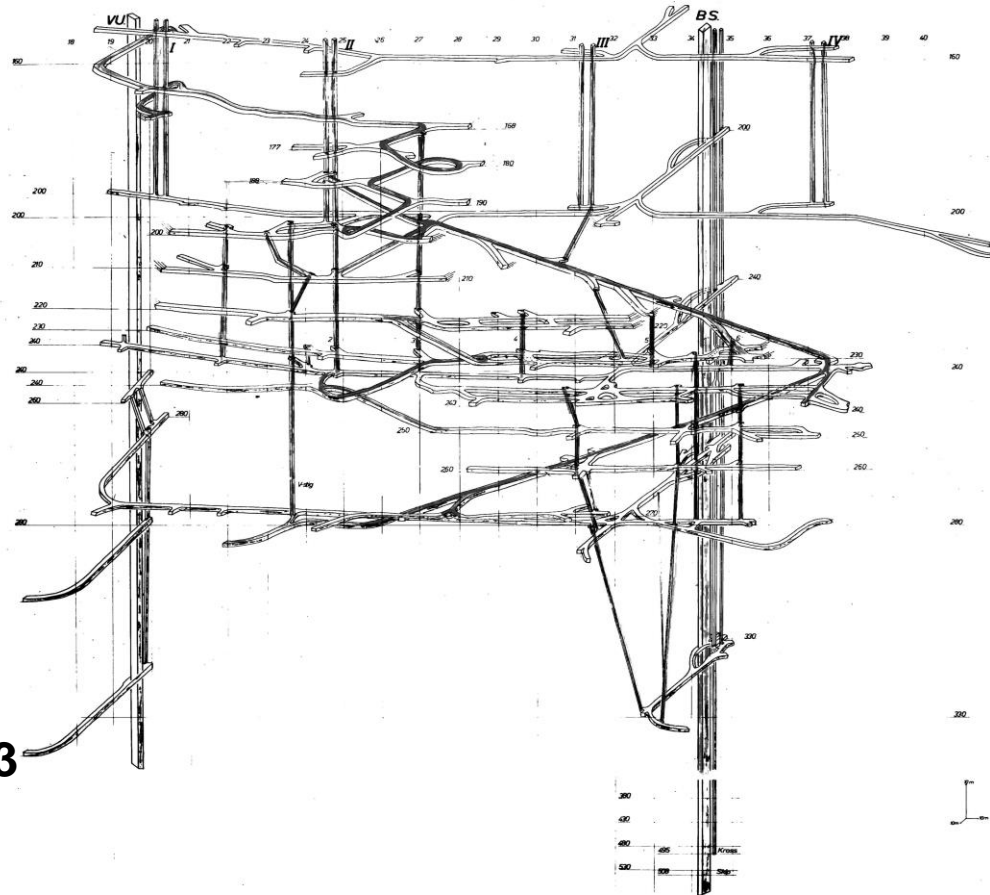


Nordic Iron Ore – Company Presentation

The Rejuvenation of the Ludvika Iron Ore Mines

– Europe's next iron ore producer



Informa

8th EU Iron Ore

Paris, 1-2nd October 2013

Agenda

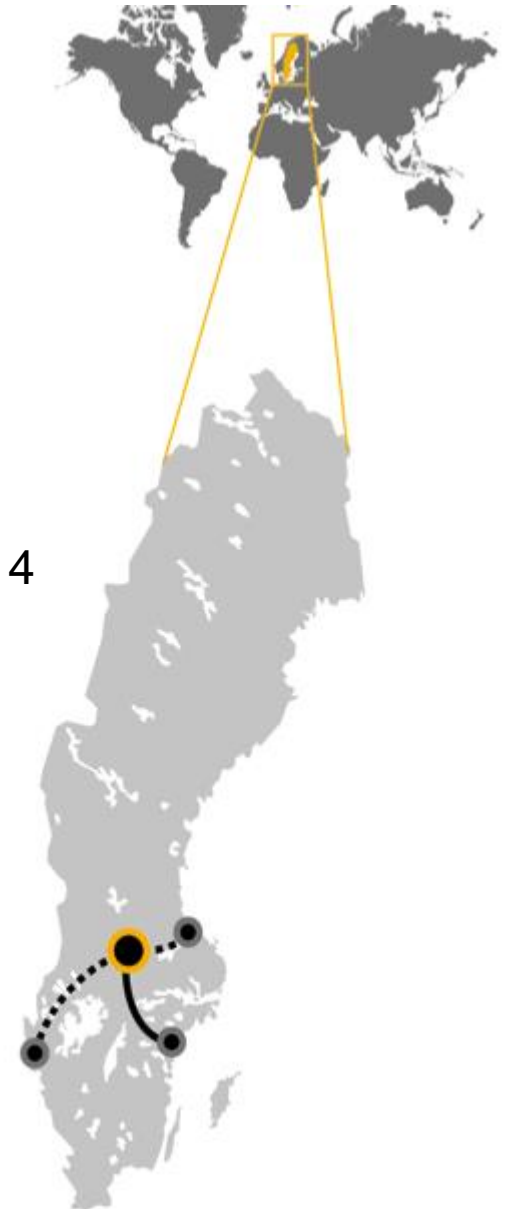
- **Introduction**
- Investment highlights
- Project time plan
- Financial information
- Conclusion

What defines a good iron ore project?

- Access to cost effective logistics solutions, - ie railway direct to deep sea port
- Low operating costs
 - Under USD 60 /dmt FOB
- Low capital intensity
 - <USD 200/annual tonne production
- Nearby markets
- Easily beneficiated ore
- High quality product >62%Fe
- Incremental expansion opportunities
- Large iron resources

Nordic Iron Ore at a glance

- Restarting Ludvika Mines
 - Blötberget – mining concession granted
 - Phase 1 Feasibility study
 - Environmental permit expected Q4 2013
 - Väsman field – under further exploration
 - Mine concession application submitted 2014
 - Environmental permit application 2015
 - Håksberg – mining concession granted
 - Environmental permit expected Q4 2013
- A brownfield iron ore project
- Existing rail from mine to deep water port
- Scoping study shows very attractive ROI



Our targets

- Production 4.3 Mtpa
- Production start coarse fines: Q3 2014
- Start new beneficiation plant Q3 2016
- Concentrate 67% Fe or better



Solid economics

- IRR 25 per cent
- Pay back period 4.5 years
- At least 15 year life of mine



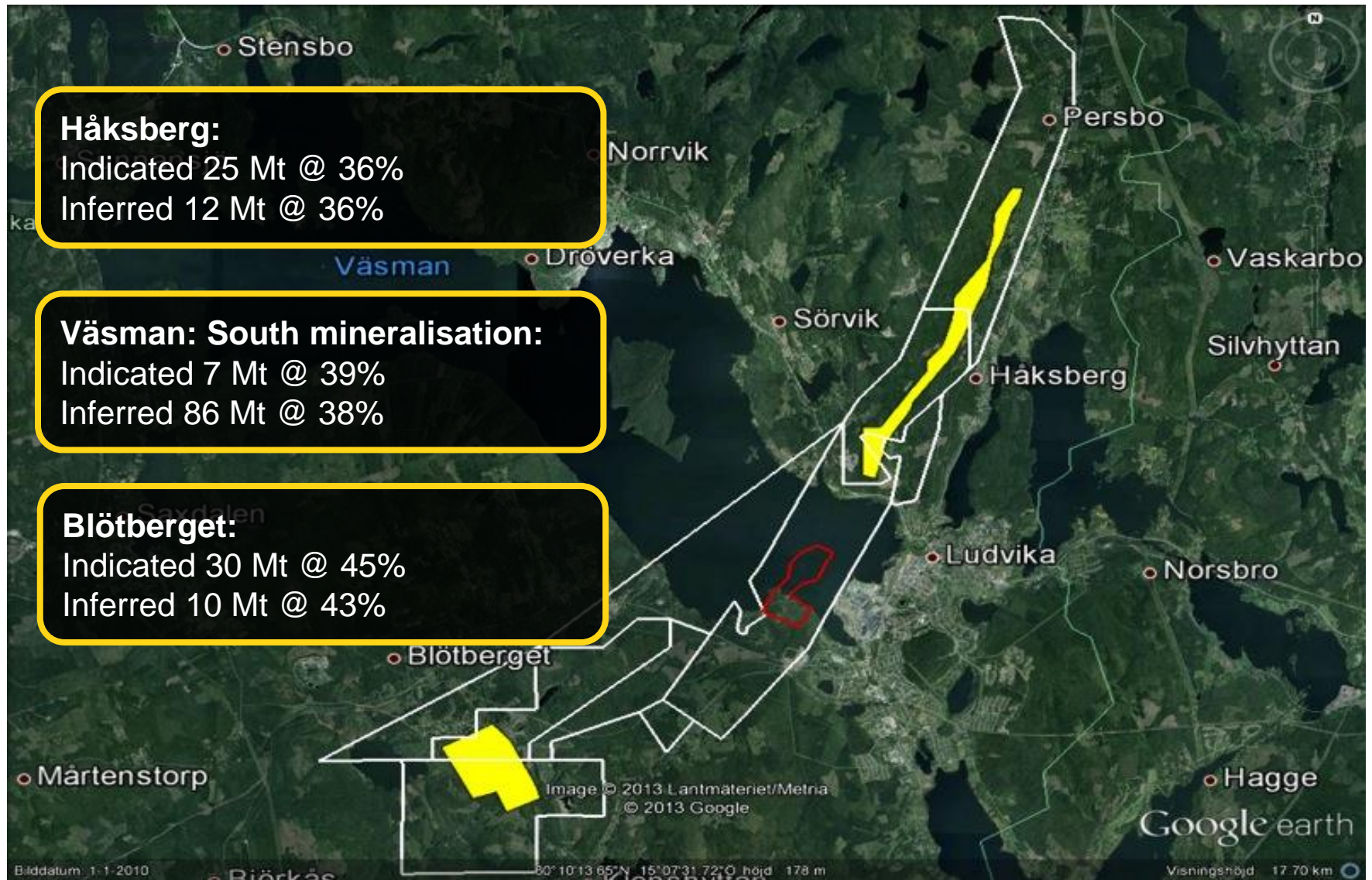
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One of Sweden's largest iron mineralisations

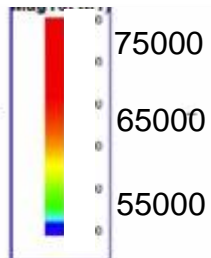


One of Sweden's largest iron mineralisations

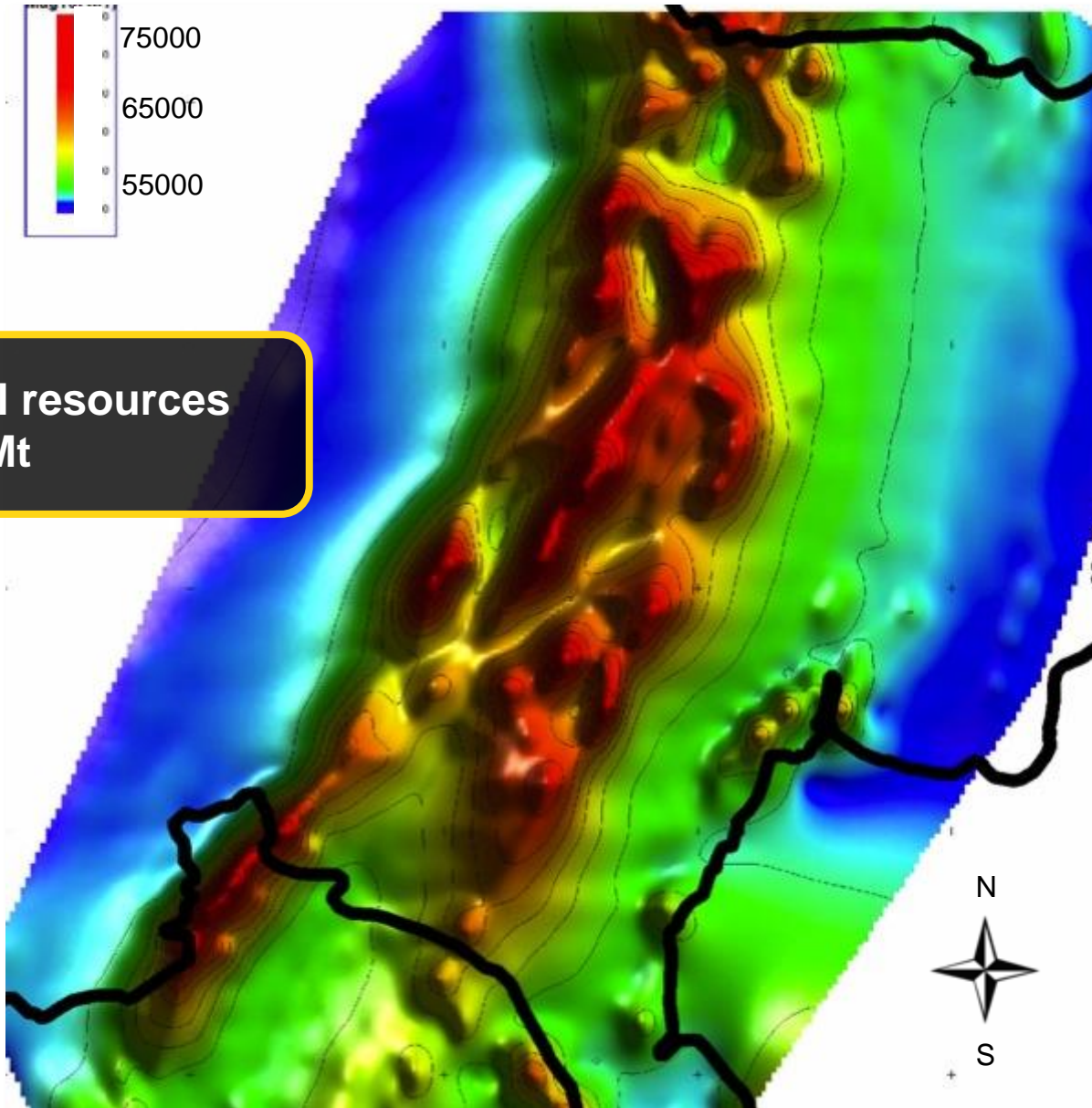


Expansion potential

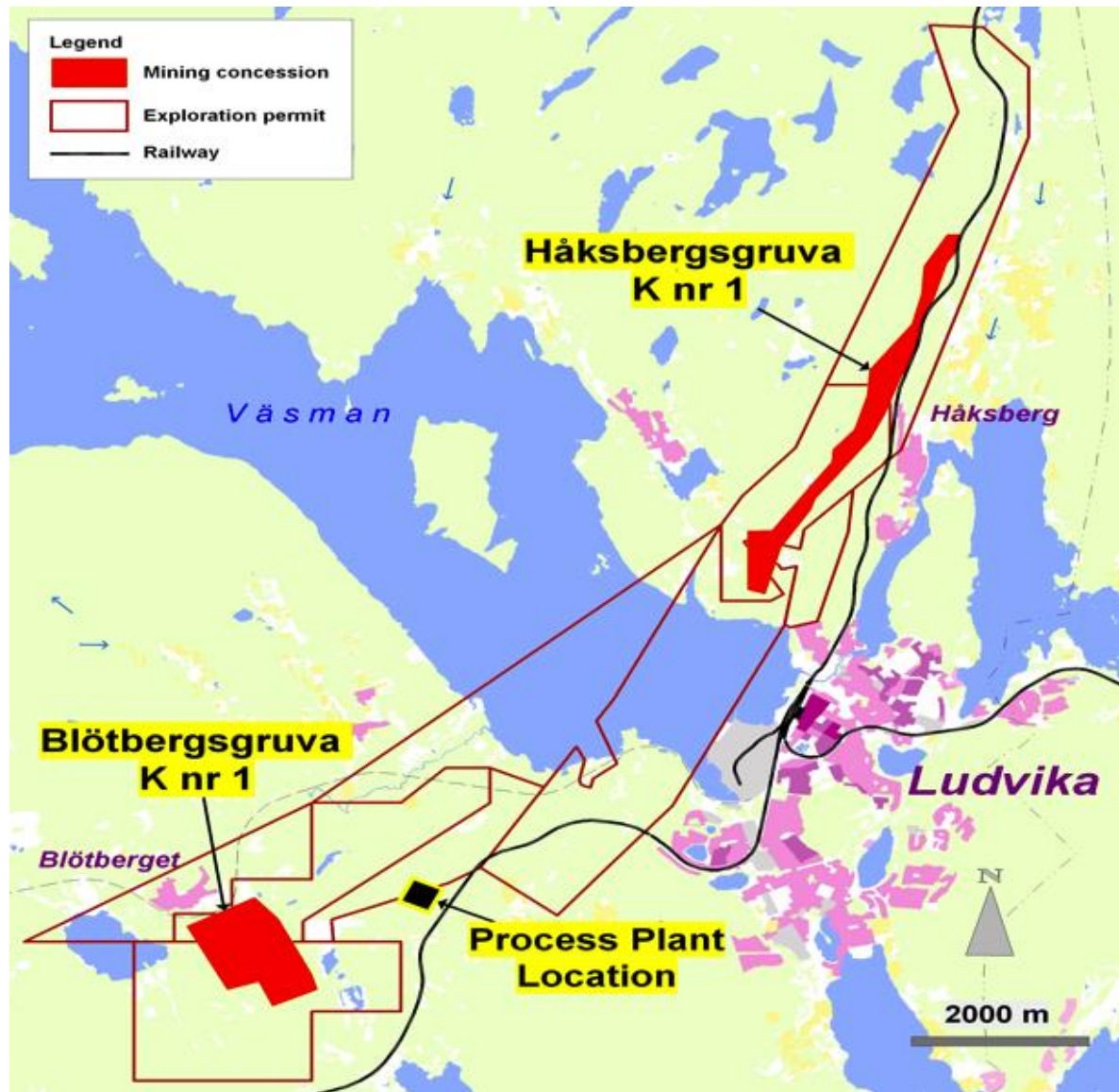
MagTot (nt)



Targeting mineral resources
in excess of 300Mt



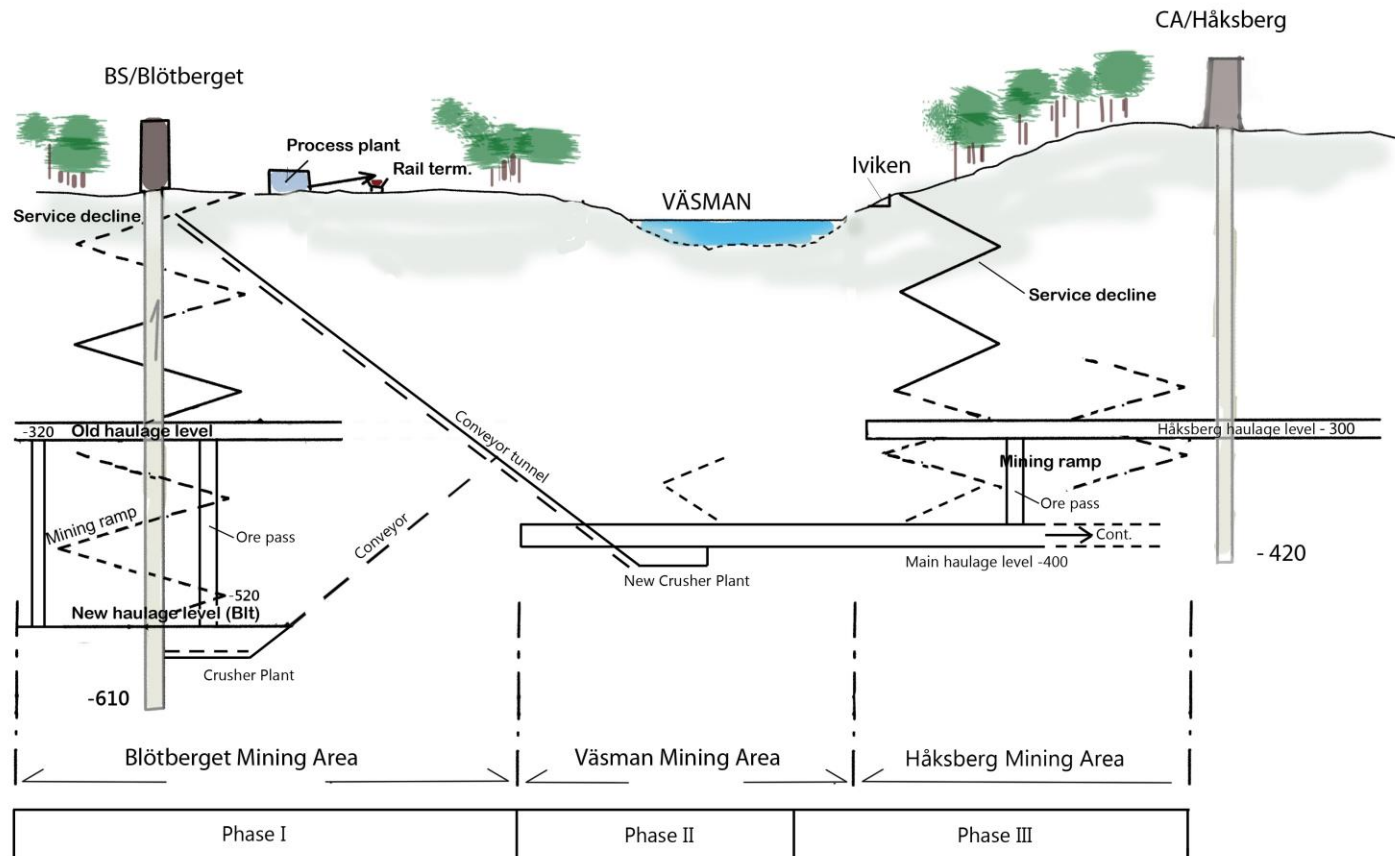
Beneficiation plant next to existing railway



Integrated expansion of project to 4.3Mt/y

Development in three phases

Ludvika mines principal section



Product price premium

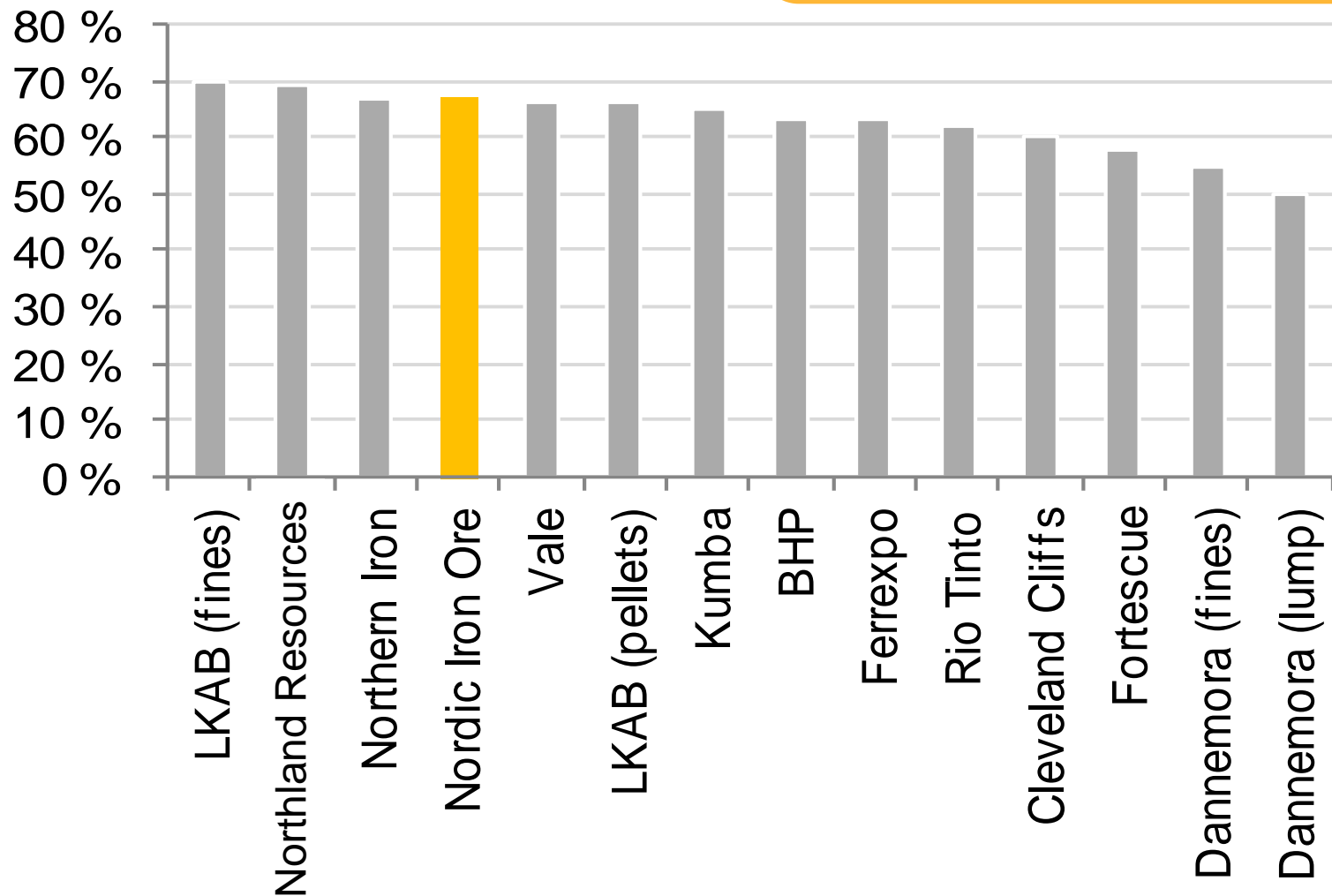
- High quality products
 - Fines
 - Concentrate
- 67% Fe Concentrate



High quality product

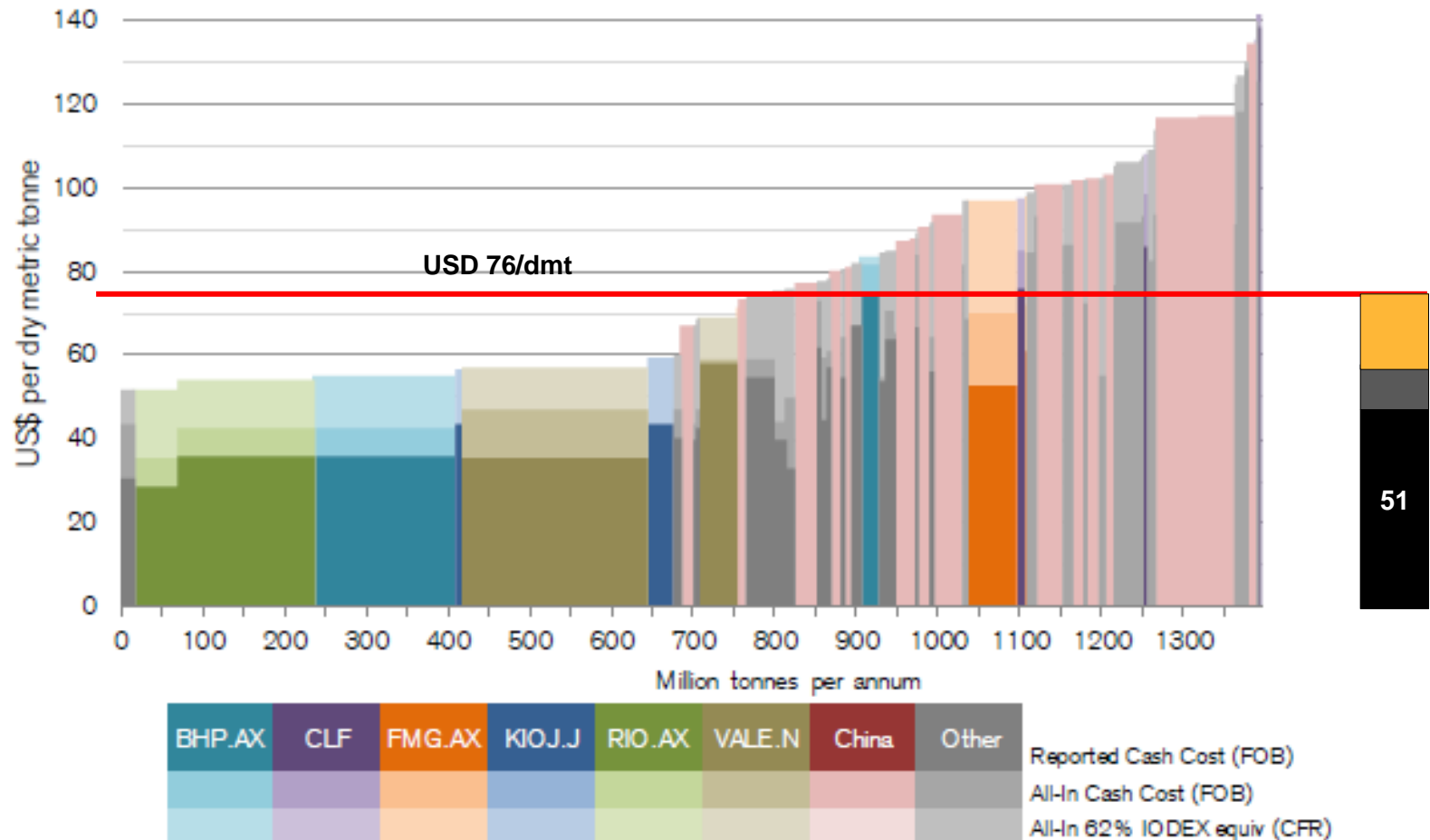
NIO will produce high quality pellet feed concentrates (possibility to produce sinter fines), expected to yield premium pricing

Comparison of average % Fe



Competitive cost level

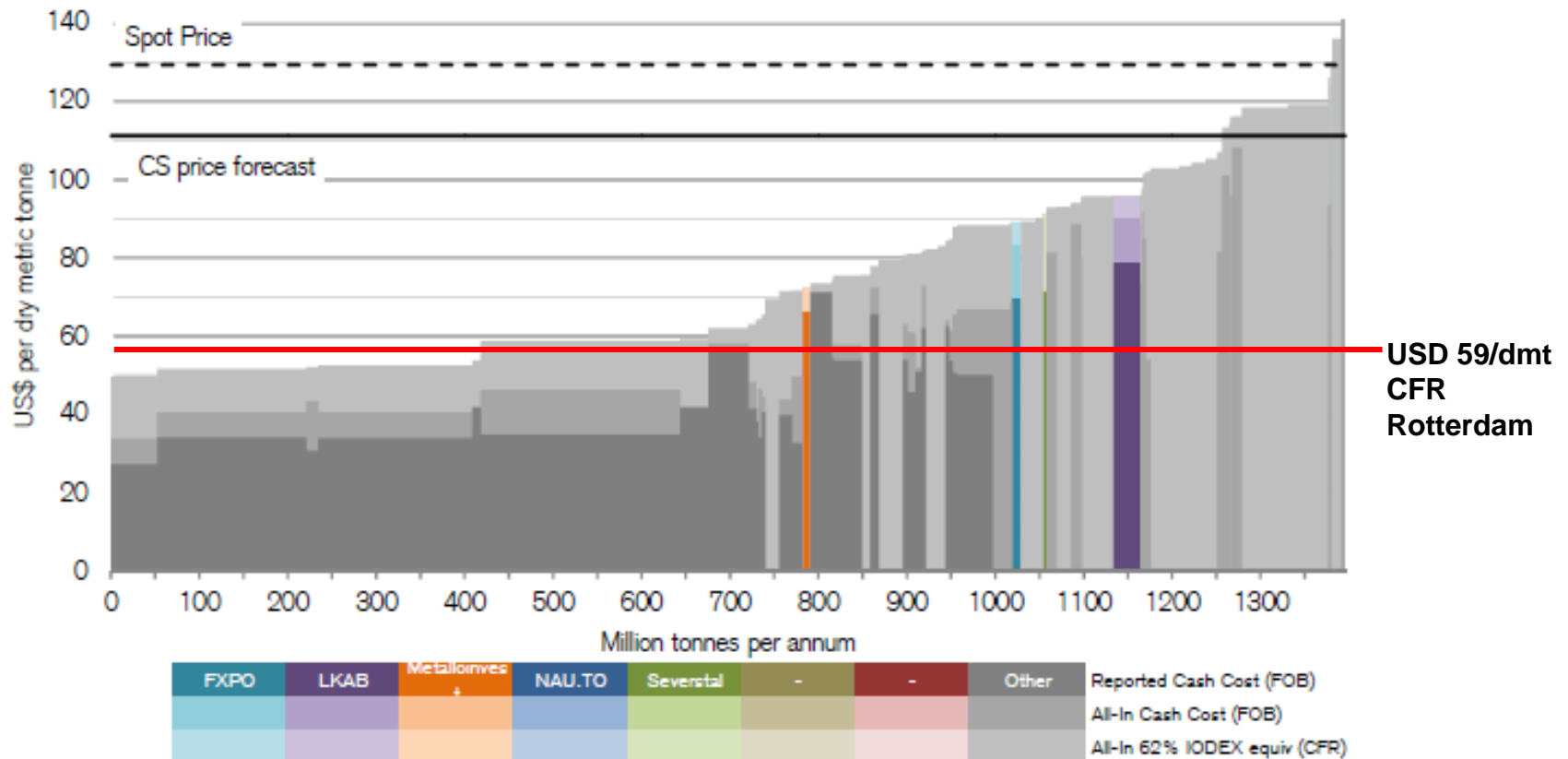
Competitive cash cost and premium product



Source: Credit Suisse/NIO

Competative cash costs to European market – upside potential

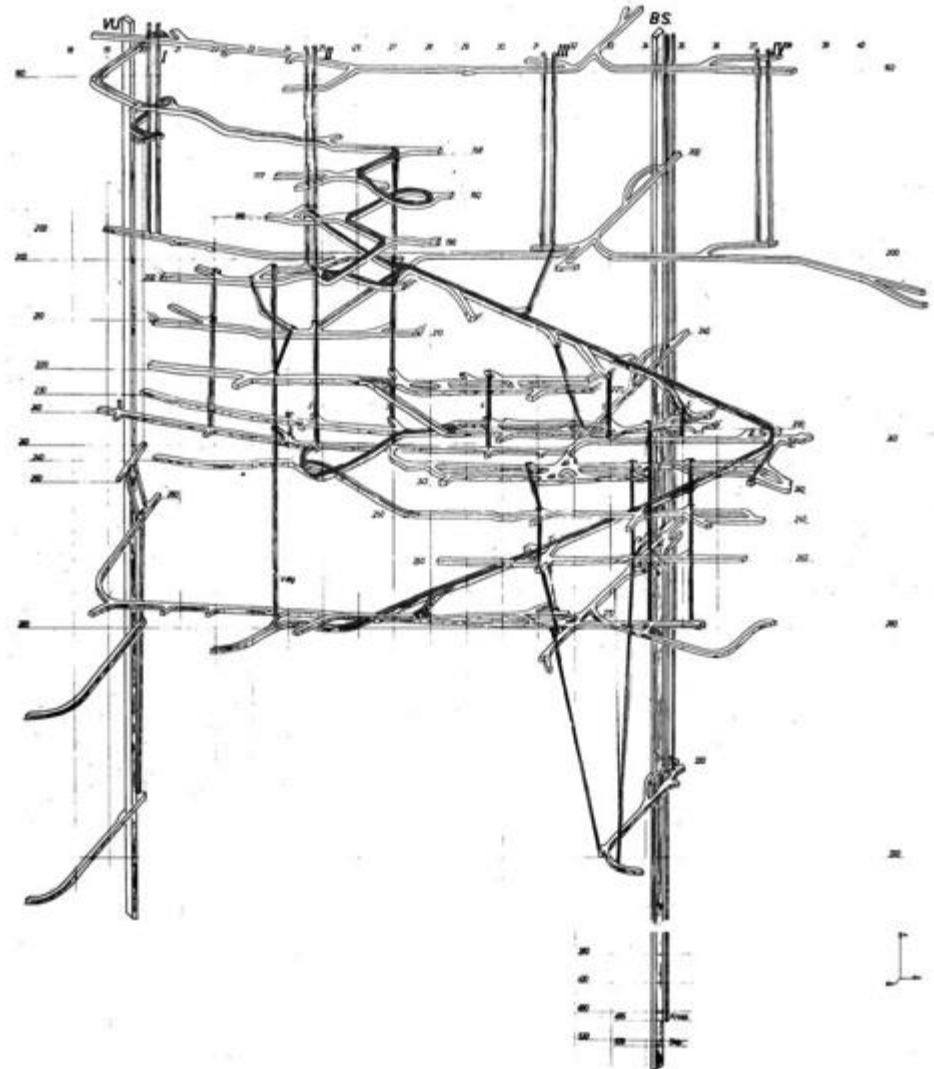
Exhibit 23: Europe in Context – 2013 Estimates



Source: Company data, Credit Suisse estimates. / Nordic Iron Ore AB

Low development risk

- Scalable project
- Experienced management team
- Existing mine infrastructure
 - Reduced CAPEX
 - Reduced development time
 - Ground pre-prepared for extraction
 - Incremental development
- Existing competitive logistics solution to deep-water port



Existing logistics – competitive OPEX

- Existing railway from mine to deep water port
- MSEK 900 (MUSD 130) committed by Swedish government for refurbishment of railway
- All year ice free port
- Baby Cape/Panamax capacity
- Lol signed with Oxelösund port



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Initial phase (2010-2012)

- Organisation, management team & BoD
- Two mining concessions granted
- PEA/Scoping study
- Environmental permit application

Funding:

MSEK 98

(MUSD 15)



Current phase (2013)

- Resource expansion and infill drilling
- Beneficiation tests and process layout
- DFS Phase I
- Exploratory talks with market for off-take agreements

Funding:

SEK 50 million

(MUSD 7.5)



Construction Phase I (2014-2015)

- Mining concession application Väsman
- Environmental permit application Väsman
- Preparation for construction phase
 - Dewatering Blötberget
 - New entrance tunnel
- Production start Phase Ia

Funding:

MSEK 2 000

(MUSD 300)



Construction Phase I (2014-2015) cont.

- Construction project build up
- Construction of plant with first production line and rail terminal
- Off-take agreements (preferred with finance)
- Complete feasibility study - Phase II



Construction Phase II (2016-2017)

- Organizational build up
- Development of Väsman
- Complete production line 1 - commission
- Production start and ramp-up
- Construction of production line 2

Funding:
MSEK 700
(MUSD 100)



Construction phase III (2018-2019)

- Mine development of N Väsman & S Håksberg
- Production ramp-up
- Construction of production line 3
- Commission production line 3

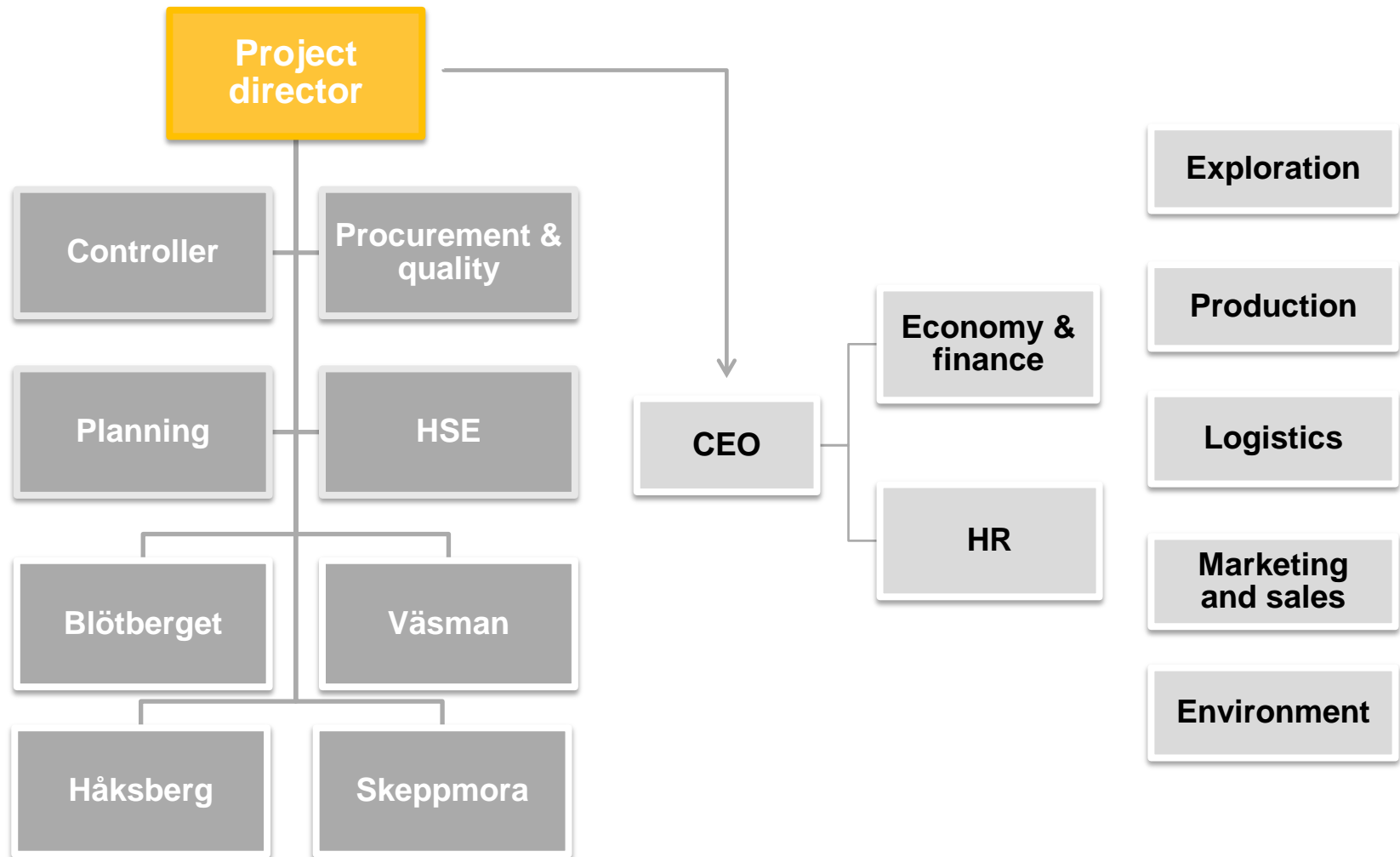


Risk mitigation

Construction and process risk greatly reduced due to:

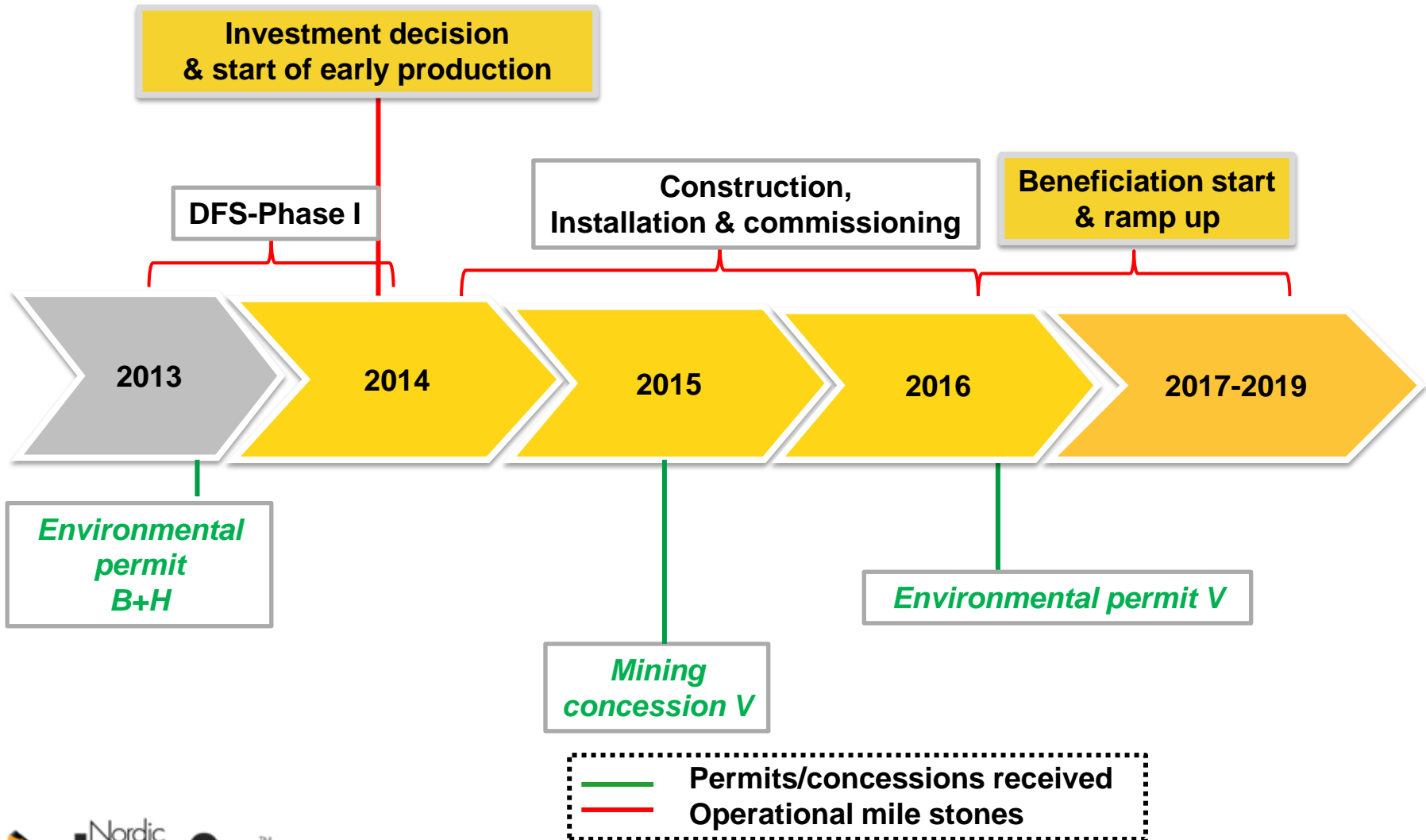
- 1** Complete DFS before final investment decision
- 2** Experienced project management team, supported by strong engineering and mine development functions
- 3** Detailed planning and close monitoring of schedule
- 4** Focus on cost control and follow up systems
- 5** Procurement with close monitoring of suppliers

Risk mitigation – separate project organisation



Project development schedule

-- Key milestones

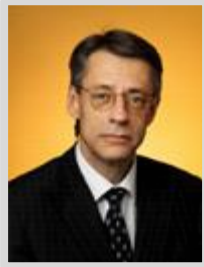


Management and board

Management



Christer Lindqvist
CEO



Lennart Eliasson
CFO



Hans Thorshag
Technical Director



Louise Sjögren
Chief Geologist



Paul Marsden
Sales and Marketing

Board of directors



- Broad mix of skills, knowledge and experience
- Board is incentivised through stocks and options

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Attractive economics

Example calculation at full production, USD/t

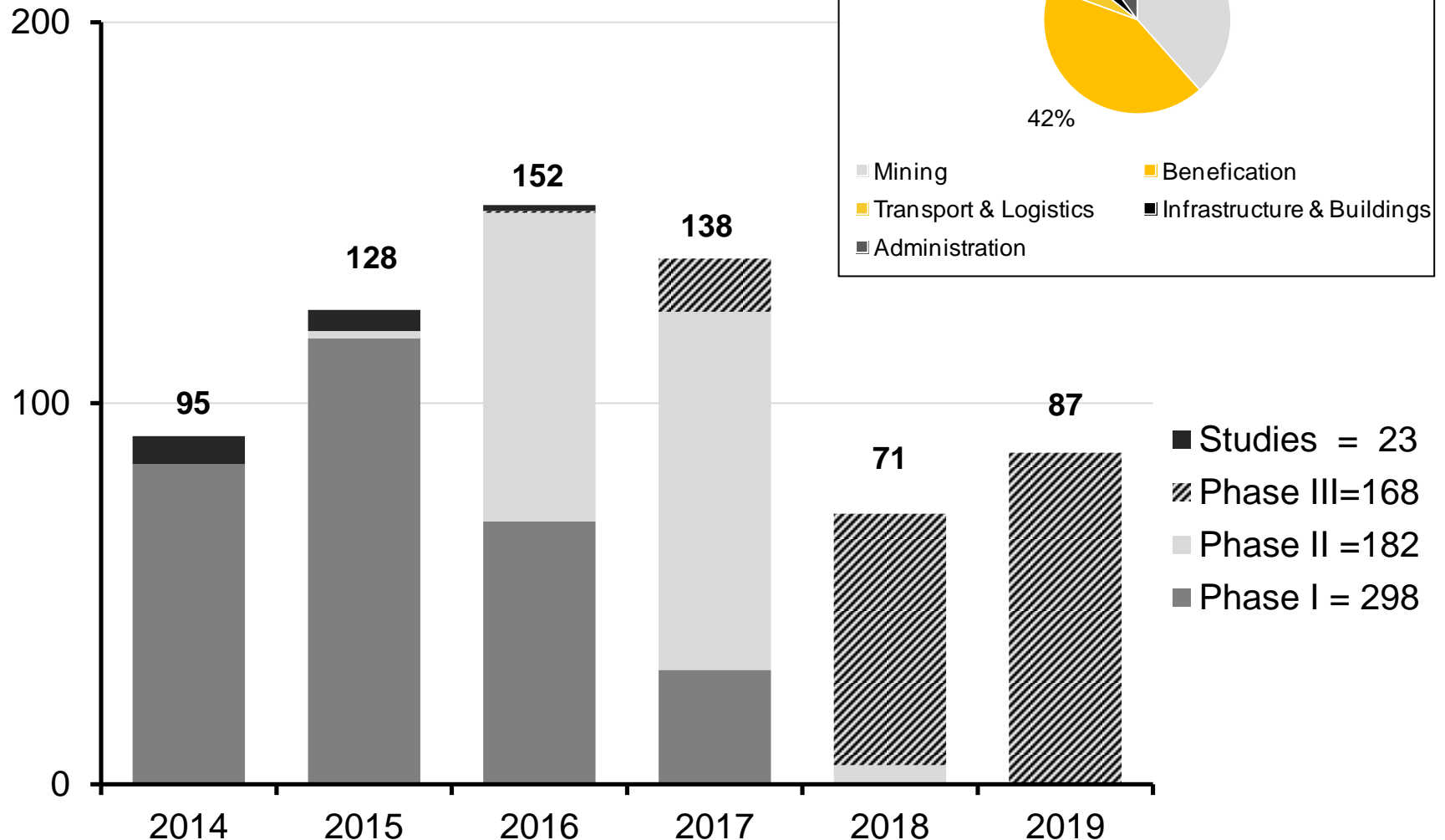
Assumed long term price (62% Fe)	120
Premium (67% Fe)	+15
Freight	-24
<hr/>	
FOB	111
OPEX*	-52
OH-cost	-1
Financing cost**	-10
<hr/>	
Margin	48

**During the first 2 years OPEX will be higher*

*** Financing cost will be lower after ≈ 5 years*

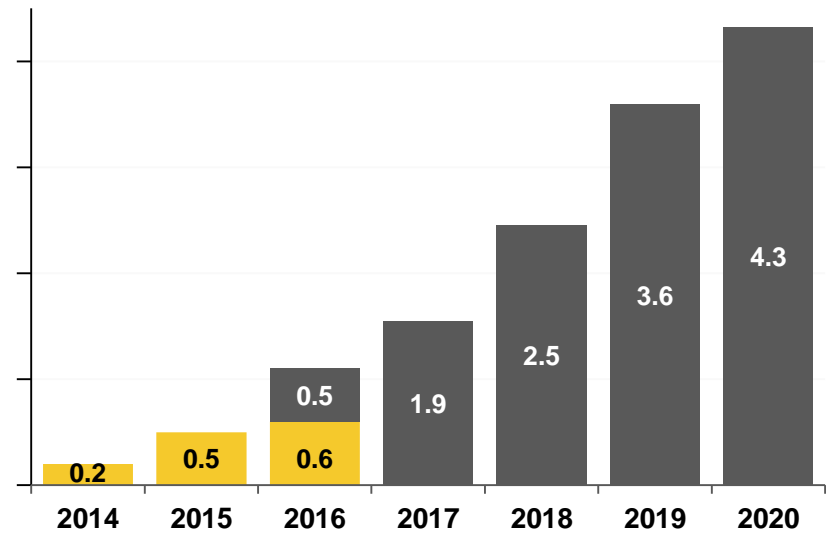
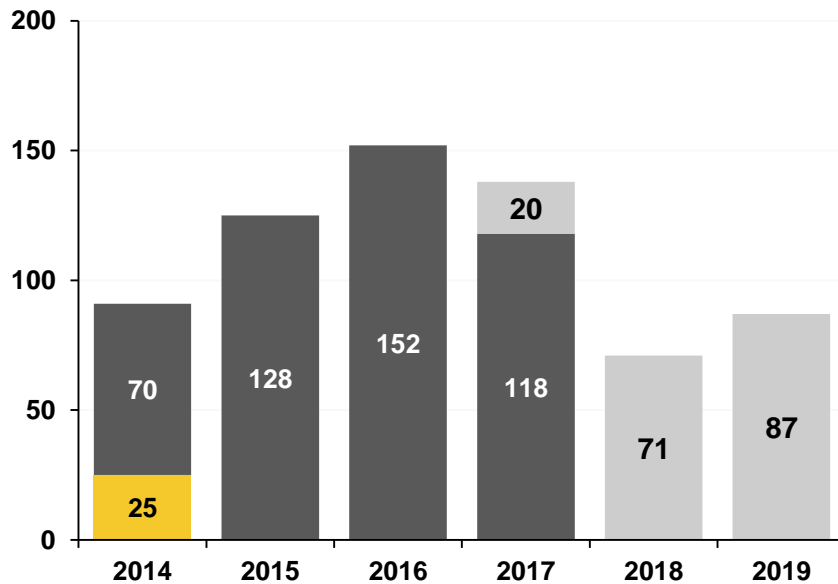
CAPEX- three phases overview and schedule

MUSD 671 to full production



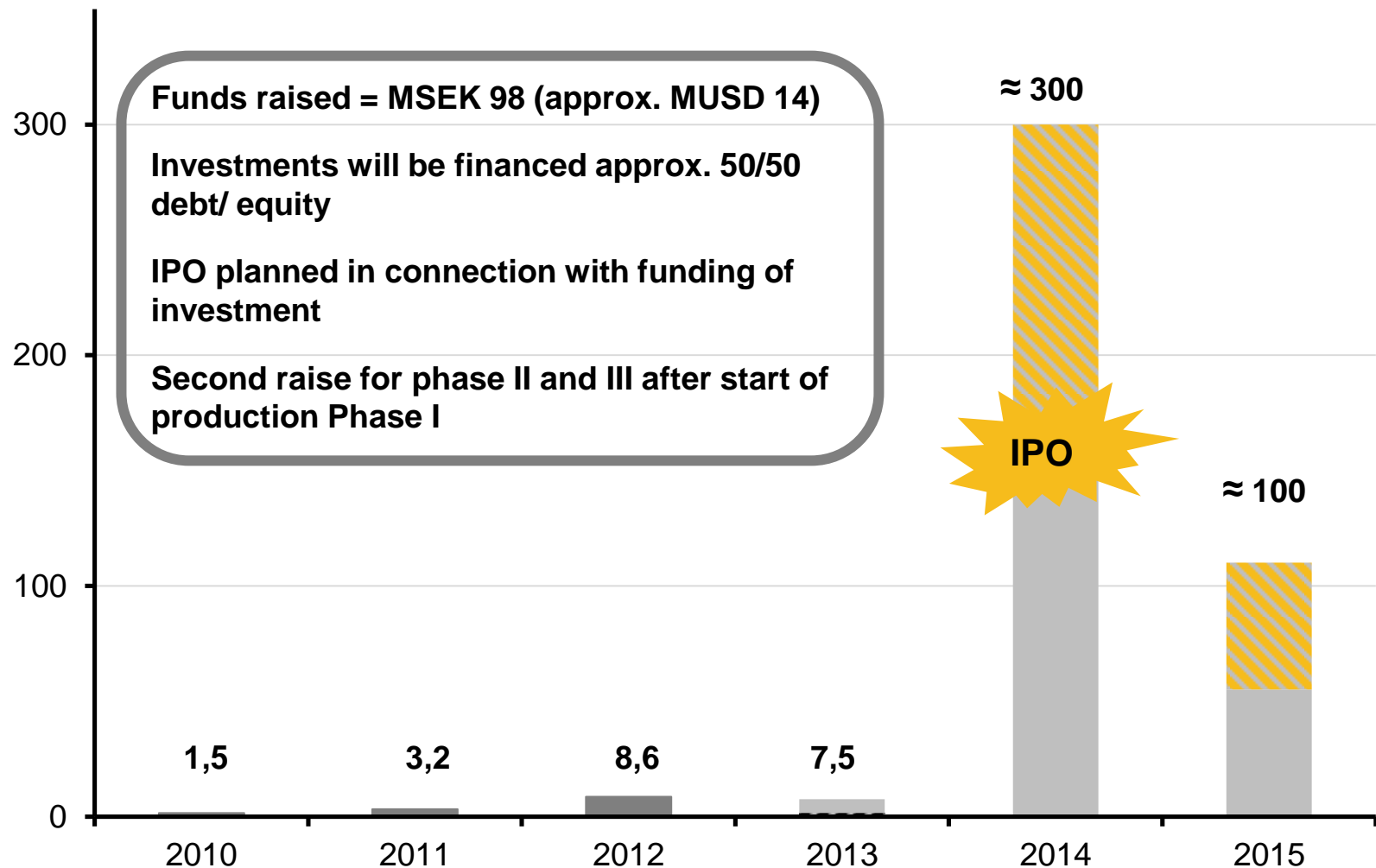
Capex and production ramp-up

- Staged mine development brings down risk
- Revenue from Q3 2014
- Gradual ramp up of logistics chain
- Part of Capex financed internally



Funding strategy

Financing steps, MUSD



Key figures

- Targeting a 4.3 Mtpa operation
- OPEX 51.5 USD/t
- CAPEX to full production USD 671 million
- Pay back period \approx 4.5 years
- NPV (@ 8.0%) USD 1,024 million
- IRR 25%

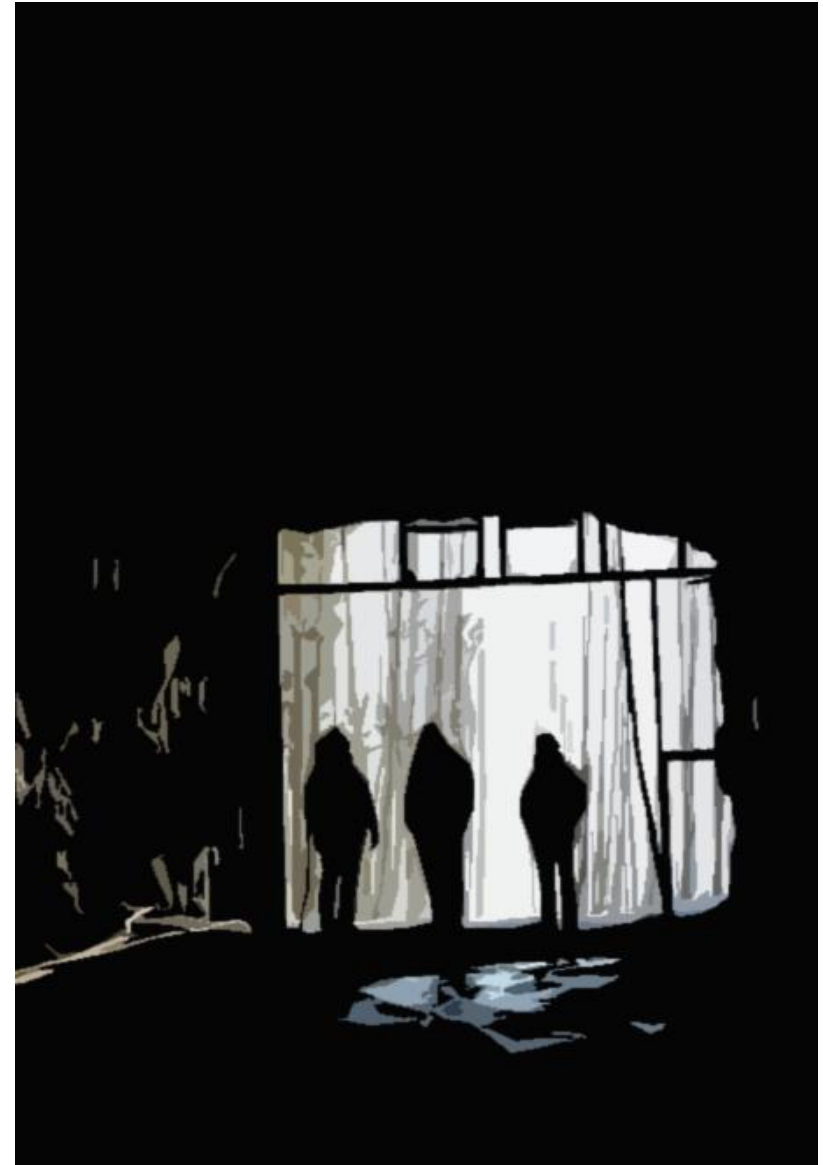


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Conclusion

- 1 Low development risk
- 2 Opportunity to capitalise on sunk capital
- 3 Existing Logistics solution
- 4 High quality product
- 5 Very competitive OPEX with upside potential
- 6 Large mineralization with expansion potential



Thank you

www.nordicironore.se

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