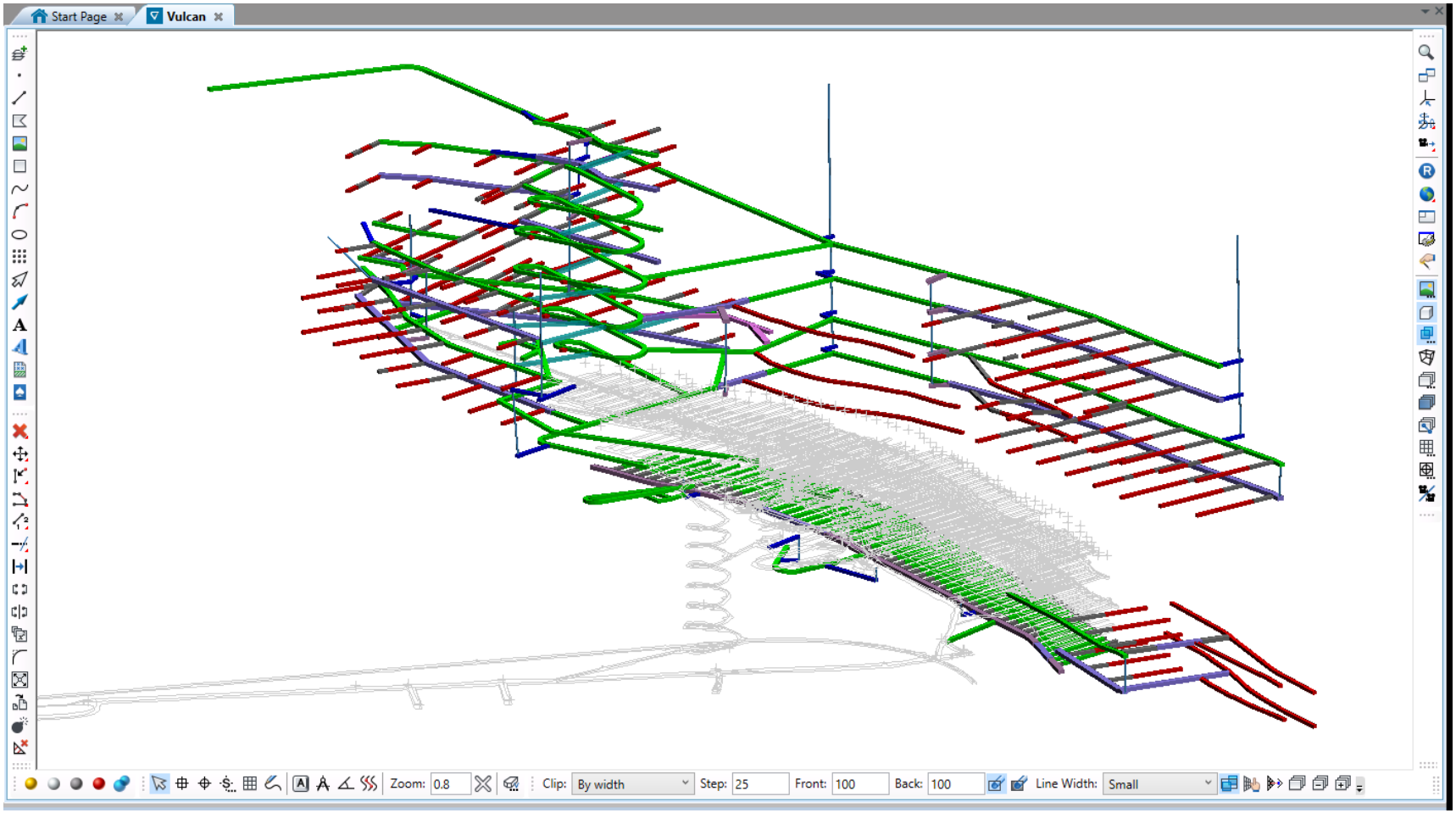
SLC and SLOS (Transverse) wireframes were digitised using the same method.

4.3.3.3 Grade Reporting

A total of 450 wireframes were analysed in this study. Tonnes and Grade were estimated for each wireframe by cross-referencing a block model with the wireframe utilising Maptek's Vulcan Software, Version 12.0.1.

The block model used was provided by Rana Gruber and created by Baker Geological Services Ltd. The block model was imported into Vulcan as a Datamine Block model and subsequently validated by running two tonnes and grade reports, one in Datamine and one in Vulcan, on a single set of wireframes. The variance in results was less than 0.01%.

Figure 4.2: Ørtfjell – Conceptual Underground Development Layout



Source: Micon, 2021

4.3.3.4 *Method for Dealing with Depleted Block Model on 155 and 123 Levels*

The reconciliation method employed by the client has resulted in the block model being depleted of blocks on parent-block scale. Sixteen wireframes for the SLC on the 123 and 155 levels intersect these depleted areas and as such only return tonnage and grade, when interrogated against the block model, for the contained blocks. To allow for the discrepancy in tonnage the following procedure using a volume report was followed.

A tonnage and grade report uses Vulcan's 'advanced reserves' function and only reports on block model blocks within the wireframes in question. Thus, the tonnages are low, but the grades are assumed to be representative.

The Volume Report ignores the block model completely and simply returns volume for each relevant wireframe.

Within the scheduling model each of the sixteen wireframes were given the grade of their contained blocks and the volume of the wireframe. Tonnages were calculated from the volume and density of the contained blocks.

4.3.4 Mining Factors

The values for dilution and recovery applied to the wireframe tonnages and grade values, per excavation type, are presented in Table 4.1.

Table 4.1: Mining Factors

Parameter	Excavation Type	Recovery (%)	Dilution (%)	Overbreak (Parent is Ore) (%)	Dilution Grade (%)
S	Transverse SLOS	95	5	-	100
S	Transverse SLOS (>50 m)	70	5	--	100
L	Longitudinal SLOS	95	10		0
C	SLC 155 (Longitudinal)	77.5	10	-	0
C	SLC 123	120	10	-	0
C	SLC 091	105	10	-	0
D	Drilling / Mucking Drift	100	8	0	100
M	Mucking Drift	100	8	-	100
R	Ring Drilling Drive	100	8	0	100
H	Haulage	100	8	-	100
A	Airway	100	8	-	100
V	Vent Raise to Surface	100	0	-	0
W	Internal Raise	100	0	-	0
I	Infrastructure	100	8	-	100

'Dilution Grade' refers to the percentage of the wireframe's returned metal grades that are given to the diluting tonnes.

'Overbreak (Parent is Ore)' Refers to Drilling / Mucking drifts that are ore and are therefore passing through a future bulk mining wireframe (SLC or SLOS). This classification is not assigned overbreak as the overbreak that will in reality occur should be discounted from the 'Parent' SLC or SLOS and there is no simple method to do this. In this study the overbreak tonnes and metal tonnes that should be assigned to these wireframes is left with the 'Parent' wireframe.

4.3.4.1 Dilution

Dilution is applied to every wireframe as defined in Table 4.1.

Dilution Tonnage is calculated such that:

Dilution Tonnes = Wireframe Tonnes * Dilution %

The 'diluted' wireframe tonnage is calculated such that:

Wireframe Tonnes + Dilution Tonnes = Diluted Tonnes

The 'diluted' grade is calculated such that:

((Wireframe Metal Tonnes + Diluting Metal Tonnes)/Diluted Tonnes)*100

4.3.4.2 Recovery

For each wireframe:

Recovered Tonnes = Diluted Tonnes * Recovery %

Recovered Grade = Diluted Grade

4.3.4.3 Classification and Must-Be-Mined Waste

In this study, each block model block is classified as either;

- Measured (MEA);
- Indicated (IND);
- Inferred (INF); and,
- Unclassified (UNC).

It is possible that any single wireframe may include block model blocks from any or all categories. However, all Reported Tonnes and Grade figures only include the metal tonnes associated with block model blocks that are either MEA or IND.

The metal tonnes that are associated with block model blocks that are INF or UNC are removed such that:

Reported Recovered Tonnes = Recovered Tonnes

Reported Recovered Metal Tonnes = Recovered Metal Tonnes – ((INF + UNC) Metal Tonnes)

Reported Recovered Grade = Reported Recovered Metal Tonnes/ Reported Recovered Tonnes

As such, INF and UNC material is treated like additional dilution at 0% grade, or 'Must-Be-Mined Waste'.

4.3.4.4 Cut-Off Grade

A cut-off for inclusion Reserves of >25%Fe_Tot was imposed on the wireframes. This cut-off point was defined by Rana Gruber.

With the exception of waste development wireframes, once all mining factors were applied to any wireframe, if it returned a grade of <25%Fe_Tot, it was interrogated visually to see if could be improved to return above cut-off while still representing a feasible mining shape. If this was not possible, it was excluded from consideration, along with its associated development.

5.0 PRODUCTION SCHEDULING

Micon created LoM production schedules for both Stensundtjern and Ørtfjell West in order to estimate Mineral Reserves. These were combined with the current mining operations, depleted up to the 9th April 2021.

5.1 STENSUNDTJERN SCHEDULE

The LoM production schedule for Stensundtjern is undertaken through the mine scheduling of annual mine production of at least 2 Mt RoM. The mine production schedule did include any specific target of the rock type attributes called Zone, i.e. Low Fe_Mag or High Fe_Mag.

Due to a very low thickness of overburden, no pre-production year has been added to the production schedule. The production schedule meets the requirement of 2 Mt from Year 1 to Year 14 fully. The last Year 15, has circa 4.5 months of RoM production only. This open-pit mine production schedule from Stensundtjern will be added after the open-pits mine production schedules of both Kvannevann East and Nordmalm.

The starter pits are located in the subcropping iron ore in the west and east pit. in order to maximise NPV and maintain low capital expenditures. More than half of the surface area of the West pit is mined in Year 1.

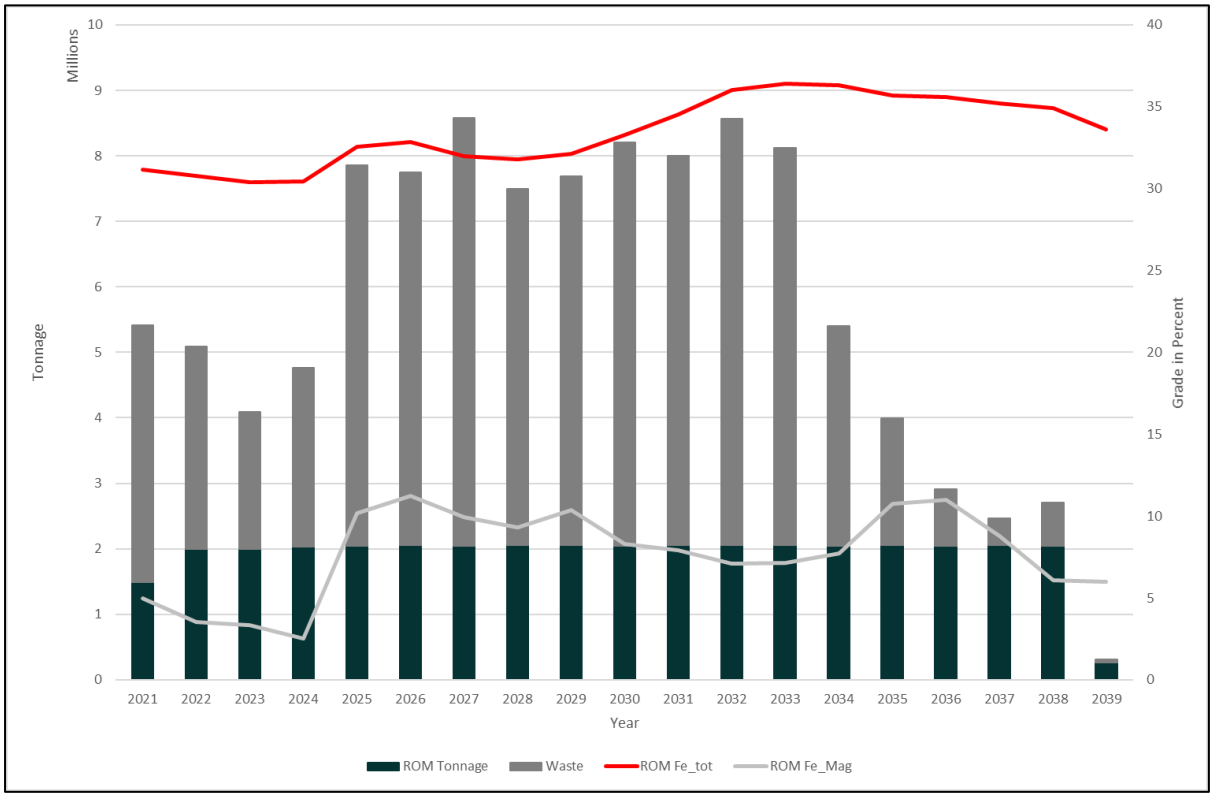
The mine plan begins with the mining of the east pit at a relatively high stripping ratio of (waste tonnes for each tonne of feed) to give access to 160 kt of high grade iron ore in year one. The open-pits design parameters applied to the East and West open-pits are shown in Table 5.1.

Table 5.1: Stensundtjern Bench Slope Parameters

Parameters	Units	Value
Single Bench Height	m	10
No. of Benches between Catch Benches	no	2
Total Height	m	20
Bench Face Angle	°	80
Catch Bench	m	8.5
Inter-Ramp Angle	°	59

As a result of the work outlined in Section 3.0, the open-pit production schedule presented in this study considers a total of 36.5 Mt at 33.49% Fe_Tot (Measured and Indicated only), extracted over 19 years, with the first year being a partial year. The schedule of Mineral Reserves from open-pit only is shown in Figure 5.1.

Figure 5.1: Open-pit LoM Schedule and Grade



5.2 ØRTFJELL WEST SCHEDULE

Access to all new zones within the Ørtfjell West (EMM, KVC091 Level, KVE and KVW) has been designed, digitised and reported for tonnes, grade and metres as described in Section 4.0.

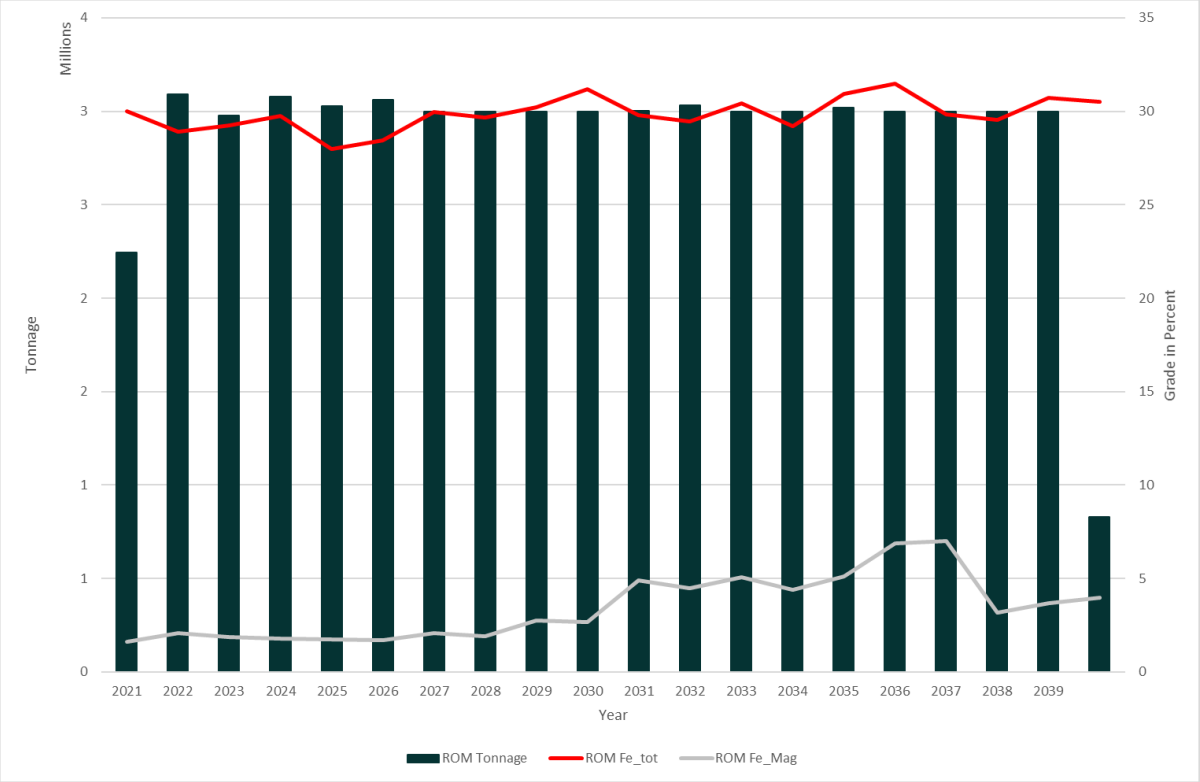
The schedule of development has been established to allow for flexibility within the SLOS zones, for unforeseen complications / considerations (including a delay in the Open-Pit schedule), with development proceeding production by at least a year.

A total of 43,213 linear m of development (of all profile types) has been considered with a total of 2018 vertical m of 3 m diameter raise.

Production levels from underground can be maintained at 3 Mt per year sourced from the SLC zones, with effectively no additional development, until 2025. At that point a highly productive development campaign is envisaged, utilising two jumbos achieving no less than 350 linear m per month (in all profile types) in 2026 to fully develop SLC091. It is anticipated that this would be achieved using a contractor, while the mine consolidates its own development resources during the same period, for the years that follow.

As a result of the work outlined in Section 4.0, the underground production schedule presented in this study considers a total of 57.4 Mt at 29.83% Fe_Tot (Measured and Indicated only), extracted over 20 years, with the first and last year's being partial years. The schedule of Mineral Reserves from underground only is shown in Figure 5.2.

Figure 5.2: Underground LoM Schedule and Grade



6.0 INFRASTRUCTURE

To serve its mining operations in the Dunderland Valley Rana Gruber maintains offices, a warehouse and workshops at Storforshei. Several additional workshops are available at the mine site at Ørtfjellet situated on the surface (close to crusher 340) and underground. Also underground, Rana Gruber maintains a canteen and offices for the shift leaders.

Primary infrastructure at the mine site is the main ore silo, crusher 340 (at the surface) and the crusher underground on level L123.

The facilities to load the ore onto railway wagons are situated underground in a tunnel that passes just underneath the main storage silo. From the main storage silo, the ore is loaded onto railway wagons and subsequently transported to the process plant situated in the city of Mo i Rana. Two tapping shoots can be used to control the gravitational flow of broken ore during loading of the wagons while the train is moving with a constant speed underneath during the whole loading cycle. The train ride to the process plant takes about two hours (tour-retour).

The process plant is situated in the city of Mo i Rana approx. 27 km distance to the mine. It facilitates the train discharge station and silo, two autogenous mills and a 2-stage magnetic separation facility. In addition, the Gullsmedvika property houses warehouses, workshops, Rana Gruber's inhouse raw material laboratory and areas for stockpiles.

With its strategic position at Gullsmedvika, close to the shore of the Rana Fjord, Rana Gruber AS has access to its own harbour serving Panamax sized vessels.

7.0 ECONOMIC ANALYSIS

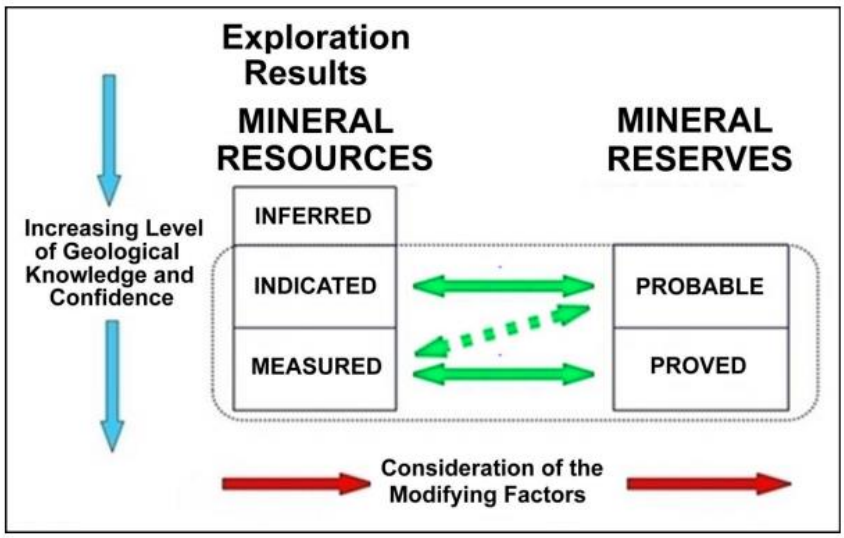
Micon has not performed an independent economic analysis of the Rana Gruber Mine. All cost parameters used to define Mineral Reserves have been supplied by Rana Gruber including capital and operating costs. The cost inputs supplied to Micon are considered appropriate to the scale and style of operation.

The ongoing internal PFS will include detailed cash flow modelling, that should consider the optimum mining method to be selected for some of the new deposits, which could be mined by either open-pit or underground methods. In addition, Micon is aware that Rana Gruber are assessing the cost of becoming an owner-operated mine.

8.0 ESTIMATION AND REPORTING OF MINERAL RESERVES

The Pan-European Reserves and Resources Reporting Committee (PERC) prescribes a reporting standard which sets out the minimum required standards and additional recommendations and guidelines for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves. According to the PERC Reporting Standard Mineral Resources and Mineral Reserves are defined as illustrated in Figure 8.1. This shows a framework for classifying tonnage and grade or quality estimates to reflect different levels of geological confidence, confidence in the Modifying factors, and different degrees of technical and economic evaluation.

Figure 8.1: The General Relationship between Exploration Results, Mineral Resources and Mineral Reserves



Source: PERC Reporting Standard (2021)

PERC quotes the CRISCO definitions of Mineral Reserves as outlined below:

- A 'Mineral Reserve' is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level (as appropriate) and include application of Modifying Factors. Such studies demonstrate that, at the time of reporting extraction could reasonably be justified.
- The reference point at which Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.
- A 'Probable Mineral Reserve' is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proved Mineral Reserve.
- A 'Proved Mineral Reserve' is the economically mineable part of a Measured Mineral Resource. A Proved Mineral Reserve implies a high degree of confidence in the Modifying Factors.

8.1 ESTIMATION AND MODELLING TECHNIQUES

Rana Gruber are currently extracting iron ore from the Ørtfjell deposit where reserves in both the underground and open-pit operations will be depleted by 2025. As such the Mineral Reserves that Micon has modelled and scheduled are required to be operational by this time.

The Mineral Reserve statement is supported by a Mineral Resource estimate and a mine plan based on open-pit and underground mine designs, and production schedules. Mineral Resource depletion within Kvannevann East and the Nordmalm open-pit has been applied from the effective date of the resource estimate up to the beginning of the production schedule to account for the iron ore that has been mined since April 2021.

Micon has included dilution and losses when modelling Mineral Reserves. Conversion of Mineral Resources to Mineral Reserves has taken into consideration the application of modifying factors. Since Rana Gruber is an operating mine the combined LoM schedule reported herein is considered to be an acceptable equivalent to a PFS.

Rana Gruber controls legally enforceable Mineral title over the Mineral Reserves at the time of determination of the estimation.

8.1.1 Cut-Off Grade

A cut-off for inclusion Reserves of >25%Fe_Tot was imposed on the wireframes. This cut-off point was defined by Rana Gruber.

With the exception of (underground) waste development wireframes, once all mining factors were applied to any wireframe, if it returned a grade of <25%Fe_Tot, it was interrogated visually to see if could be improved to return above cut-off while still representing a feasible mining shape. If this was not possible, it was excluded from consideration, along with its associated development.

8.2 REPORTING

Only Measured and Indicated Mineral Resources were used to estimate Mineral Reserves in accordance with PERC reporting guidelines. One exception to this is at the Stensundtjern deposit, where the open-pit mine design and schedule includes a small proportion of Inferred Mineral Resources. This was necessary to create access to other areas of the deposit. The Inferred Mineral Resource category is included in the open-pit mine design, mine planning as diluting material to the Mineral Reserves and has no significant effect on the results of the Technical Study.

Considering some of the deficiencies noted in the geological block model and the lack of a PFS to support the Mineral Reserve estimate, all of the Measured and Indicated Mineral Resources have been classified as Probable Reserves. However, as sub-level 123 is currently being exploited this can be classified as a Proved Reserve, totalling 15.5 Mt.

The Rana Gruber Mineral Reserves dated 9th April 2021 are shown in Table 8.1.

Table 8.1: Rana Gruber Mineral Reserves, 9th April 2021 (PERC, 2017)

Deposit	Deposit Zone	Mining Method	Classification	Tonnage (Mt)	Density (g/cm³)	Fe_Tot (%)	Fe_Mag (%)	S (%)	MnO(%)
Ørtfjell	*Kvannevann 123 Level*	*Sub-Level Caving*	*Proved*	*15.5*	*3.4*	*27.9*	*1.8*	*0.01*	*0.3*
123 Level Sub-Level Cave M Total				***15.5***	***3.37***	***27.9***	***1.8***	***0.01***	***0.27***
Ørtfjell	Kvannevann All	Sub-Level Caving	Probable	29.7	3.4	29.2	1.9	0.01	0.3
Sub-Level Cave M+I Total				**29.7**	**3.36**	**29.2**	**1.9**	**0.01**	**0.30**
Ørtfjell	Eriksmalmen	Sub-Level Open Stoping	Probable	10.2	3.4	30.2	5.1	0.01	0.4
	Kvannevann E		Probable	3.5	3.4	29.4	1.7	0.00	0.7
	Kvannevann W		Probable	12.3	3.4	30.8	6.3	0.02	0.1
Open Stope M+I Total				**26.0**	**3.40**	**30.4**	**5.2**	**0.02**	**0.30**
Ørtfjell	Underground All	Development	Probable	1.7	3.4	31.3	4.0	0.02	0.3
Development M+I Total				**1.7**	**3.41**	**31.3**	**4.0**	**0.02**	**0.33**
Ørtfjell	Nordmalm	Open-pit	Probable	1.3	3.5	33.5	11.3	0.01	0.1
	Kvannevann E		Probable	5.7	3.4	29.8	1.3	0.01	0.8
Stensundtjern	East		Probable	17.4	3.4	32.8	8.7	0.04	0.4
	West		Probable	12.0	3.5	36.2	8.3	0.06	0.5
Open-Pit M+I Total				**36.5**	**3.43**	**33.5**	**7.5**	**0.04**	**0.48**
Total Proved and Probable	**All**	**-**	**Probable**	**93.8**	**3.40**	**31.2**	**5.0**	**0.03**	**0.37**

9.0 QUALIFICATION OF COMPETENT PERSON (S) AND OTHER KEY TECHNICAL STAFF. DATE AND SIGNATURE PAGE

CERTIFICATE OF COMPETENT PERSON LIZ DE KLERK

As the Competent Person responsible for the information on which the Public Report entitled "Competent Persons Report on the Mineral Reserves of the Dunderland Valley Iron Ore Project, Norway" is based, I hereby state:

1. My name is Liz de Klerk.
2. I am employed as a Senior Geologist by, and carried out this assignment for, Micon International Co Limited, Suite 10, Keswick Hall, Norwich, United Kingdom. tel. 0044(1603) 501 501, e-mail ldeklerk@micon-international.co.uk .
3. I am a member of the South African Institute of Mining and Metallurgy (SAIMM) and a Fellow of the Geological Society of Africa and a registered Professional Natural Scientist (Pr.Sci.Nat. 400090/08).
4. I hold the following academic qualifications:

B.Sc. Geology	University of Leicester, United Kingdom, 2000;
M.Sc. Exploration Geology	University of Rhodes, Grahamstown, South Africa, 2002;

5. I have worked as a geologist in the minerals industry for over 18 years in the mining industry in Africa, Europe, Russia and United Kingdom.
6. I meet the requirements of a 'Competent Person' as defined explicitly in the PERC Reporting Standard (2021).
7. I have reviewed the geology, mineral resources, mineral reserves and site operations.
8. I visited the property that is the subject of this Public Report from 18th to 19th October 2021.
9. I am responsible for the preparation or supervision of preparation of all sections of this Public Report and the Mineral Reserves.
10. I am not aware of any material fact or material change concerning the subject matter of the Public Report that is not reflected in the Public Report, the omission of which would make the Public Report misleading.
11. I declare that this Public Report appropriately reflects the Competent Person's view.
12. I am independent of Rana Gruber AS.
13. I confirm that I have read all the relevant sections of the PERC Reporting Standard (2021). The Public Report has been prepared under the requirements of the PERC Reporting Standard.
14. I do not have, nor do I expect to receive, a direct or indirect interest in the Dunderland Valley Iron Ore Project of Rana Gruber AS.
15. I have no conflicts of interest in respect of Rana Gruber AS or the Dunderland Valley Iron Ore Project.
16. At the effective date of the Public Report, to the best of my knowledge, information and belief, the Public Report contains all scientific and technical information that is required to be disclosed in order to make the Public Report not misleading.

Dated at Norwich, United Kingdom, on 30th November 2021

Liz de Klerk, M.Sc., Pr.Sci.Nat., SAIMM (707850)

CERTIFICATE OF COMPETENT PERSON MATHIEU GOSSELIN

As the Competent Person responsible for the information on which the Public Report entitled "Competent Persons Report on the Mineral Reserves of the Dunderland Valley Iron Ore Project, Norway" is based, I hereby state:

1. My name is Mathieu Gosselin.
2. I am CEO, President and Industry Expert-Mining with Gosselin Mining AB with an office situated at Industrivägen 23, Solna, Sweden 171 48; and carried out this assignment for, Micon International Co Limited, Suite 10, Keswick Hall, Norwich, United Kingdom. tel. 0044(1603) 501 501, e-mail mathieu@gosselinmining.com .
3. I am registered a member of Ordre des ingénieurs du Québec.
4. I hold the following academic qualifications:

   B. Eng. Mining — McGill University, Montreal Quebec, Canada, 2004.
5. I have 17 years' experience as a mining engineer consultant in mineral project assessment, specialising in mineral reserve estimation. I have experience relevant to mineral reserve estimation for industrial minerals, phosphate, gold, coal and graphite deposits. I have sufficient experience in the modifying factors, mining methods, mine life and production rates, mineral reserve and mining costs estimating techniques that are relevant to the deposit under consideration.
6. I meet the requirements of a 'Competent Person' as defined explicitly in the PERC Reporting Standard (2021).
7. I have reviewed the open-pit mining data, open-pit mineral reserves, drill core and site operations.
8. I visited the property that is the subject of this Public Report from 18th to 19th October 2021.
9. I am responsible for the preparation or supervision of preparation of Section 3.0, 5.0 and 8.0 of this Public Report.
10. I am not aware of any material fact or material change concerning the subject matter of the Public Report that is not reflected in the Public Report, the omission of which would make the Public Report misleading.
11. I declare that this Public Report appropriately reflects the Competent Person's view.
12. I am independent of Rana Gruber AS.
13. I confirm that I have read all the relevant sections of the PERC Reporting Standard (2021). The Public Report has been prepared under the requirements of the PERC Reporting Standard.
14. I do not have, nor do I expect to receive, a direct or indirect interest in the Dunderland Valley Iron Ore Project of Rana Gruber AS.
15. I have no conflicts of interest in respect of Rana Gruber AS or the Dunderland Valley Iron Ore Project.
16. At the effective date of the Public Report, to the best of my knowledge, information and belief, the Public Report contains all scientific and technical information that is required to be disclosed in order to make the Public Report not misleading.

Dated at Solna, Sweden, on 30th November 2021

Mathieu Gosselin, B.Eng.

CERTIFICATE OF COMPETENT PERSON JOSEPH BURKE

As the Competent Person responsible for the information on which the Public Report entitled "Competent Persons Report on the Mineral Reserves of the Dunderland Valley Iron Ore Project, Norway" is based, I hereby state:

1. My name is Joseph Burke.
2. I am employed as an Associate Senior Geotechnical Engineer by, and carried out this assignment for, Micon International Co Limited, Suite 10, Keswick Hall, Norwich, United Kingdom. tel. 0044(1603) 501 501, e-mail joe@avocageotec.com .
3. I am fellow of the Southern African Institute of Mining and Metallurgy (SAIMM) and a member of the following: International Society of Rock Mechanics, Irish Mining and Quarrying Society, Geoscience Ireland – Expert Panel.
4. I hold the following academic qualifications:

Mining Diploma	Athlone Institute of Technology, Shannon, Ireland, 1971.
Diploma in Eng. Geol.	British Institute of Engineering Technology, London, UK, 1976.
Rock Mechanics Certification	South African Chamber of mines, South Africa, 1985.
Graduate Diploma	University of Witwatersrand, Johannesburg, South Africa, 1992.

5. I have worked as a geotechnical engineer in the minerals industry for over 51 years in the mining industry in Africa, India, Central Asia, Australia, South America, Europe and United Kingdom.
6. I meet the requirements of a 'Competent Person' as defined explicitly in the PERC Reporting Standard (2021).
7. I have reviewed the geotechnical data, drill core and site operations.
8. I visited the property that is the subject of this Public Report from 18th to 19th October 2021.
9. I am responsible for the preparation or supervision of preparation of Section 4.0, 5.0 and 8.0 of this Public Report.
10. I am not aware of any material fact or material change concerning the subject matter of the Public Report that is not reflected in the Public Report, the omission of which would make the Public Report misleading.
11. I declare that this Public Report appropriately reflects the Competent Person's view.
12. I am independent of Rana Gruber AS.
13. I confirm that I have read all the relevant sections of the PERC Reporting Standard (2021). The Public Report has been prepared under the requirements of the PERC Reporting Standard.
14. I do not have, nor do I expect to receive, a direct or indirect interest in the Dunderland Valley Iron Ore Project of Rana Gruber AS.
15. I have no conflicts of interest in respect of Rana Gruber AS or the Dunderland Valley Iron Ore Project.
16. At the effective date of the Public Report, to the best of my knowledge, information and belief, the Public Report contains all scientific and technical information that is required to be disclosed in order to make the Public Report not misleading.

Dated at Dublin, Ireland, on 30th November 2021

Joseph Burke, (SAIMM)

10.0 DATE AND SIGNATURE PAGE

Signed on behalf of Micon International Co Limited

Liz de Klerk. M.Sc., Pr.Sci.Nat., SAIMM (707850) (CP)
Managing Director & Senior Geologist
Micon International Co Limited

Effective Date 1st April 2021
Date 30th November 2021

11.0 REFERENCES

DIRMIN 2019; Harde fakta om mineralnæringen, Mineralstatistkk 2019.

Independent Mineral Resource Estimate for the Rana Gruber AS Iron Ore Deposits, Norway, Baker Geological Services Ltd, April 2021.

Pan-European Reserves and Resources Reporting Committee (PERC) Standard for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves Reporting Standard (2021).

12.0 APPENDIX 1 - TABLE 1

Section References	PERC REPORTING STANDARD - TABLE 1			Section in the CPR where this is located or why it is considered not relevant to the project (*"if not, why not"*).
	Exploration Results	**Mineral Resources**	**Mineral Reserves**	
Section 1: Project Outline				
Section 1: Project Outline	**1.0 Introduction - General**			
1.0	(i)	The terms of reference or scope of work.		Section 1.0. The scope of work was to provide Rana Gruber AS with both underground and open-pit mine designs, Mineral Reserve estimation and mine scheduling for the Dunderland Valley Iron Ore Project, Norway. Deliverable is a Public Report in accordance with PERC which will form part of the prospectus to be used for listing on the Oslo Stock Exchange..
	(ii)	The Competent Person's relationship to the issuer of the report, if any.		Section 1.4.1 The Competent Persons are independent from Rana Gruber, and listed below: • Liz de Klerk, M.Sc., SAIMM, Pr.Sci.Nat., Senior Geologist and Project Manager and Managing Director of Micon's UK office; • Mathieu Gosselin, B. Eng., Senior Micon Associate Mining Engineer and CEO of Gosselin Mining; • Joe Burke, Senior Micon Associate Geotechnical Engineer and employed by Lisheen Technical and Mining Services.
	(iii)	A statement for whom the report was prepared; whether it was intended as a full or partial evaluation or other purpose, work conducted, effective date of report, and remaining work.		Section 1.1. Micon was requested by Rana Gruber AS to prepare an independent Technical Report on the Mineral Reserves of the Dunderland Valley Iron Ore Project, Norway. The effective date of the Mineral Reserves stated in this report is 30th April 2021. No further work is outstanding to complete the Scope of Work.
	(iv)	Sources of information and data contained in the report or used in its preparation, with citations if applicable, and a list of references.		Data was obtained from mine personnel during the site visit and subsequent communications. Section 11.0 References • DIRMIN 2019; Harde fakta om mineralnæringen, Mineralstatistkk 2019. • Pan-European Reserves and Resources Reporting Committee (PERC) Standard for the Public Reporting of Exploration

			Results, Mineral Resources and Mineral Reserves Reporting Standard (2021). • Independent Mineral Resource Estimate for the Rana Gruber AS Iron Ore Deposits, Norway, Baker Geological Services Ltd, April 2021.
	(v)	A title page and a table of contents that includes figures and tables.	The report includes a title page and a table of contents that includes figures and tables. These are presented before Section 1.0 Introduction
	(vi)	An Executive Summary, which briefly summarises important information in the public report, including property description and ownership, geology and mineralisation, the status of exploration, development and operations, Mineral Resource and Mineral Reserve estimates, and the Competent Person's conclusions and recommendations. If Inferred Mineral Resources are used, a summary valuation with and if practical without inclusion of such Inferred Mineral Resources. The Executive Summary should have sufficient detail to allow the reader to understand the essentials of the project.	An Executive Summary has not been included in the Public Report as it is a short Report.
	(vii)	A declaration from the Competent Person, stating whether "the declaration has been made in terms of the guidelines of the PERC Reporting Standard".	The Competent Persons from the Project Team according to the definitions listed in PERC are Liz de Klerk, Mathieu Gosselin and Joe Burke their declarations are included in their certificates in Section 9.0.
	(viii)	Diagrams, maps, plans, sections and illustrations, which are dated, legible and prepared at an appropriate scale to distinguish important features. Maps including a legend, author or information source, coordinate system and datum, a scale in bar or grid form, and an arrow indicating north. Reference to a location or index map and more detailed maps showing all important features described in the text, including all relevant cadastral and other infrastructure features.	All maps, have been provided with appropriate scale bars, compass directions and annotations and legends were required.
	(ix)	The units of measure, currency and relevant exchange rates.	All units of measurement and currency have been provided where relevant.
	(x)	The details of the personal inspection on the property by each Competent Person or, if applicable, the reason why a personal inspection has not been completed.	Section 1.4.1 A site visit to the Project was completed from 17th October to 20th October 2021 by the Competent Persons: Liz de Klerk, Mathieu Gosselin and Joe Burke, and mining engineer Tom Doidge-Harrison.
	(xi)	If the Competent Person is relying on a report, opinion, or statement of another expert who is not a Competent Person, then a disclosure of the date, title, and author of the report, opinion, or statement, the qualifications of the other expert, the reason for the Competent Person to rely on the other expert, any significant risks and any steps the Competent Person took to verify the information provided.	The other contributor to the Technical Report on Mineral Reserves is Tom Doidge-Harrison, a qualified mining engineer with 18 years industry experience.
		1.1 Property Description	
1.1	(i)	Brief description of the scope of project (i.e. whether in preliminary sampling, advanced exploration, scoping, pre-feasibility, or feasibility phase, Life of Mine plan for an ongoing mining operation or closure).	Section 1.0 The Scope of Work was to provide Rana Gruber AS with both underground and open-pit mine designs, Mineral Reserve estimation and mine scheduling for the Dunderland Valley Iron Ore Project, Norway.

	(ii)	Describe (noting any conditions that may affect possible prospecting/mining activities) topography, elevation, drainage, fauna and flora, the means and ease of access to the property, the proximity of the property to a population centre, and the nature of transport, the climate, known associated climatic risks and the length of the operating season and to the extent relevant to the mineral project, the sufficiency of surface rights for mining operations including the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pad areas, and potential processing plant sites.			Mo i Rana comprises a continental subarctic climate with a short, but warm summer and a long and cold winter. Average annual temperature is around 8º, average sea temp is 6º. Average rainfall is 119 mm/month, the wettest month is October with 186 mm average rainfall. Rana municipality is located just about south of the Arctic Circle. The highest peaks in the region reach altitudes between 1,300 m to 1,800 m. The Rana municipality has a long history of mining dating back several hundreds of years. The region has been mined for silver, pyrite, base metals, gold, iron and talc. This includes the iron ore operations in the region and Rana Gruber AS's operations in the Dunderland Valley.
	(iii)	Specify the details of the personal inspection on the property by each CP or, if applicable, the reason why a personal inspection has not been completed.			Section 1.4.1 A site visit to the Project was completed from 17th October to 20th October 2021 by the Competent Persons: Liz de Klerk (geologist and project manager), Mathieu Gosselin (open-pit reserves and mine schedule) and Joe Burke (geotechnical engineer and underground CP) and mining engineer Tom Doidge-Harrison (underground reserves and mine schedule).
		1.2 Location			
1.2	(i)	Description of location and map (country, province, and closest town/city, coordinate systems and ranges, etc.).			Section 1.1 The iron ore deposits in the Dunderland Valley are situated about 27 km northeast of the town Mo i Rana and approximately 15 km south of the Arctic Circle. Figure 1.1. Central property coordinates: 66.24.19.65 N / 14.32.11.05 E
	(ii)	Country Profile: describe information pertaining to the project host country that is pertinent to the project, including relevant applicable legislation, environmental and social context etc. Assess, at a high level, relevant technical, environmental, social, economic, political and other key risks.			Norway is a northern European country with a land area of approximately 307,442 km^2. The landscape is dominated by rugged mountains and coastline. Norway is a politically stable developed country with an established mining industry. The Norwegian mineral industry is typically divided according to which commodity is produced. In the period between 2016 and 2019 about 2.2 Mt of metallic ore were sold per year. During these years only two companies accounted for the production of metallic ores in Norway, these were Rana Gruber AS and Titania AS.
	(iii)	Provide a general topocadastral map	Provide a Topo-cadastral map in sufficient detail to support the assessment of eventual economics. State the known associated climatic risks.	Provide a detailed topo-cadastral map. Confirm that applicable aerial surveys have been checked with ground controls and surveys, particularly in areas of rugged terrain, dense vegetation or high altitude.	The topographic survey used for Mineral Reserve estimation was provided by Rana Gruber and dated 31st March 2021. The survey ranges from 1 m to 5 m contours with mined out open-pits being supplemented by digitised paper maps. All surface and underground surveys are carried out by internal Rana Gruber employees.

1.3 Adjacent Properties

1.3	(i)	Discuss details of relevant adjacent properties If adjacent or nearby properties have an important bearing on the report, then their location and common mineralized structures should be included on the maps. Reference all information used from other sources.	The Rana Gruber mine is situated in the Dunderland Valley which is known for iron ore deposits and has been mined since the 1950s. There are currently no adjacent exploration or mining properties.

1.4 History

1.4	(i)	State historical background to the project and adjacent areas concerned, including known results of previous exploration and mining activities (type, amount, quantity and development work), previous ownership and changes thereto.			Section 1.2. Exploration commenced at the Project in 1949 with the creation of an iron ore mining operation supported by processing plant and port facility. Records show that since the 1950's, over 138 Mt of iron ore has been mined and Rana Gruber now produce and sell a range of haematite and magnetite concentrates to international markets. Until April 2021 Rana Gruber relied on internal technical studies to develop the Mineral Resources for the Project. The first independent Mineral Resources estimate was completed in April 2021 by Baker Geological Services Ltd as part of the study the geology and the resource model were updated.
	(ii)	Present details of previous successes or failures with reasons why the project may now be considered potentially economic.			The Rana Gruber iron ore mine has been in production since 1964.
	(iii)		Discuss known or existing historical Mineral Resource estimates and performance statistics on actual production for past and current operations.		Section 2.2 Baker Geological Services Ltd produced the first Independent Mineral Resource Estimate for the Rana Gruber AS Iron Ore Deposits, Norway, in April 2021
	(iv)			Discuss known or existing historical Mineral Reserve estimates and performance statistics on actual production for past and current operations.	The Micon Mineral Reserves are the first publicly reported Mineral Reserves for Rana Gruber.

1.5 Legal Aspects and Permitting

1.5	(i)	A statement from the Competent Person on the confirmation of the legal tenure, including a description of (the following):	The exploration, exploitation and operating licences have been confirmed by the CP. They are listed in detail in the Howard Baker report dated April 2021. All but one of the exploration licences are due to expire in 2026 and 2027. Extraction licences are held for Stensundtjern and Ørtfjell and are required to be renewed every 10 years.
	(ii)	Discuss the nature of the issuer's rights (e.g. prospecting and/or mining) and the right to use the surface of the properties to which these rights relate. Disclose the date of expiry and other relevant details.	Section 1.1 Rana Gruber hold a combination of exploration and extraction rights across the Dunderland Valley, totalling 5,200 acres

	(iii)	Present the principal terms and conditions of all existing agreements, and details of those still to be obtained, (such as, but not limited to, concessions, partnerships, joint ventures, access rights, leases, historical and cultural sites, wilderness or national park and environmental settings, royalties, consents, permission, permits or authorisations).	of land. Rana Gruber has no joint ventures, partnerships or royalty agreements with third parties in the Dunderland Valley concerning the extraction of mineral resources.
	(iv)	Present the security of the tenure held at the time of reporting or that is reasonably expected to be granted in the future along with any known impediments to obtaining the right to operate in the area. State details of applications that have been made. See Clause 8.1 for declaration of a Mineral Reserve.	
	(v)	Provide a statement of any legal proceedings for example; land claims, that may have an influence on the rights to prospect or mine for minerals, or an appropriate negative statement.	
	(vi)	Provide a statement relating to governmental/statutory requirements and permits as may be required, have been applied for, approved or can be reasonably be expected to be obtained. Provide a review of risks that permits will not be received as expected and impact of delays to the project.	
		1.6 Royalties	
1.6	(i)	Describe the royalties that are payable in respect of each property.	Rana Gruber has no joint ventures, partnerships or royalty agreements with third parties in the Dunderland Valley concerning the extraction of mineral resources. The area north of the Rana River in the Dunderland Valley is shown on official maps as a pasture area for reindeer herding (summer, autumn and winter pasture). In the 1980's, Rana Gruber set forth an agreement with the local reindeer organisations (Reinbeitedistrikt) and paid a compensation to the organisation covering all future obstruction and loss of these pasture rights. The agreement is still in place today and valid.
		1.7 Liabilities	
1.7	(i)	Describe any liabilities, including rehabilitation guarantees that are pertinent to the project. Provide a description of the rehabilitation liability, including, but not limited to, legislative requirements, assumptions and limitations.	Section 1.1 Micon is not aware of any liabilities for the Dunderland Valley Iron Ore Project

Section 2: Geological Setting, Deposit, Mineralisation			
Section 2: Geological Setting, Deposit, Mineralisation	**2.1 Geological Setting, Deposit Type and Mineralisation Style**		
	2.1	(i)	Describe the regional geology.	Section 2.0 The Dunderland Valley iron ore deposit is hosted in the Neoproterozoic-aged Ørtfjell Group Banded Iron Formation (BIF). The country rock is dominated by mica schists that occur in a sequence of dolomitic and calcitic marble units. Both the mica schists and BIF are strongly deformed with isoclinal folds and crenulations. Detailed descriptions of the regional geology can be found in the April 2021 Baker Geological Services Mineral Resource report.
		(ii)	Describe the project geology including mineral deposit type, geological setting and style of mineralisation.	Section 2.0 The deposit at Kvannevann is a massive-scale isoclinal fold that can be seen from the morphology of the block model. The deposit type is a metamorphosed Banded Iron Formation (BIF). Iron oxide mineralisation is dominated by sandy and flaky haematite (Fe_2O_3) with lesser magnetite (Fe_3O_4). Due to the strong tectonic structure the deposits have a defined cleavage often populated with flaky haematite, known as specularite. The banded iron mineralisation is interbedded with fine-grained quartz and carbonates. Detailed descriptions of the property geology can be found in the April 2021 Baker Geological Services Mineral Resource report.
		(iii)	Discuss the geological model or concepts being applied in the investigation and on the basis of which the exploration program is planned. Describe the inferences made from this model.	Banded Iron Formations (BIF) host the economic mineralisation in the Dunderland Valley. The deposits have undergone four major tectonic events resulting in small and large scale fold structures. Detailed descriptions of the exploration and sampling can be found in the April 2021 Baker Geological Services Mineral Resource report.
		(iv)	Discuss data density, distribution and reliability and whether the quality and quantity of information are sufficient to support statements, made or inferred, concerning the project.	Section 2.1. A total of 1,518 diamond drill holes have been completed for a total of 206,309 m of drill core. The core yard was visited by the CP during the site visit. The majority of drilling, both historical and modern, has been conducted on a 50 m grid spacing. Detailed descriptions of the mineralogy can be found in the April 2021 Baker Geological Services Mineral Resource report.
		(v)	Discuss the significant minerals present in the deposit, their frequency, size and other characteristics. These include minor and gangue minerals where these will have an effect on the processing steps. Indicate the variability of each important mineral within the mineral deposit.	Section 2.0 Iron oxide mineralisation is dominated by sandy and flaky haematite (Fe_2O_3) with lesser magnetite (Fe_3O_4). Due to the strong tectonic structure the deposits have a defined cleavage often populated with flaky haematite, known as specularite. The banded iron mineralisation is interbedded with fine-grained quartz and carbonates. Detailed descriptions of the mineralogy can be found in the April 2021 Baker Geological Services Mineral Resource report.
		(vi)	Describe the significant mineralised zones encountered on the property, including a summary of the surrounding rock types, relevant geological controls, and the length, width, depth, and continuity of the mineralisation, together with a description of the type, character, and distribution of the mineralisation	

		(vii)	Confirm that reliable geological models and / or maps and cross sections that support interpretations exist.	Micon was provided with supporting geological documentation including drill hole logs, wireframes and block models for the Rana Gruber iron ore deposits.

Section 3: Exploration and Drilling, Sampling Techniques and Data				
Section 3: Exploration and Drilling, Sampling Techniques and Data	**3.1 Exploration**			
	3.1	(i)	Describe the data acquisition or exploration techniques and the nature, level of detail, and confidence in the geological data used (i.e. geological observations, remote sensing results, stratigraphy, lithology, structure, alteration, mineralisation, hydrology, geophysical, geochemical, petrography, mineralogy, geochronology, bulk density, potential deleterious or contaminating substances, geotechnical and rock characteristics, moisture content, bulk samples etc.). Confirm that data sets include all relevant metadata, such as unique sample number, sample mass, collection date, spatial location etc.	Geological data is comprised of diamond drilling which was logged, sampled and assayed. This is supported by a 2012 airborne geophysical survey conducted by the Norwegian Geological Unit (NGU).
		(ii)	Identify and comment on the primary data elements (observation and measurements) used for the project and describe the management and verification of these data or the database. This should describe the following relevant processes: acquisition (capture or transfer), validation, integration, control, storage, retrieval and backup processes. It is assumed that data are stored digitally but hand-printed tables with well organized data and information may also constitute a database.	Current and historical drill hole logs and assay were used to estimate Mineral Resources. Baker Geological Services conducted a verification programme. Existing pulps were sent to ALS laboratory (Scandinavia AB) for XRF analysis. No bias or uncorrelated results were obtained from this process. A density testwork study was also implemented. Again comparison of old and new results were comparable. Detailed descriptions of the data verification can be found in the April 2021 Baker Geological Services Mineral Resource report.
		(iii)	Acknowledge and appraise data from other parties and reference all data and information used from other sources.	Section 2.1 Detailed descriptions of the exploration and sampling can be found in the April 2021 Baker Geological Services Mineral Resource report.
		(iv)	Clearly distinguish between data / information from the property under discussion and that derived from surrounding properties	All data used is from the Rana Gruber property.
		(v)	Describe the survey methods, techniques and expected accuracies of data, including the methods for downhole surveying of drillholes. Specify the grid system used.	In 1999 Rana Gruber introduced a Total station for surveying, utilising a set of control points set out by the national mapping authorities. GPS/GNSS instruments were introduced in 2008 and replaced the Total Station. Since 2010 downhole surveys were taken using a Devico Deviflex tool owned by Rana Gruber.
		(vi)	Discuss whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the estimation procedure(s) and classifications applied.	The average drill hole spacing for both historical and recent drilling is along 50 m section lines with fan drilling at the collar locations providing variable spacing on the section. Horizontal drill hole spacing at Ørtfjell is on average 50 m but there are gaps in the western part of the deposit. The structural setting of the deposit is well understood

			due to drilling and detailed mapping by the NGU and the sample spacing is considered sufficient for Mineral Resource estimation.
	(vii)	Present representative models and / or maps and cross sections or other two or three dimensional illustrations of results, showing location of samples, accurate drill-hole collar positions, down-hole surveys, exploration pits, underground workings, relevant geological data, etc.	Refer to the Baker Geological Services Mineral Resource Report (April 2021)
	(viii)	Report the relationships between mineralisation widths and intercept lengths are particularly important, the geometry of the mineralisation with respect to the drill hole angle. If it is not known and only the down-hole lengths are reported, confirm it with a clear statement to this effect (e.g. 'down-hole length, true width not known').	The raw drill hole database was assessed to determine the average length of the sample within each domain modelled. The results show that the average sample length varies from 3 m to 13 m, which is atypical in general and is a reflection of the various drilling campaigns throughout the project history. (excerpt from the BGS report, April 2021)

3.2 Drilling Techniques

3.2	(i)	Present the type of drilling undertaken (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Banka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	Section 2.1 Rana Gruber have drilled 237 diamond drill holes over the project area including twin drilling of historical holes. The recent and historical core was visited by Micon whilst on site.
	(ii)	Describe whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, technical studies, mining studies and metallurgical studies.	Geotechnical logging to NGI-Q standards
	(iii)	Describe whether logging is qualitative or quantitative in nature; indicate if core photography. (or costean, channel, etc.) was undertaken	Core photographs are taken of all drill core. Results are both qualitative and quantitative.
	(iv)	Present the total length and percentage of the relevant intersections logged.	Drill hole data is logged on a centimetre basis. Detailed descriptions of the core logging can be found in the April 2021 Baker Geological Services Mineral Resource report.
	(v)	Discuss the results of any downhole surveys of the drill holes.	The drill hole database includes the results of the downhole surveys.

3.3 Sample method, collection, capture and storage

3.3	(i)	Describe the nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.	Section 2.1 Detailed descriptions of the sampling can be found in the April 2021 Baker Geological Services Mineral Resource report. Drill core is sampled on 7 m intervals taking into consideration lithological boundaries. Core is split in half longitudinally using a diamond blade core cutter.
	(ii)	Describe the sampling processes, including sub-sampling stages to maximize representivity of samples. This should include whether sample sizes are appropriate to the grain size of the material being sampled. Indicate whether sample compositing has been applied.	

Section 3: Exploration and Drilling, Sampling Techniques and Data

	(iii)	Appropriately describe each data set (e.g. geology, grade, density, quality, diamond breakage, geo-metallurgical characteristics etc.), sample type, sample-size selection and collection methods	
	(iv)	Report the geometry of the mineralisation with respect to the drill-hole angle. State whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the Mineral deposit type. State if the intersection angle is not known and only the downhole lengths are reported.	
	(v)	Describe retention policy and storage of physical samples (e.g. core, sample reject, etc.)	
	(vi)	Describe the method of recording and assessing core and chip sample recoveries and results assessed, measures taken to maximise sample recovery and ensure representative nature of the samples and whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
	(vii)	If a drill-core sample is taken, state whether it was split or sawn and whether quarter, half or full core was submitted for analysis. If a non-core sample, state whether the sample was riffled, tube sampled, rotary split etc. and whether it was sampled wet or dry. the impact of water table or flow rates on recovery and introduction of sampling biases or contamination from above. Discuss the impact of variable hole diameters, e.g., by the use of a calliper tool.	
	(viii)	If a drill-core sample is taken, sufficient information should be supplied to assess the effects of core loss. Occasionally, only total core recovery is mentioned but at the same time the mineralized parts are designated as poor quality. This type of reporting is against the main principles of Transparency and Materiality. Heavy core losses throughout an ore body intersection can seriously undermine the confidence in a resource estimate. It is important to determine whether a relationship exists between grade and recovery (either positive or negative) to assess the potential for grade bias. In addition, it is important to state the method used to determine the core recovery: Total Core Recovery (TCR), Solid Core Recovery (SCR) and Rock Quality Designation (RQD).	

3.4 Sample Preparation and Analysis

3.4	(i)	Identify the laboratory(s) and state the accreditation status and Registration Number of the laboratory or provide a statement that the laboratories are not accredited. Record the steps taken by the Competent Person to ensure the results from a non-accredited laboratory are of an acceptable quality.	Section 2.1 Core is prepared and assayed on site at Rana Gruber's laboratory which uses internationally recognised procedures for analysing total iron content sulphur and manganese (MnO).
	(ii)	Identify the analytical method. Discuss the nature, quality and appropriateness of the assaying and laboratory processes and procedures used and whether the technique is considered partial or total.	A data verification project was undertaken by Rana Gruber and a number of pulps from Ørtfjell (432) and Stensundtjern (100) were sent to ALS Scandinavia AB for XRF analysis. The results showed a good correlation between the two laboratories.
	(iii)	Describe the process and method used for sample preparation, sub-sampling and size reduction, and likelihood of inadequate or non representative samples (i.e. improper size reduction, contamination, screen sizes, granulometry, mass balance, etc.)	Detailed descriptions of the sampling can be found in the April 2021 Baker Geological Services Mineral Resource report.

3.5 Sampling Governance

3.5	(i)	Discuss the governance of the sampling campaign and process, to ensure quality and representivity of samples and data, such as sample recovery, high grading, selective losses or contamination, core/hole diameter, internal and external QA/QC, and any other factors that may have resulted in or identified sample bias.	Section 2.1 A data verification project was undertaken by Rana Gruber and a number of pulps from Ørtfjell (432) and Stensundtjern (100) were sent to ALS Scandinavia AB for XRF analysis. The results showed a good correlation between the two laboratories. All assays are sent to Rana Gruber's internal laboratory. Umpire test work was initiated by Baker Geological Services.
	(ii)	Describe the measures taken to ensure sample security and the Chain of Custody.	
	(iii)	Describe the validation procedures used to ensure the integrity of the data, e.g. transcription, input or other errors, between its initial collection and its future use for modelling (e.g. geology, grade, density, etc.)	
	(iv)	Describe the audit process and frequency (including dates of these audits) and disclose any material risks identified.	

3.6 Quality Control/Quality Assurance

3.6	(i)	Demonstrate that adequate field sampling process verification techniques (QA/QC) have been applied, e.g. the level of duplicates, blanks, reference material standards, process audits, analysis, etc. If indirect methods of measurement were used (e.g. geophysical methods), these should be described, with attention given to the confidence of interpretation. Refer to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. QA/QC procedures used to check databases augmented with 'new' data have not resulted in corruption of previous versions containing stored 'old' data.	Rana Gruber have not undertaken traditional QAQC testwork throughout their recent drilling programmes and no QAQC data exists for the historical programmes. Twin drilling was carried out in 2012 at Stensundtjern and shown an 8% positive bias to the more recent Fe grades. As part of data verification BGS conducted a re-assaying programme consisting of 432 existing pulps from Ørtfjell and 100 pulps from Stensundtjern.
	(ii)	Document the use of any independent check laboratory (umpire check samples). Identify the independent laboratory and details of its accreditation.	

3.7 Bulk Density

3.7	(i)	Describe the method of bulk density determination with reference to the frequency of measurements, the size, nature and representativeness of the samples.	Historical density measurements were verified based on 100 samples that were re-measured. Density was measured using the Archimedes method and quarter core was not wrapped prior to submersion in water as the rock type was considered not to be porous. The two data sets mostly correlated well and a regression curve was used to assign density to the iron formation units by BGS during resource estimation.
	(ii)	If target tonnage ranges are reported state the preliminary estimates or basis of assumptions made for bulk density.	
	(iii)	Discuss the representivity of bulk density samples of the material for which a grade range is reported.	
	(iv)	Discuss the adequacy of the methods of bulk density determination for bulk material with special reference to accounting for void spaces (vugs, porosity etc.), moisture and differences between rock and alteration zones within the mineral deposit.	

3.8 Bulk-Sampling and/or Trial-mining

3.8	(i)	Indicate the location of individual samples (including map).	

		(ii)	Describe the size of samples, spacing/density of samples recovered and whether sample sizes and distribution are appropriate to the grain size of the material being sampled.		No bulk sampling or trial mining has been undertaken by Rana Gruber.
		(iii)	Describe the method of mining and treatment.		
		(iv)	Indicate the degree to which the samples are representative of the various types and styles of mineralisation and the mineral deposit as a whole.		

Section 4: Estimation and Reporting of Exploration Results, Mineral Resources and Mineral Reserves

4.1 Geological model and interpretation

Section 4: Estimation and Reporting of Exploration Results, Mineral Resources and Mineral Reserves	4.1	(i)	Describe the geological model, construction technique and assumptions that forms the basis for the Exploration Results or Mineral Resource estimate. Discuss the sufficiency of data density to assure continuity of mineralisation and geology and provide an adequate basis for the estimation and classification procedures applied.		Section 2.2 Baker Geological Services Ltd produced the first Independent Mineral Resource Estimate for the Rana Gruber AS Iron Ore Deposits, Norway, in April 2021. Drill hole core was logged and sampled by professional geologists. Ground conditions in the form of RQD were also recorded.
		(ii)	Describe the nature, detail and reliability of geological information with which lithological, structural, mineralogical, alteration or other geological, geotechnical and geo-metallurgical characteristics were recorded.		
		(iii)	Describe any obvious geological, mining, metallurgical, environmental, social, infrastructural, legal and economic factors that could have a significant effect on the prospects of any possible exploration target or mineral deposit.		Not applicable
		(iv)		Discuss all known geological data that could materially influence the estimated quantity and quality of the Mineral Resource.	BGS were supplied with the downhole database by Rana Gruber, which was validated and used to create wireframes of the BIF. Modelling was undertaken in Leapfrog Geo. Domains were created based on statistical observations with a hard boundary between high and low magnetite grades. Based on the geological and structural understanding of the deposit, BGS are confident in the interpretation of the deposits at Rana Gruber.
		(v)		Discuss whether consideration was given to alternative interpretations or models and their possible effect (or potential risk) if any, on the Mineral Resource estimate.	
		(vi)		Discuss geological discounts (e.g. magnitude, per reef, domain, etc.), applied in the model, whether applied to mineralized and / or un-mineralized material (e.g. potholes, faults, dykes, etc.).	

4.2 Estimation and modelling techniques

4.2	(i)	Describe in detail the estimation techniques and assumptions used to determine the grade and tonnage ranges for any Exploration Targets, if reported in a Public Report.			Not applicable
	(ii)		Discuss the nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values (cutting or capping), compositing (including by length and/or density), domaining, sample spacing, estimation unit size (block size), selective mining units, interpolation parameters and maximum distance of extrapolation from data points.		The Mineral Resource estimate was conducted by BGS in Datamine Studio RM supported by geostatistical analysis in Supervisor. A composite file was used to conduct variography and quantitative kriging neighbourhood analysis that enabled ordinary kriging to be used as the main interpolation method. Due to the complex folding the model was unfolded in Datamine prior to estimation. Search parameters were based on the geostatistical results. Average block sizes in the block model are 25 (x) by 10 (y) by 5 (z). Three search ellipse passes were conducted to ensure all blocks were populated. Detailed descriptions of the modelling techniques can be found in the April 2021 Baker Geological Services Mineral Resource report.
	(iii)		Describe assumptions and justification of correlations made between variables.		
	(iv)		Provide details of any relevant specialized computer program (software) used, with the version number, together with the estimation parameters used.		
	(v)		State the processes of checking and validation, the comparison of model information to sample data and use of reconciliation data, and whether the Mineral Resource estimate takes account of such information.		BGS validated the block model through visual comparisons and swath plots to compare the mean input composite data and output model grades.
	(vi)		Describe the assumptions made regarding the estimation of any co-products, by-products or deleterious elements.		Grades for Fe_Tot, Fe_Mag, S, P, MnO and TiO_2 were estimated. No by products have been estimated.

4.3 Reasonable prospects for eventual economic extraction

4.3	(i)		Disclose and discuss the geological parameters. These would include (but not be limited to) volume / tonnage, grade and value / quality estimates, cut-off grades, strip ratios, upper- and lower-screen sizes.		Reasonable prospects for eventual economic extraction was considered by BGS (and concurred by Micon) in the form of geological complexity, mining method, past production success and existing infrastructure. Mineral Reserves have not been previously declared for Rana Gruber before, but iron ore has been economically mined from the Dunderland deposits since 1994. The two new modelled and reported areas, namely Stensundtjern and Ørtfjell West are based on the continuation of the same BIF as current operations. Ore will be mined using tried and tested mining methods, namely truck and shovel open-pit and SLC underground. Ore will be processed at Rana Gruber's current processing facility in Mo i Rana.
	(ii)		Disclose and discuss the engineering parameters. These would include mining method, dilution, processing, geotechnical, geohydraulic and metallurgical) parameters.		
	(iii)		Disclose and discuss the infrastructural including, but not limited to, power, water, site-access.		
	(iv)		Disclose and discuss the legal, governmental, permitting, statutory parameters.		

Section 4: Estimation and Reporting of Exploration Results, Mineral Resources and Mineral

	(v)		Disclose and discuss the environmental and social (or community) parameters.		An internal Pre-Feasibility Study (PFS) is underway to assess the optimal infrastructure required regarding movement of ore from the new mines to the crusher.
	(vi)		Disclose and discuss the marketing parameters.		
	(vii)		Disclose and discuss the economic assumptions and parameters. These factors will include, but not limited to, commodity prices and potential capital and operating costs		
	(viii)		Discuss any material risks		
	(ix)		Discuss the parameters used to support the concept of "eventual"		
		4.4 Classification Criteria			
4.4	(i)		Describe criteria and methods used as the basis for the classification of the Mineral Resources into varying confidence categories.		BGS considered geological complexity, quality and quantity of data and quality of the estimated block model to assign a Mineral Resource classification. Measured, Indicated and Inferred Resources have been declared. Measured Resources were assigned based on: material lying directly below and to the west of the current underground mining area and where the underground mining target maintains a thickness and geometry like the current underground operation, and; where the Fe_Tot search volume = 1 and displays an elevated and continuous Fe_Tot Slope of Regression being a statistical measure of the accuracy of the estimate. Indicated Resources were assigned based on where the Fe_Tot search volume = 1 and displays an elevated and continuous Fe_Tot Slope of Regression >0.3. Inferred Resources were assigned based on zones with low sample count and geological uncertainty.
		4.5 Reporting			
Section 4: Estimation and Reporting of Exploration Results, Mineral	(i)	Discuss the reported low and high-grades and widths together with their spatial location to avoid misleading the reporting of Exploration Results, Mineral Resources or Mineral Reserves.			Low and high grade Fe_Mag were domained separately.
4.5	(ii)	Discuss whether the reported grades in Exploration Targets are regional averages or if they are selected individual samples taken from the property under discussion.			Not applicable

	(iii)	State assumptions regarding mining methods, infrastructure, metallurgy, environmental and social parameters. State and discuss where no mining related assumptions have been made.			Currently a Sublevel Caving system allowing caving on top and drawdown of ore. Will also use a Sub Level Open Stope method with stable rib and sill pillars. Open pit design criteria based on strong undisturbed rock potentially allowing for aggressive slope and bench designs.
	(iv)	State the specific quantities and grades / qualities which are being reported in ranges and/or widths, and explain the basis of the reporting			Not applicable
	(v)		Present the detail for example open pit, underground, residue stockpile, remnants, tailings, and existing pillars or other sources in the Mineral Resource statement		A preliminary optimised pit shell was created to estimate Stensundtjern Mineral Resources using a metal price of NOK 1,470/tonne for a 71.5% Fe_Tot magnetite concentrate and NOK 910/tonne for a 62% Fe_Tot hematite concentrate. For underground Mineral Resources and Kvannevann West a stope optimisation process was carried out using a 25% Fe_Tot stope cut-off.
	(vi)		Present a reconciliation with any previous Mineral Resource estimates. Where appropriate, report and comment on any historic trends (e.g. global bias).		No previous Mineral Resources have been declared for Rana Gruber.
	(vii)		Present the defined reference point for the tonnages and grades reported as Mineral Resources. State the reference point if the point is where the run of mine material is delivered to the processing plant. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.		Mineral Resources are declared as in situ grades and tonnes within the optimised pit shell and underground designs where applicable.
	(viii)	If the CP is relying on a report, opinion, or statement of another expert who is not a CP, disclose the date, title, and author of the report, opinion, or statement, the qualifications of the other expert and why it is reasonable for the CP to rely on the other expert, any significant risks and any steps the CP took to verify the information provided.			Micon has not estimated Mineral Resources and has based opinions on the work of Howard Baker of Baker Geological Services Ltd (BGS). Mr. Baker is considered a CP through registration as a Chartered Professional Fellow (#224239) of the Geological Society (UK).
	(ix)	State the basis of equivalent metal formulae, if applied.			Not applicable.

Section 5: Technical Studies

Section 5: Technical Studies

5.1 Introduction

5.1	(i)	not applicable to Exploration Results	State the level of study – whether Scoping, Pre-Feasibility, Feasibility or ongoing Life of Mine	State the level of study – whether Pre-feasibility, Feasibility or ongoing Life of Mine. The Standard requires that a study to at least a Pre-Feasibility level has been undertaken to convert Mineral Resource to Mineral Reserve. Such studies will have been carried out and will include a mine plan or production schedule that is technically achievable and economically viable, and that all Modifying Factors have been considered.	Rana Gruber is an existing operation. The Stensundtjern deposit forms an extension to the operating life of the Rana Gruber Ørtfjell operations. Ongoing Life of Mine Technical Study as part of the ongoing internal PFS was completed in Q4 2021. The Technical Study includes a LoM plan and production schedule that is technically achievable and economically viable and in which all Modifying Factors have been considered.

	(ii)			Provide a summary table of the Modifying Factors used to convert the Mineral Resource to Mineral Reserve for Pre-feasibility, Feasibility or on-going Life-of-Mine studies.	

Open-Pit Parameters	Unit	Value
Direct Iron Ore Mining Costs	NOK/RoMtt of iron ore	37.43
Incremental Iron Ore or Waste Mining Costs		
(Vertical Cost Component)	NOK/RoM tt of iron ore	0.2
		0.1
Direct Waste Mining Costs	NOK/t of waste	23.9
Incremental Direct Waste Mining Costs		
(Vertical Cost Component)	NOK/t of waste	0.2
Processing Plant Costs	NOK/RoMt	65
Processing Recovery (H400)	%	62
Processing Recovery (H150)	%	63.5
Processing Recovery (M40)	%	71.5
Processing Plant Throughput	Mt/a	5
Exchange Rate	US$:NOK	8.5
Exchange Rate	EUR:NOK	10
Average Selling Price H400	US$/t of concentrate	92
Average Selling Price H150	US$/t of concentrate	92
Average Selling Price M40	EUR/t of concentrate	120
Average Selling Costs	US$/t of concentrate	20
Discount Rate	%	7.5
Mineral Compensation	%	0
Mining Dilution	%	5
Mining Losses	%	5
Minimum Bottom Mining Width	m	40
Inter-Ramp Slope Angle	Degree	59
Swell Factor	%	40
Iron Ore Specific Gravity	t/m3	3.3-3.6
Waste Specific Gravity	t/m3	2.75-2.8

Underground Parameters	Recovery (%)	Dilution (%)	Dilution Grade (%)
Transverse SLOS	95	5	100
Transverse SLOS (>50m)	70	5	100
Longitudinal SLOS	95	10	0
SLC 155 (longitudinal)	77.5	10	0
SLC 123	120	10	0
SLC 091	105	10	0
Drilling/Mucking Drift	100	8	100
Mucking Drift	100	8	100
Ring Drilling Drive	100	8	100
Haulage	100	8	100
Airway	100	8	100
Vent Raise to Surface	100	0	0
Internal Raise	100	0	0

5.2 Mining Design

5.2	(i)	not applicable to Exploration Results	State assumptions regarding mining methods and parameters when estimating Mineral Resources or explain where no mining assumptions have been made.		Ground suitable for mass mining techniques.
	(ii)		Discuss Modifying factors taken into account in estimation of Mineral Resources	State and justify all modifying factors and assumptions made regarding mining methods, minimum mining dimensions (or pit shell) and internal and, if applicable, external) mining dilution and mining losses used for the techno-economic study and signed-off, such as mining method, mine design criteria, infrastructure, capacities, production schedule, mining efficiencies, grade control, geotechnical and hydrological considerations, closure plans, and personnel requirements.	Generation of the modifying factors for this Mineral Reserve estimate were based on a Mineral Resource estimate for Stensundtjern and Ørtfjell completed in April 2021. Pit optimisations using the Lerch-Grossman algorithm with industry standard software were undertaken. This optimisation utilised the Mineral Resource model, together with costs, revenue, geotechnical inputs, slope angle, topography surface, mining boundaries and exclusion area. The resulting pit shells were used to develop detailed pit designs with due consideration of geotechnical, geometric and access constraints. These pit designs were used as the basis of production scheduling and will be used in ongoing internal PFS economic evaluation. As part of the previous methodology, Inferred Mineral Resources were excluded from mine schedule to validate the economic viability of the Mineral Reserves. Conventional open-pit mining methods, i.e. trucks and shovel, similar to other Rana Gruber Ørtfjell operating open-pits (Kvannevann East and Nordmalm) were selected. Applied geotechnical parameters are readily available to assist in the selection of parameters for the preparation of geotechnical pit design and are guided by existing open-pit mining operations at Rana Gruber. The resultant inter-ramp slope angle is 59º, haul road width is 15 m and overall slope angle is between 50º to 60º, depending on the presence of access ramp in the final wall slope. The PFS considered the existing and future infrastructure requirements associated with the conventional truck and shovel open-pit mining operation, including crushing, road vehicle haulage, dump location, access routes and explosive storages. A 40 m wide pit bottom based on the existing open-pit mining equipment operating was considered a practicable and feasible minimum mining dimension. A 5% mining dilution and 5% ore losses were assumed. The annual open-pit mine production capacity is 2 Mt RoM over a production schedule of 15 years for Stensundtjern deposit. Section 4.3.1. Mining methods were selected on the basis of a qualitative assessment undertaken by Rana Gruber in 2021 and reviewed in this study. Criteria included

					drainage; current experience with SLC; previous experience with SLOS; rock strength, behaviour and characteristics; modelled geometry of mineral resources; production considerations and long-term resources at depth. Minimum mining dimensions in the SLOS design were defined by a back-analysis of what have proved to be stable hydraulic radii as evidenced by previous experience with this method at Rana Gruber. The level spacing and caving unit dimensions of the SLC design were defined by a combination of long-hole drilling capability and continuation of the existing, successful cave. Dilution and recovery were designated based on a combination of the existing experience at Rana Gruber and industry norms derived by experience. The existing infrastructure has been assessed as suitable to allow for a continuation of the existing capacity and throughput in place within the existing schedule. Despite limited grade control issues, the phasing in of SLOS operations in place of SLC operations will aid with grade control. Geotechnical considerations have been flagged in this report as needing to be quantified, however, the conservative placement of pillars in the SLOS design has been assumed to be sufficient to allow for flexibility as this design is optimised in future Life of Mine studies. It has been assumed that above the 123 level the mine freely drains due to gravity, blasted material will rill at 50º and the density of waste is 2.8 t/m^3.
	(iii)		State what mineral resource models have been used in the study.		Mineral Resource block models "RG_APRIL_2021_STENSUN.DAT" and "RG_APRIL_2021.DM supplied by Baker Geological Services Ltd.
	(iv)		Explain the basis of (the adopted) cut-off grade(s) or quality parameters applied. Include metal equivalents if relevant		Section 8.1.1 No cut-off grades were applied to convert Mineral Resource to Mineral Reserve since a 20% Fe_tot grade cut-off had already been applied in the Mineral Resource model as part of Mineral Resource estimation. The NPVS optimisation for Stensundtjern mineralisation is only based on Indicated Mineral Resources and resulted in a 5.9% Fe_Mag or 6.9% Fe_Hem RoM cut-off estimated with no mining cut-off applied than the previously applied mineral resource cut-off grade (i.e. minimum 20% Fe_tot grade).A cut-off for inclusion Reserves of >25%Fe_Tot was imposed on the wireframes. This cut-off point was defined by Rana Gruber. With the exception of waste development wireframes, once all mining factors were applied to any wireframe, if it returned a grade of <25%Fe_Tot, it was interrogated visually to see if could be improved to return above cut-off while still representing a feasible mining shape. If this was not possible, it was excluded from consideration, along with its associated development.

	(v)			Description and justification of mining method(s) to be used.	Rana Gruber has been in operation since 1964 using both open-pit and underground mining methods successfully. The ground is stable and undisturbed suitable for bulk mining with large stopes. Section 3.3.1 and 4.3.1. Conventional drill and blast combined with trucks and shovel mining methods have been selected as the optimum method for the Stensundtjern deposit. Sub-level Caving (SLC), Transverse & Longitudinal Sub-Level Open Stoping (SLOS) mining methods were selected for consideration in this project on the basis of a qualitative assessment undertaken by Rana Gruber in 2021 and reviewed in this study. Criteria included drainage; current experience with SLC; previous experience with SLOS; rock strength, behaviour and characteristics; modelled geometry of mineral resources; production considerations and long-term resources at depth. Minimum mining dimensions in the SLOS design were defined by a back-analysis of what have proved to be stable hydraulic radii as evidenced by previous experience with this method at Rana Gruber. The level spacing and caving unit dimensions of the SLC design were defined by a combination of long-hole drilling capability and continuation of the existing, successful cave.
	(vi)			For open-pit mines, include a discussion of pit slopes, slope stability, and strip ratio.	Section 3.3.1 Strong to very strong ground, no structures favourable dip allows for high benches, steep batters and a high overall slope angle. Based on existing open-pit mines at Rana Gruber (Kvannevann East and Nordmalm), a pit slope of 55º was used for LG optimisation and inter-ramp slope angle of 59º (before access ramps included in ramp wall). Based on 70 MPa to 90 MPa for all domains (strong-very strong) and with an unconfined compressive strength (UCS) of approximately 80 MPa giving a stress of <5 MPa (from old pit measurements), hard rock bench face angle of 80 degrees was selected combined with a catch bench width of 8.5 m, using double 10 m benches.
	(vii)			For underground mines, discuss mining method, geotechnical considerations, mine design characteristics, and ventilation/cooling requirements.	Section 4.3.1. The SLC mining method is a well-practiced mining technique employed at Rana Gruber and the caving design and caving front sequencing incorporated in this study reflects the current method being used today. The level spacing for the SLC levels considered in this study (155, 123, 091) is 32 m. The individual SLC unit widths (drill / mucking drive spacing) are 22 m. All loading and access drives are placed in the footwall and are designed at a drainage gradient of 1.25%. All drilling / mucking drives are designed at a drainage gradient of 0.6%. The ventilation requirements necessitated by the mobile fleet and blasting in the new SLOS parts of the project were deemed met by

					the conceptual design which includes multiple vent connections level to level and to surface. Cooling is understood to not be required.
5.2	(viii)	not applicable to Exploration Results		Discuss mining rate, equipment selected, grade control methods, geotechnical and hydrogeological considerations, health and safety of the workforce, staffing requirements, dilution, and recovery.	Remote mucking and mechanised drilling. are currently in use. The existing open-pit mine production at Rana Gruber is 2 Mt/a and the same mining rate for open-pit was used in LoM plan and production scheduling. As per existing mining contractors equipment being used in Kvannevann East open-pit, 660-t payload mining trucks combined with a hydraulic mining shovel equipped with a bucket from 5 to 8 cubic metres. Open-pit grade control involves sampling blasthole cuttings produced from the production drill hole cutting. The detailed implementation of grade control typically consists of sampling and assaying to determine the quantity and location of the mineralisation and then defining economic mining zones or mineralisation types, i.e., High Fe_Mag or Low Fe_Mag. Estimation of five rotating crews working would accomplish continuous coverage of the open-pits mine, i.e., three crews working while two crew on a rest cycle. The open-pit blasting crew will have their own working schedule based on day shift five days per week. Section 8.3. Underground mining rate of 3 Mt/a was decided by the client based on a continuation of existing production rates at the operation. Underground equipment selection was based on the existing underground fleet. The Rana Gruber mines are a mature operation with extensive geotechnical data acquired from back analysis, monitoring, testwork, modelling and observations. This data was examined to assess the proposed change in the mining method along with considering the specific conditions resulting from induces stresses, possible structures and parallel lens mining. The factors influencing the health and safety of the workforce were considered unchanged by the planned continuation of underground operations at Rana Gruber. Dilution is applied to every wireframe.
	(ix)			State the optimisation methods and any software used in planning, list of constraints (practicality, plant, access, exposed Mineral Reserves, stripped Mineral Reserves, bottlenecks, draw control).	Geotechnical modelling using FLAC3D, MPBX extensometers and 2&3D CSIR stress sensors to monitor and manage ground behaviour. Section 7 and 8. The open-pit optimisation used LG optimisation in Datamine NPV Scheduler combined with Geovia Surpac for open-pit mine design. The LoM plan and production schedule were generated in NPVS using the Stensundtjern pit design, exclusion zone, topography surface and mining tenements boundaries as constraints. In regards of Kvannevann East and Nordmalm, end of month March 2021 topography surfaces combined to their respective open-pits

						design were used to determine the remaining Mineral Reserve estimated in Year 2021 to Year 2024 in the LoM production schedule. Underground optimisation of SLOS wireframes was undertaken both visually, using the block model constrained by the cut-off grade and iteratively by running the wireframes through the Resource to Reserves process described above. Wireframes excluded with a net grade below cut-off were re-visited and modified if possible to optimise their extents. Automated optimisation of the underground plan was not undertaken. Maptek's Vulcan software Version 12.0.1 was used in the planning process. The principal constraint imposed on the design was that of the drilling length of the Simba M6 rig. The constraint of the previous open-pit operations was also accounted for by the introduction of a minimum, three dimensional, stand-off of 20 m between wireframe and void. In addition, wireframes were limited to the extent if underground voids as of 31st March 2021.
			5.3 Metallurgical and Test work			
		(i)		Discuss the source of the sample, the representivity of the potential feed and the techniques used to obtain the samples, laboratory and metallurgical testing techniques.		Rana Gruber have been mining and processing iron ore at Dunderland for over 60 years. Ore is processed using a two-stage magnetic separation facility in Mo I Rana.
		(ii)		Explain the basis for assumptions or predictions regarding metallurgical amenability and any preliminary mineralogical test work already carried out.		
		(iii)		Discuss the possible processing methods and any processing factors that could have a material effect on the reasonable expectations of eventual economic extraction. Discuss the appropriateness of the processing methods to the style of mineralisation.	Describe and justify the processing method(s) to be used, equipment, plant capacity, efficiencies, and personnel requirements.	The processing method adopted is based on historical knowledge, academic research and more recent testwork on samples from Stensundtjern, Ørtvann and Finnakåteng on zones of modelled high Fe_Mag. The process flow involves raw ore being sent through an autogenous mill before undergoing low intensity magnetic separation (LIMS) followed by wet high intensity magnetic separation and finally gravimetric settling and dewatering to produce magnetite and haematite concentrates.
		(iv)			Discuss the nature, amount and representativeness of metallurgical test work undertaken and the recovery factors used. A detailed flow sheet / diagram and a mass balance should exist ,especially for multi-product operations from which the saleable materials are	

				priced for different chemical and physical characteristics.	
	(v)			State what assumptions or allowances have been made for deleterious elements and the existence of any bulk-sample or pilot-scale test work and the degree to which such samples are representative of the ore body as a whole.	
	(vi)			State whether the metallurgical process is well-tested technology or novel in nature. If novel, justify its use in Mineral Reserve estimation.	The metallurgical process for both magnetite and haematite concentrate products is well-tested and has been in operation for many years. A low risk exists regarding the RoM from Stensundtjern combined with the RoM from underground operations is estimated to have a RoM Fe_Hem grade circa twice as high as the existing RoM entering the processing plant. It is assumed that the experienced processing crew at Rana Gruber will be able to manage smoothly this high Magnetite grade in the RoM with major impact on processing recoveries and haematite concentrate saleable product price.
		5.4 Infrastructure			
5.4	(i)	not applicable to Exploration Results	Comment regarding the current state of infrastructure or the ease with which the infrastructure can be provided or accessed		Section 6. Rana Gruber has good infrastructures in place at their existing open-pit and underground mining operations, i.e. mining equipment, crusher, iron ore silos, train loading area and railroad to the processing plant at the Mo i Rana port. The ongoing internal PFS is looking at further improvements in regard to the new Stensundtjern open-pit location.

	(ii)			Report in sufficient detail to demonstrate that the necessary facilities have been allowed for (which may include, but not be limited to, processing plant, tailings dam, leaching facilities, waste dumps, road, rail or port facilities, water and power supply, offices, housing, security, resource sterilisation testing etc.). Provide detailed maps showing locations of facilities.	Section 6. Rana Gruber has already an existing processing plan at the port in Mo i Rana and railroad for transporting crushed RoM from the existing mining operations to the processing plant. Rana Gruber existing offices are located in Storforshei and at the processing plant. In the industrial area near the mine offices in Storforshei there are also existing mine contractors accommodation, drill core logging, storage and archive as well as warehouse and workshop buildings.
	(iii)			Statement showing that all necessary logistics have been considered.	All existing logistics have been considered for LoM plan and production schedule. Further logistics optimisation in regards of starting a new open-pits at Stensundtjern are ongoing before the start of production in Q4 2024.
		5.5 Environmental, Social Performance, and Governance			
5.5	(i)		General: - Confirm that the company or reporting entity has addressed the host country environmental legal compliance requirements and any mandatory and/or voluntary standards or guidelines to which it subscribes - Identify the necessary permits that will be required and their status and where not yet obtained, confirm that there is a reasonable basis to believe that all permits required for the project will be obtained - Identify and discuss any sensitive areas that may affect the project as well as any other environmental factors including Interested and Affected Parties (I&AP) and/or studies that could have a material effect on the likelihood of eventual economic extraction. Discuss possible means of mitigation. - Identify any legislated social management programmes that may be required and discuss the content and status of these. - Outline and quantify the material socio-economic and cultural impacts that need to be mitigated, and their mitigation measures and where appropriate the associated costs.		Rana Gruber operates in accordance with the Emissions permit, 2012.305.3 issued by the Directorate for Environment and the mining licence issued by the Directorate for Mining. The emission permit is currently under review and we will discuss if any other areas have to be included, For the Stensundtjern prospect the process of applying for a mining licence will start Q1 2022.Rana Gruber operates according to the national law and guidelines for the working environment. Rana Gruber is certified ISO 9001:2015 and ISO 14001:2015.

Section 5: Technical Studies	5.5	(ii)	Context: The project context is determined and described, including the following aspects: • The locality's physical geography, centres of population, economic and cultural characteristics; • Existing land and natural resource use for economic, cultural, recreational and conservation purposes (inclusive of environmental and cultural sites of interest); • Existing or historical industrial development and associated infrastructure including mining and quarrying in the region; and • Local governance structures and administrative bodies, their roles and responsibilities in relation to permitting and regulations. • Site access routes and any potential impact on environment or local communities • Provision of energy for activities (e.g. off-grid renewable energy, or sourced direct from local non-renewable power grid with plans for decarbonisation for future project if possible)	Mining operations are localised in the Dunderland valley, approx. 27 km north of the city of Mo i Rana, The closest village is Storforshei. The region has a long history of mining stretching back to the early 1900s. The development of the city of Mo i Rana after WWII is largely due to mining and heavy industry (smelters). Mo i rana is easily accessible by car through European roads, train and hosts a domestic airport. The mine site is accessible through mining roads. The local municipal administration governs zoning plans and is a partner for in relations to permitting and regulations. Energy is provided through the public electrical grid.
		(iii)	• High level assessment of level of water stress (e.g. potential for drought, flood and impact on water quality) • High level assessment of biodiversity (e.g. endangered species known in area)	• Associated Environmental and seasonal constraint/ control/consent measures/modifying factors described • Identification of potential climate associated risks and impacts • Social economic and cultural constraint /control/consent measures/ modifying factors described • Any sensitive areas that may affect the project as well as any other environmental factors including I&AP and/or studies that could have a material effect on the likelihood of eventual economic extraction. • Management of project waste and anticipated requirements for large scale infrastructure for mine waste for future, including but not limited to waste dumps and tailings dams.	At this stage Rana Gruber does not envisage any climate induced effect from the exploitation of the mineral reserves, Water management is regulated through the emissions permit mentioned above. Mapping and assessment of biodiversity is an ongoing process. Areas regulated for mine waste deposits are mapped and where affected species were encountered these areas are excluded from mine waste dumping or other mitigating efforts are undertaken. Management of any project waste is regulated through the emissions permit and reported yearly.
		(iv)	Permits and permission: Identification of the necessary permits that will be required and their status, and where not yet obtained, and confirmation that there is a reasonable basis to believe that all permits required for the project will be obtained in a timely manner. Also include any records of penalties / fines or revoked permits complete with rationale.		Rana Gruber operates in accordance with the Emissions permit , 2012.305.3 issued by the Directorate for Environment and the mining licence issued by the Directorate for Mining. The emission permit is currently under review and we will discuss if any other areas have to be included, For the Stensundtjern prospect the process of applying for a mining licence will start Q1 2022. Rana Gruber operates according to the national law and guidelines for the working environment.
		(v)	Liabilities: Describe any known rehabilitation activities, liability and / or compliance costs	• Describe the best cost estimate for closure inclusive of environmental, social material remaining liability and compliance costs. • Provide a description of mechanisms in place to address unplanned closure • If appropriate, describe bonding obligations in place to ensure that these liabilities can be funded on a qualitative and quantitative basis.	Rehabilitation measures are regulated through the issued mining licence. Rana Gruber provides for rehabilitation costs through an annual provision.

(vi)	Description of stakeholder group characteristics Records of Community and Stakeholder relationships: Records kept of all engagements with all stakeholders from the outset of the project; A grievance and/or complaints procedure established, stakeholders' issues, concerns recorded and tracked until resolved.		Rana Gruber does not retain such records.
(vii)		A data management system implemented to record and track engagements; Provisions made for vulnerable and or underrepresented stakeholder groups Presence, or not of Indigenous People, if FPIC triggered, how is this managed	Rana Gruber is joining TSM (towards sustainable mining), included in this is a protocol for engagement towards indigenous people.
(viii)	Health and safety protocols and procedures required for exploration target definition inclusive of evidence of adherence to them and ongoing health and safety record.	Health and safety procedures and protocols, including community safety and security, across the exploration programme inclusive of evidence of adherence to them and ongoing health and safety record	Rana Gruber complies to Norwegian HSE rules and work force regulations.
(ix)	Opportunities for contributing to the local economy identified and utilized where appropriate.	Legislated and or voluntary social development programmes that may be required and content and status of these.	Not applicable
(x)		Material socio-economic and cultural impacts that need to be managed, and where appropriate the associated costs.	Not applicable
(xi)	Description of corporate governance board structure: gender, nationality, tenure, roles, responsibilities and process for selection of Board members, and Board remuneration processes and procedures		Rana Grubers board consists of 5 members; 2 female / 3 male according to the Oslo stock exchange rules. All members are Norwegians. A nomination committee that represents shareholders nominates the board members. Members of the nominating committee are not board members.
(xii)	• Commitment to GIIP: transparency, diversity, commitment to ESG described • Corporate commitment to social performance described/ provided • Corporate commitment to environmental stewardship described / provided	• Description of how corporate compliance is assured and verified • Demonstrable commitment to GIIP: transparency, diversity, commitment to ESG described • Demonstrable commitment to social performance described • Demonstrable commitment to environmental stewardship described	Rana Gruber complies with ISO 9001:2015 and ISO14001:2015. Corporate compliance is audited yearly. Yearly reporting is in compliance to the emission permits granted. Rana Gruber has an internal control system for risk management and quality control. Rana Gruber has an on-going process to join TSM.

	(xiii)	Integrated Risk Management: Description of identified potential modifying factors and management actions taken to manage them where appropriate	• Description of proposed mitigation plans for identified modifying factors and management actions taken to manage them where appropriate. • Description of any additional risks that may impact on the long term future of the project, even if not deemed to be material at the current time. • Description of how the risk assessment process outlined here is integrated with the overall risk management framework for the company as a whole.		Rana Gruber has an internal control system for risk management and quality control. It is a digital system that is available to all company employees.
		5.6 Market Studies and Economic Criteria			
5.6	(i)	not applicable to Exploration Results	Discuss any technical and economic factors likely to influence the prospect of economic extraction.	Describe the valuable and potentially valuable product(s) including suitability of products, co-products and by products to market.	Rana Gruber currently supply a haematite and a magnetite concentrate to the market, namely H400, H150 and M40 that are used in a variety of industries.
	(ii)			Describe product to be sold, customer specifications, testing, and acceptance requirements. Discuss whether there exists a ready market for the product and whether contracts for the sale of the product are in place or expected to be readily obtained. Present price and volume forecasts and the basis for the forecast.	Rana Gruber has signed an off-take agreement with Cargill for all their haematite concentrate products until year 2030.
	(iii)			State and describe all economic criteria that have been used for the study such as capital and operating costs, exchange rates, revenue / price curves, royalties, cut-off grades, reserve pay limits.	Economic criteria are based on the current capital and operating costs incurred by Rana Gruber at their existing operations. A >20%Fe_Tot cut-off was applied to the wireframes used to generate the resource model and subsequent reserves. This is not based on economic criteria but on the hard boundary between the BIF and waste rock. An economic cut-off is being investigated as part of the PFS. A 25%Fe_Tot cut off was applied to stope optimisation.
	(iv)			Summary description, source and confidence of method used to estimate the commodity price/value profiles used for cut-off grade calculation, economic analysis and project valuation, including applicable taxes, inflation indices, discount rate and exchange rates.	**Table 7.6: Unit Rates used in the Mining Study** Product / Unit / Rate / Source Hematite Iron Ore Concentrate / USD/t / 112 / Long term consensus amongst analyst Magnetite Iron Ore Concentrate / EUR/t / 120 / Current contracts price in November 2021 Freight costs / USD/t / 20 / Rana Gruber

	(v)			Present the details of the point of reference for the tonnages and grades reported as Mineral Reserves (e.g. material delivered to the processing facility or saleable product(s)). It is important that, in any situation where the reference point is different, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.	The reference point at which RoM is defined is at the point where the RoM is delivered to the crusher i.e., primary crusher or RoM pad stockpiles.
	(vi)			Justify assumptions made concerning production cost including transportation, treatment, penalties, exchange rates, marketing and other costs. Provide details of allowances that are made for the content of deleterious elements and the cost of penalties.	Costs are based on prior experience and knowledge from Rana Gruber existing operations. Please refer to 5.1 (ii).
	(vii)			Provide details of allowances made for royalties payable, both to Government and private.	Rana Gruber has no royalties payable.
	(viii)			State ownership, type, extent and condition of plant and equipment that is significant to the existing operation(s).	Rana Gruber owns all plant equipment significant to the operation.
	(ix)			Provide details of all environmental, social and labour costs considered	Please refer to the environmental section of Table 1.

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		5.7 Risk Analysis			
5.7	(i)	A high level assessment should be made of key areas of uncertainty which may affect exploration outcomes. An assessment should be provided on the chances of exploration success, together with consideration of any potential threats, such as ESG aspects, which could hinder eventual development of a mining or extraction project in the exploration area."	Report an assessment of technical, environmental, social, economic, political and other key risks to the project. Describe actions that will be taken to mitigate and/or manage the identified risks.		Rana Gruber are planning to leave an exclusion zone over the Stensundtjern deposit to protect and preserve a natural cave and underground water flow area. Rana Gruber has not been granted a drift concession permit over the Stensundtjern deposit and over the full extent of the Mineral Resources. Rana Gruber is currently planning a drift concession application for the Stensundtjern deposit outside the exclusion zone.
		5.8 Economic Analysis			
5.8	(i)	not applicable to Exploration Results	Describe the basis on which reasonable prospects for eventual economic extraction has been determined, including any material assumptions made in determining the 'reasonable prospects for eventual economic extraction'.	State and justify the inclusion of any Inferred Resources in the Pre-feasibility and Feasibility Studies economic analysis. Report the sensitivity to the inclusion of any Inferred Resources.	Inferred Resources are not included in the Mineral Reserves. Where necessary in some portions of the Stensundtjern open-pit Inferred Resources were included as diluting material. Occasional immaterial blocks of Inferred Resources were included in the underground mine design in order to access new areas. The actual grade and tonnage for these blocks are not included in the Mineral Reserves and the impact of including some Inferred material in the mine design is not material or considered to be a risk.
	(ii)		At the relevant level (Scoping Study, Pre-feasibility, Feasibility or on-going Life-of Mine), provide an economic analysis for the project that includes:		Section 7. Micon has not performed an independent economic analysis of the Rana Gruber Mine. All the cost parameters used to define Mineral Reserves have been supplied by Rana Gruber including capital and operating costs. The cost inputs supplied to Micon are considered appropriate to the scale and style of operation. The ongoing internal PFS will include detailed cash flow modelling, that should consider the optimum mining method to be selected for some of the new deposits, which could be mined by either open-pit or underground methods. In addition, Micon is aware that Rana Gruber are assessing the cost of becoming an owner-operated mine.
	(iii)		Cash Flow forecast on an annual basis using Mineral Reserves or an annual production schedule for the life of the project		
	(iv)		A discussion of net present value (NPV), internal rate of return (IRR) and payback period of capital		
	(v)		Sensitivity or other analysis using variants in commodity price, grade, capital and operating costs, or other significant parameters, as appropriate and discuss the impact of the results.		

Section 6: Estimation and Reporting of Mineral Reserves

6.1 Estimation and Modelling Techniques

6.1	(i)	not applicable to Exploration Results	Describe the Mineral Resource estimate used as a basis for the conversion to a Mineral Reserve.		The block model used was provided by Rana Gruber and created by Baker Geological Services Ltd. The block model was imported into Vulcan (Ørtfjell underground) and Datamine (Stensundtjern open-pit) as a and subsequently validated. The Indicated Mineral Resource estimate for Stensundtjern and Ørtfjell model were used as a basis for conversion to Probable Mineral Reserve. At Ørtfjell underground all blocks labelled Inferred or unclassified were excluded from the Mineral Reserves.
	(ii)		Report the Mineral Reserve Statement with sufficient detail indicating if the mining is open pit or underground plus the source and type of mineralisation, domain or ore body, surface dumps, stockpiles and all other sources.		Section 8.1. The Mineral Reserve statement is supported by a Mineral Resource estimate and a mine plan based on open-pit and underground mine designs, and production schedules. Mineral Resource depletion within Kvannevann East and the Nordmalm open-pit has been applied from the effective date of the resource estimate up to the beginning of the production schedule to account for the iron ore that has been mined since April 2021.
	(iii)			If Inferred resources are used in assessing Mineral reserves, then report and discuss a comparison between the two possibilities, the one with inclusion of Inferred Mineral Resources and the one without inclusion, in such a way so as not to mislead the investors. Identify the quantity of the Inferred Mineral Resources included and the sensitivity of the inclusion to the study.	Section 8.2. Only Measured and Indicated Mineral Resources were used to estimate Mineral Reserves in accordance with PERC reporting guidelines. One exception to this is at the Stensundtjern deposit, where the open-pit mine design and schedule includes a small proportion of Inferred Mineral Resources. This was necessary to create access to other areas of the deposit. The Inferred Mineral Resource category is included in the open-pit mine design, mine planning as diluting material to the Mineral Reserves and has no significant effect on the results of the Technical Study.
	(iv)			A Mineral Reserve Statement in sufficient detail indicating if the mining is open pit or underground plus the source and type of mineralisation , domain or ore body, surface dumps, stockpiles and all other sources.	Section 8.0, Table 8.1

					<table><tr><th>Deposit</th><th>Deposit Zone</th><th>Mining Method</th><th>Classification</th><th>Tonnage (Mt)</th><th>Density (g/cm³)</th><th>Fe_Tot (%)</th><th>Fe_Mag (%)</th><th>S (%)</th><th>MnO(%)</th></tr><tr><td>Ørtfjell</td><td>Kvannevann 123 Level</td><td>Sub-Level Caving</td><td>Proved</td><td>15.5</td><td>3.4</td><td>27.9</td><td>1.8</td><td>0.01</td><td>0.3</td></tr><tr><td colspan="4">123 Level Sub-Level Cave M Total</td><td>15.5</td><td>3.37</td><td>27.9</td><td>1.8</td><td>0.01</td><td>0.27</td></tr><tr><td>Ørtfjell</td><td>Kvannevann All</td><td>Sub-Level Caving</td><td>Probable</td><td>29.7</td><td>3.4</td><td>29.2</td><td>1.9</td><td>0.01</td><td>0.3</td></tr><tr><td colspan="4">Sub-Level Cave M+I Total</td><td>29.7</td><td>3.36</td><td>29.2</td><td>1.9</td><td>0.01</td><td>0.30</td></tr><tr><td rowspan="3">Ørtfjell</td><td>Eriksmalmen</td><td rowspan="3">Sub-Level Open Stoping</td><td>Probable</td><td>10.2</td><td>3.4</td><td>30.2</td><td>5.1</td><td>0.01</td><td>0.4</td></tr><tr><td>Kvannevann E</td><td>Probable</td><td>3.5</td><td>3.4</td><td>29.4</td><td>1.7</td><td>0.00</td><td>0.7</td></tr><tr><td>Kvannevann W</td><td>Probable</td><td>12.3</td><td>3.4</td><td>30.8</td><td>6.3</td><td>0.02</td><td>0.1</td></tr><tr><td colspan="4">Open Stope M+I Total</td><td>26.0</td><td>3.40</td><td>30.4</td><td>5.2</td><td>0.02</td><td>0.30</td></tr><tr><td>Ørtfjell</td><td>Underground All</td><td>Development</td><td>Probable</td><td>1.7</td><td>3.4</td><td>31.3</td><td>4.0</td><td>0.02</td><td>0.3</td></tr><tr><td colspan="4">Development M+I Total</td><td>1.7</td><td>3.41</td><td>31.3</td><td>4.0</td><td>0.02</td><td>0.33</td></tr><tr><td rowspan="2">Ørtfjell</td><td>Nordmalm</td><td rowspan="4">Open-pit</td><td>Probable</td><td>1.3</td><td>3.5</td><td>33.5</td><td>11.3</td><td>0.01</td><td>0.1</td></tr><tr><td>Kvannevann E</td><td>Probable</td><td>5.7</td><td>3.4</td><td>29.8</td><td>1.3</td><td>0.01</td><td>0.8</td></tr><tr><td rowspan="2">Stensundtjern</td><td>East</td><td>Probable</td><td>17.4</td><td>3.4</td><td>32.8</td><td>8.7</td><td>0.04</td><td>0.4</td></tr><tr><td>West</td><td>Probable</td><td>12.0</td><td>3.5</td><td>36.2</td><td>8.3</td><td>0.06</td><td>0.5</td></tr><tr><td colspan="4">Open-pit M+I Total</td><td>36.5</td><td>3.43</td><td>33.5</td><td>7.5</td><td>0.04</td><td>0.48</td></tr><tr><td colspan="4">Total Proved and Probable</td><td>All</td><td>-</td><td>Probable</td><td>93.8</td><td>3.40</td><td>31.2</td><td>5.0</td><td>0.03</td><td>0.37</td></tr></table>
	(v)			Provide a reconciliation reporting historic reliability of the performance parameters, assumptions and modifying factors including a comparison with the previous Reserve quantity and qualities, if available. Where appropriate, report and comment on any historic trends (e.g. global bias)	This is the first PERC Code prepared Mineral Reserve estimate and first time publicly reported. Previous Mineral Resources are considered historical estimates and were only used internally for mine planning purposes.
		6.2 Classification Criteria			
6.2	(i)			Describe and justify criteria and methods used as the basis for the classification of the Mineral Reserves into varying confidence categories, based on the Mineral Resource category, and including consideration of the confidence in all the modifying factors.	All Mineral Resources were converted to Probable Reserves with the exception of the 123 level at Kvannevann (Ørtfjell underground), which has been reported as a Proved Reserve. The Probable Reserves could be upgraded to Proved once the PFS has been completed.
		6.3 Reporting			
6.3	(i)			Discuss the proportion of Probable Mineral Reserves, which have been derived from Measured Mineral Resources (if any), including the reason(s) therefore.	This does not apply to open-pit mining method because there are no Measured Mineral Resource within the existing open-pits or future open-pits. Only Kvannevann West 123 level (Ørtfjell underground) was converted to Probable Reserves as this is currently in production.

Section 6: Estimation and Reporting

		(ii)			Present details of for example open pit, underground, residue stockpile, remnants, tailings, and existing pillars or other sources in respect of the Mineral Reserve statement	These have not been taken into account in this study and will form part of the ongoing PFS.
		(iii)			Present the details of the defined reference point for the Mineral Reserves. State where the reference point is the point where the run of mine material is delivered to the processing plant. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. State clearly whether the tonnages and grades reported for Mineral Reserves are in respect of material delivered to the plant or after recovery.	The reference point at which RoM is defined is at the point where the RoM is delivered to the crusher i.e., primary crusher or RoM pad stockpiles.
		(iv)			Present a reconciliation with the previous Mineral Reserve estimates. Where appropriate, report and comment on any historic trends (e.g. global bias).	This criteria does not apply because it is the first time Mineral Reserve have been reported publicly.
		(v)			Confirm that only Measured and Indicated Mineral Resources can be considered for inclusion in the Mineral Reserve.	This is to confirm that only Indicated Mineral Resources were converted to Probable Mineral Reserve within the open-pits. A marginal amount of Inferred Mineral Resources has been included as mining dilution within Stensundtjern open-pits with a grade at zero percent Fe_tot and Fe_Mag. Any and all block model blocks that are intersected by underground wireframes considered in the Reserve that are classified as Inferred or unclassified have been stripped of their metal tonnes and the resulting tonnage has been included in the wireframe as zero grade dilution.
		(vi)		State whether the Measured Mineral Resources and Indicated Mineral Resources are inclusive of or additional to the Mineral Reserves.		The form of reporting that has been adopted is where Measured Mineral Resources and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Mineral Reserves.

				Inferred Mineral Resources are, by definition, always additional to any Mineral Resources converted/modified to Mineral Reserves.

6.4 Specific for Metal Equivalents or Combined Grades Reporting

6.4	(i)	Confirm that all reports comply with section 9 (paragraphs 9.1 to 9.5) of the PERC Reporting Standard.		No metal equivalents or combined grades have been reported for the Rana Gruber Mineral Reserves.
	(ii)		Discuss and describe the basis for the grade estimation for each metal relating to the metal equivalence or combined grade	
	(iii)		Disclose all economic criteria that have been used for the calculation such as exchange rates, revenue / price curves, royalties, cut-off grades, pay limits.	
	(iv)		Discuss the basis for assumptions or predictions regarding metallurgical factors such as recovery used in the metal equivalents or combined grades calculation.	
	(v)		Show the calculation formula used.	

Section 7: Audits and Reviews

7.1 Audits and Reviews

Section 7: Audits and Reviews	7.1	(i)	State type of review/audit (e.g. independent, external), area (e.g. laboratory, drilling, data, environmental compliance etc.), date and name of the reviewer(s) together with their recognized professional qualifications. State the level of review/audit (desk-top, on-site comparison with standard procedures, or endorsement where auditor/reviewer has checked the work to the extent they stand behind it as if it were their own work).	No prior audits or reviews have been undertaken on Rana Gruber.
		(ii)	Disclose the conclusions of relevant audits or reviews. Note where significant deficiencies and remedial actions are required.	

Section 8: Other Relevant Information

8.1 Other Relevant Information

Section 8: Other Relevant Information	8.1	(i)	Discuss all other relevant and material information not discussed elsewhere.	An ongoing internal PFS is underway. No additional relevant information exists for the Rana Gruber Mineral Reserves.

Section 9: Qualification of Competent Person(s) and other key technical staff. Date and Signature Page

9.1 Competent Person Details

Section 9: Competent Person Signoff	9.1	(i)	State the full name, registration number and name of the professional body or RPO, for all the Competent Person(s). State the relevant experience of the Competent Person(s) and other key technical staff who prepared and are responsible for the Public Report.	Mathieu Gosselin, Engineer, 135077, Ordre des ingénieurs du Québec (OIQ). 5. His relevant experience is 17 years since graduation, including 6 years as a mine planning engineer and senior mining engineer in several mining operations in Canada, Sweden and France. Mathieu has 11 years' experience as a mining engineer consultant in mineral project assessment, specialising in mineral reserve estimation. He has experience relevant to mineral reserve estimation of metal deposits. He has estimated mineral reserves for industrial minerals, phosphate, gold, coal and graphite deposits in Canada, Sweden, Saudi Arabia, France, South Africa, Ukraine and United States. Mathieu has sufficient experience in the modifying factors, mining methods, mine life and production rates, mineral reserve and mining costs estimating techniques that are relevant to the deposit under consideration and also has appreciation of extraction and processing techniques applicable to that deposit type. Tom Doidge-Harrison who completed Sections 8.3 (Mine Design) & 9.2 (Underground Schedule) falls into the category of 'other key technical staff'. Tom has over 20 years' experience exposure to the mining world, with 15 years in the technical services department at the Lisheen Mine, Ireland, (3 years as an employee and 12 years as an independent contractor). Tom has over 10 years' experience working as an independent associate of several Mining Consultancy Firms and Development Contractors, with exposure to project viability analysis, technical desktop reviews and contract pricing & bid preparation and negotiation.

				Liz de Klerk is a member of the South African Institute of Mining and Metallurgy (SAIMM) and a Fellow of the Geological Society of Africa and a registered Professional Natural Scientist (Pr.Sci.Nat. 400090/08). Senior Geologist and Managing Director in Micon's UK office. She has over 17 years of experience in project management, geological modelling and resource estimation, mine optimisation, grade control and metal accounting. Liz is a resource specialist with extensive experience in European and African mineral projects. She is recognised as a Competent/Qualified Person in terms of SAMREC, JORC and NI 43-101 in coal, platinum, chromite, manganese, iron ore and potash. Liz is proficient in 3D geological modelling and resource estimation conducted in Micromine, Geosoft Target and Datamine. Liz has experience in financial modelling, reserve conversion, mine schedules, processing and environmental laws. She is fully versed in securities exchange compliance across numerous jurisdictions, including JSE, ASX, TSX and AIM and has authored and co-authored several Competent Persons Reports, Feasibility Studies (pre-feasibility and definitive feasibility) and numerous Independent Technical Reports. Joe Burke, Senior Associate Geotechnical Engineer, fellow of the SAIMM. Joe has more than 40 years of primary expertise in rock mechanics including ground support and rock reinforcement design, rock mass characterisation, ground behaviour monitoring and understanding, mining method selection, excavation design and extraction sequencing. Other key areas of expertise are development and management of geotechnical systems fit for purpose, prevention of fall of ground programmes, identification and implementation of new technology and the application of risk management to geotechnical problems. Joe has worked on LTMS projects in Ireland, UK, India, Kazakhstan, Russia, South Africa and Zambia, where his geotechnical expertise has been used for mine design evaluation, operational reviews, training and preparation of ground control documentation. Joe started his mining career at the Avoca Mine in 1973.

		(ii)	State the Competent Person's relationship to the issuer of the report.	Section 1.4.1 The Competent Persons are independent from Rana Gruber, and listed below: • Liz de Klerk, M.Sc., SAIMM, Pr.Sci.Nat., Senior Geologist and Project Manager and Managing Director of Micon's UK office; • Mathieu Gosselin, B. Eng., Senior Micon Associate Mining Engineer and CEO of Gosselin Mining; • Joe Burke, Senior Micon Associate Geotechnical Engineer and employed by Lisheen Technical and Mining Services.
		(iii)	Provide the Certificate of the Competent Person (Appendix 2), including the date of sign-off and the effective date, in the Public Report.	Provided in Section 9.0

APPENDIX 2: Reporting of Coal

Appendix 2: Reporting of Coal

A2.1 Specific Reporting for Coal

A2.1	(i)	Confirm that the reports on Coal deposits take cognisance of Appendix 2 of the PERC Reporting Code and Sections 1 - 9 of Table 1.	Not applicable
	(ii)	Confirm that the Coal Exploration Results, Coal Inventory, Coal Resources and Coal Reserves are reported using the South African National Standard 10320 as the guideline	

A2.2 Geological Setting, Deposit, Mineralisation

A2.2	(i)	Describe the project geology including coal deposit type, geological setting and coal seams / zones present.	Not applicable
	(ii)	Identify and discuss the structural complexity, physical continuity, coal rank, qualitative and quantitative properties of the significant coal seams or zones on the property.	

A2.3 Drilling Techniques

A2.3	(i)	Report core recoveries and method of calculation. Confirm that core recoveries in cored boreholes are in excess of 95% by length within the coal seam intersection.	Not applicable

A2.4 Relative Density to replace Bulk Density

	A2.4	(ii)	Describe the apparent relative density or true relative density of the coal seam(s) determined on coal samples from borehole cores using recognized standard laboratory methods or commonly used procedures. State the moisture basis on which the relative density determination is based and the moisture basis on which the final density value is reported (in situ or air-dried basis).		Not applicable
			A2.5 Bulk-Sampling and/or Trial-mining		
	A2.5	(iii)	Describe the purpose or aim of the bulk sampling programme, the size of samples, spacing/density of samples recovered. Describe the applicability of bulk sampling or large diameter core samples towards providing representative samples for tests. Compare and comment on results obtained from bulk sampling versus exploration sampling.		Not applicable
			A2.6 Reasonable prospects for eventual economic extraction		
	A2.6	(i)	Confirm that an appropriate coal quality is reported for all Coal Resource categories. Present and discuss the type of analysis (e.g. raw coal, washed coal at a specific cut-point density) and the basis of reporting of the coal quality parameters (e.g. air-dried basis, dry basis, etc.).		Not applicable
Appendix 2: Reporting of Coal			**A2.7 Coal Resource Reporting**		
	A2.7	(i)		Discuss the appropriate coal quality for all Coal Resource and Reserve categories. The type of analysis (e.g., raw coal, washed coal at a specific cut-point density) and the basis of reporting of the coal quality parameters (e.g., air-dried basis, dry basis, etc.).	Not applicable
		(ii)		A Coal Resource only includes the coal seam(s) above the minimum thickness cut-off and the coal quality cut-off(s). Present and discuss the MTIS Coal Resource tonnage and quality.	
		(iii)		State the reporting basis for the Coal Resource statement with particular reference to moisture and relative density.	Not applicable
		(iv)		State the reporting basis for the Coal Reserve statement with particular reference to moisture and relative density.	

		(v)			Confirm that the Coal Reserves are reported as ROM tonnages and coal quality, and also as Saleable product/s tonnages and coal quality. Present and discuss the reporting basis for the Coal Reserve statement with particular reference to moisture content and relative density.	

APPENDIX 3: Reporting of Diamonds and Other Gemstones

A3.1 Specific Reporting for Diamonds and Gemstones

A3.1	(i)	Criteria applicable to diamond deposits are also applicable to other gemstone deposits	Not applicable
	(ii)	Appendix 3 provides additional criteria for reporting on diamonds and other gemstones.	

A3.2 Geological Setting, Deposit, Mineralisation

A3.2	(i)	Describe the nature of the source of the diamonds, including the rock type and geological environment. For diamond placer occurrences, describe the overburden and gravel thicknesses, as well as bedrock topography.	Not applicable

A3.3 Sampling of Diamond Projects

A3.3	(i)	Describe the type of sample (outcrop, boulder, drill-core, RC drill cuttings, gravel, stream sediment or soil) and purpose (for example: RC drilling to identify gravel thickness, large diameter drilling to establish stones per unit of volume, bulk-sample, etc.)	Not applicable
	(ii)	Discuss sample size, distribution and representivity	
	(iii)	Identify the type of sample facility, treatment rate and accreditation	
	(iv)	Discuss sample size reduction, bottom and top screen sizes and any re-crush	
	(v)	Discuss the sample processes (e.g. DMS, grease, X-Ray, Hand-sorting, etc.)	
	(vi)	Discuss process efficiency, tailings auditing and granulometry	

	(vii)	Identify the laboratory used, type of process for microdiamonds and accreditation. Reports of microdiamond recoveries should describe the extraction process, crushing methodology and the stone counts per unit weight, as a minimum.	
	(viii)	State whether the reports of kimberlitic indicator minerals ("KIM's") or diamond indicator minerals ("DIM's") have been prepared by a suitably qualified laboratory which must be identified.	
	(ix)	Supply details of the sampling parameters for reports dealing with recoveries of diamonds or KIM's, including, but not limited to type of sample (stream sediment, soil, bulk, rock, etc.) as well as sample size, sample frequency, representivity and screen parameters are required.	
	(x)	Discuss the relevant major and trace element chemistry of any kimberlitic indicator minerals recovered. Reference relevant peer-reviewed published research articles when reporting the interpretation of mineral chemistry data for diamond exploration projects.	
	(xi)	Provide details of the form, shape, colour and size of the diamonds recovered and, where relevant, comments regarding the nature of the source of the diamonds.	

A3.4 Bulk-Sampling and/or Trial-mining

A3.4	(i)	Provide a table of relevant results, including (but not limited to) volume of sample, number of individual diamonds, total number of carats, sample grade, diamond value (it is not possible to evaluate diamond assortment from microdiamonds).	Not applicable
	(ii)	Discuss micro- and macro- diamond sample results per geological domain.	
	(iii)	Discuss stone-size and -number distribution (Size-frequency distribution). Include the suitability of the sample size to the stage of the project and its relevance for both SFD and valuation (assortment) purposes.	
	(iv)	State the top and bottom sieve cut-off sizes.	
	(v)	Discuss diamond breakage, where relevant	
A3.4	(vi)	Define the unit of grade measure used in the document (e.g. carat per units of mass, area or volume). Where carats per unit of mass is used, include a discussion of mass to tonnage conversion. A carat (diamond) is defined as one fifth of a gram (0.2 g) – often described as a metric carat. Any deviation from this standard should be explained in detail. Sample grade is used in the context of carats per units of mass, area or volume. The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For placer deposits, sample grades quoted in carats per tonne or carats per m^3 are acceptable. In the marine placer environment Diamond Reserve grades are, typically, reconciled on a per m^2 basis.	

A3.5 Estimation and Modelling Techniques

A3.5	(i)	Describe in detail any estimation techniques (including geostatistical estimation, where relevant) used to determine the volume/tonnage, grade and value data, including their applicability to the deposit type.			Not applicable
	(ii)	Express applicable volumes, grades and values in ranges (with appropriate clarifiers to denote lack of reliability of data). The use of "ranges" in this context has no statistical connotation	State all Diamond Resource estimates so as to convey the order of accuracy by rounding off to appropriately significant figures.	State all Diamond Reserve estimates so as to convey the order of accuracy of the estimates by rounding off to appropriately significant figures.	
	(iii)	Discuss volume/tonnage, grade and value information per identified domain (where possible, even if in a very preliminary form)	Discuss volume/tonnage, grade and value information per identified domain		
	(iv)	If grades are reported then state clearly whether these are regional averages, based on microdiamond assessment, KIM analyses, or if they are selected individual samples taken from the property under discussion.	State that the grades for the Diamond Resources are estimated from sampling data derived from the property itself	State that the grades for Diamond Reserves have been estimated from bulk-sampling and/or trial-mining	
	(v)	The occurrence of individual diamonds or microdiamonds in surficial deposits or from inadequate samples (too small to be statistically valid) from a primary or secondary rock source would not typically qualify as an exploration result. This may not be true for marine deposits, in which case further explanation and discussion would be necessary.			
	(vi)	Report all diamond values in US$/ct. If reference is made to local currencies then provide the prevailing exchange rate as well as the effective date of the exchange rate. Also supply the date of valuation.			
	(vii)	Specify details of the type and size of individual samples (including top and bottom cut-off size, in millimetres, used in the recovery).			
	(viii)	Discuss the representivity of the type, size, number and location of the samples			
	(ix)	Discuss geostatistical estimation (where relevant) and interpolation techniques applied and their applicability to the mineral deposit type			

A3.5	(x)	Specify the number and total weight (in carats) of diamonds recovered. The weight of diamonds recovered may only be omitted from the report when the diamonds are less than 0.5 mm in size (i.e. when the diamonds recovered are microdiamonds) or when the diamonds are below a specified commercial cut-off value, which must be specified.		
	(xi)		Disclose the number of stones and the total number of carats used in the SFD, grade and value estimation and discuss the validity of this data.	
	(xii)		Note whether a strict lower cut-off has been applied or if the modelled results include incidental diamonds below the lower cut-off? Discuss the implications.	
	(xiii)		Present aspects of spatial structure analysis and grade and value distribution	
	(xiv)		Present aspects of micro and macro- diamond sample results per domain	
	(xv)		Present aspects of the effect on sample grade and value with change in bottom cut off screen size.	
	(xvi)		Describe any adjustments made to size distribution for sample plant performance and performance on a commercial scale, where applicable.	
	(xvii)		Confirm that valuations have not been reported for samples of diamonds processed using total liberation methods (which are commonly used for processing kimberlite exploration samples and which are based on microdiamonds).	
	(xviii)		Justify the use of microdiamonds to extrapolate diamond value at depth through the presentation of geological and size frequency distribution models	
	(xix)		State the name, qualifications, experience and independence of the recognised expert responsible for the classification and valuation of the diamond parcel(s).	
	(xx)		For each diamond parcel valued, supply information relating to the number of stones and the carats and size distribution using a standard progression of sieve sizes or diamond mass ranges for each identified geological domain. For marine or alluvial placers the average price per average stone size may be used instead of a size distribution	
	(xxi)		State that the valuation is on the run-of-mine diamond parcel (i.e. not partial parcel)	
	(xxii)		Define the unit of grade measure used in the resource/reserve estimation (e.g. carat per units of mass, area or volume). Where	

			carats per unit of volume is used, include a discussion of mass to tonnage conversion.	

A3.6 Resource/ Reserve Classification Criteria

A3.6	(i)		A Diamond Resource/Reserve must be described in terms of volume/tonnage, grade and value. A Diamond Resource/Reserve must not be reported in terms of contained diamond content unless corresponding tonnages/volumes, grades and values are also reported. The average diamond grade and value must not be reported without specifying the applicable bottom cut-off screen size.	Not applicable
	(ii)		Discuss issues surrounding stone frequency (stones per cubic metre, per tonne, or per square metre) and stone size (carats per stone) relating to grade (carats per cubic metre, per tonne or per square metre). Consider the elements of uncertainty in these estimates and develop the Diamond Resource classification accordingly.	
	(iii)		Present aspects of: - micro and macro diamond sample results per domain; - global sample grade per geological domain and local block estimates in the case of Indicated Resources; - spatial structure analysis and grade distribution; - stone size and number distribution, and - effect on sample grade with change in bottom cut off screen size. Note that a Diamond Resource/Reserve may not be declared without reference to an SFD.	
	(iv)		Sample grade - the sample grade above the specified lower cut-off sieve size as carats per dry metric tonne and/or carats per 100 dry metric tonnes; - for alluvial deposits, sample grades quoted in carats per (100) square metre or carats per (100) cubic metre are acceptable be accompanied by a volume to weight basis for calculation, where relevant; - adjustments made to size distribution for sample plant performance and performance on a commercial scale;, - the total number of diamonds and the total weight of diamonds greater than the specified and reported bottom cut-off sieve size; - the weight of diamonds may only be omitted when the diamonds are considered too small to be of commercial significance, and - this lower cut-off size should be stated.	

Appendix 3: Reporting of Diamonds and Other Gemstones	A3.6	(v)		Value - diamond valuation is a highly specialized process and is only possible on parcels containing appropriate numbers of macro-diamonds; - it is not possible to evaluate diamond quality from microdiamonds; - Classification of diamonds as, for example, gem, or near gem and industrial, should be made by recognized experts. - valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing kimberlite exploration samples; - the number of stones and the total number of carats used in the grade and value estimation should be disclosed and accompanied by a discussion of the validity of this data; - the accreditation of the Valuer should be disclosed. Valuations of partial parcels of diamonds should not be used as a basis for the estimation of average revenue from a diamond deposit; - details of parcel valued, number of stones, carats and size distribution using a standard progression of sieve sizes for each identified geological domain; - average valuation per sieve size; - estimation of value with size; - assessment of diamond breakage; - average USD/carat and/or USD/tonne value with change in bottom cut-off; - minimum parcel size for representative valuation; - has a strict bottom cut-off been applied, or does the modelled value include incidental diamonds below the bottom cut-off?, and - the basis for the price (e.g., dealer buying price, dealer selling price, etc.) should also be stated.	
			A3.7 Audits and Reviews		
	A3.7	(i)	State that the samples were sealed after excavation and discuss the chain of custody from source to reporting of results		Not applicable
		(ii)	Discuss security standards in sampling plant and recovery sections of bulk-sampling/trial-mining programmes for macrodiamonds		
		(iii)	Describe the type of facility, treatment rate, and accreditation (if any) of the sample plant. It is especially important to discuss the bottom screen size, top screen size and recrush parameters, in addition to the concentration methodology (e.g. pan, DMS, Optical, etc.) and the recovery technique (e.g. grease, X-ray, hand-sorting, etc.).		
		(iv)	Discuss valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones;		

		(v)	State whether core samples were washed prior to treatment for microdiamonds and discuss the use of diamond drill-bits	
		(vi)	State whether any audit samples were treated at alternative facilities	
		(vii)	Discuss QA/QC of sampling results, including the process efficiency, tailings auditing and granulometry	
		(viii)	Discuss the recovery of tracer monitors used in sampling and treatment	
		(ix)	Discuss geophysical (logged) density and particle density, where relevant	
		(x)	Discuss cross-validation of sample weights, wet and dry, with hole volume and density, moisture factor	

APPENDIX 4: Reporting of Industrial Minerals, Cement Feed Materials and Construction Raw Materials

A4.1 Specific for Reporting of Industrial Minerals, Cement Feed Materials and Construction Raw Materials

APPENDIX 4: Reporting of Industrial Minerals, Cement Feed Materials and Construction Raw Materials	A4.1	(i)	Appendix 4 provides additional criteria for reporting on Industrial Mineral, Cement Feed Materials and Construction Raw Materials deposits.	Not applicable
		(ii)	Describe the exploration or geologically specific specialised industry techniques appropriate to the minerals under investigation	
		(iii)	Describe the nature and quality of sampling or specific specialised industry standard measurement tools appropriate to the minerals under investigation	
		(iv)	Describe the appropriate saleable product qualities being reported. Describe the basis for reporting (physical or chemical parameters, air-dried basis, dry basis, etc.). Reporting of deleterious chemical elements or physical parameters is required.	
		(v)	State assumptions regarding in particular: extraction methods, infrastructure, processing, environmental and social parameters. Where no mining related assumptions have been made, this should be explained.	
		(vi)	Disclose and discuss the marketing parameters, customer specifications, testing, and acceptance requirements.	
		(vii)	Discuss the nature, amount and representativeness of metallurgical/processing studies completed which form the basis for the various saleable materials which may be priced for different chemical and physical characteristics.	

		(viii)	Present the defined reference point of the reported tonnages and grades/qualities. Where the reference point is the point is a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. State whether the tonnages and grades/qualities of the material delivered to the plant or after recovery.	

APPENDIX 5: Reporting of Dimension Stone, Ornamental and Decorative Stone

A5.1 Specific for Reporting of Dimension Stones, Ornamental and Decorative Stones

APPENDIX 5: Reporting of Dimension Stone, Ornamental and Decorative Stone	A5.1	(i)	Appendix 5 provides additional criteria for reporting on Dimension Stone, Ornamental and Decorative Stone deposits.	Not applicable
		(ii)	Describe the exploration or geologically specific specialised industry techniques appropriate to the minerals under investigation	
		(iii)	Describe the nature and quality of sampling or specific specialised industry standard measurement tools appropriate to the minerals under investigation (see also Market Quality evaluation below)	
		(iv)	Describe the appropriate saleable product technical (geo-mineralogical and structural) and market qualities being reported and their characteristics that refer to the different qualities. Describe the basis for reporting (physical or chemical parameters, mineralogical parameters etc.). Reporting of deleterious chemical elements or physical parameters is required, to avoid any problem after installation of finished products.	
		(v)	Describe in detail and state the real geological definition and denomination of the investigated material, making clear distinction between the dimension stone commercial name (marble, granite, stone, etc.) and the real petrographical-geological name (e.g. a serpentinite is commercially named as "green marble" in the Dimension Stone industry)	
		(vi)	State assumptions regarding in particular: extraction methods, infrastructure, processing, environmental and social parameters. Where no mining related assumptions have been made, this should be explained.	
		(vii)	Disclose and discuss the marketing parameters, customer specifications, testing, and acceptance requirements. Describe the methodology utilised to compare the quality of the material and products under investigation with the quality of similar comparable material already in the market.	
		(viii)	Present the defined reference point of the reported tonnages/volumes and market qualities/grades. Where the reference point is the point is a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. State whether the tonnages and grades/qualities of the material delivered to the plant or after recovery. In particular describe the methodology to calculate the recovery rate and state to which product it refers	

RANA GRUBER

ÅRSBERETNING 2019

Virksomhetens art
Rana Gruber-gruppen (konsernet) består av morselskapet Rana Gruber AS med datterselskapet Rana Gruber Mineral AS. Rana Gruber AS eies i sin helhet av LNS Mining AS.

Rana Gruber AS produserer og selger jernmalmkonsentrater til stålverk og en del andre anvendelsesområder. Mer enn 95% av produktmengden eksporteres; det meste til europeiske kjøpere. Malmproduksjonen skjer på Ørtfjell som dagbruddsproduksjon og underjordsdrift.

RG Mineral AS driver produksjon og salg av mikroniserte jernoksyder, og annen videreforedling av jernmalm. Også her er minst 95-97% eksportrettet, til de samme markedsområder. Enhetene har virksomheten lokalisert til Rana.

Fortsatt drift og hendelser etter balansedag:
Forutsetningen for fortsatt drift i konsernet er til stede, og årsoppgjøret er avlagt under den forutsetningen. Det satses på langsiktig utvikling av gruvedriften og malmprosesseringen. Konsernet forventer en positiv resultatutvikling og en positiv kontantstrøm fra driften i 2020.

Utover egen gjeld har Rana Gruber avgitt en solidarisk selvskyldnerkausjon overfor Grønlandsbanken for Greenland Rubys lån i banken, som ved mislighold vil kunne påvirke selskapets finansielle stilling. Per utgangen av 2019 utgjør denne 63 MNOK, og nedbetales i henhold til fastsatt nedbetalingsplan. Det jobbes med å få på plass en ny finansieringsløsning for Greenland Ruby i løpet av 2020, med mål om å sikre driften og å løfte kausjonen bort.

I løpet av 2019 er fordringen mot LNS Mining, knyttet til investeringen i Greenland Ruby, nedbetalt med 50 MNOK, samt redusert med ekstraordinært tingsutbytte på 71,9 MNOK. Fordringen utgjør ved utgangen av året 224 MNOK.

Ved avleggelse av årsregnskapet har ikke koronautbruddet påvirket selskapet direkte. Basert på dagens situasjon så vurderer styret at COVID-19 ikke vil påvirke selskapets evne til fortsatt drift.

Personale og arbeidsmiljø
Konsernet hadde 261 faste ansatte og 11 lærlinger, tilsvarende 276,1 årsverk pr. 31.12.19. Midlertidig ansatte pr. 31.12 var 23.

I forbindelse med etablering og oppstart av nytt gruvenivå (nivå 123) er nøkkelpersonell i gruva omdisponert til prosjektledelse. Økt antall midlertidig ansatte skyldes operasjonelle prosjektstillinger knyttet til nytt nivå i gruva, og til økt bruk av vikarer for å dekke opp ferie og annet fravær.

Sykefraværet har økt noe siden 2018. Sykefraværet i selskapet var på totalt 6,5 % i 2019, mot 5,9 % i 2018. Langtidssyke over 16 dager utgjorde 3,1 %, mot 2,7 % i 2018.

Arbeidet med å forebygge sykefravær og skader er strategisk viktig for selskapet. Det gis tett oppfølging av de ansatte ved uønskede hendelser og man vil øke fokuset på evt. tilrettelegging for å nå konsernets målsetninger i tiden fremover. Det jobbes også målrettet for stadig å forbedre sikkerheten i konsernet i form av holdninger og opplæring.

Det ble rapportert tre arbeidsskader med fravær i løpet av året som gir et H1-tall på 9,8 ved utgangen av 2019. Skadene er interngransket og avviksbehandlet i henhold til våre rutiner og skade- og fraværsutviklingen har vært behandlet i Arbeidsmiljøutvalget. Skader har ikke vært alvorlige eller gitt langvarig fravær, men de bidrar dessverre til at målsetningen for H-tall ikke nås i 2019.

Likestilling mv.
Av totalt 261 fast ansatte i konsernet er 44 kvinner. Av seks ledere på nivå under administrerende direktør er to kvinner. Det er dessuten ytterligere 7 kvinnelige ledere i linjen (inkl. teamledere).

Konsernet har som policy at det ikke skal forekomme forskjellsbehandling grunnet

kjønn, etnisitet, religion, alder eller på annen måte.

Selskapets lønnssystemer skiller ikke mellom kjønnene, og arbeidstidsbestemmelsene er like for begge kjønn. Det er nulltoleranse mot mobbing og trakassering, og det oppfordres til varsling av alle kritikkverdige forhold.

Konsernet arbeider aktivt for å fremme likestilling, sikre like muligheter og rettigheter og hindre diskriminering. Prinsippet om tilrettelegging og tilpasset arbeid står sterkt.

Ytre miljø
Rana Gruber har en utslippstillatelse fra 2012 (rev. 06.2015). Med utgangspunkt i rammevilkårene gjelder utslippsbegrensningene vann, luft og grunn. Konsernet gjør alltid sitt ytterste for å overholde grenseverdier i utslipps-tillatelse og andre forskriftskrav. Det er gode rutiner for overvåking av utslipp for å sikre at negativ miljøpåvirkning til resipient og luft forhindres eller reduseres, og jobber hele tiden for å minimere konsernets fotavtrykk.

Bedriften samarbeider med annen bergindustri som har sjødeponi for i fellesskap å komme frem til de beste løsninger for deponering og kontroll av sjødeponi. Bedriften samarbeider tett med både Rana Kommune og øvrige industribedrifter i Rana om luftovervåking i Rana og tiltaksovervåking av Ranfjorden.

Forskning og utvikling (FoU)
Konsernet har siste år hatt gående FoU-prosjekter tilknyttet videreforedling av våre volumprodukter og bergsikring. Alle kostnader tilknyttet FoU kostnadsføres løpende. Selskapet har i perioden hatt tre skattefunn-prosjekter pågående. Prosjektene er knyttet til «økt utvinning gjennom prosessoptimalisering», «Redusering av svovel i hematittprodukter», «utvikling av overvåkningsmodell og optimal sikringsmetodikk i underjordsgruve» og «Utvikling av ny flotasjonsprosess for høyren magnetitt fra SNIM-prosessen». Total kostnadsramme for disse fire prosjektene er 8,9 MNOK.

I 2019 er det opprettet en egen FoU-avdeling i Rana Gruber AS med 5 ansatte. Formålet er å bygge kompetanse rundt egen forekomst og forbedringer av oppredningsprosessen.

Resultat og finansiell stilling

Konsernet hadde en omsetning på 1 120,8 MNOK i 2019 mot 801 MNOK i 2018, en oppgang på 319,8 MNOK.

Konsernet hadde et årsresultat på 57 MNOK i 2019 mot -1,5 MNOK i 2018, en oppgang på 58,5 MNOK.

Prisene for hovedproduktet til Rana Gruber AS hadde en sterk vekst gjennom hele første halvdel av 2019, og hadde sin høyeste notering 3. juli med 126,35 USD. Fra august til og med desember snittet platts-indeksen tett på 90 USD. Dette kombinert med svak krone, har bidratt til høye realiserte priser.

Etterspørselen etter produktene er samtidig god, og vi selger tilnærmet alt vi produserer.

I 2019 produserte Rana Gruber AS 1,6 millioner tonn og solgte 1,66 millioner tonn jernkonsentrater. Dette er en nedgang fra 2018 hvor det ble produsert 1,75 millioner tonn.

Samlet malmproduksjon ble 4,86 millioner tonn i 2019. Produksjonen av malm har i 2019 skjedd fra nivå 187 og 155 i underjordsgruva samt Kvannevann Øst-, Eriksbruddet og Nordmalmen oppe i dagen. Totalt ble det produsert 2,2 millioner tonn i dagbruddene. Samlet bergfangst i dagbruddene gikk opp fra 4,6 millioner tonn i 2018 til 6,3 millioner tonn 2019.

Det er produsert 2,6 millioner tonn malm under jord i 2019. 0,04 millioner tonn fra N187, 2,5 millioner tonn fra N155 og 0,06 millioner tonn fra etableringen av N123.

Investeringer i 2019 knyttet til N123 er foretatt over kontantstrømmen fra drift. Oppstarten har også i perioder påvirket produksjonen under jord negativt.

Økte driftskostnader på 102 MNOK skyldes i stor grad økte driftskostnader som følge av økte personalkostnader, økt bergfangst i dagbruddene, vannproblematikk i Kvannevann Øst og driftsutfordringer i oppredningen. Det har også vært en reduksjon i lagerbeholdningen av malm og ferdigprodukter i perioden, som også bidrar til økte driftskostnader sammenlignet med 2018.

Konsernet har i 2019 videreført innføringen av LEAN Mining for å redusere sløsing og bidra til økt effektivitet i produksjonen. Det forventes at dette vil bidra til vesentlige besparelser i årene som kommer.

Med de økonomiske utsiktene i bransjen mener styret at de balanseførte verdiene i konsernet er tilstede for å sikre en tilfredsstillende avkastning på kapitalen.

Investeringer
I 2019 er det investert totalt 132,6 MNOK i varige driftsmidler, herunder 64 MNOK knyttet til etableringen av nivå 123 i underjordsgruven.

Finansiering
Morselskapet LNS Mining har i 2019 redusert sin fordring mot Rana Gruber med 50 MNOK gjennom kontantinnskudd.

Netto gjeldsreduksjon av langsiktig gjeld og leasing gjeld er i 2019 på 37,7 MNOK, mot netto gjeldsreduksjon på 45 MNOK i 2018.

Rana Gruber har i løpet av året redusert belastningen på kassakreditten med 48,6 MNOK. Selskapet vil i 2020 jobbe mot å redusere kassakreditten og styrke selskapets likviditet ytterligere.

Finansiell risiko
Konsernet sin virksomhet innebærer risiko på mange områder. Risikostyring handler ikke om å fjerne risiko, men å ta riktig risiko utfra konsernets risikovilje og -evne, kompetanse, soliditet og utviklingsplaner. Hensikten med risikostyringen er å identifisere trusler og muligheter for konsernet, og å styre risiko mot et akseptabelt nivå slik at det gis rimelig sikkerhet for at konsernets målsetninger oppnås.

Styret har med bakgrunn i et helhetlig risikosyn fastsatt overordnede strategier for risikostyring og rammer for finansiell risiko for områdene valuta og råvarebinding.

Rana Gruber har avgitt en solidarisk selvskyldnerkausjon ovenfor Grønlandsbanken for Greenland Ruby selskapenes engasjement hos banken. Denne er avgitt sammen med LNS Mining.

Styret mener at årsregnskapet gir et riktig bilde av stillingen ved årsskiftet for Rana Gruber gruppens eiendeler og gjeld, finansielle situasjon og resultat.

Disponeringer
Av årets overskudd i Rana Gruber foreslås det et utbytte på 18 MNOK og resterende på 38,6 MNOK overføres til annen egenkapital. Tidligere i år ble det gitt et ekstraordinært tingsutbytte på 71,9 MNOK som ble overført fra annen egenkapital. Ved utgangen av 2019 har Rana Gruber gruppen en bokført egenkapital på MNOK 344. Dette utgjør 32,5% av Rana Gruber gruppen sin totale kapital.

Mo i Rana, 11. november 2020

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Morten Støver
Styreleder

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Kristian A Adolfsen
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Lasse O. Strøm
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Thomas Hammer
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Gunnar Moe
Adm. dir

Erklæring fra styret og administrerende direktør i Rana Gruber AS

Vi bekrefter at konsernregnskapet for perioden 1. januar til 31.desember 2019, etter vår beste overbevisning, er utarbeidet i samsvar med regnskapslovens bestemmelser og god regnskapsskikk, og at opplysningene i regnskapet gir et rettvisende bilde av selskapets og konsernets eiendeler, gjeld, finansielle stilling og resultat som helhet.

Vi bekrefter at konsernregnskapet gir en rettvisende oversikt over utviklingen, resultatet og stillingen til foretaket og konsernet, sammen med en beskrivelse av de mest sentrale risiko- og usikkerhetsfaktorer foretaket står ovenfor.

Mo i Rana, 11. november 2020

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Adm. dir

RANA GRUBER AS

Resultatregnskap

Rana Gruber konsern

(beløp i 1000 kr)	Noter	2019 (01.jan-31.des)	2018 (01.jan-31.des)
DRIFTSINNTEKTER			
Salgsinntekter	11	1 110 855	795 191
Andre driftsinntekter	11	9 936	5 786
SUM DRIFTSINNTEKTER		1 120 791	800 977
DRIFTSKOSTNADER			
Varekostnad		345 586	320 486
Beholdningsendring produkter	5	38 997	574
Lønnskostnad	9/12	200 616	187 477
Avskrivninger	2	101 502	91 889
Andre driftskostnader		147 437	131 887
SUM DRIFTSKOSTNADER		834 137	732 313
DRIFTSRESULTAT		286 654	68 665
FINANSIELLE POSTER			
Inntekt på invest.i datterselskap (kons.bidrag)		-	-
Andre finansinntekter	13	8 475	10 157
Finanskostnader	13	-222 628	-74 547
Netto finansposter		-214 153	-64 390
RESULTAT FØR SKATT		72 501	4 275
Skattekostnad	10	15 536	5 722
ÅRSRESULTAT		56 965	-1 447
Opplysning om disponering av resultat:			
Avgitt utbytte		18 000	-
Overført til/fra annen egenkapital		38 965	-1 447
SUM DISPONERING		56 965	-1 447

Balanseregnskap — Rana Gruber konsern

(beløp i 1000 kr)	Noter	31.12.19	31.12.18
EIENDELER			
Utsatt skattefordel			4 692
Gruveanlegg		264 408	257 588
Tomter, bygninger og annen fast eiendom		12 527	11 546
Maskiner og utstyr		192 410	171 225
Driftsløsøre og inventar		4 274	4 485
Sum varige driftsmidler	1/2	473 619	444 844
Investeringer i datterselskaper	3	-	-
Investeringer i andre aksjer og andeler	14	1 678	1 140
Lån til konsernselskaper	6	224 464	342 776
Annet ansvarlig lån	14	1 500	1 500
Andre langsiktige fordringer	9	11 475	10 381
Sum finansielle anleggsmidler		239 117	355 797
SUM ANLEGGSMIDLER		712 736	805 333
Varer	5	123 523	179 018
Kundefordringer	6/16	187 438	167 285
Andre kortsiktige fordringer		25 646	23 196
Fordring konsernbidrag	6/10	-	-
Sum kortsiktige fordringer		213 084	190 481
Bankinnskudd og andre likvider	15	9 648	7 075
SUM OMLØPSMIDLER		346 255	376 574
SUM EIENDELER		1 058 992	1 181 907
EGENKAPITAL OG GJELD			
Aksjekapital	8	9 348	9 348
Overkurs		92 783	92 783
Sum innskutt egenkapital		102 131	102 131
Annen egenkapital		242 097	275 044
Sum opptjent egenkapital		242 097	275 044
SUM EGENKAPITAL	7	344 228	377 175
Utsatt skatt	10	10 843	-
Finansiell leasing gjeld	4	63 510	59 708
Gjeld til kredittinstitusjoner	4/15	281 146	331 847
Annen langsiktig gjeld		6 258	7 290
Sum langsiktig gjeld		361 757	398 845
Betalbar skatt	10	-1 608	-4 715
Gjeld til kredittinstitusjoner	6b/15	177 089	225 696
Leverandørgjeld	6	100 352	139 170
Skyldig offentlige avgifter		10 755	9 501
Annen kortsiktig gjeld	6	26 241	36 235
Påløpt skatt av årets resultat	10	-	-
Kortsiktig gjeld konsernselskaper	6	22 178	-
Avsatt til utbytte	7	18 000	-
Sum kortsiktig gjeld		353 007	405 887
SUM GJELD		714 764	804 732
SUM EGENKAPITAL OG GJELD		1 058 992	1 181 907

Mo i Rana, 11.11.2020

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Styreleder

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Kontantstrømsoppstilling

(beløp i 1000 kr)

Rana Gruber konsern

Kontantstrøm fra driften	2019 (01.jan-31.des)	2018 (01.jan-31.des)
Resultat før skatt	72 501	4 275
Innbetaling skattefunn	4 683	3 472
Gevinst ved salg varige driftsmidler	-141	-1 072
Avskrivninger	101 501	91 888
Nedskrivning aksjer	-	3 999
Valutakursregulering langs gjeld	2 232	10 488
Endring i varelagre	55 495	31 347
Endring i kundefordringer og lev. gjeld	-59 551	-20 007
Endring i andre tidsavgrensningsposter	-11 883	5 456
Netto kontantstrøm fra driften	164 837	129 846
Kontantstrøm fra investeringer		
Salg av varige driftsmidler	2 471	1 786
Investeringer i varige driftsmidler	-132 608	-42 410
Salg av aksjer	1	-
Investeringer i TS og andre aksjer	444	-67 621
Endring i andre investeringer	-1 094	-2 355
Netto kontantstrøm fra investeringer	-130 786	-110 600
Kontantstrøm fra finansiering		
Nedbetaling langsiktig gjeld og finans.leasing	-63 611	-58 614
Opptak ny langsiktig gjeld og finans.leasing	14 480	-
Endring kortsiktig gjeld (KKreditt)	-48 607	30 266
Endring i gjeld og mellomværende kons.selskaper	66 261	-22 236
Utbytte (utbetalt)	-	-
Innbetaling ny aksjekapital	-	31 559
Netto kontantstrøm fra finansiering	-31 477	-19 025
Sum kontantstrøm (endring i likvidbeholdning)	2 574	221
Bankinnskudd og kontanter pr 01.01	7 075	6 854
Bankinnskudd og kontanter pr 31.12.	9 648	7 075
+Ordinær limit kassekreditt	205 000	205 000
Ubenyttet kassekreditt og innskudd (likv.reserve)	37 559	21 378

Rana Gruber konsern - prinsipper og noter

Regnskapsprinsipper

Selskapsregnskapet og konsernregnskapet er satt opp i samsvar med regnskapslov og god regnskapsskikk.

Konsernregnskap

Konsernregnskapet inkluderer Rana Gruber AS og selskap som Rana Gruber AS har bestemmende innflytelse over. Bestemmende innflytelse oppnås normalt når konsernet eier mer enn 50 % av aksjene i selskapet, og konsernet er i stand til å utøve faktisk kontroll over selskapet. Transaksjoner og mellomværende mellom selskapene i konsernet er eliminert. Konsernregnskapet er utarbeidet etter ensartede prinsipper, ved at de konsoliderte selskapene følger de samme prinsippene som morselskapet.

Tilknyttede selskaper er enheter hvor konsernet har betydelig (men ikke bestemmende) innflytelse, over den finansielle og operasjonelle styringen (normalt ved eierandel på mellom 20 % og 50 %). Konsernregnskapet inkluderer konsernets andel av resultat fra tilknyttede selskaper regnskapsført etter egenkapitalmetoden fra det tidspunktet betydelig innflytelse oppnås og inntil slik innflytelse opphører.

Når konsernets tapsandel overstiger investeringen i et tilknyttet selskap, reduseres konsernets balanseførte verdi til null og ytterligere tap regnskapsføres ikke med mindre konsernet har en forpliktelse til å dekke dette tapet.

Konsernregnskapet består av Rana Gruber AS og RG Mineral AS.

Aksjer og andeler i datterselskaper

Datterselskaper er vurdert etter kostprismetoden i selskapsregnskapet. Aksjene balanseføres således til historisk kostpris i morselskapet.
Ved varig verdifall foretas nedskrivning av aksjene.
Mottatt utbytte eller konsernbidrag resultatføres som finansinntekt hos morselskapet, og som resultatdisponering hos datterselskaper, og i samme regnskapsår hos mottaker og giver. Overstiger utbyttet/konsernbidraget andel av opptjent resultat etter anskaffelsestidspunktet, representerer den overskytende del tilbakebetaling av investert kapital, og fratrekkes investeringens verdi i morselskapets balanse.

Salgsinntekter

Inntekter fra salg av varer resultatføres når levering har funnet sted og det vesentligste av risiko og avkastning er overført.

Klassifisering og vurdering av balanseposter

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter balansedagen, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.
Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.
Anleggsmidler vurderes til anskaffelseskost, fratrukket av- og nedskrivninger, men nedskrives til virkelig verdi dersom verdifallet ikke forventes å være forbigående.
Langsiktig gjeld balanseføres til nominelt beløp på etableringstidspunktet.

Fordringer

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

Varebeholdninger

Lager av forbruksmateriell er verdsatt til laveste av gjennomsnittlig anskaffelseskost og virkelig verdi. Egentilvirkede ferdigvarer og varer under tilvirkning er vurdert til laveste av full tilvirkningskost og salgsverdi. Netto salgsverdi er estimert salgspris ved ordinær drift fratrukket estimerte salgsomkostninger. Anskaffelseskost tilordnes ved bruk av FIFO-metoden, og inkluderer utgifter påløpt ved anskaffelse av varene og kostnader for å bringe varene til nåværende tilstand og plassering. Det foretas nedskrivning for påregnelig ukurans.

Valuta

Utvikling i valutakurser innebærer både direkte og indirekte en økonomisk risiko for selskapet. Pengeposter i utenlandsk valuta er vurdert etter kursen ved regnskapsårets slutt. Selskapet har ved inngangen av 2014 endret prinsipp for regnskapsføring av valutasikringer. Urealiserte gevinster/tap balanseføres ikke. Realiserte gevinster/tap føres direkte over resultatregnskapet.

Kortsiktige plasseringer

Kortsiktige plasseringer (aksjer og andeler vurdert som omløpsmidler) vurderes til laveste av kostpris og antatt virkelig verdi på balansedagen.

Kontantstrømoppstilling
Kontantstrømoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige likvide plasseringer.

Varige driftsmidler
Varige driftsmidler balanseføres og avskrives over driftsmidlets levetid dersom de har levetid over 3 år og har en kostpris som overstiger kr 15.000. Direkte vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet.

Pensjoner
Selskapet har en ytelsesbasert pensjonsordning som vurderes til nåverdien av de fremtidige pensjonsytelser som regnskapsmessig ansees opptjent på balansedagen. Pensjonsmidler vurderes til virkelig verdi
Ved regnskapsføringen er lineær opptjeningsprofil og forventet sluttlønn som opptjeningsgrunnlag lagt til grunn.
Planendringer amortiseres over forventet gjenværende opptjeningstid. Det samme gjelder estimatavvik i den grad de overstiger 10 % av den største av pensjonsforpliktelsene og pensjonsmidlene (korridor).

Skatt
Skatter kostnadsføres når de påløper, det vil si at skattekostnaden er knyttet til det regnskapsmessige resultat før skatt.
Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt (skatt på årets skattepliktige inntekt) og endring i utsatt skatt/skattefordel. Utsatt skatt/skattefordel er beregnet med 22 % på grunnlag av de midlertidige forskjeller mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende-/reduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført.
Utsatt skatt og utsatt skattefordel er presentert netto i balansen.

Offentlige tilskudd
I 2019 mottok konsernet 4.7 mill.kr i tilskudd fra skattefunnordningen. Konsernet har fått innvilget skattefunntilskudd på ca. 1.6 mill.kr som utbetales i 2020

Note 1 - Hendelser etter balansedagen

Virkningen av hvilke effekter COVID-19 er ventet å medføre for selskapet er vurdert. Ved avleggelse av årsregnskapet har ikke koronautbruddet påvirket selskapet direkte

Basert på dagens situasjon så vurderer styret at COVID-19 ikke vil påvirke selskapets evne til fortsatt drift.
Rana Gruber AS har hatt en positiv kontantstrøm fra driften i 2020 og forventer dette framover.

Note 2 - Varige driftsmidler

(alle tall i 1.000 kr)

Rana Gruber konsern	Gruve	Bygninger og tomter	Maskiner og anlegg	Driftsløsøre og inventar	Sum
Anskaffelseskost pr 01.01.19	635 769	43 725	653 058	49 111	1 381 663
Tilgang driftsmidler	64 607	5 020	61 528	1 452	132 608
Avgang driftsmidler	-	2 330	-	-	2 330
Anskaffelseskost pr 31.12.19	700 376	46 415	714 586	50 563	1 511 940
Akkumulerte avskrivninger 01.01.19	378 181	32 179	481 833	44 625	936 818
Balanseført verdi pr. 01.01.19	257 588	11 546	171 225	4 485	444 844
Årets avskrivninger	57 787	1 708	40 343	1 664	101 502
Akkumulerte avskrivninger 31.12.19	435 968	33 887	522 176	46 289	1 038 321
Balanseført verdi pr. 31.12.19	264 408	12 527	192 410	4 274	473 619
Årets leasekostnader av ikke balanseførte driftsmidler			1 785	138	1 923
Årets leiekostnader av ikke balanseførte driftsmidler			11 137	147	11 284

I anskaffelseskost inngår 90,2 mill.kr i aktivert gråberg under posten Gruve som pr. 01.01.19 er omklassifisert fra varelager til anleggsmidler, grunnet endret levetid av dagbruddet.
Både morselskapet og konsernet benytter lineære avskrivninger for alle anleggsmidler. Økonomisk levetid i selskapet er beregnet til:

3-10 år	7-10 år	5-10 år	5 år	

Note 3 - Investeringer i datterselskaper

(alle tall i 1.000 kr)

Rana Gruber AS

Firma	*Anskaffelses-tidspunkt (stiftet-dato)*	*Forretnings-kontor*	*Eierandel*	*Stemmeandel*	*Balanseført verdi*
Rana Gruber Mineral AS	28.12.98	Rana	100 %	100 %	2 900
Sum balanseført verdi					2 900

Selskapet RG Mineral AS er konsolidert inn sammen med Rana Gruber AS

Note 4 - Langsiktig gjeld til kredittinstitusjoner og finansiell leasing gjeld

(alle tall i 1.000 kr)

	Rana Gruber konsern			
	2019		2018	
	Langsiktig gjeld	Leasing gjeld	Langsiktig gjeld	Leasing gjeld
Rentebærende gjeld 1.1.	331 847	59 708	366 316	73 366
Nye lån og finansielle leasingavtaler	0	14 479	0	0
Kursregulering valutalån	2 232		10 488	0
Ordinære låne- og leasingavdrag	-52 933	-10 677	-44 957	-13 658
Rentebærende gjeld 30.09.	281 146	63 510	331 847	59 708

	2020	2021	2022	Etter 2022
Avdragsprofil langsiktig gjeld	56 657	56 657	167 832	-

Selskapet venter å ha på plass en refinansieringsavtale av langsiktig gjeld i løpet av 2020.

Avdragsprofil leasing gjeld: lease av jernbanevogner utgjør 55 mill.kr av leasesaldo ved årets utgang, denne nedbetales iflg plan med ca. 4,6 mill.kr over 11 år. Gruvemaskiner utgjør øvrig del av leasegjeld, her overtar direkte leie en større andel.
På langsiktig gjeld løper en 10 års rentesikringsavtale på 100 mill.kr med utløp i 2021, til en fiksert rentesats av 3,86%.

Note 5 - Varer

(alle tall i 1.000 kr)

	Rana Gruber konsern	
	2019	2018
Ferdig egentilvirkede varer	15 085	56 786
Varer under tilvirkning (malmlager)	4 900	2 240
Forberedende tilvirkning (åpning borort)	75 883	93 015
Forberedende tilvirkn langhullsboring og aktivert gråberg	20 208	20 208
Halvfabrikata (innkjøpt råslig)	605	560
Driftsmateriell og reservedeler	6 842	6 208
Sum	123 523	179 017

Posten aktivert gråberg på 90.2 mill.kr er pr 01.01 2019 omklassifisert fra varelager til varige driftsmidler, se note 2.

Lager av forbruksmateriell er verdsatt til laveste av gjennomsnittlig anskaffelseskost og virkelig verdi. Egentilvirkede ferdigvarer og varer under tilvirkning er vurdert til laveste av gjennomsnittlig tilvirkningskost og netto salgsverdi fratrukket salgsomkostninger.

Note 6 - Mellomværende med selskaper i overordnet konsern

	Rana Gruber konsern			
	Leonh.Nilsen & Sønner AS		LNS Eiendom AS	
	2019	2018	2019	2018
Leverandørgjeld	33 871	92 043		-
Langsiktig gjeld (konv.k.bidrag)	-	-	-	10 892

	Leonh.Nilsen & Sønner AS		LNS Spitsbergen AS	
	2019	2018	2019	2018
Kundefordringer	1 368	168	-	-
Andre korts. fordringer	-	2 243	-	2 243
Annen korts. gjeld	22 178	-	-	-
Fordring konsernbidrag	-	-	-	-

	Skaland Graphite		LNS Greenland/Gr.Ruby		LNS Mining AS	
	2019	2018	2019	2018	2019	2018
Kundefordringer	-	-	12 388	5 763	-	-
Langsiktig utlån	-	4 500	-	72 732	224 464	342 776
Andre kortsiktige fordringer	-	121	-	4 025	3 389	5 585
Annen kortsiktig gjeld (utbytte)	-	-	-	-	18 000	-

Note 6b - Kortsiktig gjeld kredittinstitusjoner

Kortsiktig gjeld til kredittinstitusjoner er ordinær kassekredittgjeld.

Note 7 - Egenkapital

(alle tall i 1.000 kr)

Rana Gruber AS konsern

Endring i egenkapital 2019	Aksje-kapital	Emisjon	Over-kurs	Annen egenkapital	Sum
Egenkapital pr 31.12 2018	9 348	-	92 783	275 044	377 175
Årets resultat				56 965	56 965
Avsatt utbytte				-18 000	-18 000
Ekstraord.tingsutbytte				-71 912	-71 912
Egenkapital pr 31.12 2019	9 348	-	92 783	242 097	344 228

Høsten 2019 ble det foretatt en ekstraordinær tingsutbyttedeling på 71,9 mill.kr til LNS Mining ved at Rana Grubers fordring på Greenland Ruby konverteres til aksjer, og overført til LNS Mining som tingsutbytte.

Note 8 - Aksjekapital og aksjonærinformasjon

(alle tall i 1.000 kr)

Rana Gruber AS	Antall	Pålydende	Balanseført
Aksjekapitalen består av (A-aksjer):	9 348	1000	9 348
Oversikt over aksjonærene pr 30.09.20:	Aksjer	Eierandel	Stemmeandel
LNS Mining AS	9 348	100,0 %	100,0 %
Sum	9 348	100,0 %	100,0 %

Note 9 - Pensjoner (alle tall i 1.000 kr)

Konsernet (selskapet og konsern) har en kollektiv ytelsespensjonsordning som pr 31.12.2019 omfattet 379 personer, hvorav 261 yrkesaktive
Ordningene gir rett til definerte fremtidige ytelser som i hovedsak er avhengig av antall opptjeningsår, lønnsnivå ved oppnådd
pensjonsalder og størrelsen på ytelsene fra folketrygden. Pensjonsavtalen er finansiert ved oppbygging organisert i forsikringsselskap.

Konsernet (selskapet og konsern) har også en usikret pensjonsforpliktelse knyttet til medlemskap i AFP-ordningen som finansieres over selskapets drift. Netto pensjonsmidler knyttet til kollektiv ordning er bokført som eiendel i balansen. Premier til selskapets AFP-ordning kostnadsføres løpende. Morselskapet er kontoholder for pensjonsordningen.

Pensjonskostnader koll.ordning og AFP	UB 2019	UB 2018
Nåverdi av årets pensjonsopptjening	5 652	4 556
Rentekostnad av pensjonsforpliktelsen	1 784	1 558
Avkastning på pensjonsmidler	2 749	2 532
Resultatført estimatavvik	673	626
Netto pensjonskostnader	5 359	4 208
+arbeidsgiveravgift	273	215
Sum pensjonskostnader	5 632	4 422
+ kostnader ny AFP	3 174	3 036
- resultatført i datterselskap RG Mineral	-648	-612
Sum pensjonskostnad	8 158	6 846

Utover dette har morselskapet kostnader på 344 vedr pensjon over 12G (593 i 2018)

Balanseført pensjonsforpliktelse	UB 2019	UB 2018
Opptjente koll.pensjonsforpliktelser pr 31.12.	-75 015	-73 211
Pensjonsmidler (til markedsverdi) pr 31.12.	69 936	65 541
Periodiseringer av estimatavvik, endr pensj.planer	17 571	18 629
Netto pensjonsmidler (kollektiv ordning)	12 492	10 959
Pensjon over 12G pr 31.12.	-1 017	-578
Netto pensjonsforpliktelse (AFP)	-	-
Sum pensjonsmidler/-forpliktelse	**11 475**	10 381
Økonomiske forutsetninger:		
Diskonteringsrente	2,30 %	2,60 %
Forventet avkastning på pensjonsmidler	3,80 %	4,30 %
Forventet lønnsregulering	2,25 %	2,75 %
Forventet årlig G-regulering	2,00 %	2,50 %
Forventet vekst pensjoner u/utbetaling koll.	0,00 %	0,00 %

Beregningen av pensjonsforpliktelsene foretatt av aktuar. De aktuarmessige forutsetningene
er basert på vanlig benyttede forutsetninger innen forsikring når det gjelder demografiske faktorer og avgang.

Note 10 - Skatt

(alle tall i 1.000 kr)

	Rana Gruber konsern	
Årets skattekostnad fordeler seg på:	2019	2018
Betalbar skatt	-	-
Endring utsatt skatt	15 535	5 509
Virkning av endring i skattesats	-	213
Sum resultatført skattekostnad	15 535	5 722
Beregning av årets skattegrunnlag:	2019	2018
Resultat før skattekostnad	72 501	4 275
Permanente forskjeller	-1 829	19 675
Endring i grunnlag for utsatt skatt	45 515	35 658
Skattegrunnlag før rentebegrensning	116 187	59 609
Avskjæring rentefradrag nærstående i år	20 650	20 650
Anvendelse fremført rentefradrag tidligere år	-20 707	-20 707
Skattegrunnlag før anvendelse fremførbart underskudd	116 130	59 552
Anvendelse fremførbarbart underskudd	-116 130	-59 609
Årets overskudd/underskudd	-	-57
Avgitt konsernbidrag	-	-
Beregnet skatt av grunnlag	-	-
Virkning av skattefunn	-1 608	-4 716
Betalbar skatt i balansen	-1 608	-4 716
Oversikt over midlertidige forskjeller:	2 019	2018
Varige driftsmidler	58 454	67 066
Finansiell leasing	13 841	13 290
Forberedende tilvirkning (borort)	75 883	93 016
Varer	5 693	26 591
Fordringer	-180	-180
Gevinst- og tapskonto	2 074	2 592
Pensjonsmidler-/forpliktelser, nto	11 475	10 381
Netto midlertidige forskjeller	167 241	212 756
Underskudd til fremføring	-80 660	-196 790
Avskåret rentefradrag til fremføring	-37 295	-37 295
Sum m.t.forskjeller (grunnlag utsatt skatt)	49 285	-21 329
Anvendt sats utsatt skatt/skattefordel	22 %	22 %
Utsatt skatt(+)/skattefordel(-) i balansen	10 843	-4 692

Note 11 - Driftsinntekter (alle tall i 1.000 kr)

	Rana Gruber konsern	
Salgsinntekter pr. virksomhetsområde	2019	2018
Jernmalmkonsentrater	1 105 508	790 933
Øvrige salgsinntekter	5 347	4 258
Sum salgsinntekter	1 110 855	795 191
herav: eksport (jernmalm og jernoksyder vesentlig EU-omr.)	1 104 760	789 830
innenlandssalg	6 095	5 361

I konsernets salgsinntekter inngår frakter med 6,7 mill.kr (4,6 mill.kr i 2018)

Note 12 - Lønnskostnader, antall ansatte, godtgjørelser, lån til ansatte mm. (alle tall i 1.000 kr)

Det var 261 faste og 17 midlertidige ansatt pr 31.12.19, mot 254 faste og 9 midlertidige pr 31.12.18. Av de ansatte var 23 personer beskjeftiget i datterselskapet RG Mineral AS gjennom en utleieavtale. I tillegg kommer 11 lærlinger (mot 12 ved forrige årsskifte)

	Rana Gruber konsern	
Lønnskostnader	2019	2018
Lønninger	177 091	167 816
Arbeidsgiveravgift	10 590	10 016
Overført lønn til prosjekt N123	-2 931	-3 697
Pensjonskost	9 399	8 051
Andre ytelser	6 467	5 291
Sum lønnskostnader	200 616	187 477

Ytelser til ledende personer	2019	2019
Lønn, daglig leder	2 231	1 841
Pensjon, daglig leder	344	349
Forsikringer-sk.pliktig del, daglig leder	32	32
Fri tlf, daglig leder	4	4
Styrehonorar, kostnadsført	888	644
Revisorhonorar, kostnadsført ex.mva	1 093	745

Note 13 - Poster som er slått sammen i regnskapet (alle tall i 1.000 kr)

	Rana Gruber konsern	
Andre finansinntekter	2019	2018
Renteinntekt fra bank	48	39
Renteinntekt andre konsernselskaper	8 919	6 729
Annen finansinntekt	1 008	961
Valutakursregulering	-1 500	2 428
Gevinst prissikring jernmalm	-	-
Sum andre finansinntekter	8 475	10 157

Finanskostnader	2019	2019
Rentekostnad og provisjon kassekreditt	4 841	5 129
Rentekostnad pantegjeld og finansiell leasing	19 694	18 581
Rentekostnader konsernselskaper	1 178	8 454
Annen finanskostnad	370	16 811
Nedskrivning finans.anleggsmidler (aksjer)	-	3 999
Valutakursregulering omløpsmidler	22 911	339
Valutakursregulering langsiktig gjeld	2 232	9 756
Tap prissikring jernmalm	171 402	11 478
Sum finanskostnader	222 628	74 547

Note 14 - Investeringer i andre aksjer og andeler

(alle tall i 1.000 kr)

Anleggsmidler - konsern	*Eierandel*	*Anskaffelses-kost*	*Balanseført verdi*	*Markeds-verdi*
Kunnskapsparken Helgeland	2,0 %	250	250	250
Polarsirkelen Lufthavnutvikling	5,3 %	100	100	100
Vitensenter Nordland		100	100	100
Aksjer og andeler i andre selskaper		1 228	1 228	1 228
Sum aksjer og andeler i andre selskaper eiet av Rana Gruber AS		1 678	1 678	1 678

Note 15 - Pant og garantier

(alle tall i 1.000 kr)

	Rana Gruber konsern	
	2019	2018
Bundne skattetrekksmidler	8 109	7 038
Bundet avsetning overfor dir.for mineralforvaltning	1 503	
Pantesikret gjeld	521 744	617 251
som er sikret i panteobjekt med bokførte verdier:		
Kundefordringer	187 438	167 285
Varebeholdning	123 523	179 018
Driftsløsøre, maskiner og anlegg	196 684	175 710
Bygninger og annen fast eiendom	12 527	11 546
Gruveanlegg	264 408	257 588
Sum bokført verdi av panteobjekt	784 580	791 147
Eiendelene er også stillet som sikkerhet for ubenyttet kkreditt:	27 910	21 379

Selskapet Rana Gruber AS står som kontoholder overfor kredittyter i en felles kassekredittordning med datterselskapet RG Mineral AS og LNS Mining. Deres andel av saldo pr. 31.12.19 var negativ med 3,6 mill.kr. I selskapets balanse føres dette som økning i kassekredittgjeld og motpost kortsiktig konsernfordring. Konsernselskapene er solidarisk ansvarlig for kredittrammen på 205 mill.kr pr 31.12 2019

Utover egen gjeld har selskapet/ konsernet avgitt en solidarisk selvskyldnerkausjon ovenfor Grønlandsbanken for Greenland Rubys lån i banken, som ved mislighold vil kunne påvirke selskapet/ konsernets finansielle stilling. Per utgangen av 2019 utgjør denne 63 MNOK, og nedbetales iht fastsatt nedbetalingsplan. Det jobbes med å få på plass en ny finansieringsløsning for Greenland Ruby i løpet av 2020, med mål om å sikre driften og å løfte kausjonen bort fra Rana Gruber.

Note 16 - Valuta, finansiell markedsrisiko

Prisrisiko

Svingninger i internasjonale jernmalmpriser medfører risiko for fremtidige salgspriser på Rana Grubers produkter. Prisene er svært volatile, og medfører dermed vesentlig resultatrisiko for selskapet og konsernet.

Risikoen knyttet til salgsprisene på jernkonsentratene styres gjennom en kombinasjon av fysiske fastprisavtaler med kunder og finansielle swap-avtaler hvor en forhåndsselger jernmalm til en fastsatt pris. Swap-avtalene inngår i en sikringsportefølje, hvor det er fastsatt rammer for hvor stor andel av forventet produksjon som skal forhåndsselges, utover de volumer som er sikret gjennom fastprisavtaler med kundene direkte.

Pr. 31.12 2019 har selskapet følgende finansielle sikringsposisjoner:

Terminkontrakter	Beløp (1000)	Månedlige forfall i	Valutakurs, gjennomsnitt	Urealisert tap (1000)
Terminer for sikring av fremtidig salg	390 tonn	2020	USD 8,79	USD 4 100

Valutarisiko

Rana Gruber er eksponert for svingninger i valutakursene EURNOK, USDNOK og GBPNOK da inntektene fra salg av selskapets produkter er priset i disse utenlandske valutaene. EURO-inntektene er i et slikt volum at det matcher kostnadene gruppen har til krafthandel, som også prises i EURO. Sikring av EURNOK foretas derfor kun ved enkeltstående transaksjoner av vesentlig betydning. Inntektene i GBPNOK er per i dag i et så lavt volum at det ikke foretas sikringer for dette valutaparet.

Alle salg av jernmalmkonsentrater til stålindustrien prises i USD. Hovedeksponeringen på valutasiden er derfor knyttet til USDNOK. For å dempe resultateffekten av svingninger i denne valutaen forhåndsselger selskapet deler av forventet USD-inntekter for en periode på 2 år frem i tid. Alle valutaterminkontrakter og strukturerte derivater inngår i en styrevedtatt sikringsportefølje.

Pr. 31.12 2019 har selskapet / konsernet følgende finansielle sikringsposisjoner:

Terminkontrakter	Beløp (1000)	Månedlige forfall i	Valutakurs, gjennomsnitt	Urealisert tap (1000)
Terminer for sikring av fremtidig salg	USD 12 000	2020	8,79	-NOK 3 900

Verdiendringer regnskapsføres ikke for finansielle instrumenter som holdes under regnskapsmessig sikring.

Ved avleggelse av årsregnskapet har selskapet følgende finansielle instrumenter i utenlandsk valuta med verdiendring over resultat:

Gjeld	Beløp (1000)	Forfallsdato	Valutakurs, gjennomsnitt	Urealisert tap/gevinst (1000)
Langs.gjeld (swap fra NOK) Endr.pr 2016	USD 25 100	2022		-NOK 68 500
Langs.gjeld (swap fra NOK) Endr.2017	USD 23 500	2022	8,34	NOK 11 100
Langs.gjeld (swap fra NOK) Endr.2018	USD 21 432	2022	8,13	-NOK 10 292
Langs.gjeld (swap fra NOK) Endr.2019	USD 18 787	2022	8,79	-NOK 2 488
Langs.gjeld (swap fra NOK) Endr.pr 2016	DKK 45 000	2022		-NOK 6 500
Langs.gjeld (swap fra NOK) Endr.2017	DKK 38 850	2022	1,25	-NOK 4 300
Langs.gjeld (swap fra NOK) Endr.2018	DKK 33 303	2022	1,29	-NOK 195
Langs.gjeld (swap fra NOK) Endr.2019	DKK 26 313	2022	1,32	-NOK 806

Kraftprisrisiko

Kjøp av kraft er en av de viktigste innsatsfaktorene for produksjonen av jernkonsentrater. Svingningene i kraftpriser og produksjonsforbruk fører til resultatrisiko i Rana Gruber.

Risikoen knyttet til kjøp av kraft styres ved å inngå terminkontrakter hvor en forhåndskjøper kraft til en fastsatt pris. Terminkontraktene inngår i en sikringsportefølje, hvor det er fastsatt rammer for hvor stor andel av forventet forbruk (GWh) på et gitt fremtidig tidspunkt, som i dag kan være forhåndskjøpt. Sikringsporteføljen forhåndskjøpes på grunnlag av dette fortløpende for deler av forventet forbruk.

Administrasjonen og økonomiavdelingen følger opp den løpende risikoeksponeringen i forhold til styrevedtatte rammer.
Alle finansielle avtaler er mot vår kraftleverandør og gjøres opp løpende som en del av det normale kraftkjøpet.

Renterisiko

Rana Gruber har eksponering mot renterisiko, men da i all hovedsak eksponert gjennom rentebærende gjeld.
Selskapet har i dag ingen vedtatt strategi for å dempe resultatsvingningene av denne eksponeringen, men ivaretar dette gjennom oppfølgingen av den daglige finansstyringen i administrasjonen.

Selskapet har i dag en renteswap-avtale på 100 MNOK over 10 år for å dempe effekten av svingninger i NIBOR-renten.
Pr. 31.1 2019 har denne avtalen et urealisert tap på NOK (1000) 3506 inkl påløpte renter på 244.

Note 17 - Malmressurser

Selskapets malmressurser har tidligere vært klassifisert av interne ressurser på Geologi & Gruveplanavdelingen. I 2019 ble det igangsatt arbeid med å klassifisere ressursene i henhold til internasjonale standarder, der den Kanadiske standarden "NI 43-101" ble valgt. Standarden krever bl.a. at ressursestimatet utføres og signeres av en godkjent kvalifisert person uavhengig av Rana Gruber.

Baker Geological Services Ltd ble valgt som konsulent og arbeidet pågår fortsatt. Rapporten for hovedforekomsten i Kvannevann/ Ørtfjell ble ferdig i Juni 2019. Ressursestimatet fra denne rapporten er oppsummert i tabell 1

Tabell 1: *"Mineral Resource Statement at a 0% Fe_Tot cut-off grade"*

Classification Category	Mining Method	Million Tonnes	Density	Fe_Tot %	Fe_Mag %	S %
Measured	Underground	75.9	3.5	33.7	3.7	0.020
Measured	Open Pit	10.0	3.4	32.7	6.6	0.007
Indicated	Open Pit	45.2	3.4	32.8	5.1	0.019
Sub-Total	OP + UG	**131.0**	**3.5**	**33.3**	**4.4**	**0.019**

Ved å vurdere hele malmkroppen uten av å hensyn til valg av brytningsmetode indikerer rapporten følgende mineralisering i hele Ørtfjellområdet (tabell 2)

Tabell 2: *"Using the full classified model, with all mined material filtered out, the Ørtfjell deposit contains the Mineral Resources quoted. This is not considered the final Mineral Resource Statement, but rather an indication of the total classified material at the Ørtfjell deposit"*

	Million Tonnes	Density	Fe_Tot %	Fe_Mag %	S %
Measured	120.0	3.5	33.6	4.5	0.018
Indicated	232.6	3.5	33.4	4.4	0.021
Sub-Total	**352.3**	**3.5**	**33.5**	**4.5**	**0.020**

Det pågående arbeidet og neste rapport omhandler områdene Steinsundstjern og Ørtvann og ventes å bli ferdigstilt i løpet av første halvår 2020.

Internt har selskapet klassifisert områder med pågående og planlagt underjords og dagsbruddsdrift som reserver. Ved utgangen av 2019 var gjenstående tonnasje beregnet (Tabell 3)

Tabell 3: Reserver i pågående og planlagte gruver i Kvannevannsområdet:

Deposit	Mining Method	Million Tonnes
N155 Kvannevann	Sub Level Caving	4.1
N123 Kvannevann	Sub Level Caving	10.5
Kvannevann Øst	Open Pit	9.6
Erik 3 / Nordmalm	Open Pit	2.8

Av de resterende ressursene som befinner seg nært dagens infrastruktur er det kun nivå 123 som krever betydelige investeringer for å kunne realiseres. Investeringen i dette gruveområdet ble startet i 2019 og ventes pågå til et stykke ut i 2021.