GRANGEX secures additional liquidity and confirms revised timing for the Sydvaranger Final Investment Decision

GRANGEX AB (publ) ("Grangex" or "the Company") is today pleased to provide an update on the financing process for the restart of operations at its Sydvaranger mine, located in Kirkenes, Northern Norway (the "Sydvaranger Mine"), and to announce a series of measures that strengthen the Company's liquidity position and support an orderly completion of the project financing.

Highlights include:

- Grangex has agreed a SEK 72,000,000 financing with Exelity AB (publ) ("Exelity"), securing the Company's funding requirements through to the end of 2026
- Exelity has the right to convert the financing into shares on the same subscription terms as other investors participating in the Company's anticipated FID financing, aligning Exelity with the Company's existing shareholders
- Orion has agreed to extend the maturity of its existing US$22,500,000 loan (plus accrued interest) to a payment longstop date of 30 November 2026, together with a standstill period through to 31 December 2026, reflecting continued support from the Company's secured lender
- As consideration for the extension, Orion will receive new Grangex shares to the value of SEK 3,600,000, settling its extension fee in equity rather than cash
- Reflecting continued investor engagement and prevailing market conditions, the Company now expects to reach its Final Investment Decision ("FID") in the third quarter of 2026

As announced on 10 November 2025, the Company has retained three leading Nordic investment banks (ABG Sundal Collier, DNB Carnegie and SB1 Markets) to assist in raising the financing required for the restart of operations at the Sydvaranger Mine, anticipated to comprise a combination of equity and debt and totalling approximately US$300 million. The measures announced today are intended to provide the Company with the financial flexibility to complete that process on the strongest possible terms for shareholders.

Revised timing for the Final Investment Decision

The Company had previously communicated a target to reach FID in the first quarter of 2026. Following continued and constructive engagement with prospective equity and debt investors, the Board has concluded that targeting FID in the third quarter of 2026 is in the best interests of the Company and its shareholders, for the following reasons:

- The financing process continues to attract interest from high-quality investors, who have requested additional time to complete their due diligence on the Sydvaranger Mine

- The Nordic primary capital markets, and in particular the market for Nordic corporate bond issuance, are less active during the summer period of July and August. The Board has concluded that launching and pricing a transaction of this scale is best undertaken when market participants have returned and market conditions are most supportive, which the Company expects from September 2026
- Allowing prospective investors to conclude their work in an orderly manner is expected to support the quality of demand and the terms ultimately available to the Company

The Company's underlying project continues to be supported by the positive Definitive Feasibility Study announced on 1 September 2025, the commercial agreement with Anglo American announced on 23 December 2025, and the continued support of its lenders and partners. The Company will provide a further update on the anticipated timing of the restart of operations in connection with FID.

Financing to secure liquidity through 2026

To ensure that the Company is fully funded while the project financing process is completed, Grangex has entered into a SEK 72,000,000 financing agreement with Exelity (the "Financing"). The proceeds will be used for working capital and general corporate purposes.

The principal terms of the Financing are as follows:

- Principal amount of SEK 72,000,000, to be drawn on or before 3 June 2026, net of an arrangement fee of SEK 2,160,000
- Final maturity on 31 December 2026
- The Financing is secured by a first-ranking pledge over the shares in the Company's subsidiary Dannemora Iron AB
- Exelity has the right, but not the obligation, to set off or convert all or part of the outstanding amount (including accrued interest and fees) into new shares in the Company at any time up to 31 December 2026. Any such conversion will be made at the same subscription price and on the same terms as other investors participating in the relevant share issue

The Board considers that the Financing provides the Company with a liquidity runway through to the completion of the project financing, while Exelity's right to convert on the same terms as other investors aligns its interests with those of the Company's shareholders.

Extension of the Orion loan

As announced on 6 May 2024, the Company assumed an existing loan facility from OMF Fund II H Ltd ("Orion") of US$22,500,000 (the "Orion Loan") as part of its acquisition of Sydvaranger Mining AS. The maturity of the Orion Loan was most recently extended to 31 May 2026.

Grangex and Orion have now agreed to extend the maturity of the Orion Loan (and accrued interest) to a payment longstop date of 30 November 2026, together with a standstill period through to 31 December 2026. The extension enables the Company to complete the project financing for the restart of operations at the Sydvaranger Mine in an orderly manner and is consistent with the revised FID timing set out above.

As consideration for the extension, Orion will receive new shares in the Company to the value of SEK 3,600,000 in lieu of a cash fee. The Board welcomes Orion's decision to take its extension fee in equity, which the Board considers to be a constructive demonstration of the continued alignment between the Company and Orion.

Christer Lindqvist, Chief Executive Officer of Grangex, states: *"Today's announcements put Grangex on a secure financial footing as we continue the financing process for the restart of Sydvaranger. Securing additional liquidity through to the end of 2026 gives us the room to run a disciplined process and to conclude the project financing on the best possible terms for our shareholders.*

I would like to thank Exelity for its support and confidence in Grangex, and Orion for once again extending its facility and for choosing to take its fee in our shares – a decision I see as a clear vote of confidence from a partner who knows this asset well.

The fundamentals of Sydvaranger have not changed. We have a positive Definitive Feasibility Study, an offtake and commercial partnership with Anglo American, and the continued backing of our lenders. I remain confident in the project and I look forward to providing further updates to all our stakeholders in the coming months."

Advisors

Synch Law acted as legal advisor to the Company.

Contacts

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About Us

GRANGEX is a Swedish mineral development company with the vision to actively contribute to a sustainable society within Europe. The company strives to become the foremost mineral development group in Europe, developing and conducting responsible extraction and recycling of minerals, primarily iron ore products and other critical minerals for the green transition. Through its products, GRANGEX will contribute to a reduced climate impact while minimising its own environmental and climate impact.
The company's share (short name GRANGX) is traded on Nasdaq First North Premier Growth Market Stockholm, with G&W Fondkommission as Certified Adviser.
ISIN: SE0018014243
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