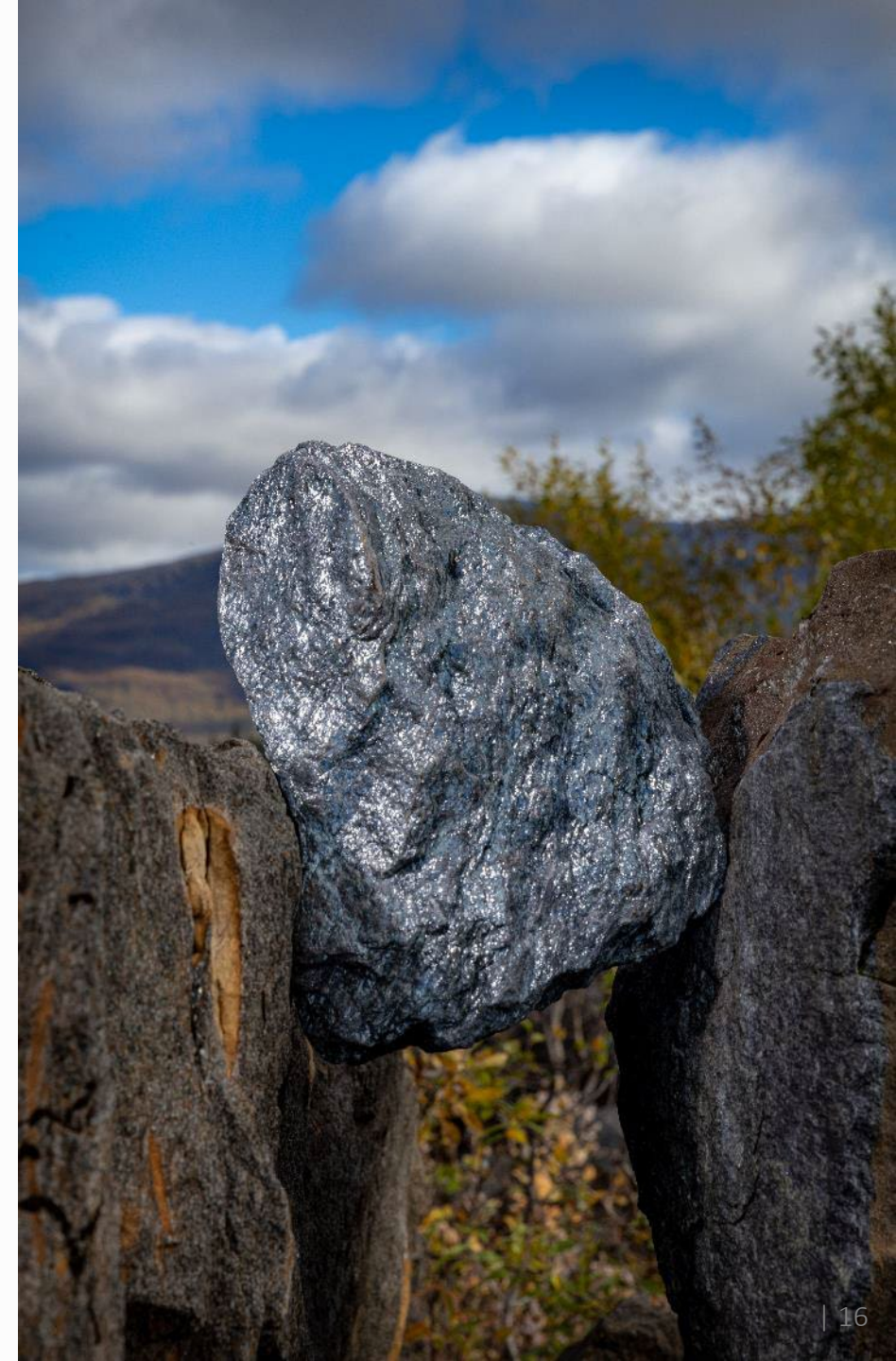


Capital markets update

Oslo, 15 November 2023

Programme

Topic	Presenter
Introduction to Rana Gruber	Gunnar Moe (CEO, Rana Gruber)
Mine plan, increased magnetite production, and increased iron content	Stein Tore Liljenström (COO, Rana Gruber)
Decarbonisation and the mining transition	Nancy Stien Schreiner (Environment and Sustainability Manager, Rana Gruber)
Break	
Rana Gruber: Navigating the shift in Iron ore quality for steel's new era	Lee Kirk (Managing Director, Cargill Metals) Leon Davies (Sustainability Lead and Atlantic Customer Lead, Cargill Metals)
Financial position and cash flow management	Erlend Høyen (CFO, Rana Gruber)
Q&A and closing remarks	Gunnar Moe (CEO, Rana Gruber)
Lunch	



Introduction to Rana Gruber

Gunnar Moe

CEO of Rana Gruber



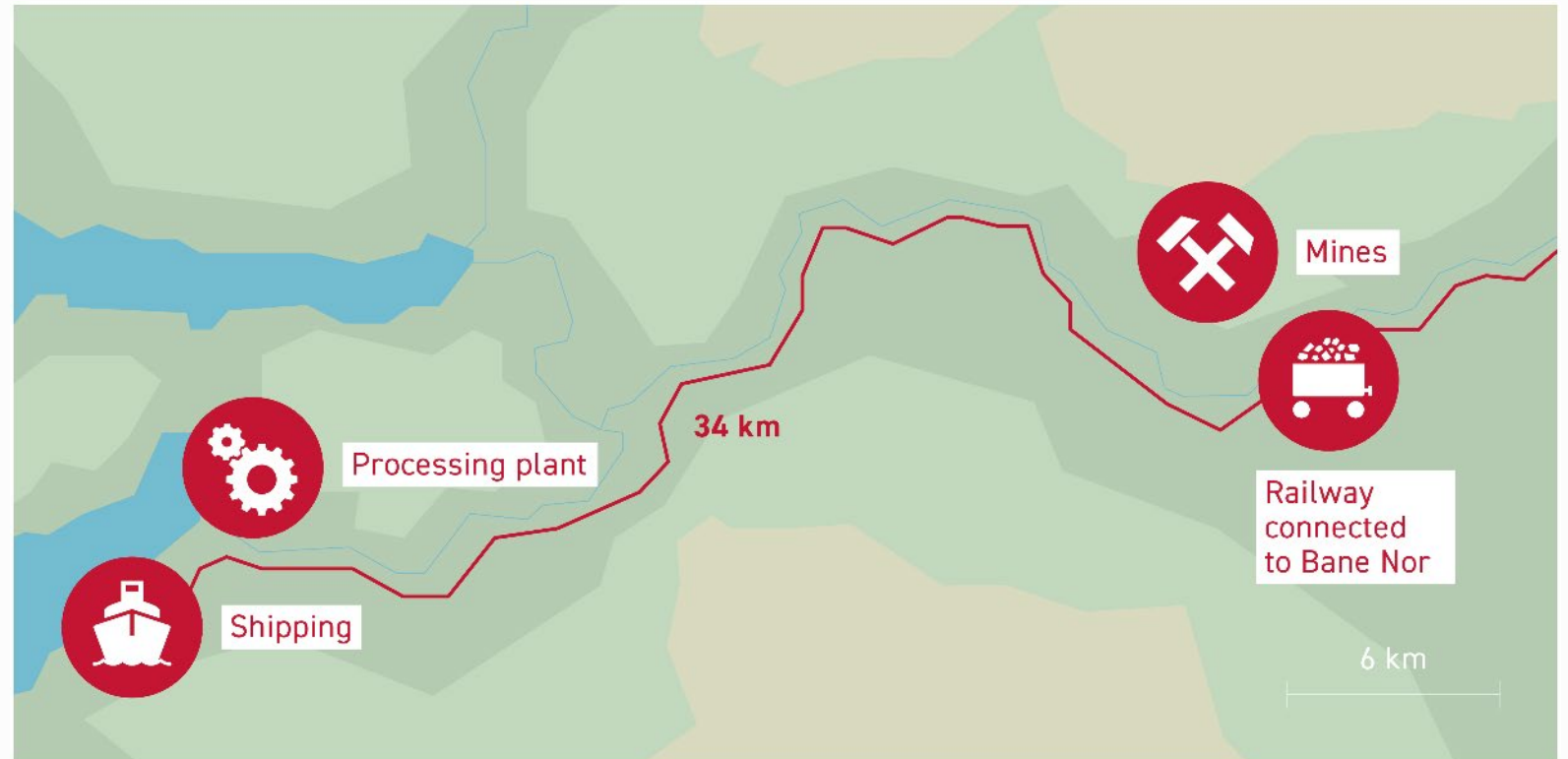
Well-positioned to lead the transition towards carbon free mining

Aim to be world's first carbon free iron ore producer

Favourable location ensuring energy-efficient logistics

Vast resources and reserves, and stable production

Solid financial position and consistent track record on dividend distribution



Value chain

Rana Gruber operates at the beginning of the value chain



Our products play a fundamental role for a variety of end-markets

Hematite



Example of end-markets



Cars and EV's, buildings, wind turbines, etc.

Magnetite



Example of end-markets



Water treatment systems

Colorana®



Example of end-markets



Brake linings, magnetic stripes, colourants, etc.

*Percentages represent production split in 2022

Flexibility to navigate market changes

Cargill committed to buy and market all hematite concentrate

Agreement providing access to European steel mills, and flexibility to supply other markets if desired

Reduced offtake in Europe due to planned maintenance stop for one of the largest steel mills, combined with high production, results in five shipments being directed to Asia this year

Europe remains default destination of shipments

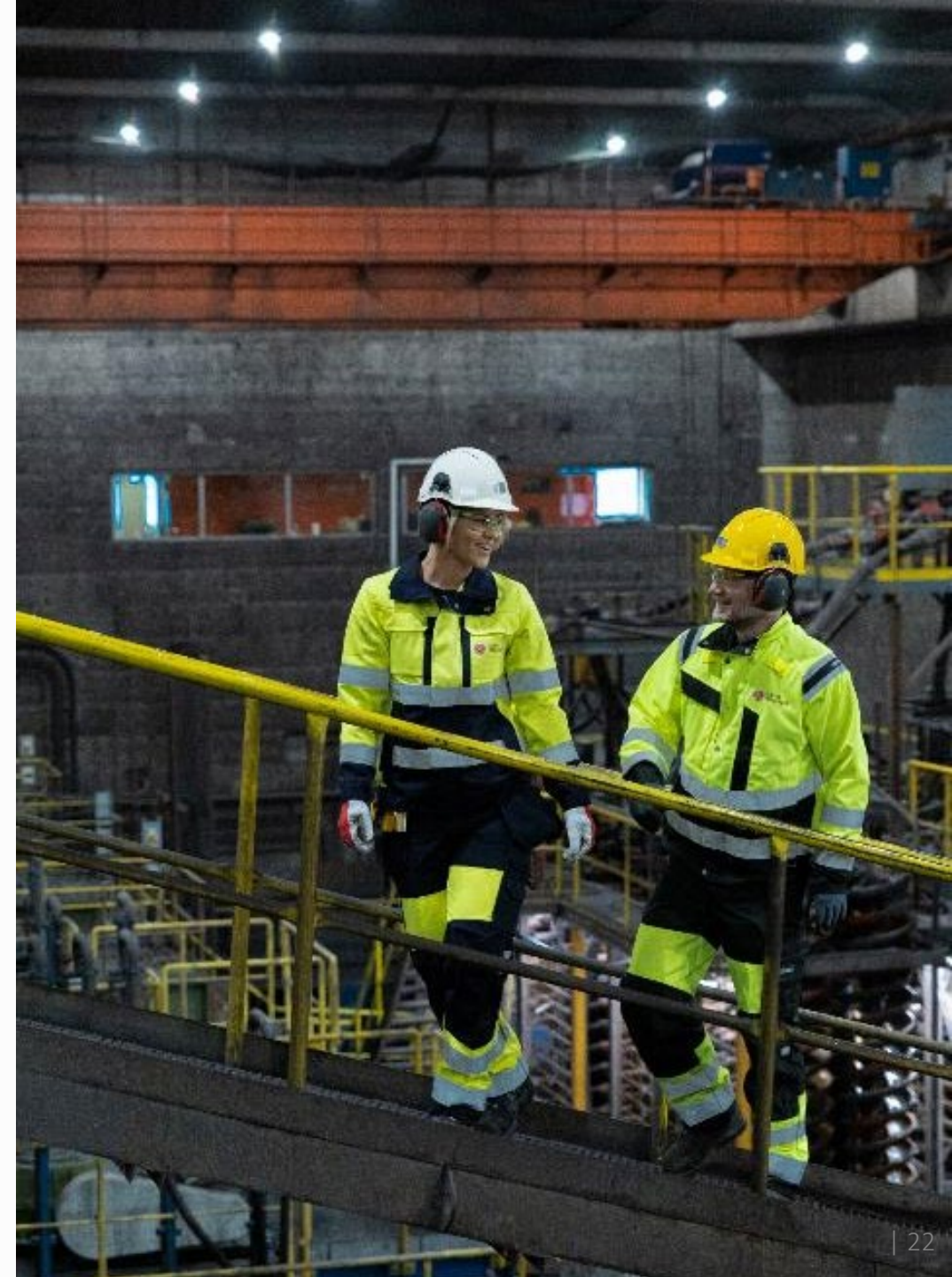


An attractive workplace

A cornerstone for the historical development of the city of Mo i Rana, the local industry, and the local community

An attractive professional environment with exciting work tasks and career options

Insourcing of mining workstreams close to completion



Three strategic development projects

Fe65 – increase minimum iron content in hematite product



M40 – increase magnetite production



Decarbonisation



Mine plan, increased magnetite production, and increased iron content

Stein Tore Liljenström

COO of Rana Gruber



Underground production at three levels

Elements from mine plan

Current production levels fully financed and in production until 2025

New production (L91) level planned to commence mid-24, with ore reserve of approx. 9 mmt

Continuous development of UG mine – tunnelling insourced



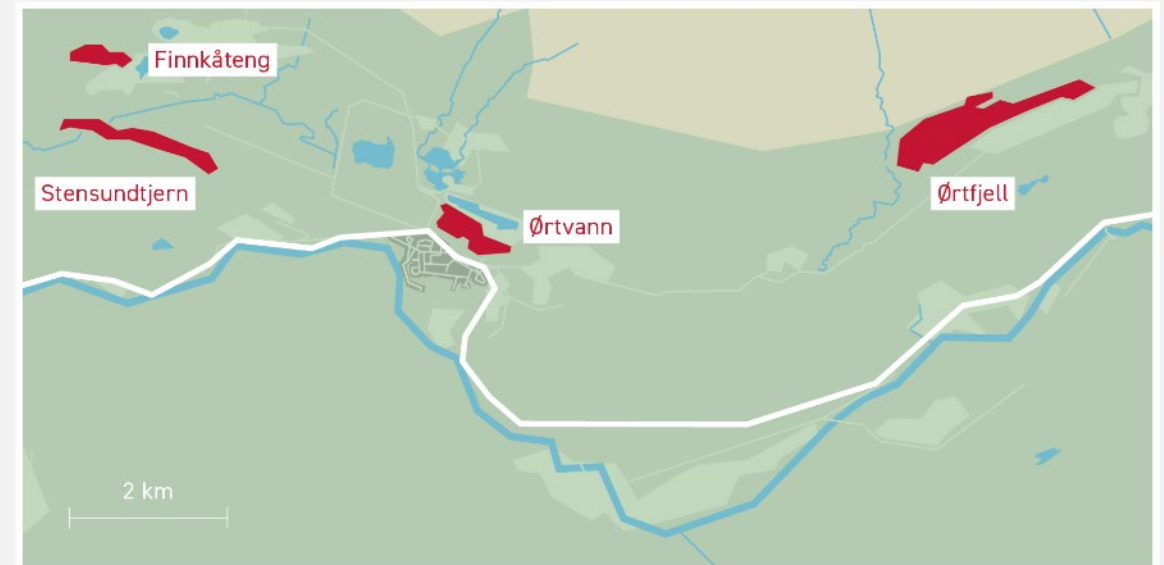
Open-pit production in Stensundtjern to boost revenues from M40

Elements from mine plan

Process of optimising open-pit design and concept – production to commence late 2024 / beginning 2025

Cash cost to be impacted by truck transport to Ørtfjell and higher activity in 2025/2026 due to larger share of waste rock to remove in new OP mine

High magnetite concentration to drive increase in M40 production



Three strategic development projects

Fe65 – increase minimum iron content in hematite product



M40 – increase magnetite production



Decarbonisation



Revenues from M40 production provide security

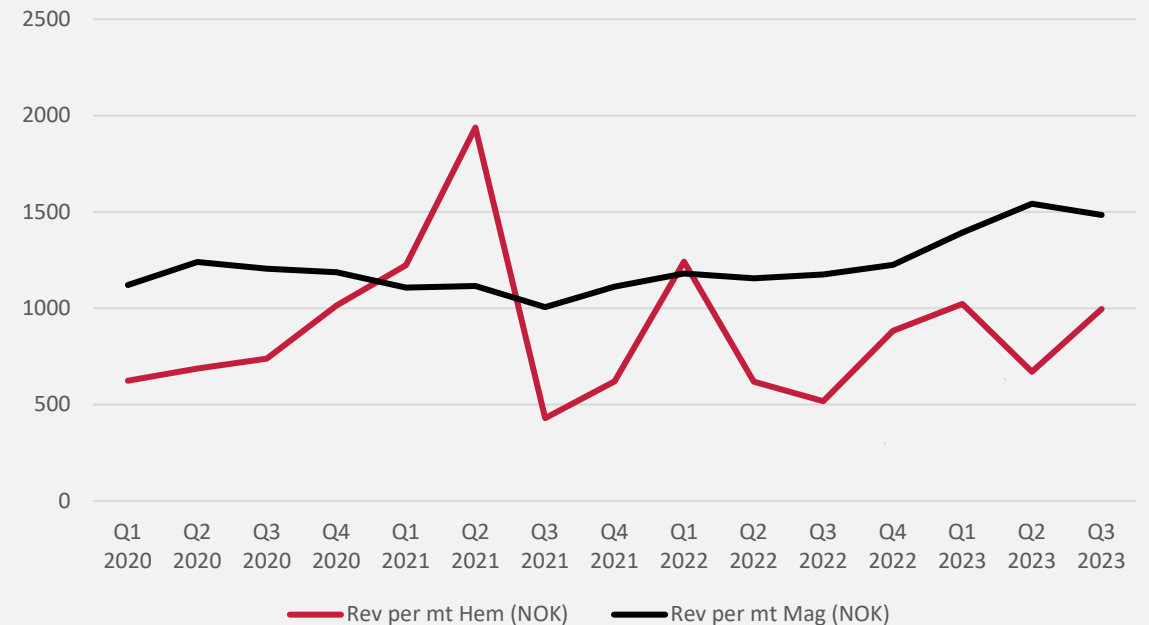
Strategic project: M40 – Increase magnetite production

Ultra high-grade magnetite product, produced without use of chemicals

High demand for water treatment chemicals based on magnetite

Stable prices for M40 to chemical industry – provide security in times with fluctuating prices for hematite

Realised prices per mt magnetite vs. hematite



Ramp-up of magnetite volume progressing according to plan

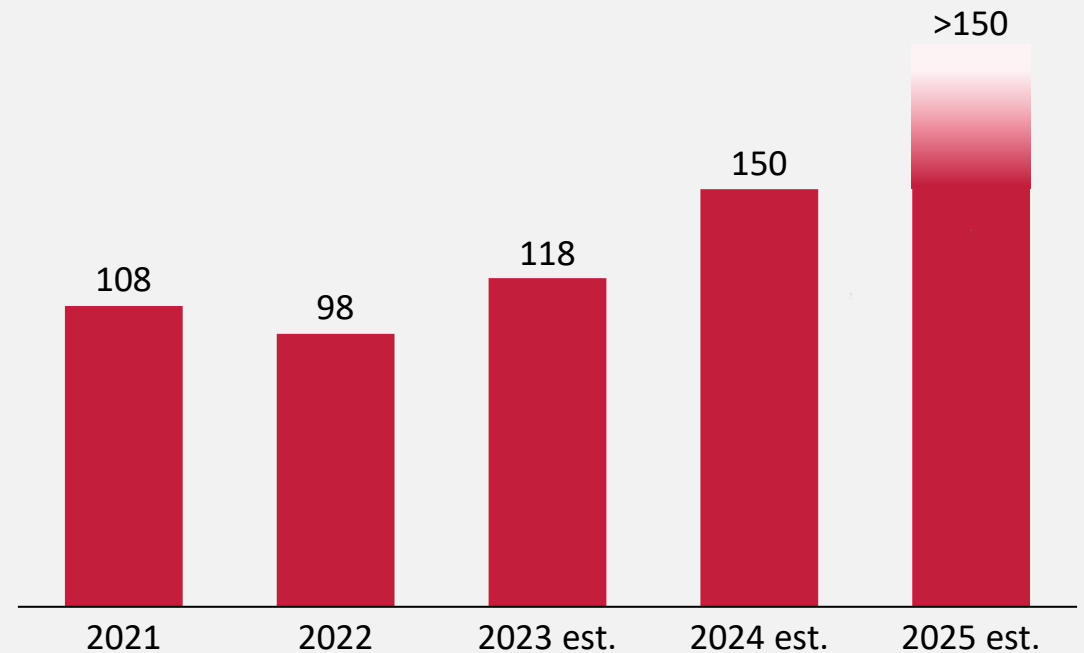
Strategic project: M40 – Increase magnetite production

More efficient circuit design in processing plant – larger installations in Nov 2023 and summer 2024

High share of magnetite in Stensundtjern deposit

Potential for further boost of M40 volume in 2025

Estimated increase in magnetite production (thousand mt)



Three strategic development projects

Fe65 – increase minimum iron content in hematite product



M40 – increase magnetite production



Decarbonisation



Price premium for Fe65

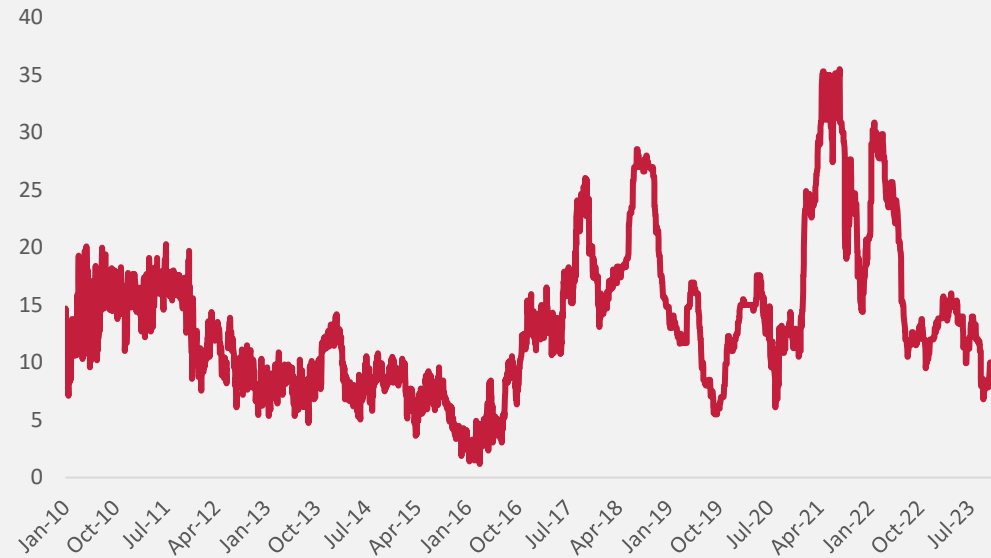
Strategic project: Fe65 – increase minimum iron ore content in hematite product to 65%

Growing preference for low-emission steel production drives demand for higher iron content in iron ore products

Hematite product to be linked to premium price index

Fe65 to reduce CO₂e emissions by 20-25 kg/tonne produced steel vs. Fe62

Price premium Fe65 vs. Fe62 (USD/mt)



Upgrade to Fe65 progressing according to plan

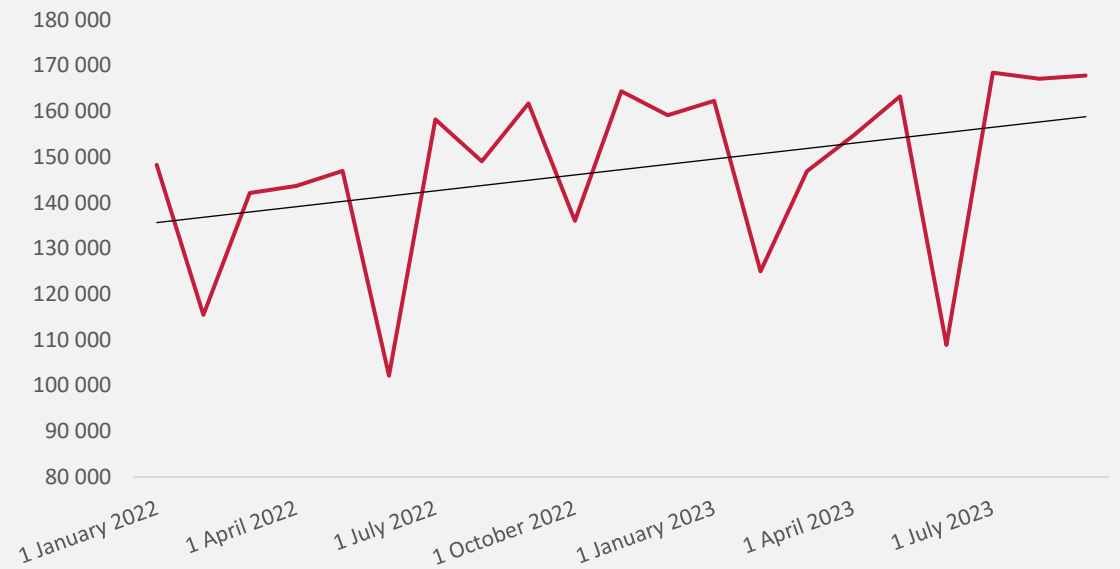
Strategic project: Fe65 – increase minimum iron content in hematite product to 65%

Fe content in hematite concentrate



Higher Fe content enabled by improved sorting prior to loading and upgrade of processing plant

Iron ore concentrate production



Higher production volumes, despite lift in Fe content

Potential upgrade to Fe67

Decarbonisation of European steel industry expected to drive demand for iron ore concentrate with Fe content above 66.5%

Ongoing studies indicate promising potential to produce a hematite concentrate with a Fe content of ~67%

Fe67 to reduce blast furnace CO₂e emissions by 50-60 kg/tonne produced steel vs. Fe62, and is suitable for DRI steel production

Pre-project studies and tests continue until spring 2024 – decision on further action expected during 2024



Responsible mining

Nancy Stien Schreiner

Environment and Sustainability
Manager of Rana Gruber



Three strategic development projects

Fe65 – increase minimum iron content in hematite product



M40 – increase magnetite production



Decarbonisation



Towards carbon free production

Strategic project: Decarbonisation

Underground mine



- Five electric machines in operation
- Ongoing development of on-site infrastructure with rescue chambers and charging stations
- Timeline depending on timing of machine deliveries from suppliers

Open-pit mine



- OP production in Ørtfjell to continue with current operations facilities until completion in 2024
- Future OP production in Stensundtjern to be carbon free
- Test of technology in winter 2024

Rail transport



- Governmental decision to electrify part of Nordlandsbanen track, to which Rana Gruber's rail transport is connected
- Awaiting concrete plans from authorities before further action
- Timeline depending on updates from authorities

Electrification and energy efficiency

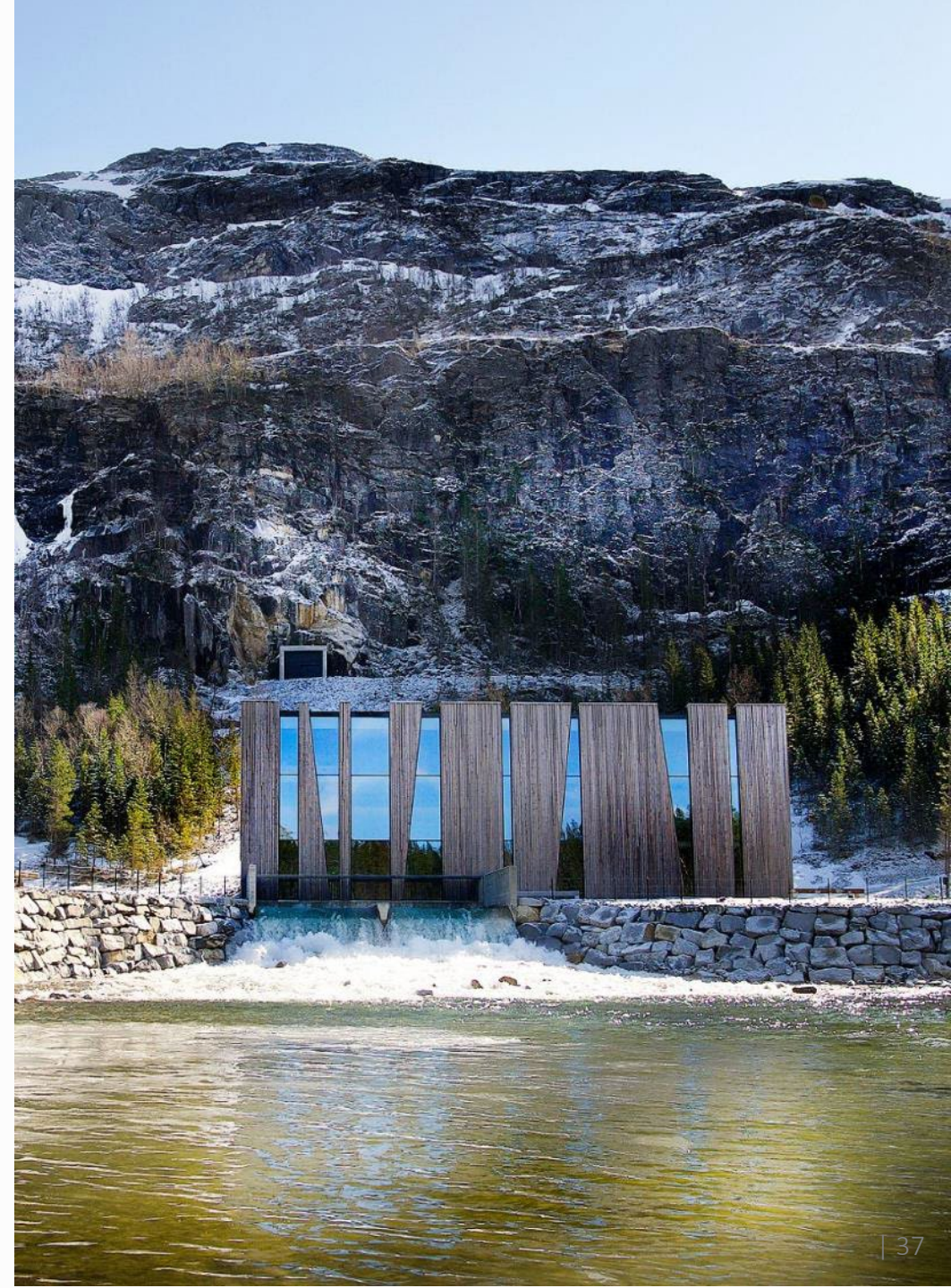
Strategic project: Decarbonisation

Expected benefits of electrification

- Increased operational efficiency
- Price premium for sustainably produced iron ore
- Improved working environment

Advantages of Rana Gruber include

- Location of deposits
- Reliable access to renewable power



First electrical machinery in operation

Strategic project: Decarbonisation

Frame agreement with Sandvik for 19 Battery Electric Vehicles

Production drilling rigs and tunnelling drilling rigs already in operation

Load and haul machines to be introduced



Production drilling rig



Loader



Tunnelling drilling rig

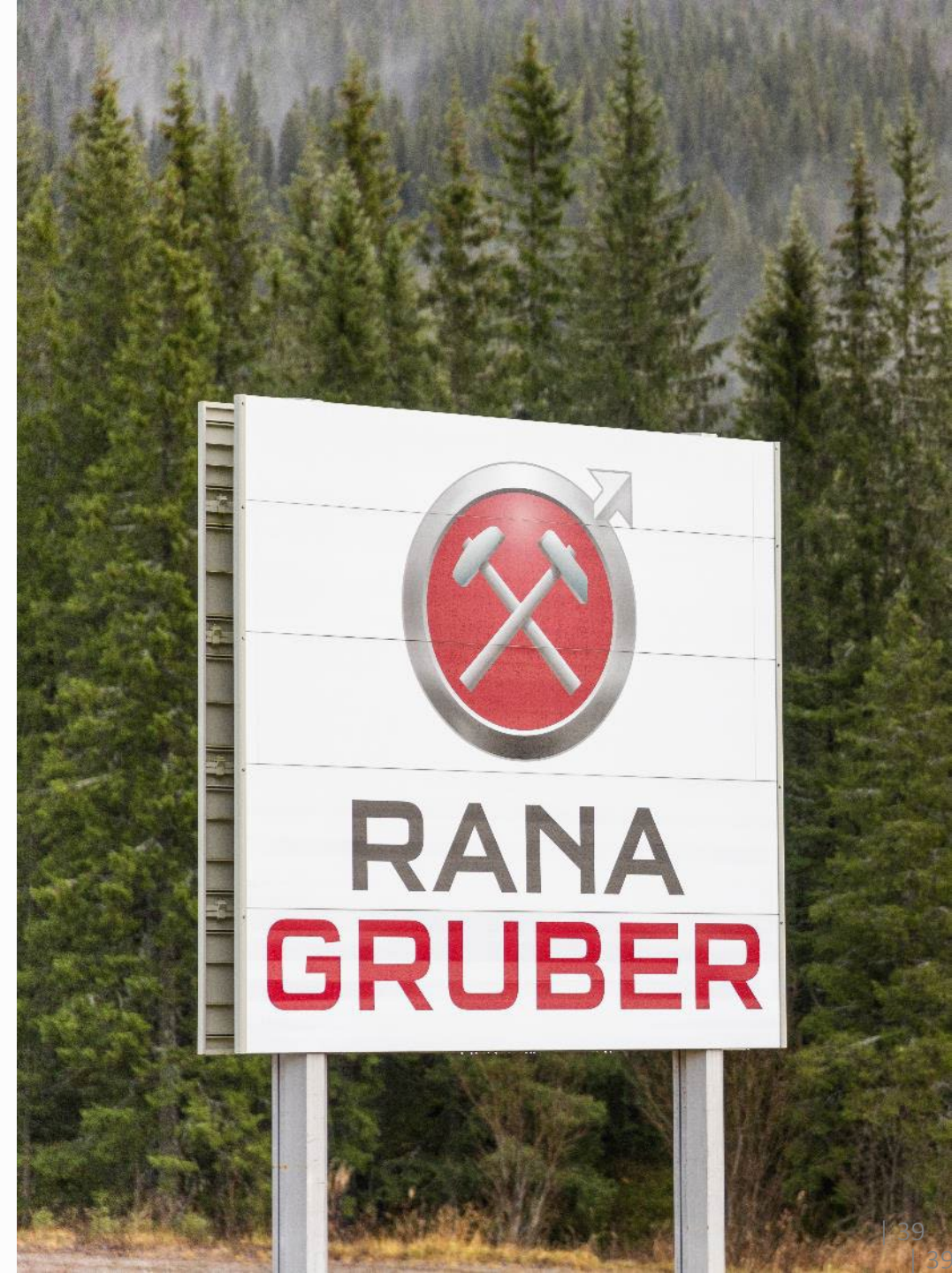
Towards TSM certification

Leading the mining transition

Globally recognised initiative supporting mining companies' managing environmental and social risks

Originated in Canada and adapted for the Norwegian mining industry – with contributions from Rana Gruber

Certification expected in 2024 – demonstrates commitment to responsible and sustainable production



Towards Responsible Steel membership

Leading the mining transition

Global not-for-profit multistakeholder standard and certification initiative

Membership expected 2024

Demonstrates commitment to sustainability and provides access to forum connecting leading industry players



An aerial photograph of a yellow dump truck on a gravel road. The truck is positioned in the lower center of the frame, facing upwards. The road is composed of dark grey gravel and is marked with numerous tire tracks. The surrounding area is a mix of gravel and dark soil. A red vertical bar is visible on the left side of the image.

Coffee break

New Steel Era

LOADING...



START

Navigating the Shift in Iron Ore Quality for Steel's New Era

Lee Kirk

Managing Director

Cargill Metals



The Markets



Ferrous Market

2023 - A year that started optimistically, bottomed out, but may end on a positive note

- ❑ The Q1 China recovery story flops
- ❑ But by Q3 the global Fe picture feels balanced
- ❑ Q4 – A more positive tone to end the year?

2024 - A year of industrial demand recovery?

- ❑ Can stimulus follow through?
- ❑ China could rebuild stocks, while ex-China looks more balanced?



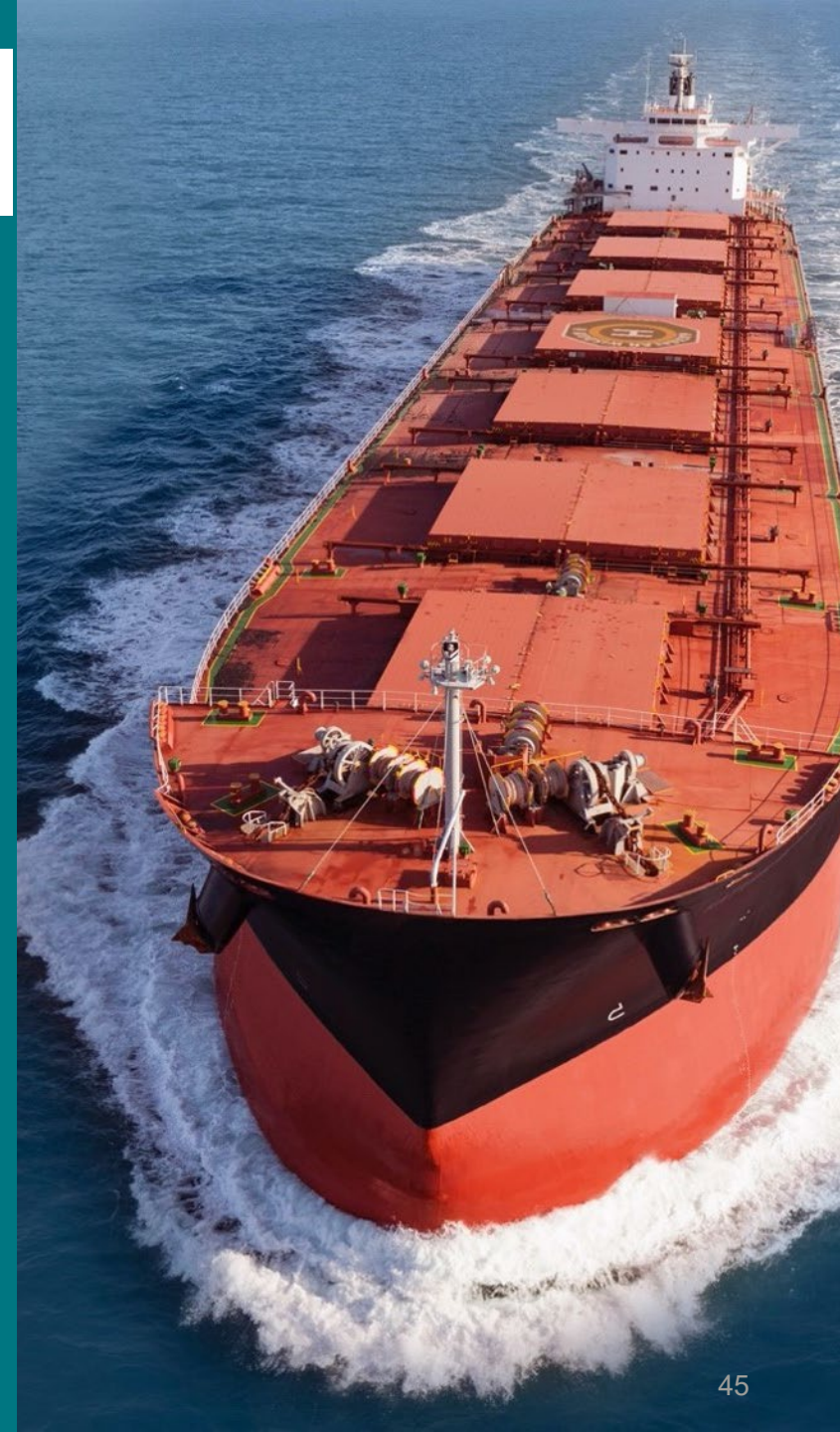
Freight Market

2023 - China economic issues continue to be a drag.

- ❑ The Q1 China recovery story flops
- ❑ China economic issues continue to weigh on the nearby
- ❑ But forward view seems more positive

2024 - Take 2 the fundamentals look supportive

- ❑ Positive signs into 2024 for Capes
- ❑ Panamax to remain stable





The Power of Partnership

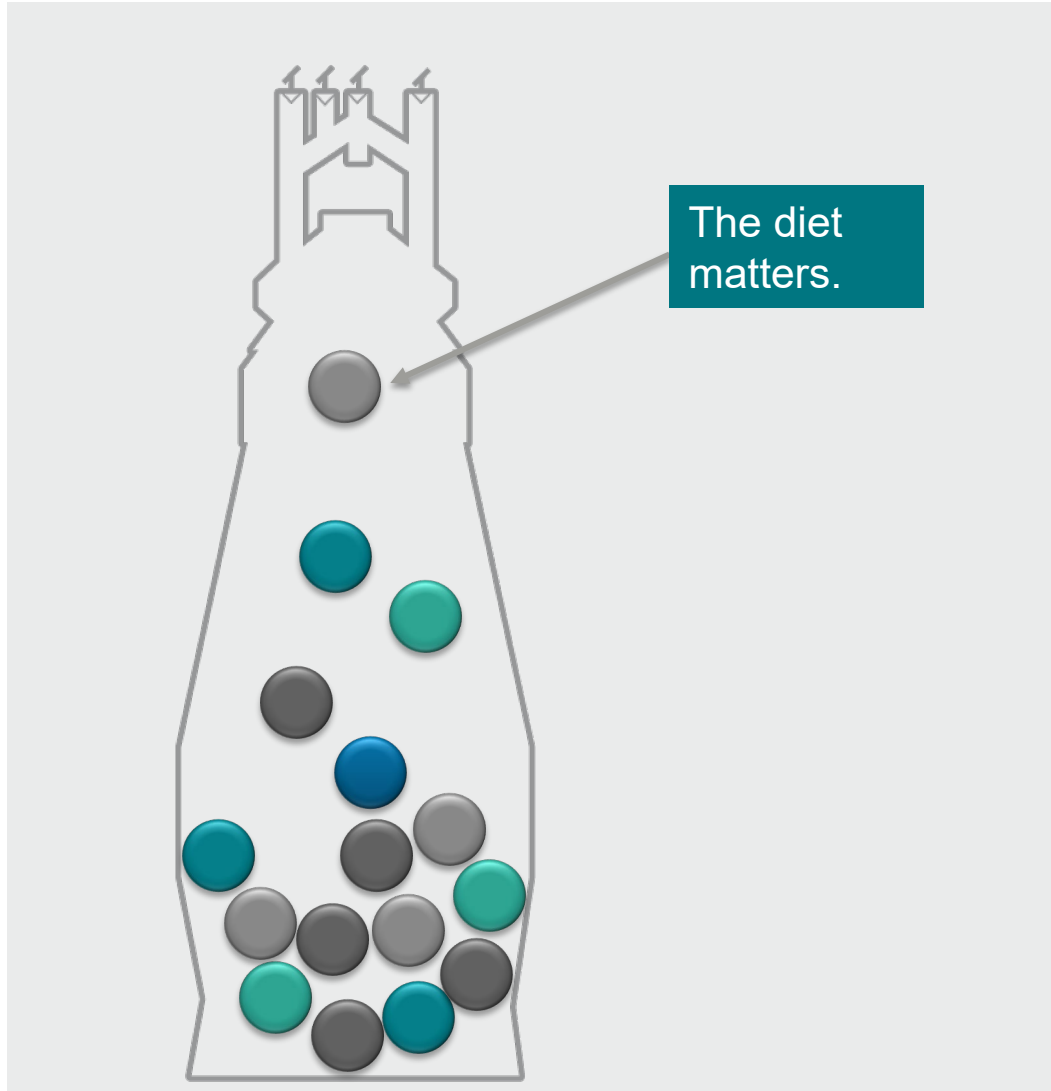
Rana Gruber and Cargill.

1+1=5



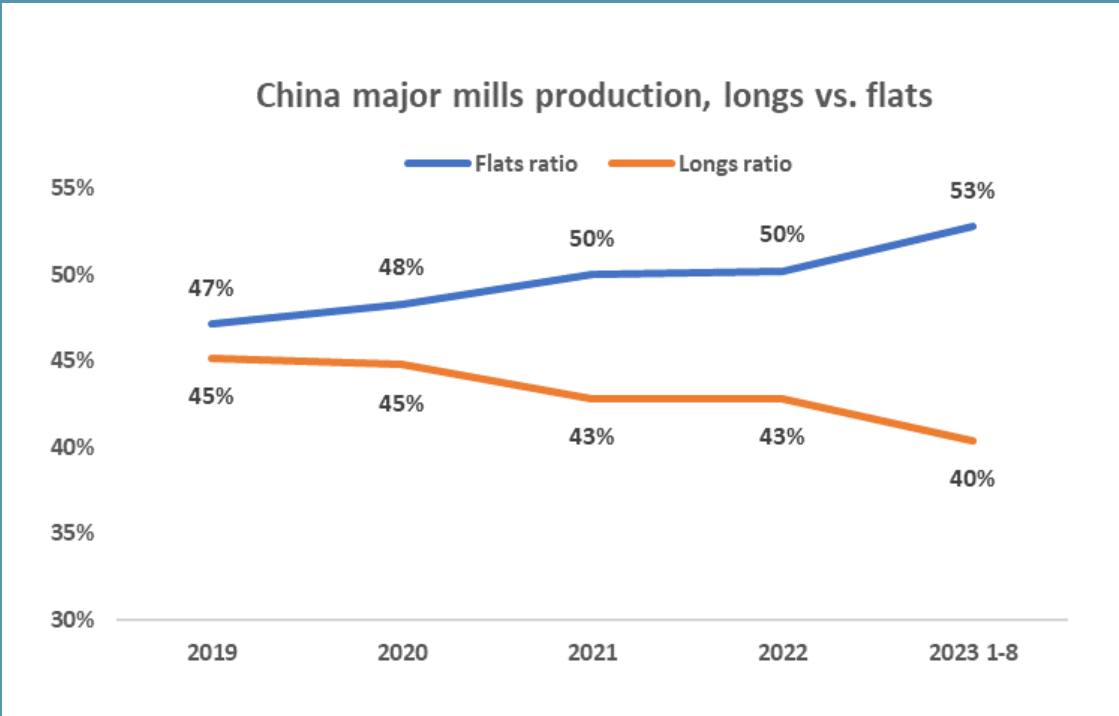
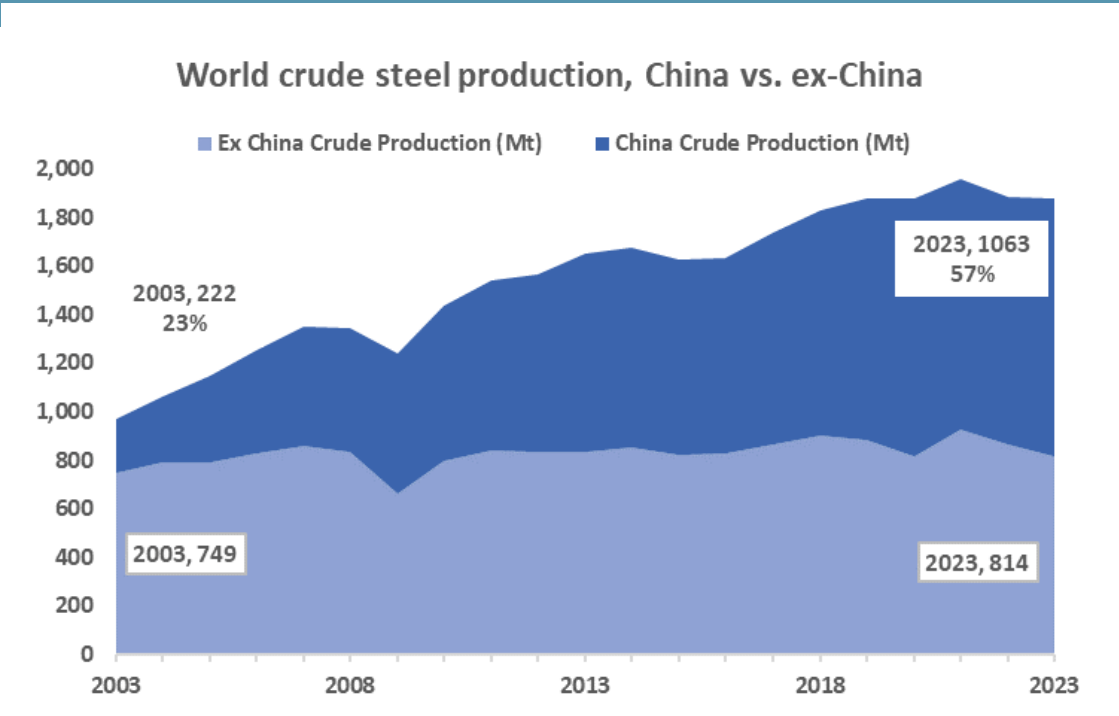
Iron Ore More than Meets the Eye

Understanding the impact on blast furnace health



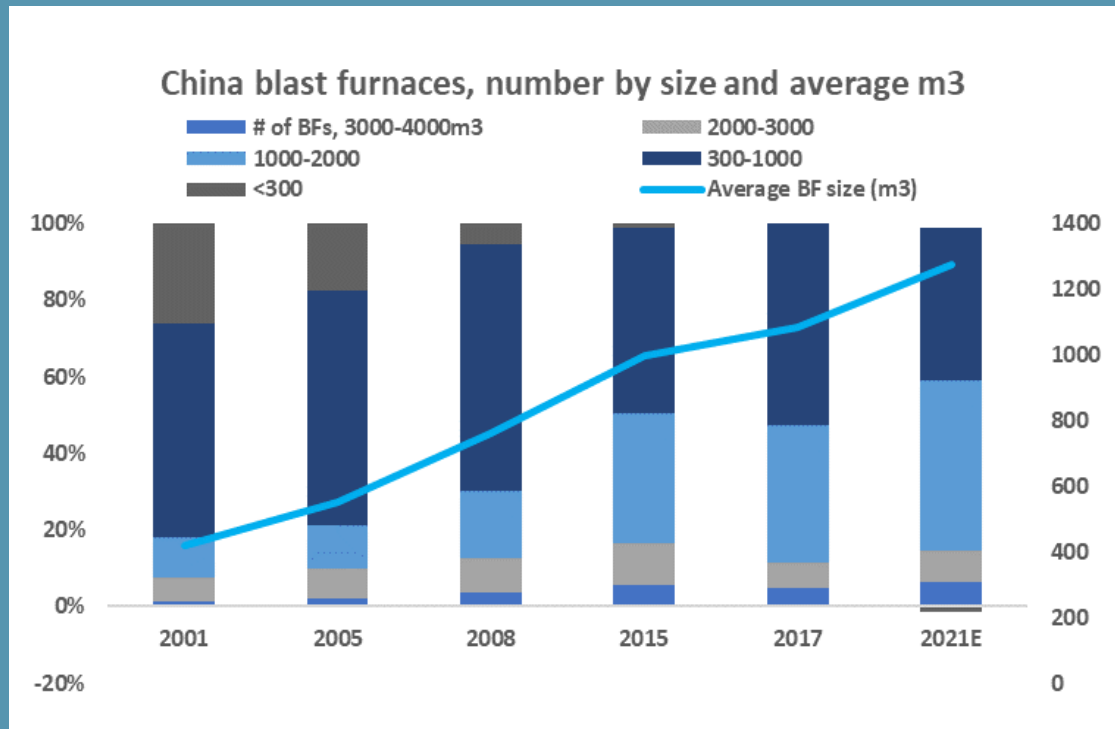
The Impact of China

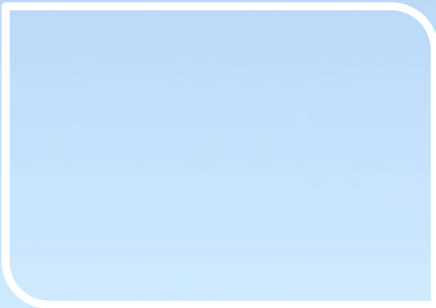
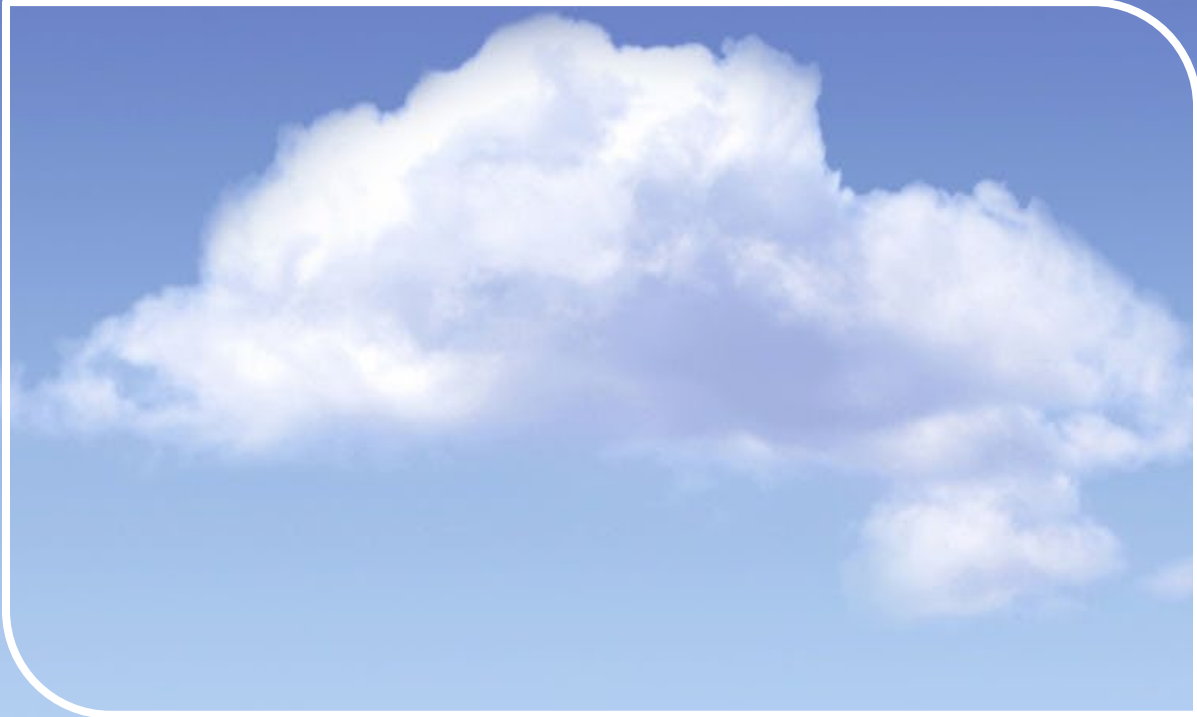
From property to consumption



The Impact of China

Addressing environmental and efficiency concerns





The Increasing Carbon Challenge

The Supply Side Equation

Increasing gangue



The race is on.

Steel Industry Health Issues

From Caviar to fast food and back.



Corrective Iron
Ores

The Challenges and
Benefits of “Healthy”
Concentrates





**Rana Gruber
Concentrates**

**Ores for a
New Steel
ERA**

High Grade
Iron Ore
Concentrate



Coke based blast furnace

Natural gas based DR

Displace natural gas with green hydrogen

Technological breakthroughs

**Cherry on the
Cake**



An unstoppable drop
in global ore
qualities



Expanding
operational need for
high grade ores



Increasing cost of
carbon



Growing demand for
lower carbon steels



Increasing demands
for ultra-high grade
and corrective ores

Rana Gruber is positioned for a very bright future





Green Shipping

How to decarbonize shipping?

Cleaning up the supply chain will require the decarbonization of shipping

Numerous technologies are currently being researched and tested



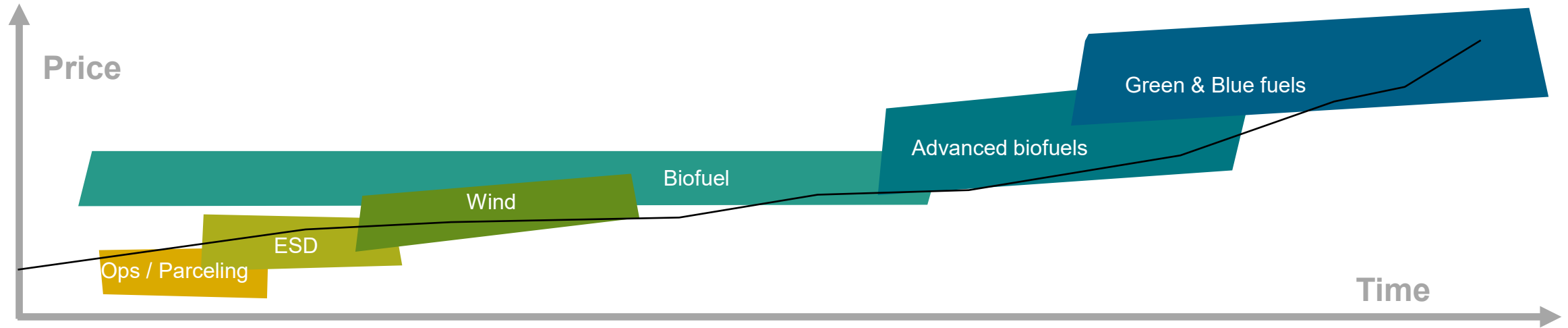
Some solutions are ready to deploy at relatively small cost (e.g. upgraded paint, small energy saving devices, increased slow steaming) but won't be enough in the long run



Long term solutions that deliver radical improvements will have to come from new technologies, in particular alternative propulsion technologies (e.g. zero carbon fuels assisted by wind)



The journey lower carbon shipping



Immediate

Mid-term

Long-term



Digitalization



Energy-saving devices



Biofuels



Wind propulsion



Other new fuels

The logo features a green, curved shape resembling a leaf or a stylized arch above the word "Cargill". The word "Cargill" is written in a bold, italicized, black sans-serif font. A registered trademark symbol (®) is located at the top right of the word.

Cargill®

Financial position and cash flow management

Erlend Høyen

CFO of Rana Gruber



Attractive dividend distributions

Well established infrastructure



Strong balance sheet



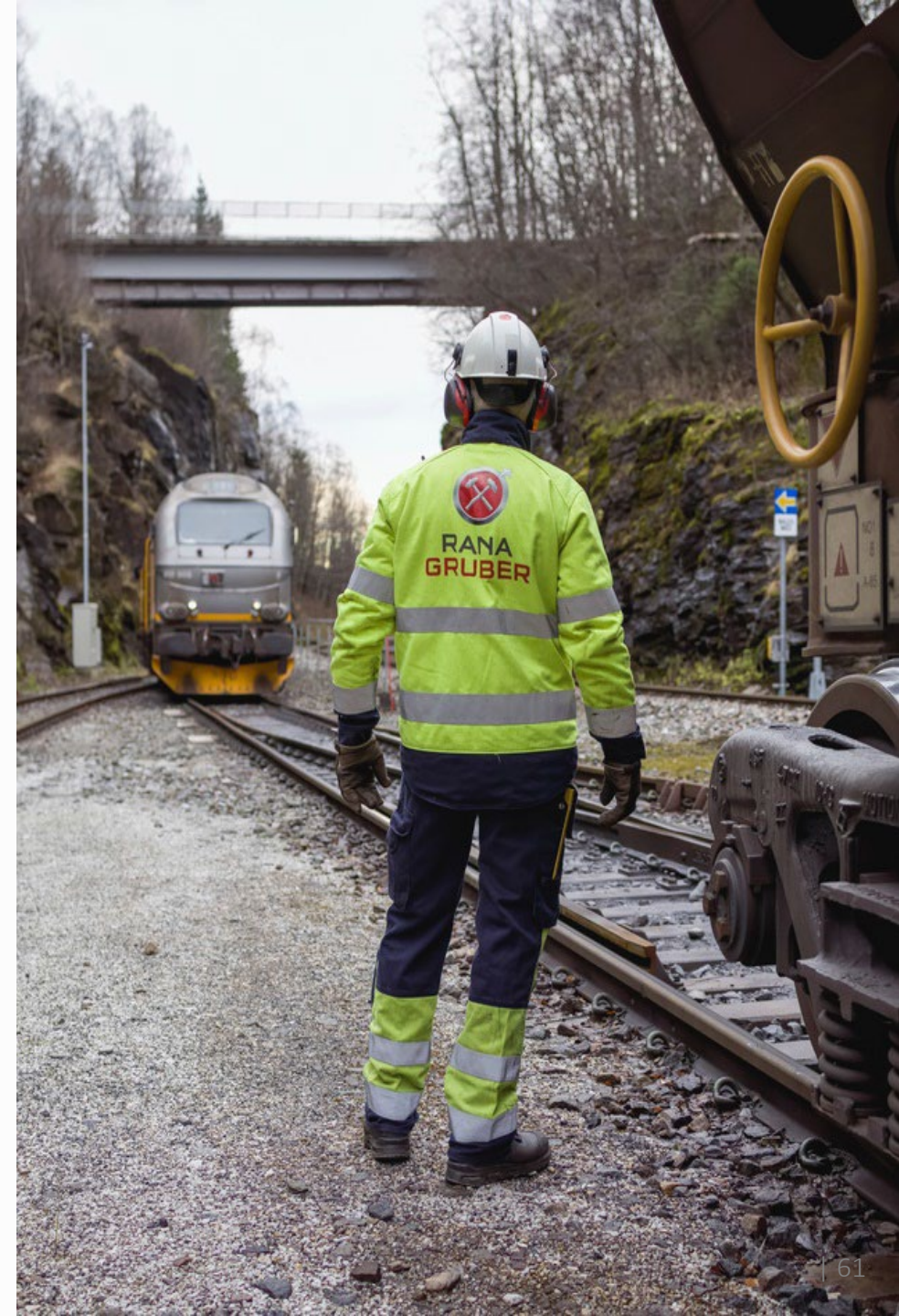
Strong free cash flow



Capex sourced without interest-bearing debt or share issues

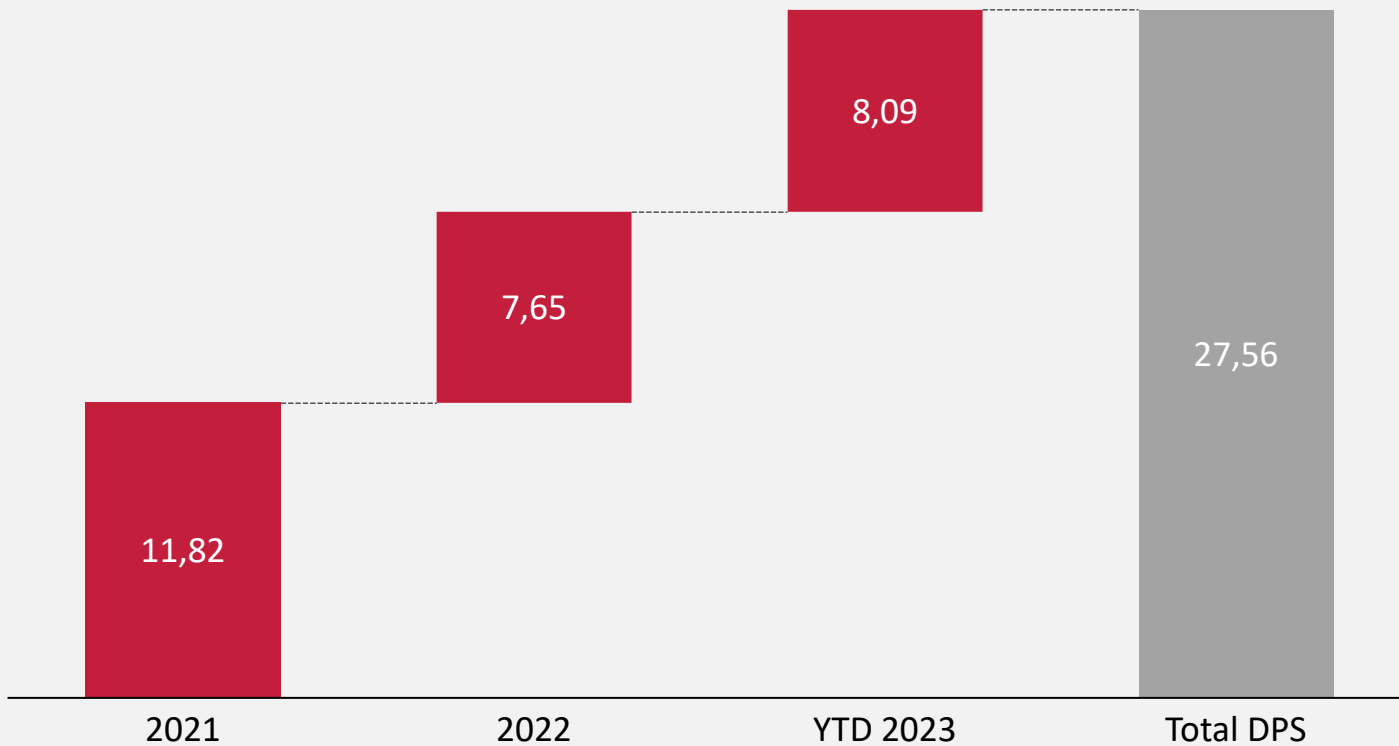


Quarterly dividend distributions



Consistent track record of shareholder return

Dividend per share (NOK)

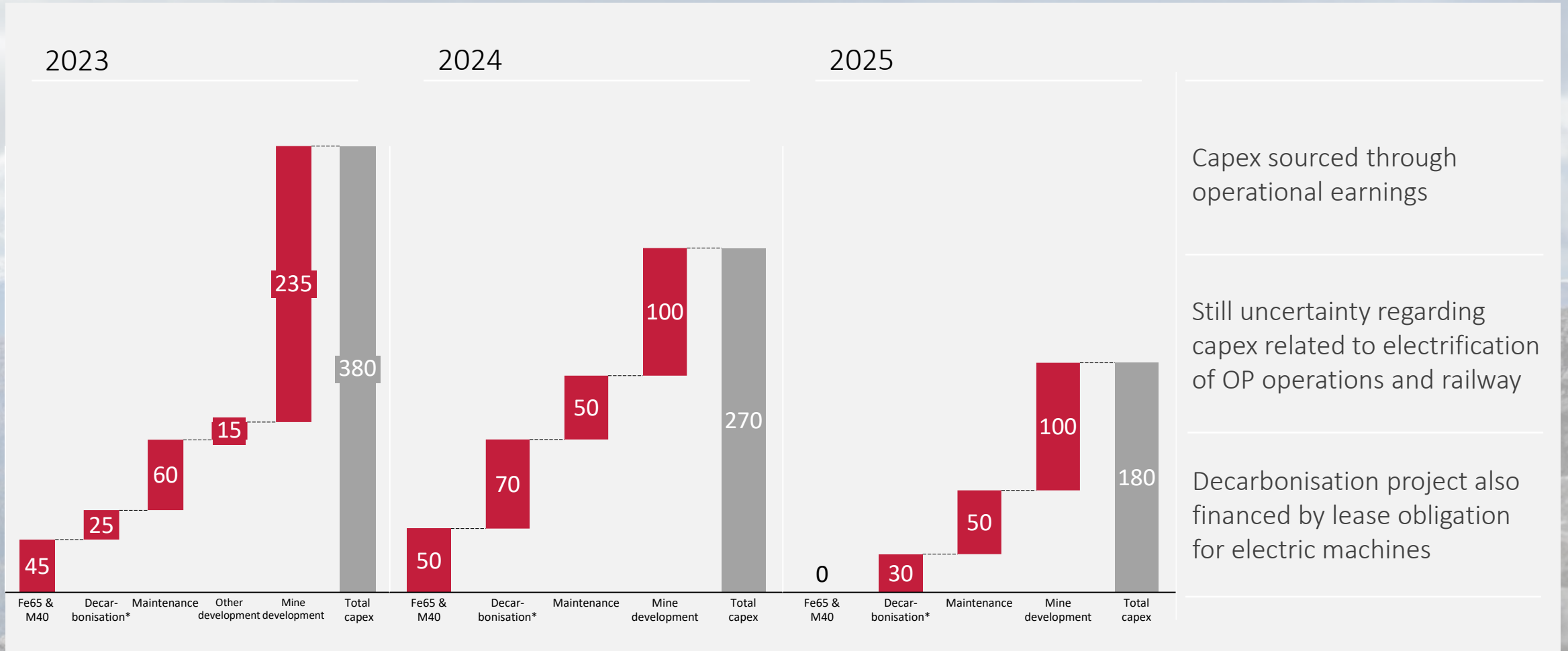


More than NOK 1 billion paid out in dividends since admission for trading in 2021

Policy to pay out 50-70 per cent of adjusted net profit¹ each quarter

Up to 30 per cent of the allocated dividend amount can be applied for acquisition of Rana Gruber shares

Capex plan remains firm



Capex sourced through operational earnings

Still uncertainty regarding capex related to electrification of OP operations and railway

Decarbonisation project also financed by lease obligation for electric machines

Lease obligation to increase going forward

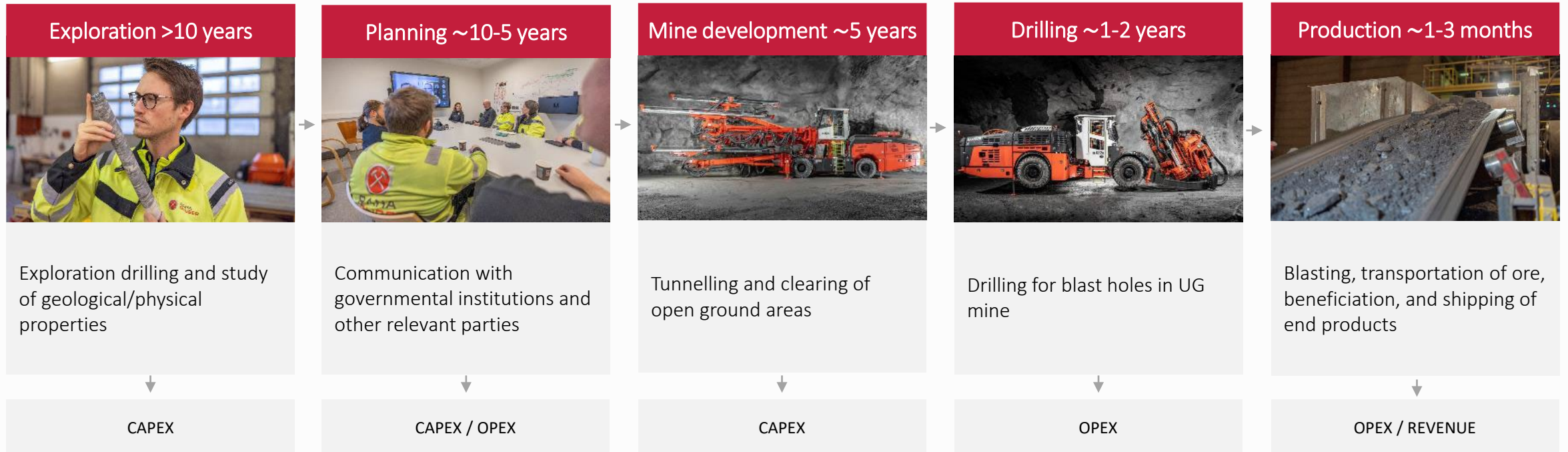
Obligation covering all vehicles and mobile machines

Obligation potentially to increase up to doubling, net Enova funding of MNOK 40 and trade-in of diesel-powered machines, when carbon free

Increase depending on delivery rate, price development for new machines, and trade-in value of diesel-powered machines



Stable development and workflows for operational excellence



Hedging for stable cash flow

Key hedging assessment criteria

Large market
fluctuations



Securing large portion
of operating costs



Timing of larger
investments and cash
draws



Hedging of iron ore, FX, freight and electric power

Max. 50% of annual production volume, for a period of up to 24 months

Changes in portfolio value included in P&L under net financial income/expenses

An aerial photograph of a mining operation. A wide, light-colored gravel road winds through a landscape of green and yellow trees. In the foreground, a large yellow mining truck is driving on the road. To the right, there are large piles of grey rock and debris. The sky is blue with scattered white clouds.

Q&A

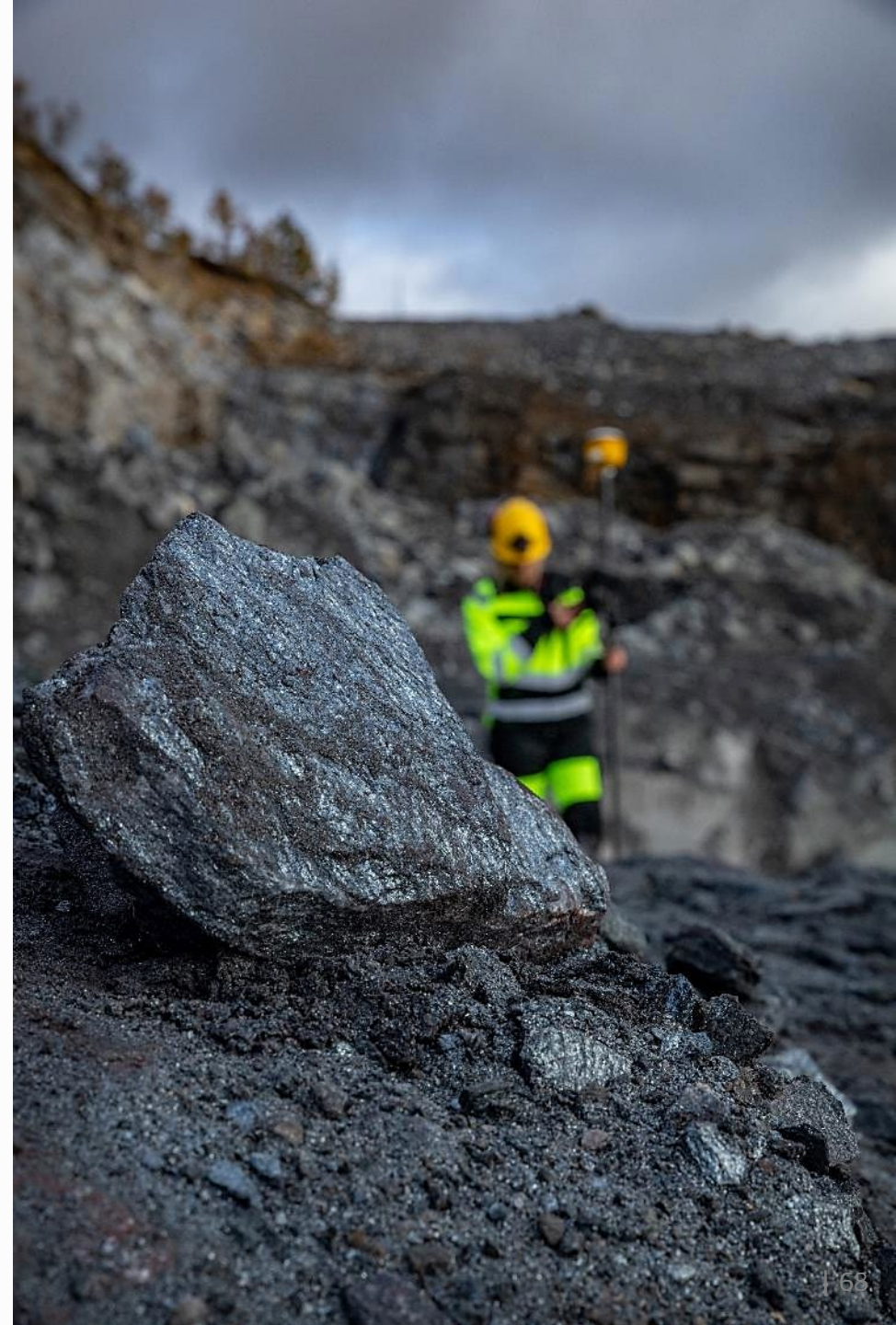
Contact: ir@ranagruber.no

Key takeaways

Well-positioned to lead the transition towards carbon free mining

Strong cash generation and solid financial position enabling attractive dividend distributions

Progress on strategic projects and partnership with Cargill provide promising foundation for further progress



Welcome for lunch!

Next report: Q4 2023 – 15 February 2024



RANA
GRUBER