

Interim Report

JANUARY – SEPTEMBER 2024



EURO
BATTERY
MINERALS



Q3 2024

» The submission of the Environmental Permit Application in Q2 was a significant achievement but during this third quarter, Eurobattery Minerals has reached several more milestones. The Company now owns 100% of FinnCobalt and we submitted the application to the European Commission to become a Strategic Project under the CRMA. The agreement with Boliden for copper concentrate from Hautalampi is of course also very important for us. «

Roberto García Martínez, CEO

Highlights third quarter 2024

- ▶ On 26 July, the Company exercised its option to acquire the remaining 30 per cent of FinnCobalt Oy, the owner of the ground and mining rights to the nickel-cobalt-copper project Hautalampi. Following the closing of the acquisition, Eurobattery Minerals' share of ownership in FinnCobalt amounts to 100 per cent.
- ▶ On 21 August, Eurobattery Minerals submitted the application for the battery mineral project Hautalampi to become a Strategic Project under the Critical Raw Materials Act (CRMA).
- ▶ On 28 August, the Company entered into a non-binding offtake agreement with Boliden AB for its Hautalampi battery mineral project in Finland. The accord is a long-term purchase agreement for the Hautalampi copper concentrates and is valid for a minimum of 10 years.



Dear shareholders,

Today Eurobattery Minerals presents the interim report for the third quarter of 2024. And it was an excellent quarter where we reached many important milestones for the Company.

Offtake agreement for copper with Boliden for Hautalampi

In August, we entered into a non-binding offtake agreement with Boliden AB, one of the leading players in the European metals sector, for copper production from our Hautalampi battery mineral project in Finland. This agreement, which is valid for a minimum of 10 years, represents a strong endorsement of our project and lays the groundwork for the future production of critical raw materials with a clear path towards carbon-zero operations.

Partnering with Boliden, a company known for its dedication to sustainability, is a strategic step forward. Their expertise in mining and metals aligns perfectly with our goals, and I am confident that this collaboration will strengthen our position in the market. We also continue our efforts to secure additional offtake agreements for nickel and cobalt, ensuring that Eurobattery Minerals remains at the forefront of Europe's clean energy transformation.

The agreement with Boliden is more than just a contract — it reflects our shared commitment to responsible mining and sustainable growth. Together, we are poised to make a lasting impact on the supply of critical minerals and

support Europe's transition to a greener, more sustainable future. This is a key development for Eurobattery Minerals that marks a significant milestone in our journey to contribute to Europe's self-sufficiency in responsibly sourced battery minerals.

Rights issue of units – 30 October to 13 November

In line with our commitment to advancing Eurobattery Minerals' strategic objectives, we have made the decision to launch a rights issue of units worth approximately SEK 35.5 million, which was approved at the Extraordinary General Meeting held on 16 October. The subscription period commences on 30 October and ends on 13 November 2024. This capital raise, together with a convertible issue of SEK 4.0 million, is crucial for our ongoing development and long-term growth.

Our rights issue is strongly supported by key stakeholders. The Chairman, members of the Board, CEO, and CFO have committed to subscribe for shares totalling approximately SEK 3.1 million, representing 8.7% of the issue. Additionally, Fenja Capital II A/S and a consortium around Buntel AB have provided underwriting commitments of approximately SEK 18.2 million, or 51.3%. Overall, the rights issue is secured up to 60% through these subscription and underwriting commitments.

The proceeds will be utilized to fund a bankable feasibility study for our flagship Hautalampi battery mineral project in Finland, repay outstanding interest-bearing debt, and ensure sufficient working capital. This is an essential step forward as we work to position ourselves for the construction phase of the Hautalampi project and eventually the commercial production of nickel, cobalt, and copper concentrate.

While raising capital can come with challenges, it is a necessary step to ensure we fulfill our commitment to building a resilient, ethical, and competitive European battery supply chain. We are committed to creating long-term value for our shareholders, and this financial strengthening will enable us to move towards our goal of responsible mining in Europe.

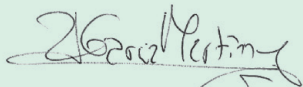
News about the Strategic Project application

As mentioned in the Q2 report, Eurobattery Minerals submitted the application for the Hautalampi project to be recognized as a Strategic Project under the new EU Critical Raw Materials Act (CRMA) in August. We have recently received the confirmation that the Company's application is complete and that it has been moved on to the assessment stage.

The European Commission has received a very high number of applications for the strategic projects – 170 in total. This shows the strong interest for the process and is another step towards ensuring the supply of strategic raw materials for the European industry and diversification of supplies. The European Commission is expected to present the outcome of the assessment by December 2024. Of course, we eagerly await the outcome!

Together, the actions taken during Q3 solidify Eurobattery Minerals' path towards responsible mining and the supply of critical raw materials to secure Europe's strategic autonomy. The minerals we will provide will also boost the European industry sector, create jobs, and provide security for all Europeans. We are confident that the steps taken will ensure strong shareholder value and I thank you all for your continued support.

Yours truly,



Roberto García Martínez
CEO of Eurobattery Minerals



Interim Report January–September 2024

Third quarter 2024

- ▶ Net sales amounted to SEK 0 thousand (Q3 2023: SEK 0 thousand).
- ▶ Operating profit/loss after financial items totalled SEK -4,464 thousand (Q3 2023: SEK -8,481 thousand).
- ▶ Earnings per share after financial items before dilution amounted to SEK -0.04 (Q3 2023: SEK -0.25).
- ▶ Earnings per share after financial items after dilution amounted to SEK -0.03 (Q3 2023: SEK -0.23).
- ▶ Cash flow from operating activities was SEK 269 thousand (Q3 2023: SEK 2,048 thousand).

First nine months 2024

- ▶ Net sales amounted to SEK 0 (9M 2023: SEK 0).
- ▶ Operating income after depreciation/amortisation and financial items totalled SEK -19,274 thousand (9M 2023: SEK -18,406 thousand).
- ▶ Earnings per share after financial items before dilution amounted to SEK -0.53 (9M 2023: SEK -0.55).

- ▶ Earnings per share after financial items after dilution amounted to SEK -0.13 (9M 2023: SEK -0.50).
- ▶ Cash flow from operating activities was SEK -23,815 thousand (9M 2023: SEK -6,337 thousand).

Significant events during the report period

- ▶ Q1: In January, the company announced process design for the concentration plant at its battery mineral mine project in Hautalampi. The concentrator for refinement will consist of a comminution circuit (crushing and grinding), copper flotation concentrate production, nickel-cobalt flotation concentrate production, sulphur removal and tailings handling. Hautalampi concentration plant is designed to produce annually 21,000 tonnes of Ni 7%/Co 1.9% concentrate and 5,000 tonnes of Cu 25% concentrate during the anticipated 12 years of mining at the site. The designed capacity of the plant is 500,000 tonnes per annum.
- ▶ Q1: Also, in January, Eurobattery Minerals published the preliminary and final outcomes for the rights issue. The final outcome in Eurobattery Minerals AB's rights issue of approximately SEK 29.3 million showed that 28,288,738 units were subscribed for, corresponding to a subscription rate of approximately 77.3 per cent. The company thereby received total issue proceeds of approximately

SEK 22.6 million (of which SEK 1.6 million was obtained through set-off of debts) before issue costs. The net proceeds were intended to, among other things, be used for development of the battery mineral project Hautalampi and repayment of interest-bearing debts.

- ▶ Q1: On 18 March 2024 Eurobattery Minerals announced positive results on research proving that the bedrock conditions in its Finnish Hautalampi battery minerals mine project are ideal for future mining operations. The research was carried out as an essential part and as a standard procedure of the environmental permit process to determine possible risks associated with groundwater moving in shear zones in and out of the mine and the deposit. With the analysis ready, it can be concluded that the bedrock conditions in Hautalampi are favourable for mining operations.
- ▶ Q2: At the end of April, Eurobattery Minerals submitted the environmental permit application for the battery mineral mine project Hautalampi in Finland. Filing the application for the environmental permit means that the Company has now taken a major step towards mining operations in Finland. The pre-feasibility studies already concluded that there is a great economic outlook for the nickel, cobalt and copper mine in Outokumpu and Eurobattery Minerals will now work closely with the authorities in Finland to ensure a smooth and quick environmental permit process.

- ▶ Q2: At the beginning of May 2024, Eurobattery Minerals AB signed a Letter of Intent to invest a majority stake in Spanish company Tungsten San Juan SL (“TSJ”). TSJ is operating the development of the San Juan wolfram deposit, a site with appreciable mineralization of tungsten. The Project has all the necessary licenses and contracts in place to commence production, including a letter of intent for an off-take agreement with an Austrian world-leading tungsten producer within the Swedish Sandvik Group. The investment of EUR 2.5 million through a new share issue is intended to enable the start of production in 2025.
- ▶ Q2: In May, the Company announced that it will apply for the battery mineral project Hautalampi to become a Strategic Project under the new EU Critical Raw Materials Act. This is an open call from the European Commission (DG GROW). The recognition of a project as a Strategic Project has several advantages, including streamlined and predictable permitting procedures and support in gaining access to finance.
- ▶ Q2: Also in May, but after the publication of Q1-2024, Eurobattery Minerals AB announced the signing of a Memorandum of Understanding (MoU) with Okun Energia Oy, a prominent energy provider partly owned by the local municipality in Outokumpu, Finland. This MoU was signed via FinnCobalt Oy, our subsidiary in Finland, and sets forth the terms and understanding between the entities for the development of local photovoltaic (PV) production to support carbon-zero production of critical raw materials, thereby advancing the green transition. The project aims to create an opportunity for local carbon-zero production by harnessing solar energy.
- ▶ Q2: The annual general meeting 2024 in Eurobattery Minerals AB was held on 17 June 2024. The annual general meeting resolved, in accordance with the proposal from the shareholder DH Invest AB, to re-elect Eckhard Cordes, Jan Olof Arnbom and Roberto García Martínéz as members of the board of directors. Jan Olof Arnbom was elected chairman of the board of directors. The notice to the general meeting and complete proposals are available on the Company’s website, investors.eurobatteryminerals.com.
- ▶ Q3: On 26 July, the Company exercised its option to acquire the remaining 30 per cent of FinnCobalt Oy, the owner of the ground and mining rights to the nickel-cobalt-copper project Hautalampi. Following the closing of the acquisition, Eurobattery Minerals’ share of ownership in FinnCobalt amounts to 100 per cent. The acquisition is a significant step in the Company’s planned development of the Hautalampi project and the goal to establish a battery mineral mine with production and sales within a mid-term horizon.
- ▶ Q3: On 7 August, Eurobattery Minerals extended the non-binding Letter of Intent (LOI) signed with Tungsten San Juan (TSJ) in May 2024. TSJ is a Spanish mining entity engaging in the development of the San Juan wolfram deposit (Ourense, Galicia, Spain), a site with appreciable mineralisation of tungsten. The goal with the LOI is to invest a majority stake in TSJ. Eurobattery Minerals and TSJ have extended the term and exclusivity of the LOI by mutual agreement, and until further notice. All other terms and conditions of the LOI remain unchanged.
- ▶ Q3: On 21 August, Eurobattery Minerals submitted the application for the battery mineral project Hautalampi to become a Strategic Project under the CRMA. The European Commission is expected to announce the first list of Strategic Projects in December 2024.
- ▶ Q3: On 28 August, the Company entered into a non-binding offtake agreement with Boliden AB for its Hautalampi battery mineral project in Finland. The accord is a long-term purchase agreement for the Hautalampi copper concentrates and is valid for a minimum of 10 years.
- ▶ Q3: On 16 September, Eurobattery Minerals decided on a rights issue of units of approximately SEK 35.5 million and to undertake to carry out a convertible issue of SEK 4.0 million. The net proceeds from the rights issue, the warrants, and the convertible issue are intended to be used for the preparation of a bankable feasibility study for the Finnish battery mineral project Hautalampi, repayment of interest-bearing debt, working capital and financial flexibility.

Earnings and sales

Comments on the third quarter, 1 July–30 September 2024

Earnings and sales

The company's net sales for the third quarter totalled SEK 0 (Q3 2023: SEK 0), and earnings after financial items totalled SEK -4,464 thousand (Q3 2023: SEK -8,481 thousand). Operating costs amounted to SEK -4,067 thousand (Q3 2023: SEK -3,185 thousand). EBITDA for the third quarter was SEK -4,010 thousand (Q3 2023: SEK -2,952 thousand). Financial expenses for the quarter amounted to SEK -439 thousand (Q3 2023: SEK -5,525 thousand).

Investments

Investments in property, plant and equipment in the third quarter totalled SEK 0 thousand (Q3 2023: SEK 0 thousand). Investments in intangible assets amounted to SEK 290 thousand (Q3 2023: SEK 209 thousand). Investments in non-current financial assets amounted to SEK 0 thousand (Q3 2023: SEK 16,391 thousand).

Financial position

On September 30, cash and cash equivalents amounted to SEK 613 thousand (September 30 2023: SEK 620 thousand). Equity was SEK 114,941 thousand (September 30 2023: SEK 97,641 thousand).

Cash flow and financing

Cash flow from operating activities in the third quarter was SEK 269 thousand (Q3 2023: SEK 2,048 thousand). Cash flow from investing activities was SEK -290 thousand (Q3 2023: SEK -16,182 thousand), while cash flow from financing activities was SEK 0 thousand (Q3 2023: SEK 11,665 thousand).

Comments on the first nine months of 2024

Earnings and sales

The company's net sales for the first nine months of the year totalled SEK 0 (9M 2023: SEK 0), and earnings after financial items totalled SEK -19,274 thousand (9M 2023: SEK -18,406 thousand). Operating costs amounted to SEK -17,151 thousand (9M 2023: SEK -13,396 thousand). EBITDA for the first nine months of the year was SEK -16,406 thousand (9M 2023: SEK -12,508 thousand). Financial expenses for the period amounted to SEK -2,818 thousand (9M 2023: SEK -5,888 thousand).

Investments

Investments in property, plant and equipment in the first nine months of the year totalled SEK 0 thousand (9M 2023: SEK 0 thousand). Investments in intangible assets amounted to SEK 7,337 thousand (9M 2023: SEK 1,498

thousand). Investments in non-current financial assets amounted to SEK 0 thousand (9M 2023: SEK 22,907 thousand).

Financial position

On September 30, cash and cash equivalents amounted to SEK 613 thousand (September 30 2023: SEK 620 thousand). Equity was SEK 114,941 thousand (September 30, 2023: SEK 97,641 thousand).

Cash flow and financing

Cash flow from operating activities in the first nine months of the year was SEK -23,815 thousand (9M 2023: SEK -6,337 thousand). Cash flow from investing activities was SEK -7,337 thousand (9M 2023: SEK -24,405 thousand), while cash flow from financing activities was SEK 31,879 thousand (9M 2023: SEK 30,795 thousand).

The share

The share capital of Eurobattery Minerals AB (publ) on 30 September 2024 amounted to SEK 60,892,820.80. The total number of shares outstanding was 152,232,052.

The company was listed on AktieTorget on 22 June 2015. On 17 April 2019, the share moved to the NGM, where trading began on 18 April 2019. The share's ticker symbol

is BAT and its ISIN is SE0012481570. Since 15 January 2021, the share has been traded on Börse Stuttgart under the symbol EBM. According to Euroclear's register, Eurobattery Minerals had approximately 8,500 shareholders at the end of the period.

Related-party transactions

During the first 9M 2024, fees in the amount of SEK 2,488 thousand have been charged from Nazgero Consulting Services Ltd., company owned by CEO Roberto García Martínez, for work performed. These fees will be offset by shares in the upcoming rights issue. Earnings for the period were also impacted by SEK 3,008 thousand, paid in shares, related to a bonus program for the CEO. Gross salary and other remuneration to the CEO amount to SEK 996 thousand for the period.

Finally, earnings were impacted by fees of SEK 12 thousand paid to chairman Jan Arnbom's company Arnbom Geokonsult AB for work carried out during the period.

List of shareholders on 30 September 2024

Shareholder	Number of shares	Percentage (%)
Clearstream Banking Germany*	31,928,084	20.97%
Tetra Ekberg Oy	9,751,401	6.41%
Six Sis AG	7,548,301	4.96%
Avanza Pension	5,349,747	3.51%
UBS Switzerland AG	2,596,905	1.71%
Nordea Bank Finland	2,562,759	1.68%
Henrik Johannesson	1,908,000	1.25%
Snorri Briem	1,581,888	1.04%
Darius Jakutis	1,340,989	0.88%
Nordet Pensionsförsäkringar	1,314,315	0.95%
Other shareholders	86,358,551	56.73%
	152,232,052	100.00 %

**On the above-mentioned date, Roberto García Martínez (CEO), held 10,886,346 shares under Clearstream Banking Germany.*

Balance Sheet

<i>SEK thousand</i>	<i>30 Sep 2024</i>	<i>30 Sep 2023</i>	<i>31 Dec 2023</i>
ASSETS			
Intangible assets	148,425	59,258	141,124
Tangible assets	6,777	32	6,791
Financial assets	0	58,088	0
Other current assets	8,689	8,017	9,318
Cash and bank balances	613	620	458
TOTAL ASSETS	164,504	126,014	157,691
EQUITY AND LIABILITIES			
Equity	114,941	97,641	101,449
Deferred tax	16,509	5,282	16,532
Provisions	1,806	0	1,765
Non-current liabilities	4,459	0	4,381
Current liabilities	26,789	23,091	33,564
TOTAL EQUITY AND LIABILITIES	164,504	126,014	157,691

Income Statement

<i>SEK thousand</i>	<i>2024 Jan–Sep</i>	<i>2023 Jan–Sep</i>	<i>2024 Jul–Sep</i>	<i>2023 Jul–Sep</i>	<i>2023 Jan–Dec</i>
Operating income					
Net sales	0	0	0	0	0
Other operating income	695	878	42	229	1,434
Operating costs					
Other external costs	-13,786	-11,159	-3,008	-2,415	-16,211
Staff costs	-3,315	-2,227	-1,044	-766	-4,209
Depreciation of tangible assets	-50	-10	-15	-4	-12
Operating profit/loss	-16,456	-12,518	-4,025	-2,956	-18,998
Net interest items	-2,818	-5,888	-439	-5,525	-4,057
Profit/loss before tax	-19,274	-18,406	-4,464	-8,481	-23,055
Tax on profit/loss for the period	0	0	0	0	15
Minority 's share in the result	0	0	0	0	1,085
PROFIT/LOSS FOR THE PERIOD	-19,274	-18,406	-4,464	-8,481	-21,970

Statement of Cash flow

<i>SEK thousand</i>	2024 <i>Jan–Sep</i>	2023 <i>Jan–Sep</i>	2024 <i>Jul–Sep</i>	2023 <i>Jul–Sep</i>	2023 <i>Jan–Dec</i>
Operating profit/loss for the period	-16,456	-12,518	-4,025	-2,956	-18,998
Amortisation and depreciation	50	10	15	4	12
Interest paid	-1,263	-46	-439	-917	-1,296
Cash flow from operating activities before change in working capital	-17,669	-12,554	-4,449	-3,869	-20,282
Change in operating receivables	629	27,628	191	138	26,327
Change in operating liabilities	-6,775	-21,411	4,527	5,778	-4,792
Cash flow from operating activities	-23,815	-6,337	269	2,048	1,253
Cash flow from investing activities	-7,337	-24,405	-290	-16,182	-37,841
Cash flow from financing activities	31,879	30,795	0	11,665	35,083
Translation differences	-572	304	126	65	1,700
Cash flow for the period	155	357	105	-2,405	195
Cash and cash equivalents at the beginning of the period	458	263	508	3,025	263
Cash and cash equivalents at the end of the period	613	620	613	620	458

Change in equity

<i>SEK thousand</i>	<i>2024 Jan–Sep</i>	<i>2023 Jan–Sep</i>	<i>2024 Jul–Sep</i>	<i>2023 Jul–Sep</i>	<i>2023 Jan–Dec</i>
Equity at the beginning of the period	101,449	84,948	119,225	94,392	84,948
New share issue	49,329	31,905	11,595	11,680	31,905
Translation differences	887	304	188	65	1,793
Costs for new share issue	-17,450	-1,110	-11,603	-15	-1,203
Profit/loss for the period	-19,274	-18,406	-4,464	-8,481	-21,970
Minority interest	0	0	0	0	5,976
Equity at the end of the period	114,941	97,641	114,941	97,641	101,449

Key performance indicators and share data

	2024 <i>Jan–Sep</i>	2023 <i>Jan–Sep</i>	2023 <i>Jan–Dec</i>
Average equity for the period (SEK thousand)	108,195	91,295	93,198
Average total capital for the period (SEK thousand)	161,098	130,373	146,211
Return on equity (%)	-18	-20	-24
Return on total capital (%)	-12	-14	-13
Equity/assets ratio (%)	70	77	64
Earnings per share (SEK) (before dilution)	-0.53	-0.55	-1.33
Earnings per share (SEK) (after dilution)	-0.13	-0.50	-0.60
Equity per share (SEK)	0.76	2.67	2.77
Quick ratio (%)	35	37	29
Total number of shares	152,232,052	36,594,058	36,594,058
Average number of shares	94,413,055	35,166,130	26,558,147

Definitions of key performance indicators

Return on total capital:	Earnings after financial items plus financial expenses as a percentage of average total capital.
Return on equity:	Net profit according to the income statement as a percentage of average equity.
Equity/Assets ratio:	Equity as a percentage of total assets.
Earnings per share:	Earnings after tax in relation to the average number of shares.
Equity per share:	Equity in relation to the number of shares on the balance sheet date.
Quick ratio:	Current assets excluding stock in relation to current liabilities.

Accounting principles

Since 2014, Eurobattery Minerals has applied the Swedish Annual Accounts Act and Swedish Accounting Standards Board's general recommendation 2012:1 (K3) in its preparation of the financial statements.

Auditor's report

This interim report has not been subject to review by an auditor.

Mentor

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Upcoming reporting dates

- ▶ The year-end report for 2024 will be published on February 21, 2025.

Reports and press releases, etc., are published on Nordic Growth Market's website www.ngm.se and on www.eurobatteryminerals.com.

October 2024

Eurobattery Minerals AB

Board of Directors

For further information:
ir@eurobatteryminerals.com.



Eurobattery Minerals AB is a Swedish mining company listed on Swedish Nordic Growth Market (BAT) and German Börse Stuttgart (EBM). With the vision to make Europe self-sufficient in responsibly mined battery minerals, the company's focus is to realize numerous nickel-cobalt-copper projects in Europe to supply critical raw materials and, as such, power a cleaner world. Please visit www.eurobatteryminerals.com for more information. Feel free to follow us on LinkedIn and Twitter as well.

Augment Partners AB, e-mail: info@augment.se, phone: +46 8-604 22 55, is the company's Mentor.

