

Letter of intent

between

Egersund Næring og Havn KF

and

Norge Mineraler AS

For cooperation related to the development of export infrastructure from Norge Mineraler's planned mining operations

This Letter of Intent (hereinafter referred to as "Agreement") has been entered into on 18 December 2023 by and between:

- (1) Egersund Næring og Havn KF (hereinafter referred to as "ENH"), organization number 875265172 and registered address at Strandgaten 2, 4370 Egersund, and
- (2) Norge Mineraler AS (hereinafter referred to as "NM"), organization number 974359073, and registered address at Langholmveien 6, 4373 Egersund

Individually referred to as a "Party" and collectively as the "Parties".

Background:

- (A) NM has licenses for the development of mineral deposits in the Bjerkreim-Sokndal intrusion;
- (B) NM has carried out extensive exploration and mapping of the resources which have shown that there is a resource basis for planning the extraction of phosphate, vanadium and titanium in addition to significant quantities of crushed stone and gravel;
- (C) NM has started a Pre-Feasibility study which will detail alternative mining plans and processing facilities as well as export alternatives for the products and waste rock;
- (D) ENH has surveyed and evaluated various possible alternatives for the shipment of waste rock and other materials;
- (E) ENH has concluded that with the quantities NM will export, the Nordasundet port site is the best alternative;
- (F) ENH is willing to carry out further work with Nordasundet harbour and associated transport infrastructure from the nearest railway in operation; and
- (G) The Parties agree that this Agreement forms the basis and sets the framework for further cooperation for Nordasundet site as an export port;

Therefore, the Parties agree on the following:

Section I – Intent of the Agreement

- 1.1 The Agreement describes the Parties' desire to work together to detail the option for exporting products and waste rock that has the least implementation risk (project implementation and approvals), lowest costs (investments and life cycle) and which has the most flexibility.
- 1.2 The Agreement describes the Parties' form of cooperation, reporting and responsibility for the investigations, engineering work and assessments.
- 1.3 The Agreement describes project management principles and payment for completed studies.

1.4 If the Pre-Feasibility Study NM is conducting and which will be completed in 4Q 2024 concludes that Nordasundet site is the preferred export alternative, ENH has the option of:

- 1.4.1 Enter into a detailed engineering agreement (hereafter referred to as "Project Agreement") for the preparation of an investment decision basis as the Parties will agree upon, or
- 1.4.2 Transfer work as described in Section II in this agreement to NM. NM will compensate ENH for its costs related to such work in accordance to the cost sharing agreement in 2.6.

Section II – Scope of Work

- 2.1 ENH shall detail which port conditions are required to ensure good sailing and maneuvering conditions for ships up to 50,000 DWT.
- 2.2 ENH shall detail the port design, loading facilities and other necessary infrastructure and auxiliary systems (including power supply).
- 2.3 ENH shall detail the transport system from the temporary storage at the railway to the port.
- 2.4 ENH shall detail the temporary storage facilities at the railway, including unloading infrastructure from railcars.
- 2.5 NM shall detail the railway track from the mine to the unloading site.
- 2.6 The Parties shall establish a list of scope of work, quality, timeline and requirements for the cost and schedule assessments. This list will form part of this Agreement.
- 2.7 ENH shall carry out an initial impact assessment . The assessment carried out by ENH from railway to port will be done in close cooperation with and as an integral part of NM's ESIA study for the total mine to export project.

Section III – Business model principles

- 3.1 The Parties will discuss different business models in parallel with the work related to Section II.
- 3.2 The Parties agree that ENH will establish a separate company for this purpose (hereinafter referred to as "Newco") as mentioned in 3.1.
- 3.3 The Parties agree that external financing is required to realize the development of the export infrastructure under Section II.
- 3.4 ENH will invite NM or another third party NM chooses to designate as an investor in Newco. NM has no obligation to become a shareholder of Newco.

3.5 Newco shall be operated as an arm's length company from the Parties and seek a return that reflects a low-risk infrastructure investment in Norway.

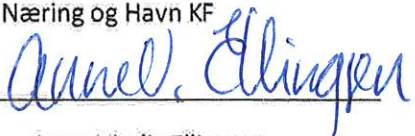
Section IV – Miscellaneous Provisions

- 4.1 In the case of interpretation and legal proceedings, the Agreement shall be assessed under Norwegian law. Any dispute, controversy or claim arising out of or in connection with this LOI, or the breach, termination or invalidity thereof, and which is not settled by mutual agreement, shall be subject to the jurisdiction of the ordinary courts of Norway, with Sør Rogaland tingrett as the agreed legal venue.
- 4.2 ENH shall receive a share of the costs associated with the tasks mentioned under section II from NM in accordance with a cost sharing agreement to be entered into subsequent of the detailed scope of work mentioned under section 2.6 above. This cost sharing agreement shall be part of this Agreement. Any other costs will be carried by each of the Parties.
- 4.3 The Parties shall meet immediately after entering into this Agreement to agree on a detailed scope of work (in accordance with section 2.6) and the associated budget (in accordance with the section 4.2).
- 4.4 Parties shall meet regularly to coordinate progress and agree on further work.
- 4.5 If Nordasundet port is established, depending on the business model, the Parties will negotiate harbour fees within national rules and regulations.
- 4.6 The Parties agree to seek to safeguard each other's interests in the best possible way in the work under Section II.
- 4.7 All information exchanged under this Agreement shall be treated as confidential and be subject to a confidentiality agreement which the Parties will sign.
- 4.8 The Agreement cannot be changed except by the Parties agreeing to change all or part of the Agreement.
- 4.9 The Agreement comes into force upon signing and shall last until a Project Agreement is concluded or until Nordasundet site is not selected as an export alternative at the start of the Feasibility Study, estimated for 4Q 2024.
- 4.10 If NM chooses not to proceed with the Nordasundet site for the Feasibility Study, ENH shall have the right to further develop the Nordasundet site. Information in the form of studies, reports, communications, minutes, etc. from the work under Section II that the Parties finds sensitive must either be shredded or returned at request.

This Agreement has been concluded with 2 originals, one for each Party.

Place and date: Egersund 18 December 2023

Egersund Næring og Havn KF

Signature 

Name: Anne Vigdis Ellingsen

Norge Mineraler AS

Signature 

Name: Olav Skalmeraas