



**The Metals Company:  
Unlocking the World's Largest Estimated  
Undeveloped Source of Battery Metals**

May 13, 2024

## Forward looking statements.

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that relate to future events, TMC the metals company Inc.’s (“TMC” or the “Company”) future operations and financial performance, and the Company’s plans, strategies and prospects. These statements involve risks, uncertainties and assumptions and are based on the current estimates and assumptions of the management of the Company as of the date of this presentation and are subject to uncertainty and changes. Given these uncertainties, you should not place undue reliance on these forward-looking statements.

Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, among others, those set forth under the heading “Risk Factors” contained in TMC’s Annual Report on Form 10-K for the year ended December 31, 2023, which was filed with the Securities and Exchange Commission on March 25, 2024, as well as any updates to those risk factors filed from time to time in TMC’s subsequent periodic and current reports. All information in this presentation is as of the date of this presentation, and the Company undertakes no duty to update this information unless required by law.

## **TMC welcomes renowned Silicon Valley investor Steve Jurvetson to Board of Directors as Vice Chairman and Special Advisor to CEO.**

- As a former long-standing board member of Tesla and a current board member of SpaceX, Mr. Jurvetson brings a wealth of experience in helping companies navigate through high-uncertainty industry startup phase and transition to global scale and industry leadership.
- For over 25 years, Mr. Jurvetson has been known for his early-stage venture investments in some of the world's most impactful technology companies. As Co-founder and Managing Director of Draper Fisher Jurvetson, he led the VC firm's founding investments in several companies that had successful IPOs (e.g., Tesla, Planet Labs, D-Wave) and others that were acquired (e.g., Skype, Nervana, Hotmail), representing \$800 billion of aggregate value creation.
- In 2018, Mr. Jurvetson co-founded Future Ventures to focus on trailblazing, purpose-driven entrepreneurs with unique ideas that have the potential to reinvent entire industries—from nuclear fusion and space exploration to sustainable energy and AI.



**TMC liquidity of \$49 million at March 31, 2024, including \$45 million credit facility capacity. \$2.9 million drawn on ERAS/Barron facility subsequent to March 31.**



# Summary since last quarterly update: massive data submission, new board member and utilization of unsecured credit facility.

## Q1 2024 results

- \$11.9 million cash used in operations in Q1 2024
- Net loss of \$25.2 million and net loss per share of \$0.08 for the quarter ended March 31, 2024

## Cash and liquidity

- Total liquidity of approximately \$49 million at March 31, 2024, inclusive of:
  - Cash of \$4.0 million
  - The \$25 million unsecured credit facility from an affiliate of Allseas Group SA with a maturity date extended to August 2025
  - The \$20 million unsecured credit facility with a maturity date of September 2025 provided by our largest shareholder, ERAS Capital LLC (the family office of TMC director Andrei Karkar), and our Chairman & CEO, Gerard Barron
- Subsequent to March 31, 2024, TMC has drawn approximately \$2.9 million on the unsecured credit facility provided by ERAS Capital LLC and Gerard Barron

## Financing activities

- An additional \$20 million unsecured credit facility with a maturity date of September 22, 2025 provided by our largest shareholder, ERAS Capital LLC (the family office of TMC director Andrei Karkar), and our Chairman & CEO, Gerard Barron.

## Business developments:

- **Steve Jurvetson Joins TMC's Board of Directors as Vice Chairman and Special Advisor to the CEO:** In April 2024, renowned Silicon Valley investor Steve Jurvetson joined our board of directors as Vice Chairman and special advisor to the CEO. Mr. Jurvetson is an investor focused on founder-led, mission-driven companies at the cutting edge of disruptive technology and new industry formation. His investments include pioneering technology companies like Tesla, Planet Labs, SpaceX and Commonwealth Fusion Systems, and represent over \$800 billion in aggregate value creation.
- **Extensive Submission of Deep-Sea Environmental Data to the ISA:** In May 2024, we announced that our subsidiary NORI had made a second submission of key environmental data from all prior environmental baseline campaigns conducted in the NORI-D exploration area up to January 2022 to DeepData, an open database of contractor data managed by the International Seabed Authority (ISA). The submission of this massive batch of data includes an extensive set of geochemical and biological samples from across the water column.
- **World-First Production of Nickel Sulfate from Deep-Seafloor Polymetallic Nodules:** In April 2024, we announced that we had successfully produced the world's first nickel sulfate derived exclusively from seafloor polymetallic nodules during pilot-scale nodule processing. In partnership with SGS Canada Inc, the testing was undertaken on samples of nickel-cobalt-copper matte produced by TMC in 2021 using the Company's efficient flowsheet to process high-grade nickel matte directly to nickel sulfate without making nickel metal, while producing fertilizer byproducts instead of solid waste or tailings.

# Agenda.

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# Milestone progress: we are doing what we said we'd do on the NORI-D Project.

## What we said we'd do

**Resource & project economics:** show the resource size, the grade, and the economic potential



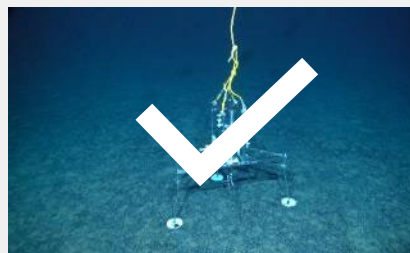
**Collection:** demonstrate that we can bring nodules to the surface at scale



**Processing:** show we can turn the nodules into valuable products including battery-grade materials



**Impacts:** provide a baseline for environmental impact assessment and effectively monitor / mitigate impacts; comparative lifecycle assessments



**Permitting:** provide a world class application to the ISA for an exploitation contract over NORI area

## What we have already done

**Resource definition / Initial Assessment: COMPLETE**

- ✓ Two SEC S-K 1300 resource statements in 2021
- ✓ Initial Assessment on NORI-D (\$6.8B NPV)

**Offshore pilot collection test: COMPLETE**

- ✓ First successful integrated pilot system test in CCZ since '70s, lifting 3,000 wet tonnes of nodules in 2022

**Onshore test processing: COMPLETE**

- ✓ Pyrometallurgical processing pilot in 2021
- ✓ First nickel sulfate from seafloor nodules in 2024

**Environmental campaigns and LCAs: COMPLETE**

- ✓ Finished the last of 22 pre-application campaigns
- ✓ Preliminary data analyzed for Enviro. Impact Statement
- ✓ Comparative LCAs of nodules vs land-based ores

## Key remaining items for NORI exploitation contract application

Pre-feasibility study (PFS)

Environmental Impact Statement (EIS)

Environmental Management and Monitoring Plan (EMMP)

Nauru Certificate of Sponsorship

## Why nodules?

### Polymetallic

One new nodule project can replace three new mines on land.

### Far offshore

Far away from people, no physical impact on communities.

### Very deep

The deeper you go, the less life you will find.

### Unattached

No overburden to remove, no hard rock to break. Nodules are *collected*, not mined.

### Portable

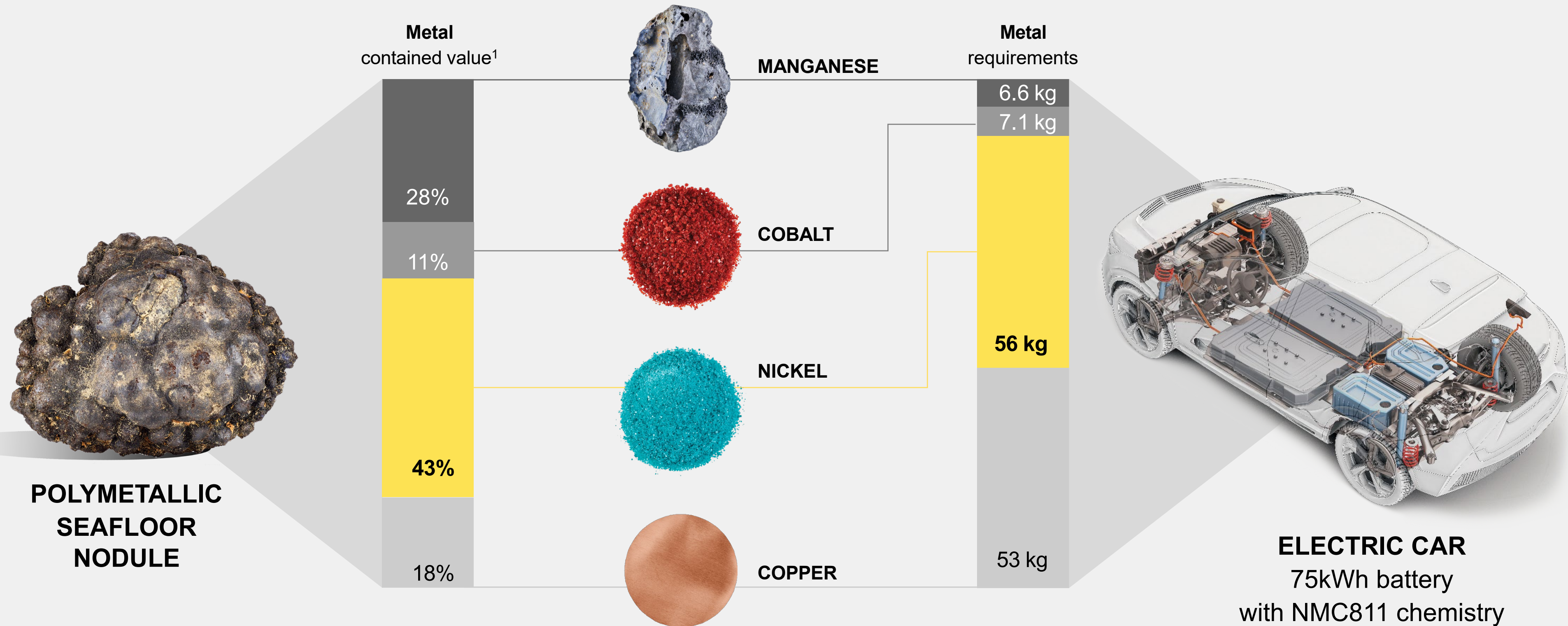
Once nodules are transferred to a bulk carrier, they can go to places with existing infrastructure and low-carbon power.

### No tailings, near zero waste

The nature of nodules and our flowsheet design make nearly the entirety of the nodule into useable products.



# Nodule composition is well-suited for EV battery metal needs.



<sup>1</sup> Contained metal value of polymetallic nodule resources calculated using dry nodule grades from SK1300 Initial Assessment for NORI-D Project prepared by AMC, March 2021 (Ni 1.3%, Cu 1.1%, Co 0.2%, Mn 29.5%) and metal prices as of Feb 2024 for Ni at \$17,460/t, Cu at \$8,474/t, Co at \$28,550/t, Mn at \$5.0/dmtu.

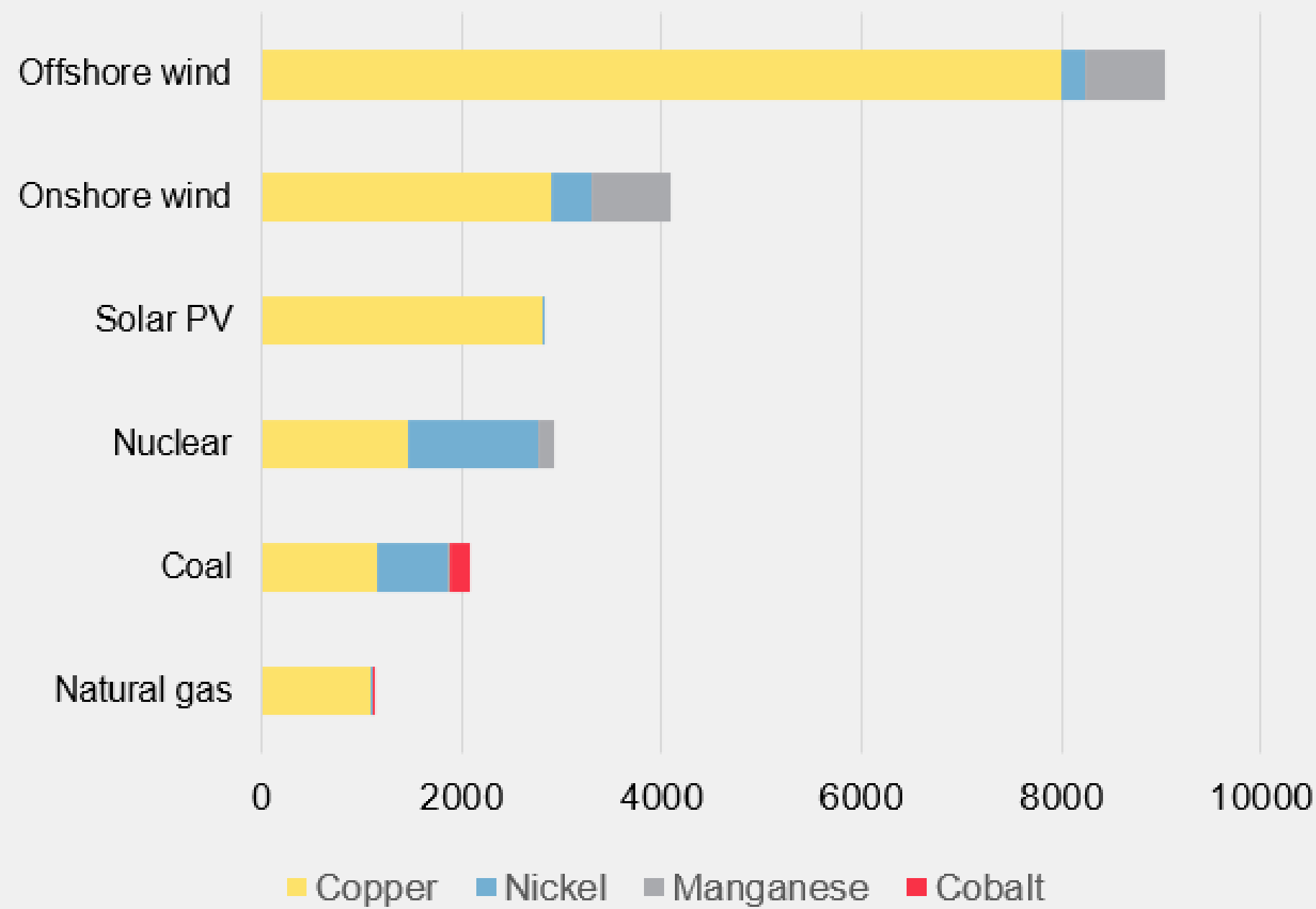
## **We have demonstrated we can turn nodules into nickel sulfate, indicative of battery market suitability pending confirmation of preliminary assays.**

- NORI has produced what is believed to be the first nickel sulfate ever generated from polymetallic nodules
- The sulfate, whose quality is indicative of material suitable for battery markets pending confirmation of preliminary assays, was produced in a program testing our efficient flowsheet design that processes intermediate nickel matte direct to nickel sulfate (without making nickel metal) and produces fertilizer byproducts instead of waste
- Cobalt sulfate testing is ongoing, with first crystals expected to be generated in Q2 2024



# Nodule composition is also well-suited for infrastructure, defense and the energy transition in general.

**Power generation (kg/MW)**



<p>28</p> <p><b>Ni</b></p> <p>Nickel 58.693</p>	<p>Electric vehicle batteries</p> <p>Solar, wind and nuclear energy</p> <p>Nickel-cadmium batteries for energy storage systems</p> <p>Stainless steel</p>	<p>Wind turbine blades</p> <p>Alloys for electronics, kitchen appliances</p> <p>Critical defense production</p>
<p>27</p> <p><b>Co</b></p> <p>Cobalt 58.933</p>	<p>Phone/laptop batteries</p> <p>High-strength superalloys</p> <p>Chemical/petroleum catalysts</p>	<p>Paints/varnishes</p> <p>Critical defense production</p> <p>Hydrogen catalysis, fuel cells</p>
<p>25</p> <p><b>Mn</b></p> <p>Manganese 54.938</p>	<p>Iron</p> <p>Steel production</p> <p>Critical defense production</p>	<p><b>Manganese silicate by-product used in steelmaking:</b></p> <p>Cost and CO<sub>2</sub> footprint advantages</p> <p>Potential for 7%-17% higher value-in-use<sup>1</sup></p>
<p>29</p> <p><b>Cu</b></p> <p>Copper 63.546</p>	<p>Third most-used metal globally</p> <p>Grid and distributed energy electrification</p> <p>Home appliances</p>	<p>Building construction</p> <p>Critical defense production</p> <p>Data centers powering AI</p>

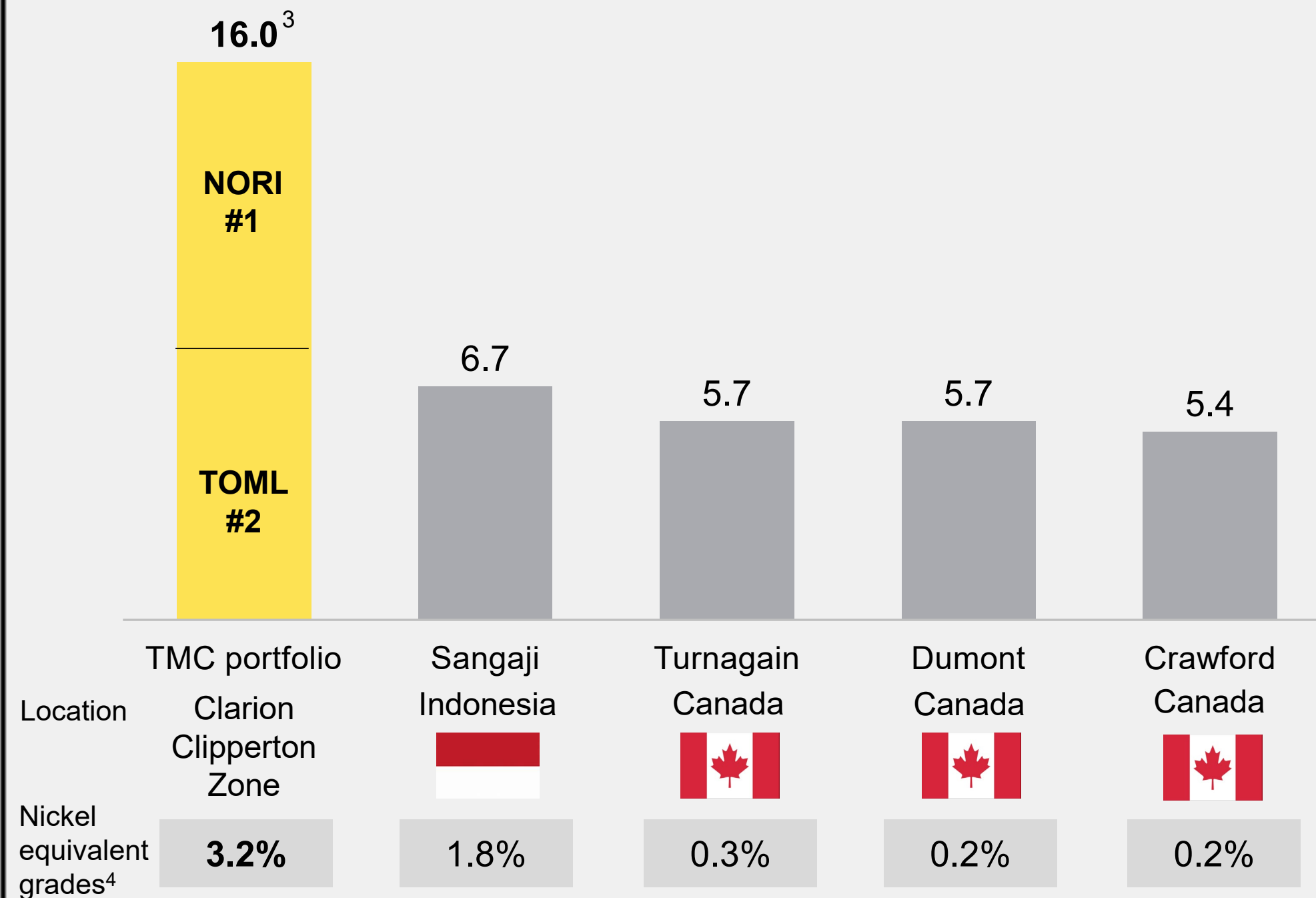
Source: IEA (2021), The Role of Critical Minerals in Clean Energy Transitions, IEA, Paris, License: CC BY 4.0

<sup>1</sup> Depending on carbon tax regimes

# TMC: ranked in 2022 and 2023 as #1 and #2 largest undeveloped nickel projects on the planet<sup>1</sup>; the alternative to Russian- and Chinese-funded supply.

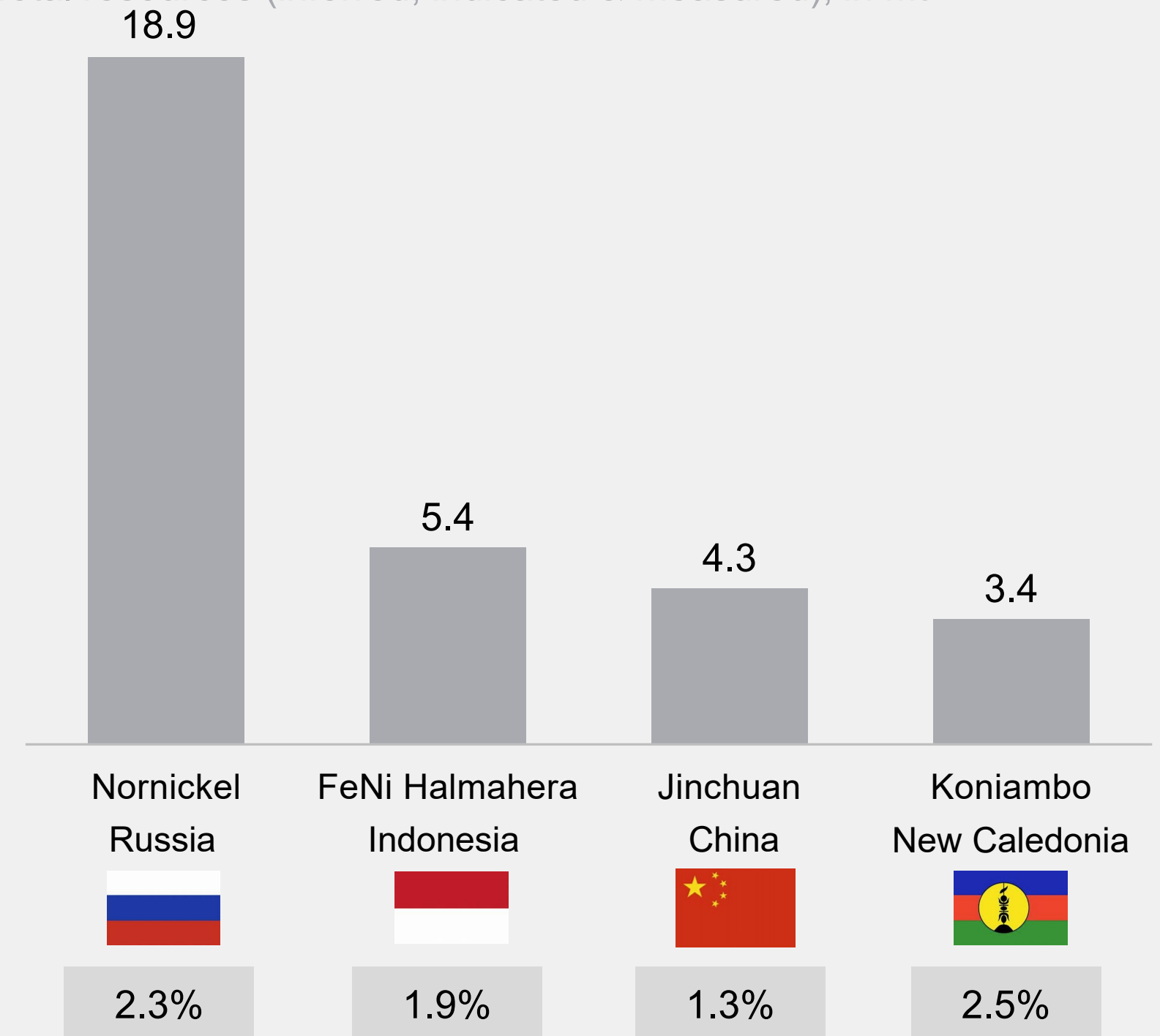
## World's largest nickel projects – 2023

Total est. resources (inferred, indicated & measured), in Mt<sup>1</sup>



## World's largest nickel operations ranked by resource

Total resources (inferred, indicated & measured), in Mt<sup>2</sup>



<sup>1</sup> <https://www.mining.com/featured-article/ranked-worlds-biggest-nickel-projects/>

<sup>2</sup> Global Nickel Industry Cost Summary, Wood Mackenzie, August 2020; inclusive of reserves. Asset Reports for FeNi Halmahera, Jinchuan and Koniambo.

<sup>3</sup> Canadian NI 43-101 Resource Statement for full field financial model (internal TMC development scenario).

<sup>4</sup> Nickel equivalence calculation uses NORI-D Model price deck as stated in NORI Initial Assessment available at investors.metals.co.

## Planning for the inevitable: France softens ‘ban’ position through joint statement with China on ocean protection, while Belgium introduces new legislation on future deep-sea mining.



### China / France Joint Ocean Statement

"Both countries remain committed to the work of the International Seabed Authority and ensure that, before any deep seabed mining activity, impact studies on the marine environment have been carried out, risks are understood, technologies and operational practices comply with relevant provisions, and that appropriate rules, regulations and procedures are put in place by the International Seabed Authority, in accordance with the best available scientific knowledge, ecosystem approach and the precautionary approach. They encourage the development of scientific exploration within the framework of the International Seabed Authority and the increase in cooperation in this direction." [May 2024](#)



### Belgium Deep-sea Mining Legislation

"Belgium recognizes the potential importance of deep-sea mining for the economy, but also wants to ensure that these activities are carried out in a responsible manner, with respect for the marine environment," says the Minister of the North Sea. "This law does not make a decision on whether or not to exploit the deep sea, but it does establish a clear framework within which exploitation could take place. As Blue Leader, we emphasize the sustainable management and protection of the deep sea. We look forward to working with international partners to subject this economic development to strict environmental conditions." [May 2024](#)

## Chinese contractors intend to submit Environmental Impact Statements for collector test commencing in 2025...



### China Minmetals Corporation (CMC)

The ISA reported that CMC had announced a stakeholder consultation for a forthcoming Environmental Impact Statement (EIS) for a collector test.

CMC intends to conduct a test of its nodule prototype collector vehicle in ultra-deepwater (5,000 to 5,500m) in 2025.

The test will enable CMC to validate the efficiency, reliability and economic feasibility of its nodule collector, while also providing for the simultaneous monitoring of its potential environmental impacts. [Apr 2024](#)



### Beijing Pioneer Hi Tech Development Corporation (BPC)

The ISA reported that BPC had announced a stakeholder consultation for its forthcoming EIS for a collector test.

BPC intends to conduct its collector test on its contract area in 2025 and carry out an environmental impact assessment of the test activities on the basis of preliminary environmental baseline data collected, as well as environmental monitoring data obtained during and after the test. [May 2024](#)

**...increasing the likelihood of tangible support, potentially financial, from the U.S. government.**

## THE WALL STREET JOURNAL.

### U.S. Lawmakers Push for Deep-Sea Mining Funding in New Bill

[Mar 2024](#)

In March, the WSJ reported that legislation has been introduced to Congress “aimed at stepping up American interests in deep-sea mining, specifically pushing for **financial, diplomatic and infrastructure support for the industry.**”

In the language to the Responsible Use of Seafloor Resources Act of 2024, Rep. Carol Miller (R., W.Va.) and Rep. John Joyce (R., Pa.) declare that “**The United States should not be beholden to China for critical minerals**” and that the bill “will significantly reduce supply chain vulnerabilities and bolster American manufacturing and jobs, while combating Chinese production of critical minerals.”

## POLITICO

### Former National Security, Defense Officials Push for Ratification of UN Treaty to Boost Deep-Sea Mining

[Mar 2024](#)

In March, Politico reported that over 350 former political and military officials – including former Secretary of State Hillary Clinton and former Defense Secretary Leon Panetta – had written to the Senate, urging them to ratify the UN Convention on the Law of the Sea (UNCLOS) so “**The United States can take its seat on the Council of the International Seabed Authority**”, and “**resume its leading role in oceans matters**” including access to deep-sea mine sites “**each containing a trillion dollars in value.**”

The letter was signed by around 189 American ambassadors, 73 generals, 50 admirals, four directors of national intelligence and scores of other distinguished supporters.

## Tesla and GM: activists trying to push shareholders to vote 'yes' against future deep-sea mineral sourcing. Both boards recommended voting 'no.'



Proxy filing on April 17, AGM on June 13

“The Board recommends a vote AGAINST the stockholder proposal regarding committing to a moratorium on sourcing minerals from deep sea mining.”

“...decisions by Company management regarding the entry into agreements with suppliers for the purchase of raw materials...are fundamental to our ability to operate nimbly on a day-to-day basis while adhering to high responsible sourcing expectations. For example: for the past five years, we have reviewed scientific studies related to deep-sea mining, engaged with researchers and participated in multi-stakeholder forums to build an understanding of this issue internally to inform decision-making. The Company’s management, rather than the stockholder proponent, is in the best place to make informed and specific decisions based on its specialized expertise and judgment, while continuing to align with industry best practices and committing to responsible sourcing.”

Proxy: [April 2024](#)



Proxy filing on April 24, AGM on June 6

“The Board of Directors recommends a vote AGAINST this proposal for the following reasons:

- The proposal seeks public disclosure for a risk that currently does not exist in the Company’s supply chain.
- The Company has a long history of taking a science-based and data-driven approach with regards to its environmental footprint of alternate value chains and will do the same if it decides in the future to pursue a relationship with a terrestrial or undersea extraction supplier.”

“...we are following the efforts of respected third parties who are making science-based evaluations in an effort to establish criteria for if and how deep-sea minerals may be extracted sustainably and responsibly in the future. The Company engages regularly with relevant industry organizations and other stakeholders and will continue our deliberative cross-functional evaluation of all new technologies, including deep-sea mineral extraction.”

Proxy: [April 2024](#)





Video available here: <https://vimeo.com/945804461/0a52d29516>

# Environmental Impact Statement: based on one of the largest deep-sea datasets ever compiled.

**100+** studies

## Seabed-to-surface ocean research program

### Surface biology

Surface fauna logbook (PelagOS)  
Remote Sensing, Hydrophone Acousitcs



### Pelagic biology

Microbial Community Characterization  
Phytoplankton Community Characterization  
Zooplankton Community Characterization  
Gelatinous Zooplankton Characterization  
Micronekton Characterization  
Trophic Analysis (Stable Isotopes)  
Temporal Variability of Pelagic Communities  
Trace Element Profiles In Water Column  
Particulate Profiles in Water Column  
Discharge Plume Characterization (Physical)  
Discharge Plume Characterization (Biological)  
Midwater Discharge (food webs particle composition)



### Benthic biology

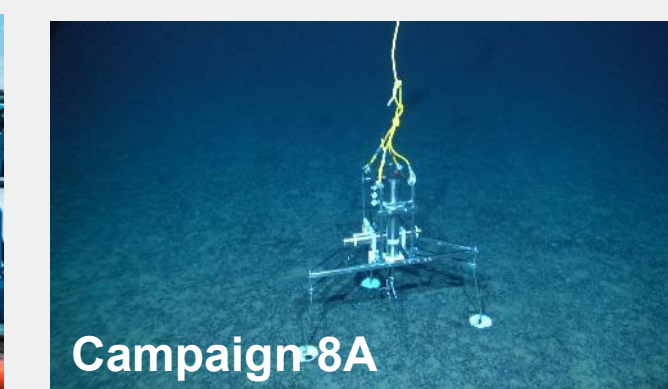
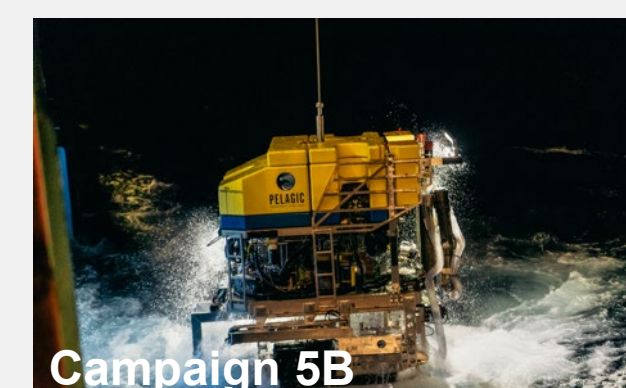
Mega fauna Characterization (Photo transects)  
Mega fauna Characterization (Time Lapse)  
Macro Fauna Characterization  
Micro Fauna Characterization  
Meso Fauna Characterization  
Macro Fauna Characterization

### Collector impact studies

Met ocean studies  
Bathymetry (seabed mapping)  
Habitat mapping  
Database development  
Digital twin development  
Collector test nearfield studies  
Collector test far-field modeling  
Plume modeling  
Existing Resource Utilization Study  
Noise & Light Study  
Meteorology & Air Quality Study  
Hazard & Risk Assessment  
Emergency Response Planning  
Cultural & Historical Resources  
Waste Management  
Cumulative Impacts

### Sediment analysis

Baited camera and traps  
Benthic respiration and nutrient cycling  
Seafloor metabolic activities  
Bioturbation, sediment characteristics  
Porewater sampling  
Exposure toxicology studies  
Metals determination by ICP analysis  
Induction of gene transcripts (metals)



\* Assuming the average length of a campaign to be 35-40 days, this represents over 4000 days.

**Our EIS is focusing on addressing six primary concerns. Preliminary results are encouraging on every one of them.**

### **Seafloor plumes**

Concern: “Seafloor plumes could travel 10,000s km<sup>2</sup> beyond mining sites.”

Status: in-field observed data shows very localized and limited seafloor plume impact, with 92-98% of sediment staying within 2 meters of seafloor.

### **Midwater plumes**

Concern: “Midwater plumes could travel over a 1,000 km and be toxic for tuna fisheries.”

Status: preliminary in-field data shows limited and very diluted midwater plume, released far deeper than fisheries.

### **Carbon**

Concern: “Planet’s biggest carbon sink could be disturbed.”

Status: most ocean carbon is in the seawater, not the sediment. Further, no known path for seafloor carbon to reach atmosphere.

### **Noise**

“Noise from operations could disrupt whales’ communications.”

Status: HRW report in May 2024: “risk of injury to animal hearing from the sound generated by the scaled-up NORI deep sea mining activity is relatively low.”

### **Biodiversity loss**

“Mining could lead to the extinction of species unknown to science.”

Status: our work is making deep-sea species known to science at an unprecedented rate, and ~43% of the CCZ is already set aside for protection.

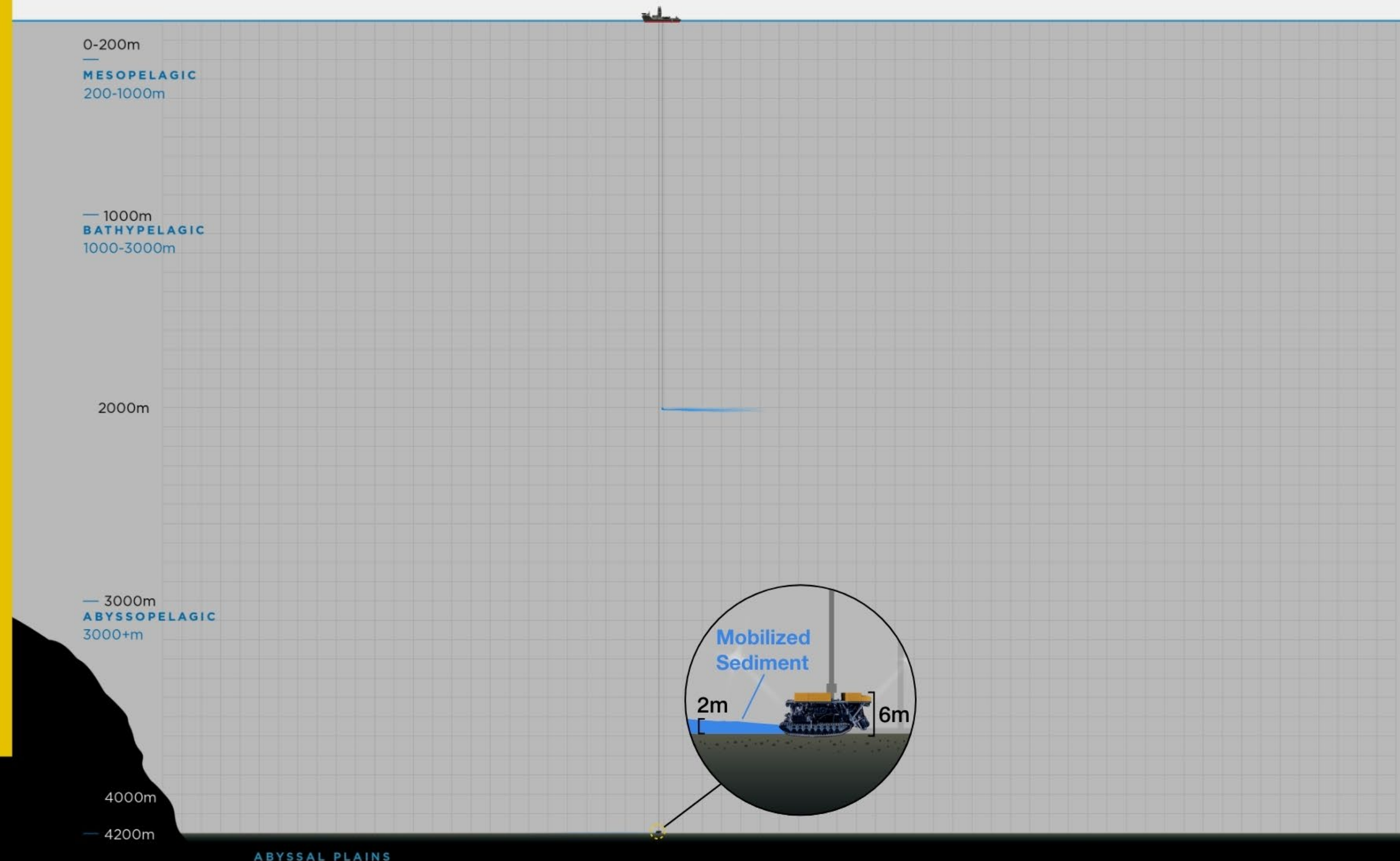
### **Habitat destruction**

“Mining would irreversibly destroy ancient deep-sea habitats.”

Status: nodule collection in the CCZ could change the habitat of 0.18% of the seafloor at most, and life returning to test area after just one year.

## As the seafloor plume is limited in scale and scope, it also limits other potential impacts on biodiversity and carbon sinks, with no known pathways for carbon to reach atmosphere.

Observed data from in-field pilot tests show that 92-98% of mobilized sediment stays confined to below 2m above the seafloor and resettles within hours to days. Compared to shallow water sediments, deep-sea abyssal sediments in the CCZ store very limited quantities of carbon. There are no known pathways for this carbon to reach the atmosphere within the short window before mobilized sediment resettles. The ocean's thermohaline circulation occurs on centuries time scale and Earth's geological cycle impacts water mass movements over tens or hundreds of millions of years.

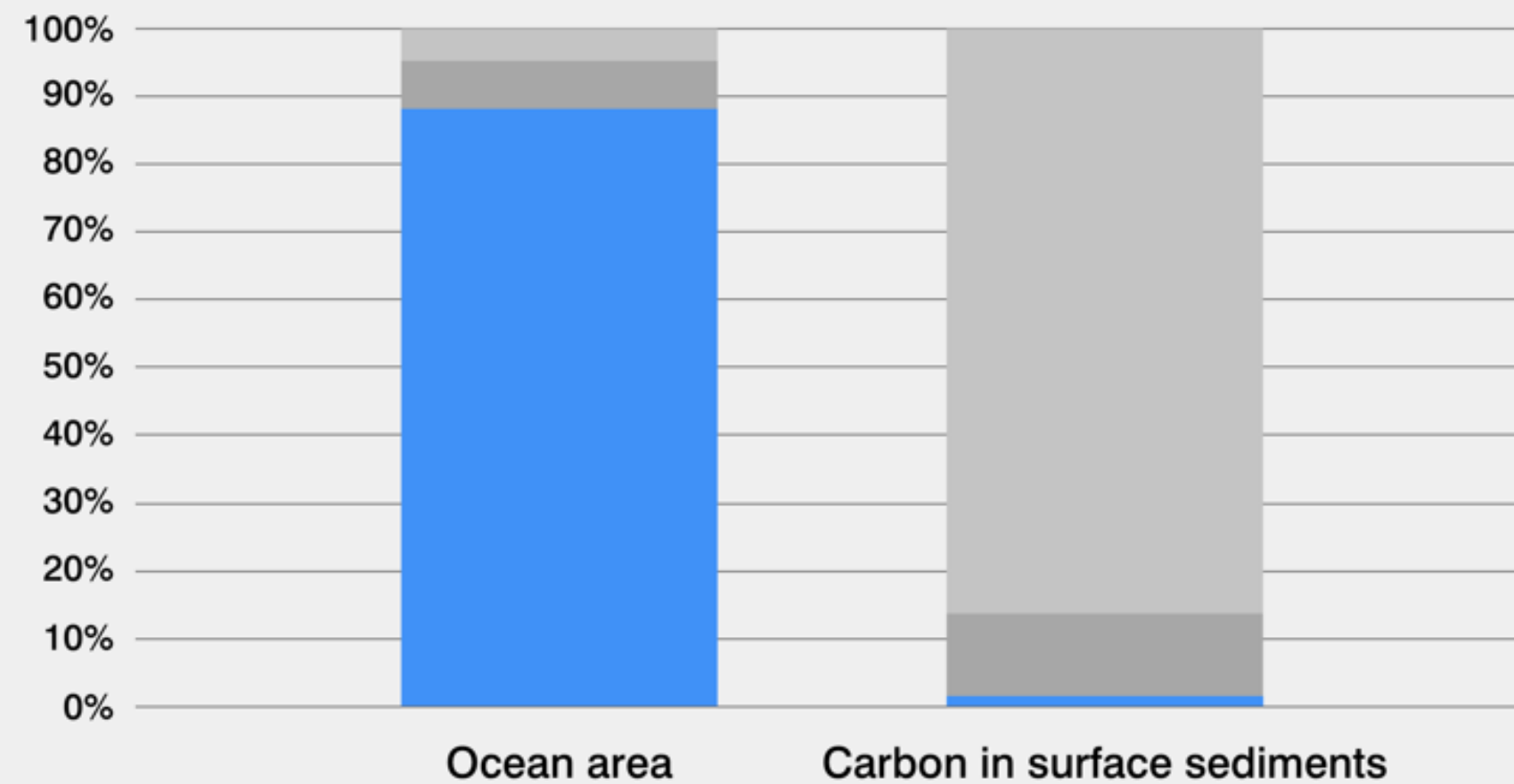


## Carbon in abyssal plains accounts for just 1.5% of total carbon buried in surface sediments and is not bioavailable for CO<sub>2</sub> conversion.

### Organic carbon pools in surface sediments by depth

Percent of total ocean area by depth / Percent of total organic sedimentary carbon by depth

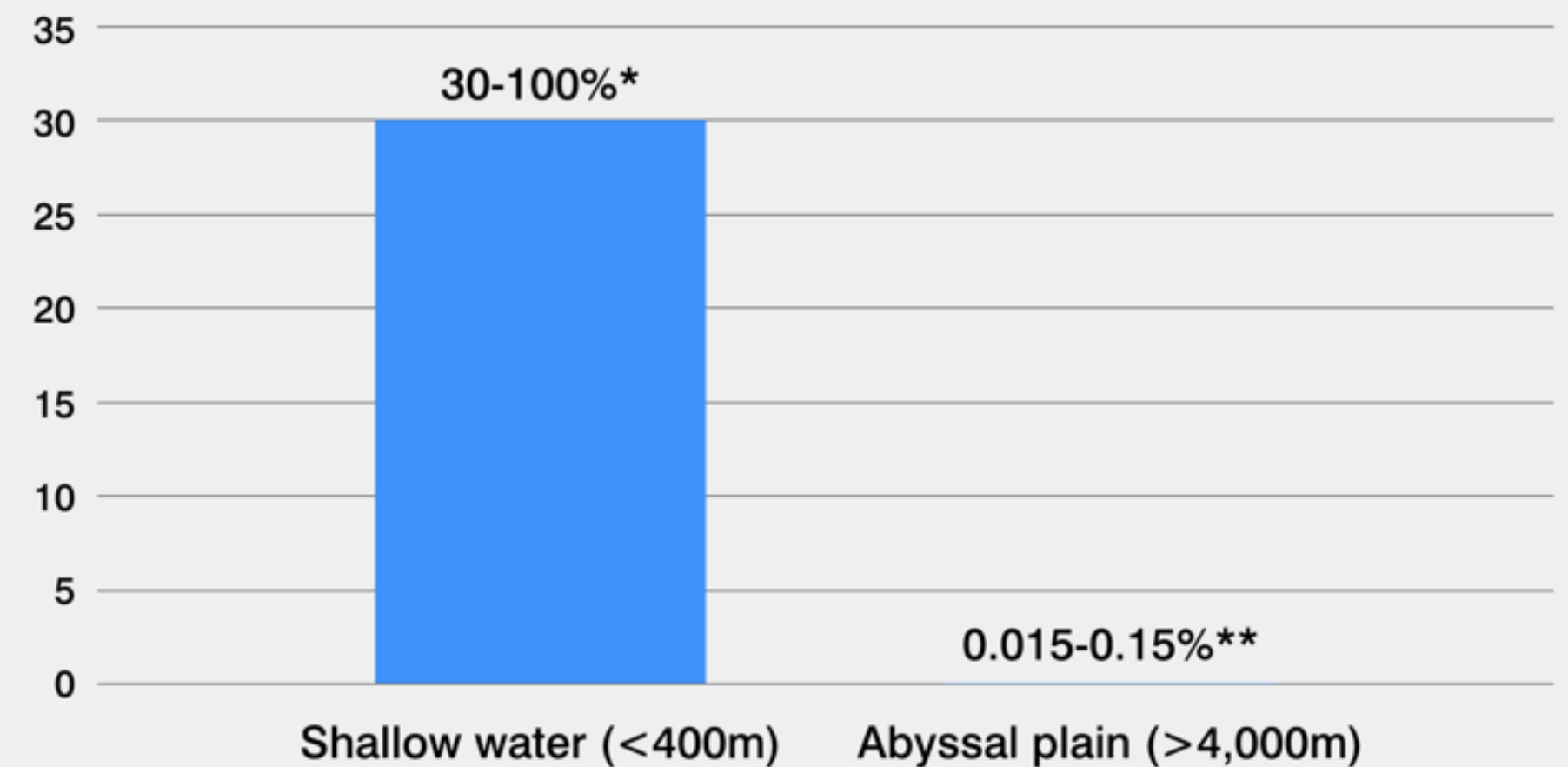
■ Rise/plain (>2,000m) ■ Slope (200 - 2000m) ■ Shelf (<200m)



Source: Figure generated with data from: Dunne, J. P., J. L. Sarmiento, and A. Gnanadesikan. 2007. A synthesis of global particle export from the surface ocean and cycling through the ocean interior and on the seafloor. *Glob. Biogeochem. Cycle* 21: GB4006. doi:10.1029/2006GB002907

### Bioavailability of organic carbon for microbial conversion to CO<sub>2</sub>

Percent of total organic carbon contained in surface sediments



\* Based on K value of 0.3-17 kg -yr from Atwood, T. B., A. Romanou, T. DeVries, and others. 2024. Atmospheric CO<sub>2</sub> emissions and ocean acidification from bottom-trawling. *Frontiers in Marine Science* 10; Sala, E., Mayorga, J., Bradley, D. et al. Protecting the global ocean for biodiversity, food and climate. *Nature* 592, 397-402 (2021). <https://doi.org/10.1038/s41586-021-03371-z>

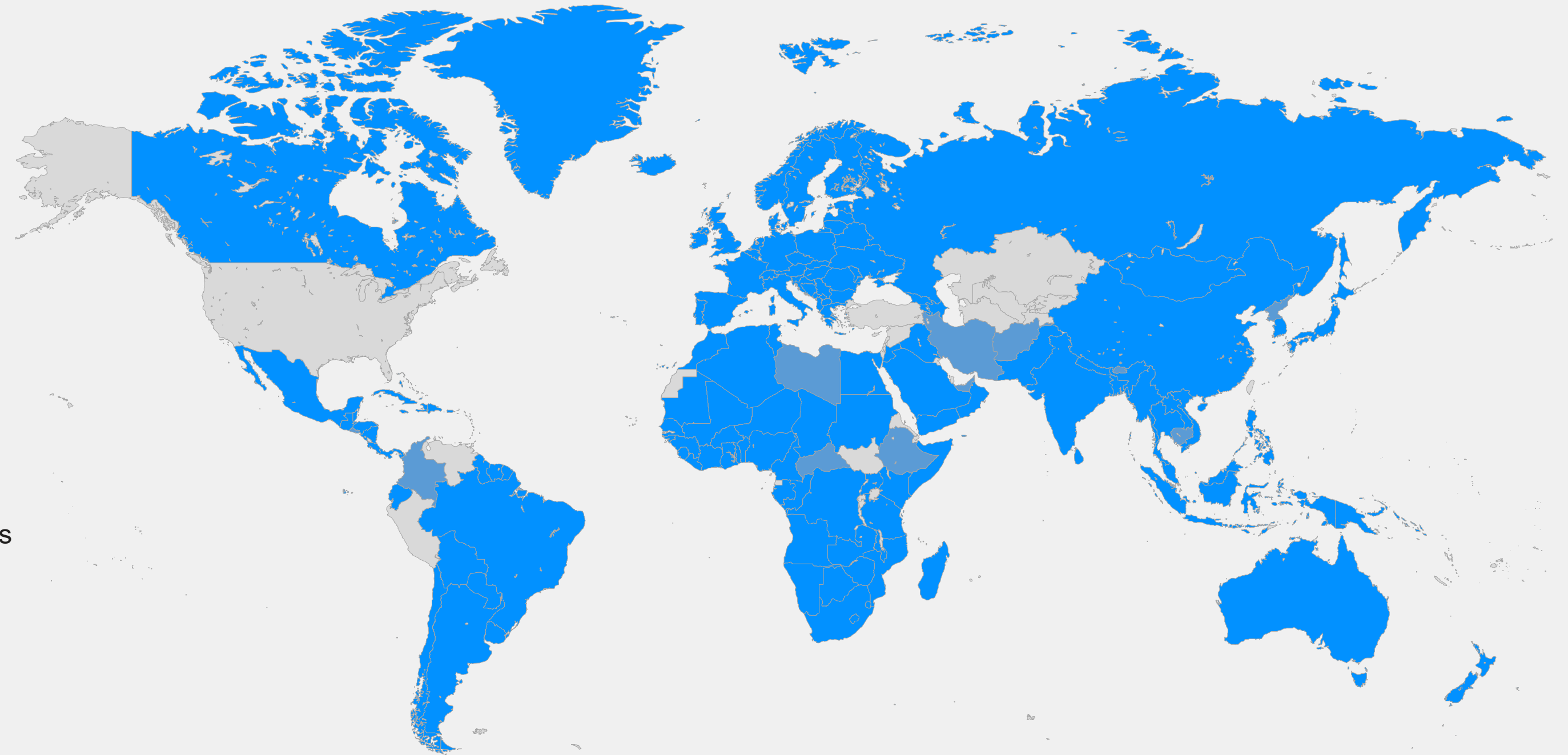
\*\* Based on K value of 0.00015-0.0015 kg -yr from Pika, P. A., D. Hülse, T. I. Eglinton, and S. Arndt. 2023. Regional and Global Patterns of Apparent Organic Matter Reactivity in Marine Sediments. *Global Biogeochemical Cycles* 37: e2022GB007636. doi:10.1029/2022GB007636

## Regulated by the International Seabed Authority established in 1994 by UNCLOS.

UNCLOS Parties  
UNCLOS Signatories



- The International Seabed Authority (ISA) was established in 1994 by the United Nations Convention on the Law of the Sea ("UNCLOS") and regulates seabed minerals beyond national jurisdiction ("the Area").
- Issues Exploration Contracts to qualified applicants who are sponsored by a State Party to UNCLOS.
- 19 polymetallic nodule contracts issued to date to a mix of state-backed, state-owned and commercial contractors.



# Consolidated regulatory text now released, signaling transition to the final phase of Mining Code negotiations.



ISBA/29/C/CRP.1  
16 February 2024  
[English only](#)

Twenty-ninth session  
Council session, part I  
Kingston,  
18 – 29 March 2024

## Draft regulations on exploitation of Mineral resources in the Area

### Consolidated text

### Explanatory note

1. Recalling the Annex to the Council decision of 21 July 2023 (ISBA/28/C/24), the Council requested that one consolidated text of the draft regulations on exploitation of Mineral resources in the Area (the Regulations) would be provided for the twenty-ninth session. The consolidated text includes the current versions of the following texts:

- (a) The revised draft text of the President (ISBA/28/C/WOW/CRP.2)
- (b) The third revised draft text of the Chair of the Open Ended Working Group on the Financial Terms of a Contract (ISBA/28/C/OEWG/CRP.6)
- (c) The fourth revised draft text of the Facilitator of the Informal Working Group on the Protection and Preservation of the Marine Environment (ISBA/28/C/IWG/ENV/CRP.3/Rev.1)
- (d) The fourth revised draft text of the Facilitator of the Informal Working Group on Inspection, Compliance and Enforcement (ISBA/28/C/IWG/ICE/CRP.3)
- (e) The revised draft text of the Co-Facilitators of the Informal Working Group on Institutional Matters (ISBA/28/C/IWG/IM/CRP.2)

2. Based on the negotiations during the third part of the twenty-eight session and the written proposals submitted thereafter, this consolidated text has been prepared by the President of the Council of the twenty-eight session. The President has prepared this consolidated text to assist discussions of the Council in an informal manner, and to try to harmonize and streamline the Regulations better, and all with a view to facilitating the finalization of the work of the Regulations.

3. The consolidated text represents a revision of the texts listed above in paragraph 1, and the same approach to this revision has been followed as for the revisions of the previous texts prepared by the working groups, which are as follows:

- (a) Only those proposals in respect of which there has been no express opposition to, are reflected in the consolidated text. This is without prejudice to their future consideration or the possibility for delegations to re-introduce textual proposals not incorporated in the present consolidated text;

Please recycle 

## Regulatory Text

- In November 2023, the Council agreed to consolidate the draft text, harmonizing and cleaning up the text into one document, making it easier to negotiate.
- This signals the transition to the **final phase of negotiations**.
- Consolidated text was released on February 16, 2024 and is 225 pages
- The consolidated text was negotiated in March 2024 and further in July 2024

**ISA Secretary-General, H.E. Mr. Michael W. Lodge**, said, “The establishment of the regulatory framework is a pivotal element of the progressive methodology inherent in the formation and functioning of ISA as enshrined in the 1994 Agreement. This is a task incumbent upon ISA to execute its duty not only to safeguard the marine environment but also to assure that the rights of all State Parties to undertake activities in the Area are upheld in strict adherence to the ISA’s rules, regulations and procedures.”

<https://www.isa.org.jm/news/isa-council-closes-part-iii-of-its-meetings-and-concludes-its-28th-session/>

# ISA making progress toward final regulations, while TMC subsidiary NORI reserves legal rights to submit application before final regulations are in place.



## Article 15 of the 1994 Implementation Agreement

Empowers a Member State whose national contractor is 2 years away from being ready to lodge an application for the ISA Exploitation Contract to notify the ISA of upcoming application.

Consistent with NORI's rights under the United Nations Convention on the Law of the Sea (UNCLOS), and the 1994 Agreement relating to the Implementation of Part XI of UNCLOS (the Agreement), **NORI reserves its right to submit an application for a plan of work for exploitation, which will be included as part of the application for an exploitation contract, and to have that application considered and provisionally approved** pursuant to Section 1, Paragraph 15 of the Annex to the Agreement.

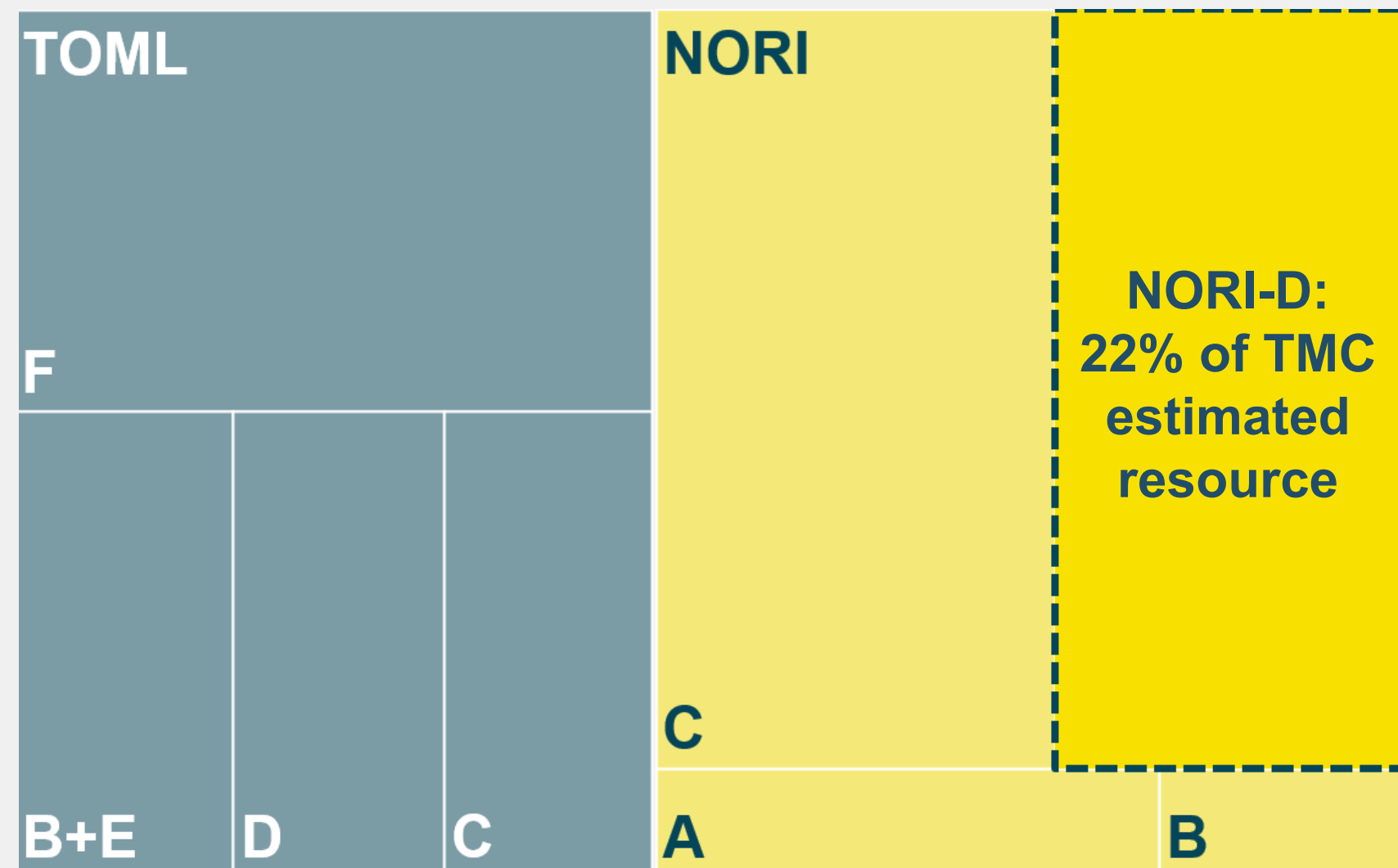
## Timeline

2011	Fiji requests the ISA to prepare workplan for adopting the Mining Code
2012	ISA Secretariat prepares a workplan for adopting the Mining Code
2013	ISA produces technical study no. 11 "Towards the Development of a Regulatory Framework for Polymetallic Nodule Exploitation in the Area"
2015	ISA circulates 1 <sup>st</sup> draft of the Mining Code
2017	ISA circulates 2 <sup>nd</sup> draft of the Mining Code; agrees on July 2020 as target adoption date
2018	ISA circulates 3 <sup>rd</sup> draft of the Mining Code
2019	ISA circulates 4 <sup>th</sup> draft of the Mining Code
July 2020	ISA stated goal for adoption delayed due to COVID
July 2021	Government of Nauru (Sponsor of NORI) submitted a 2-year notice ISA adopts a roadmap for completing regulations by July 2023
Dec 2021	In-person ISA meetings resume in Jamaica, after a nearly 2-year hiatus
March 2022	ISA meetings to address regulations, financials and standards & guidelines
July/Aug 2022	ISA meetings to address regulations, financials and standards & guidelines
Oct/Nov 2022	ISA meetings to address regulations, financials and standards & guidelines
March 2023	ISA meetings to address regulations, financials and standards & guidelines
July 2023	ISA meetings to address regulations, financials and standards & guidelines
July 2023	<b>Initial roadmap date for ISA to adopt final exploitation regulations (date has passed)</b>
Nov 2023	ISA meetings to address regulations, financials and standards & guidelines
March 2024	ISA meetings to address regulations, financials and standards & guidelines
July 2024	<b>ISA meetings, following which NORI expects to submit application for exploitation contract</b>
Q1 2026	<b>Est. production in NORI-D assuming 1-year application review and approval by the ISA</b>



**Based on SEC-compliant Initial Assessment, NORI-D project estimated at \$6.8 billion NPV (est. \$11.5 billion using current metal prices).**

← Estimated resource 1,634Mt (wet)<sup>1</sup> →



## NORI-D Financial Model<sup>2</sup>

\$ billions unless otherwise noted

Estimated Prices	March 21 Initial Assess. w/CRU price forecast	Current prices, all other inputs unchanged	Increase
Nickel	\$16,106/t	\$19,135/t	19%
Copper	\$6,787/t	\$9,894/t	46%
Cobalt	\$46,416/t	\$27,830/t	-40%
Mn silicate	\$4.53/dmtu	\$6.45/dmtu	42%

### Estimated Project economics—cumulative over project life

<b>Total revenue</b>	<b>\$95.1</b>	<b>\$116.1</b>	<b>22%</b>
Nickel	44.0	52.4	
Copper	12.7	18.5	
Cobalt	10.4	6.6	
Mn silicate	27.2	38.1	
<b>Total OPEX</b>	<b>37.5</b>	<b>37.5</b>	<b>0%</b>
<b>Total EBITDA</b>	<b>57.3</b>	<b>78.3</b>	<b>37%</b>
<i>EBITDA margin</i>	<i>60%</i>	<i>67%</i>	<i>7 pts</i>

<b>NPV</b>	<b>\$6.8 billion</b>	<b>\$11.5 billion</b>	<b>+70%</b>
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<sup>1</sup> Canadian NI 43-101 Resource Statement for full field financial model (internal DeepGreen development scenario).

<sup>2</sup> Canadian NI 43-101 and SEC Regulation S-K (Subpart 1300) Compliant NORI Area D Clarion Clipperton Zone Mineral Resource Estimate and associated financial model, AMC, March 2021. 'Current price' scenario is internal-only, as of May 7, 2024. NPV at January 1, 2021, assuming 9% discount rate. 'CRU Forecast' based on price projections from CRU Group used the 2021 Initial Assessment.

## Income statement highlights: three months ended March 31, 2024.

(\$mm)	Q1 2023	Q1 2024	Change
Exploration and evaluation expenses	7.2	18.1	10.9
General and administrative expenses	6.2	6.6	0.4
<b>Operating loss</b>	<b>13.4</b>	<b>24.7</b>	<b>11.3</b>
Equity-accounted investment loss	0.2	0.1	(0.1)
Change in fair value of warrants liability	0.6	0.5	(0.1)
Foreign exchange loss	-	(0.3)	(0.3)
Interest expense (income)	(0.5)	(0.1)	0.4
Fees and interest on credit facility	-	0.3	0.3
<b>Other items</b>	<b>0.3</b>	<b>0.5</b>	<b>0.2</b>
<b>Net loss</b>	<b>13.7</b>	<b>25.2</b>	<b>11.5</b>
<b>Loss per share (\$)</b>	<b>0.05</b>	<b>0.08</b>	<b>0.03</b>

## Cash flow highlights: three months ended March 31, 2024.

(\$mm)	Q1 2023	Q1 2024	Change
<b>Cash used in operating activities</b>	23.5	11.9	(11.6)
<b>Capital expenditures</b>	-	0.3	0.3
Acquisition of equipment	-	0.3	0.3
<b>Free cash outflow</b>	23.5	12.1	(11.4)

## Balance sheet highlights: quarter ended March 31, 2024.

	Dec 31, 2023	Mar 31, 2024	Change
<b>Total Assets (\$mm)</b>	<b>68.9</b>	<b>65.5</b>	<b>(3.4)</b>
Cash	6.8	4.0	(2.8)
Accounts receivable and prepaid expenses	2.0	2.0	-
Exploration contracts	43.2	43.2	-
Right of use asset	5.7	5.2	(0.5)
Equipment	1.1	1.0	(0.1)
Software development costs	1.7	1.7	-
Investment	8.4	8.4	-
<b>Total Liabilities (\$mm)</b>	<b>58.0</b>	<b>63.7</b>	<b>5.7</b>
Accounts payable and accrued liabilities	31.3	36.5	5.2
Warrant liability	2.0	2.5	0.5
Royalty liability	14.0	14.0	-
Deferred tax liability	10.7	10.7	-
<b>Total Equity (\$mm)</b>	<b>10.9</b>	<b>1.8</b>	<b>(9.1)</b>
Common shares	438.2	454.4	16.2
Additional paid-in-capital	122.8	122.7	(0.1)
Accumulated other comprehensive income	(1.2)	(1.2)	-
Deficit	(548.9)	(574.1)	(25.2)

# APPENDIX

# Non-GAAP reconciliation.

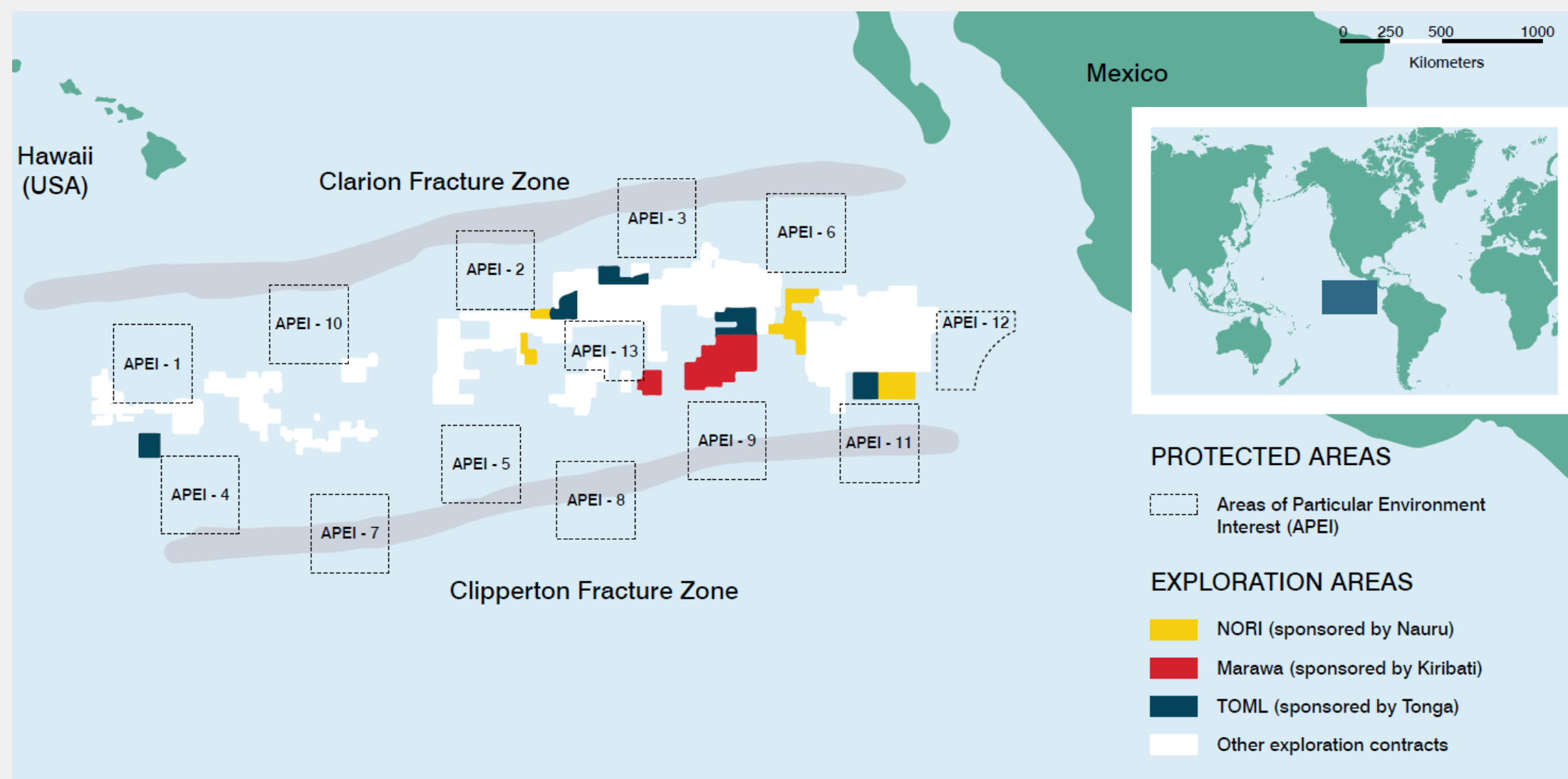
## Non-GAAP Financial Measures – Free Cash Outflow

Free cash outflow is a non-GAAP financial measure. Free cash outflow is used in addition to and in conjunction with results presented in accordance with United States Generally Accepted Accounting Principles (“U.S. GAAP”), and free cash outflow should not be relied upon to the exclusion of U.S. GAAP financial measures. TMC’s management strongly encourages investors to review TMC’s financial statements and publicly-filed reports in their entirety and to not rely on any single financial measure. Free cash outflow is defined as cash flow from operations reduced by capital expenditures. TMC believes that free cash outflow is a useful additional measure to “net cash used in operations” since the excluded expenditures are not a recurring expenditure of operations moving forward and free cash outflow is useful as a measure of TMC’s ability to meet its planned operating obligations moving forward. Free cash outflow however, has limitations due to the fact that it does not represent the residual cash flow available for discretionary expenditures and different companies define free cash outflow and other measures of free cash flow in different manners and, therefore, TMC’s free cash outflow can not be compared to another company’s use of free cash outflow or any other measure of free cash flow. TMC therefore believes it is important to view free cash outflows as a complement to its entire condensed consolidated statements of cash flows.

A reconciliation from our cash flow GAAP measure (Decrease in Cash) to free cash outflow for the three months ended March 31, 2024 and 2023 is as follows:

(\$mm)	Three months ended March 31	
	2024	2023
Net cash used in operating activities	11.9	23.5
Net cash used in investing activities	0.3	-
Net cash provided in financing activities	- 9.0	- 5.0
Decrease in cash (GAAP measure)	3.1	18.5
Add back net cash provided in financing activities	9.0	5.0
Add back net cash used in investing activities other than capital expenditures	-	-
Free cash outflow	12.1	23.5

# TMC: technical resource statements issued on NORI + TOML, with an *in situ* estimated resource of Ni, Cu, Co and Mn sufficient to electrify the entire U.S. passenger car fleet<sup>1</sup>.



TMC exploration contract area	NORI <sup>2</sup>	TOML <sup>3</sup>	Marawa
Sponsoring State	Republic of Nauru	Kingdom of Tonga	Republic of Kiribati
Exploration area	74,830 km <sup>2</sup>	74,713 km <sup>2</sup>	~75,000 km <sup>2</sup>
Technical resource statement	Yes	Yes	Work in progress
Estimated nodule tonnage	866 <sup>4</sup> million tonnes (wet)	768 million tonnes (wet)	
Avg. grade across contract area:			
Manganese	29.5%	29.2%	
Nickel	1.3%	1.3%	
Copper	1.1%	1.1%	
Cobalt	0.2%	0.2%	

<sup>1</sup> Assuming 75kWh batteries with NMC811 chemistry and nodule resource grade and abundance, "Where Should Metals for the Green Transition Come From?", Paulikas et al, LCA white paper, April 2020. Calculation based on estimated contained value of nickel.

<sup>2</sup> SEC Regulation S-K (Subpart 1300) Compliant NORI Clarion Clipperton Zone Mineral Resource Estimate AMC, 17 March 2021. 521 Mt Inferred, 341 Mt, 4 Mt Measured.

<sup>3</sup> SEC Regulation S-K (Subpart 1300) Compliant TOML Clarion Clipperton Zone Project Mineral Resource Estimate, AMC, 26 March 2021. 696 Mt inferred, 70 Mt Indicated, 2.6 Mt Measured.

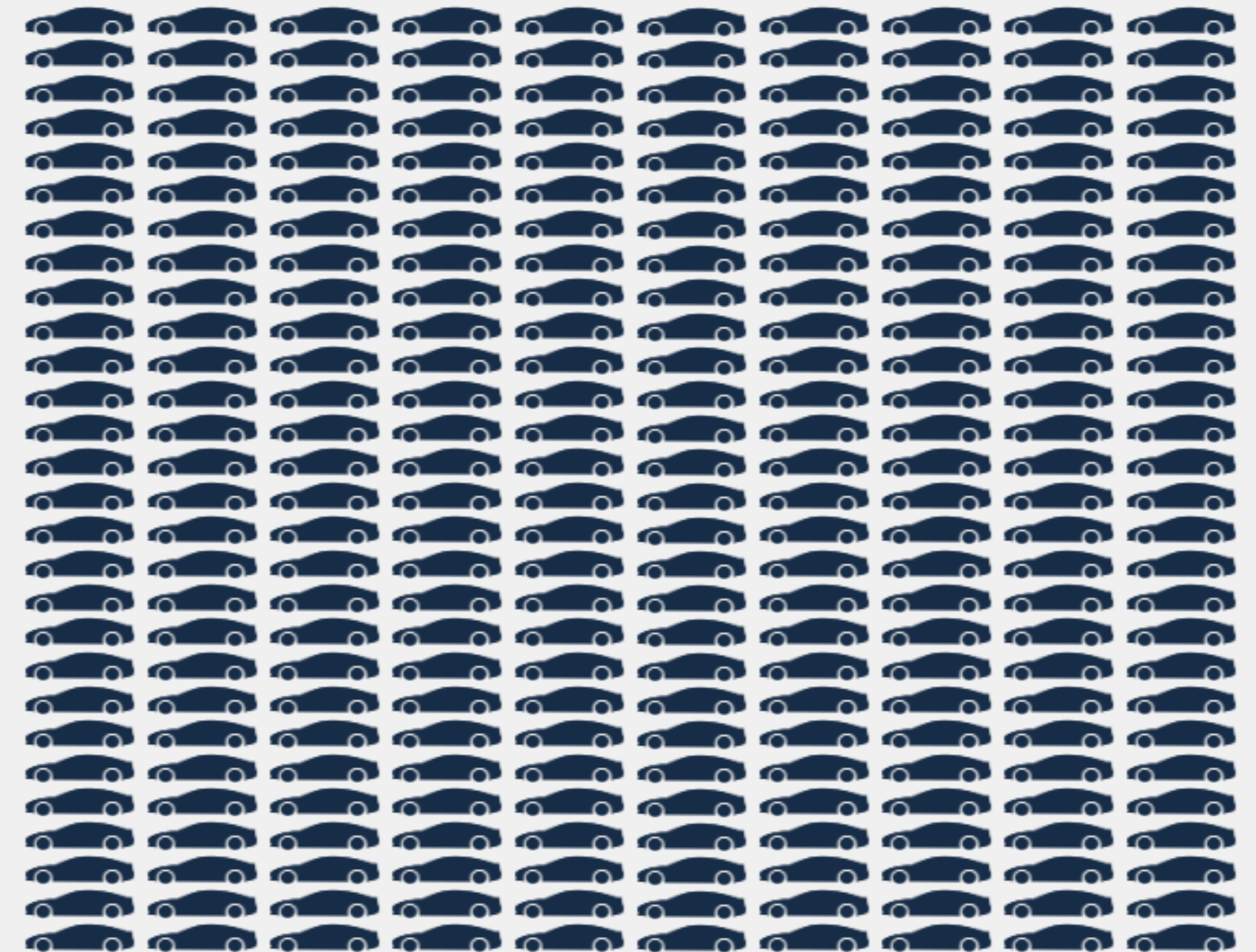
<sup>4</sup> SEC Regulation S-K (Subpart 1300) Compliant NORI Area D Clarion Clipperton Zone Mineral Resource Estimate and associated financial model, AMC, 17 March 2021. 11 Mt Inferred @ 1.4% Ni, 1.1% Cu, 0.1% Co and 31.0 % Mn and 15.6 Kg/m<sup>2</sup> abundance, 341 Mt Indicated @ 1.4% Ni, 1.1% Cu, 0.1% Co and 31.2% Mn and abundance 17.1Kg/m<sup>2</sup>, 4 Mt Measured @ 1.4% Ni, 1.1% Cu, 0.1% Co and 32.2% Mn and 18.6 Kg/m<sup>2</sup>.

# TMC estimated resource alone has the potential to supply U.S. demand for nickel, cobalt and manganese.

## The Metals Company

15,700,000 t Ni / 2,400,000 t Co / 13,300,000 t Cu / 350,000,000 t Mn Total Resource  
 Estimated *In situ* quantities of nickel, copper, cobalt and manganese equivalent to the requirements of 280 million vehicles or the entire U.S. passenger vehicle fleet<sup>1</sup>

 = Approximate raw material requirements of a million Electric Vehicles<sup>1</sup>



### Eagle Mine

137,000t Ni / 3,700t Co Total Resource

Only U.S. miner of nickel or cobalt reaching end of life 2025<sup>2</sup>

\*Nickel concentrate (11-14%) exported for refining



### Talon Metals

135,000 t Ni / 3,500 t Co Total Resource

Unpermitted Tamarack project in Minnesota, enviro. review in 2023<sup>3</sup>

\*Nickel concentrate (13%) likely exported for refining



<sup>1</sup> Internal company calculation assuming 75kWh batteries with NMC811 chemistry and nodule resource grade and abundance, "Where Should Metals for the Green Transition Come From?", Paulikas et al, LCA white paper, April 2020. Calculation based on estimated contained value of nickel.

<sup>2</sup> <https://minedocs.com/23/Eagle-TR-12312022.pdf>

<sup>3</sup> <https://talonmetals.com/wp-content/uploads/2020/08/Talon-Tamarack-PEA-Update-12Mar2020-Final.pdf>



# Pilot collection system test and initial environmental impact monitoring campaign completed in Dec 2022.



## PILOT COLLECTOR SYSTEM TEST PROGRAM IN 2022

January	Riser acceptance test
February	Thruster re-lift, dockside vessel commissioning, review of nodule offloading & handling test program
Feb 7	LARS load test
Feb 28–Mar 3	Thruster installation
March 2–9	Collector wet function tests in outer harbor
March 12–17	Hidden Gem dynamic positioning trials
March 18–28	Collector drive test in the North Sea
April 6–11	Deep-water test in the Atlantic
April 21–24	Riser deployment test
April 22–May 3	Jumper deployment and connection test
May 3–June 29	Transit to Mexico
June 29–	Mobilization

## ENVIRONMENTAL IMPACT MONITORING CAMPAIGN

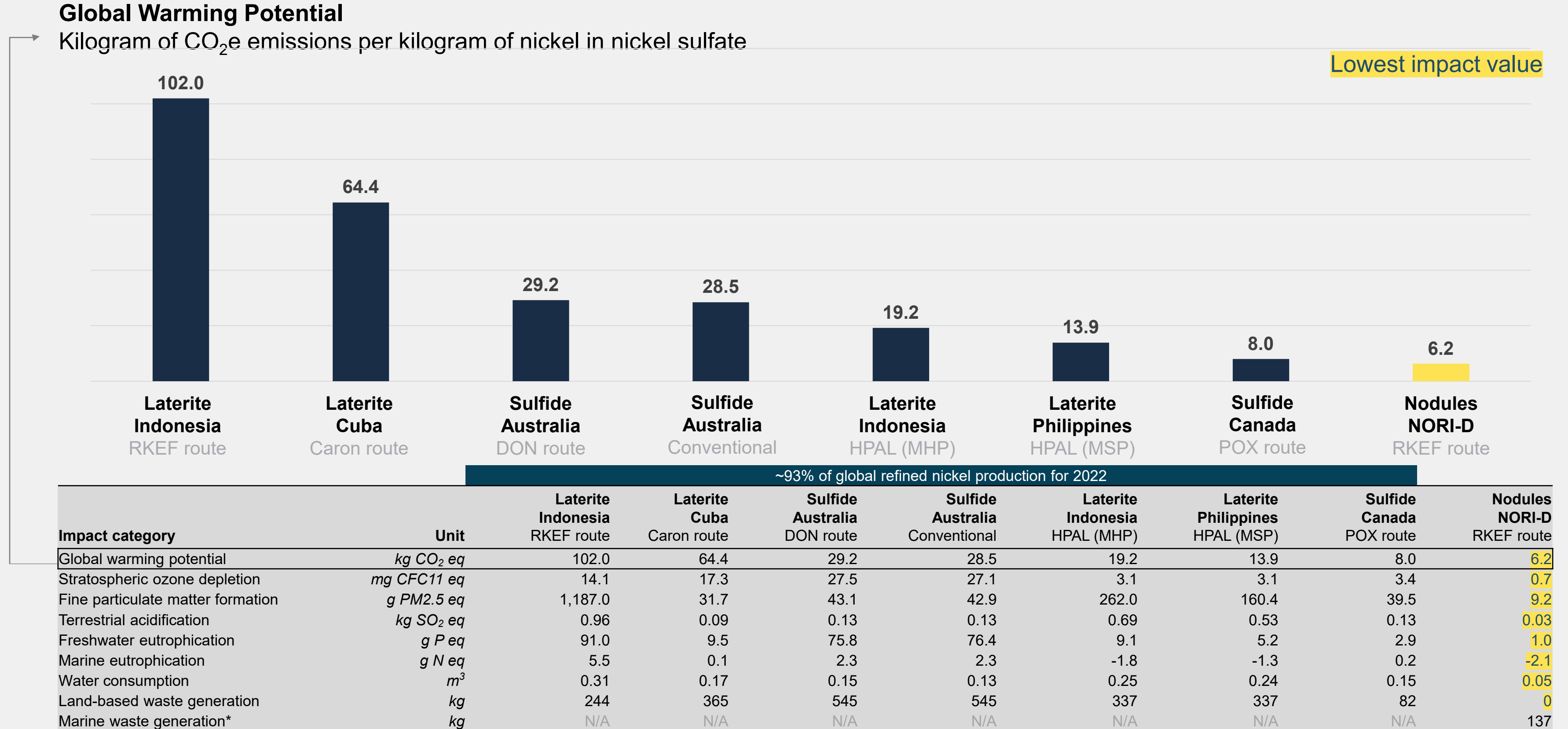
2021-2022	EIS, EMMP & revisions submitted to ISA
July 8–15	Mobilization
July 15	Pre-collector test survey
Sept 7	ISA recommendation to proceed
Sept-Dec	Pre, during, post environmental surveys

## PILOT TRIALS IN NORI-D

Sept-Dec	Integrated collector test ~4.5k wet tonnes collected, over 3k wet tonnes brought to surface
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# Benchmark: Nickel from NORI-D could have dramatically lower lifecycle impacts including substantially lower CO<sub>2</sub>e emissions.



\* Nodule collection operations entrain underlying sediment, separate it from nodules and return to the seafloor within meters of its origin. For the purposes of the LCA, this entrained sediment has been defined as a marine waste stream  
 Source: Independent lifecycle assessment (LCA) completed by Benchmark March 2023. Lifecycle from mine to end-product format (battery-grade nickel sulfate, cobalt sulfate, copper cathode and manganese silicate)  
 Nodules from NORI-D (RKEF route) also found to be the lowest impact option for copper. Cobalt from the DRC is lowest impact in GWP and water consumption; cobalt from NORI-D are lowest in all other assessed impact categories.

**Thank you.**

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