

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 24, 2022**

TMC THE METALS COMPANY INC.

(Exact name of registrant as specified in its charter)

British Columbia, Canada
(State or other jurisdiction of
incorporation)

**595 Howe Street, 10th Floor
Vancouver, British Columbia**
(Address of principal executive
offices)

001-39281
(Commission File Number)

Not Applicable
(IRS Employer
Identification No.)

V6C 2T5
(Zip Code)

Registrant's telephone number, including area code: **(604) 631-3115**

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
TMC Common Shares without par value	TMC	The Nasdaq Stock Market LLC
Redeemable warrants, each whole warrant exercisable for one TMC Common Share, each at an exercise price of \$11.50 per share	TMCWW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On March 24, 2022, TMC the metals company Inc. (the “Company”) issued a press release announcing its results for the fourth quarter and full year ended December 31, 2021 and providing a business update. A copy of the press release is furnished as Exhibit 99.1 hereto. In addition, the Company held a conference call to discuss these results and the business update on March 24, 2022. The transcript of, and the accompanying investor presentation slides for, the Company's Chief Financial Officer's presentation of financial results during the conference call are furnished as Exhibit 99.2 and Exhibit 99.3 hereto, respectively.

The information in this Current Report on Form 8-K (including Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3) shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Cautionary Note Regarding Forward-Looking Statements. Except for historical information contained in the press release, transcript and the investor presentation, each attached as an exhibit hereto, the press release, transcript and the investor presentation contain forward-looking statements which involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. Please refer to the cautionary note in the press release, transcript and the investor presentation regarding these forward-looking statements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Exhibit Description
99.1	Press Release dated March 24, 2022
99.2	Transcript of presentation of financial results by Chief Financial Officer during conference call held on March 24, 2022
99.3	Investor Presentation for presentation of financial results by Chief Financial Officer on March 24, 2022
104	Cover Page Interactive Data File (embedded within the iXBRL (Inline eXtensible Business Reporting Language) document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TMC THE METALS COMPANY INC.

Date: March 29, 2022

By: /s/ Gerard Barron
Name: Gerard Barron
Title: Chief Executive Officer

**The Metals Company Provides Q4 2021 and FY 2021 Corporate
Update and Details Key Strategic Announcements Bringing TMC
Closer to Unlocking the World's Largest Estimated Source of Battery
Metals**

NEW YORK — March 24, 2022 — TMC the metals company Inc. (Nasdaq: TMC) (“TMC” or “the Company”), an explorer of lower-impact battery metals from seafloor polymetallic nodules, today provided financial results for the fourth quarter and full year ending December 31, 2021, and announced a corporate update.

Q4 2021 and FY 2021 Financial Highlights

- Total cash of approximately \$84.9 million, at December 31, 2021
- Existing cash balance expected to be sufficient to fund TMC’s operations into the third quarter of 2023 when the Company’s subsidiary Nauru Ocean Resources Inc. (NORI) intends to submit its application to the International Seabed Authority (ISA) for an exploitation contract for its NORI-D area
- Net loss of \$19.8 million and loss per share of \$0.09 for the quarter ended December 31, 2021, mainly due to \$9.9 million of offshore campaign costs, non-cash share-based compensation of \$5.1 million and higher general and administrative costs as a result of becoming a public company, partially offset by gains on fair value changes of warrants liability of \$8.5 million.
- Net loss of \$141.3 million and loss per share of \$0.69 for the year ended December 31, 2021, mainly due to non-cash share-based compensation of \$60.3 million, \$39.0 million of offshore campaign costs, \$14.3 million for the pilot mining test system and higher general and administrative costs as a result of becoming a public company, partially offset by gains on fair value changes of warrants liability of \$9.4 million.

Gerard Barron, TMC Chairman and CEO, commented: “Following the events of the last month, the world is now acutely aware of the fragility of the nickel market that is dominated by Russian and Chinese-funded supply. Russia currently represents 20% of Class 1 nickel supply and China controls most of future nickel production growth through investments in Indonesian rainforest nickel.”

“TMC offers an alternative: polymetallic nodules. Our NORI-D project alone is ranked as the world’s largest undeveloped nickel project and we expect nickel to represent roughly half of our expected future revenues at current metal prices. Our strategy has always been to develop this resource through partnerships, both because it allows us to move faster and because it allows us to get into production in a capital-light manner. In this context, we are pleased to provide a corporate update for the fourth quarter of 2021 as well as highlight the two strategic developments that we announced last week, both important steps on our path toward commercial production.”

Operational Highlights

- **Project Zero Plant:** On March 16, 2022, we announced a business collaboration with Epsilon Carbon to complete a pre-feasibility study for a commercial plant in India, powered by renewables and targeting capacity to process 1.3 million tonnes per annum (Mtpa) of wet nodules into more than 30,000 tonnes per annum (TPA) of an intermediate nickel-copper-cobalt matte product used in active cathode material for nickel-rich cathode chemistries for lithium-ion batteries and more than 750,000 TPA of manganese silicate by-product expected to be used in manganese alloy production for the steel industry.
 - **Project Zero System:** On March 17, 2022, TMC subsidiary NORI and Allseas entered into a non-binding term sheet for the development and operation of a commercial nodule collection system. The pilot nodule collection system developed and currently being tested by Allseas is expected to be upgraded to a commercial system with a targeted production capacity of 1.3 Mtpa of wet nodules and expected production readiness by Q4 2024.
 - **Pilot collection system:** The development and testing of the pilot nodule collection system — that includes the production vessel *Hidden Gem* on the surface, a collector vehicle on the seafloor and a riser that lifts nodules from the collector to the surface — continues as planned. Work to convert *Hidden Gem* into what is expected to become the world’s first ship classed as a subsea mining vessel was completed in February. In March, pilot collector vehicle underwent extensive equipment testing in the Port of Rotterdam and all systems were shown to be fully functional. Pilot trials in the NORI-D area in the Clarion Clipperton Zone (CCZ) expected in H2 2022.
 - **Pilot digital twin:** In November 2021, TMC entered into an agreement with Kongsberg Digital, a leading provider of high-technology systems and solutions for the oil and gas, merchant marine, defence and aerospace industries. In advance of initial nodule collector drive tests in the Atlantic Ocean and pilot collection system trials in the NORI-D area CCZ, the parties intend to create a digital twin to enable 3D visualization of deep-sea operations in a dynamic dashboard for review by various stakeholders.
 - **Environmental baseline studies in NORI-D:** In December 2021, NORI successfully concluded Environmental Expedition 5E, a targeted sampling campaign of both benthic and pelagic fauna with wider investigations to characterize ecosystem function on the abyssal seafloor. The completion of the six-week expedition — NORI’s fifth environmental campaign in twelve months — marked the latest offshore campaign required to develop an environmental baseline of NORI’s proposed operating environment in the CCZ.
 - **Environmental Impact Statement (EIS) for pilot collector test in NORI-D:** As the Sponsoring State to NORI, the Republic of Nauru conducted a stakeholder consultation from October 2021 through March 2022, including through two community webinars to present the original EIS and evaluate public comments. This process provided the global stakeholder community with the opportunity to review, discuss, comment, and guide revisions to the NORI Collector Test EIS.
 - **Governance:** In February, TMC announced the appointment of Kathleen McAllister to its Board of Directors as an Independent Director, bringing 50-50 gender parity to TMC’s boardroom. Kathleen joined the Board as a director and it is expected that she will assume the role of TMC Audit Committee Chair on April 1, 2022.
 - **Peer-reviewed research:** In January 2022, peer-reviewed research commissioned by the Company and published in the Yale Journal of Industrial Ecology found that producing four key battery metals (nickel, copper, cobalt, manganese) from seafloor polymetallic nodules could reduce lifecycle solid waste substantially compared to producing these metals from conventional land ores.
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- Industry Update**
- The International Seabed Authority (ISA) continues to work to a two-year timeline to finalize regulations regarding exploitation of deep-sea minerals by July 9, 2023. An in-person ISA Council meeting in Kingston, Jamaica began on March 21 and will run through April 1, 2022, with the next ISA Council meeting scheduled for July 2022. In December 2021, the 26th Session of the Assembly of the ISA was formally closed, with members approving an updated plan of work for 2022.
 - The International Renewable Energy Agency released a new technical paper in November 2021 that warns of a number of headwinds facing the expansion of mineral supply on land, and notes how polymetallic nodules “could substantially change the supply outlook for several critical materials” including nickel and cobalt.
 - In a letter to U.S. Energy Secretary Jennifer Granholm, Senator Lisa Murkowski called for a focus on securing access to battery raw materials and the exploration of the potential of polymetallic nodules in the CCZ; while seventeen retired generals, admirals and officers across four U.S. military branches warned of the U.S.’ extreme vulnerability to supply chain shocks, and called for the responsible development of the vast polymetallic nodule resource in the CCZ in a letter to the Department of Defense.
 - In June 2021, the Indian government allocated around US\$530 million for the Deep Ocean Mission to explore the deep ocean for resources and develop deep sea technologies for sustainable use of ocean resources, including polymetallic nodules. The country’s first manned ocean mission to carry out deep ocean exploration of non-living resources took place in October 2021. In addition, in December 2021, India’s Ministry for Science & Technology announced that it will establish a national taskforce for the development of suitable technologies to exploit deep-sea minerals and gas hydrate resources.

Financial Results Overview

TMC reported a net loss for the fourth quarter of 2021 of \$19.8 million, or \$0.09 per share, compared to TMC’s net loss of \$17.1 million, or \$0.09 per share, for the fourth quarter of 2020. Exploration expenses during the fourth quarter of 2021 were \$12.8 million compared to \$13.1 million for the fourth quarter of 2020. General and administrative expenses were \$15.4 million for the fourth quarter of 2021 compared to \$3.9 million for the fourth quarter of 2020.

TMC reported a net loss for the year ended December 31, 2021 of \$141.3 million, or \$0.69 per share, compared to net loss of \$56.6 million, or \$0.32 per share, for the year ended December 31, 2020. Exploration evaluation expenses during the year ended December 31, 2021 were \$93.0 million compared to \$48.9 million for the year ended December 31, 2020. General and administrative expenses were \$56.6 million for the year ended December 31, 2021 compared to \$7.7 million for the year ended December 31, 2020. For the year ended December 31, 2021, TMC recorded total share-based compensation expense of \$60.3 million of which \$27.0 million was recorded in exploration and evaluation expenses and \$33.4 million was recorded in general and administrative expenses expenses.

Liquidity, Capital Allocation and Key Milestones

At December 31, 2021, TMC held cash of \$84.9 million and held no debt. This cash position is expected to fund our operations through the end of the third quarter of 2023 as TMC works to achieve four key milestones:

1. Analyze and release findings from our pilot pyrometallurgical program which successfully processed polymetallic nodules into a nickel-copper-cobalt matte product and manganese silicate — and use this information to support the Project Zero Plant pre-feasibility study being conducted by Epsilon Carbon;
2. Complete trials and environmental monitoring of the pilot nodule collection system in NORI-D to lift nodules to the surface and transport them to shore, with our strategic partner Allseas;
3. Complete the Environmental Impact Assessment of future nodule collection operations in NORI-D, and develop the Environmental Impact Statement, a key part of the application for the ISA exploitation contract for NORI-D; and
4. Submit an application to the ISA for an exploitation contract for the NORI-D area.

Conference Call

TMC will hold a conference call today at 4:30 p.m. ET to provide an update on recent corporate developments, fourth quarter financial results and upcoming milestones.

Fourth Quarter 2021 Conference Call Details

Date: Thursday, March 24, 2022
Time: 04:30 p.m. Eastern Daylight Time

Virtual webcast [Register Here](#)

Toll-free dial-in number: (844) 200-6205
International dial-in number: (929) 526-1599
Conference ID: 060819

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Gateway Investor Relations at (949) 574-3860.

The conference call will have a virtual webcast and be available for replay in the ‘Investors’ tab of the Company’s website under ‘Media’ > ‘[Events and Presentations](#)’.

A replay of the conference call will also be available after 6:30 p.m. Eastern time on the same day through March 31, 2022, via the information below:

Toll-free replay number: (866) 813-9403
International replay number: (929) 458-6194
Replay ID: 138208

About The Metals Company

The Metals Company is an explorer of lower-impact battery metals from seafloor polymetallic nodules, on a dual mission: (1) supply metals for the clean energy transition with the least possible negative environmental and social impact and (2) accelerate the transition to a circular metal economy. The company through its subsidiaries holds exploration and commercial rights to three polymetallic nodule contract areas in the Clarion Clipperton Zone of the Pacific Ocean regulated by the International Seabed Authority and sponsored by the governments of Nauru, Kiribati and the Kingdom of Tonga.

More information is available at www.metals.co.

Forward Looking Statements

Certain statements made in this press release are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from those discussed in the forward-looking statements. Most of these factors are outside TMC’s control and are difficult to predict. Factors that may cause such differences include, but are not limited to: regulatory uncertainties and the impact of government regulation and political instability on TMC’s resource activities; changes to any of the laws, rules, regulations or policies to which TMC is subject; the impact of extensive and costly environmental requirements on TMC’s operations; environmental liabilities; the impact of polymetallic nodule collection on biodiversity in the Clarion Clipperton Zone (CCZ) and recovery rates of impacted ecosystems; TMC’s ability to develop minerals in sufficient grade or quantities to justify commercial operations; the lack of development of seafloor polymetallic nodule deposit; uncertainty in the estimates for mineral resource calculations from certain contract areas and for the grade and quality of polymetallic nodule deposits; TMC’s ability to successfully enter into binding agreements with each of Epsilon Carbon and Allseas; risks associated with natural hazards; uncertainty with respect to the specialized treatment and processing of polymetallic nodules that TMC may recover; risks associated with collective, development and processing operations, including with respect to the proposed plant in India and Allseas’ expected development efforts; fluctuations in transportation costs; testing and manufacturing of equipment; risks associated with TMC’s limited operating history; the impact of the COVID-19 pandemic; risks associated with TMC’s intellectual property; and other risks and uncertainties, including those in the “Risk Factors” section in TMC’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 filed by TMC with the SEC on November 15, 2021, and in TMC’s other future filings with the Securities and Exchange Commission. TMC cautions that the foregoing list of factors is not exclusive. TMC cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. TMC does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based except as required by law.

TMC the metals company Inc.
Consolidated Balance Sheets
(in thousands of US Dollars, except share amounts)

	As at December 31, 2021	As at December 31, 2020
ASSETS		
Current		
Cash	\$ 84,873	\$ 10,096
Receivables and prepayments	3,686	129
	88,559	10,225
Non-current		
Exploration contracts	43,150	43,150
Equipment	1,416	1,310
	44,566	44,460
TOTAL ASSETS	\$ 133,125	\$ 54,685
LIABILITIES		
Current		
Accounts payable and accrued liabilities	26,573	4,316
Deferred acquisition costs	-	3,440
	26,573	7,756
Non-current		
Deferred tax liability	10,675	10,675
Warrants liability	3,126	-
TOTAL LIABILITIES	\$ 40,374	\$ 18,431
EQUITY		
Common shares (<i>unlimited shares, no par value – issued: 225,432,493 (December 31, 2020 – 189,493,593)</i>)	296,051	154,431
Preferred shares (<i>unlimited shares, no par value – issued: nil (December 31, 2020 – 509,459)</i>)	-	550
Class A - J Special Shares	-	-
Additional paid in capital	102,073	45,347
Accumulated other comprehensive loss	(1,216)	(1,216)
Deficit	(304,157)	(162,858)
TOTAL EQUITY	92,751	36,254
TOTAL LIABILITIES AND EQUITY	\$ 133,125	\$ 54,685

TMC the metals company Inc.
Consolidated Statements of Loss and Comprehensive Loss
(in thousands of US Dollars, except share and per share amounts)

	For the year ended December 31, 2021	For the year ended December 31, 2020
Operating expenses		
Exploration and evaluation expenses	\$ 93,006	\$ 48,881
General and administrative expenses	56,583	7,723
Operating loss	149,589	56,604
Other items		
Change in fair value of warrants liability	(9,375)	-
Foreign exchange loss	82	80
Interest expense (income)	1,003	(53)
Loss and comprehensive loss for the year	\$ 141,299	\$ 56,631
Loss per share		
- Basic and diluted	\$ 0.69	\$ 0.32
Weighted average number of common shares outstanding – basic and diluted	204,926,931	178,570,876

TMC the metals company Inc.
Consolidated Statements of Cash Flows
(in thousands of US Dollars)

	For the year ended December 31, 2021	For the year ended December 31, 2020
Cash resources provided by (used in)		
Operating activities		
Loss for the year	\$ (141,299)	\$ (56,631)
Items not affecting cash:		
Amortization	453	563
Expenses settled with share-based payments	74,571	27,098
Interest on convertible debentures	1,003	53
Change in fair value of warrants liability	(9,375)	-
Unrealized foreign exchange	(15)	8
Changes in working capital:		
Receivables and prepayments	(3,479)	(110)
Accounts payable and accrued liabilities	22,049	2,487
Net cash used in operating activities	(56,092)	(26,532)
Investing activities		
Settlement of deferred acquisition costs	(3,440)	-
Acquisition of exploration contract	-	(607)
Acquisition of equipment	(402)	-
Net cash used in investing activities	(3,842)	(607)
Financing activities		
Proceeds from exercise of stock options	4,236	919
Proceeds from issuance of convertible debentures	26,000	-
Proceeds from issuance of common shares (net of fees and other costs)	-	20,373
Proceeds from Business Combination (net of fees and other costs)	104,465	-
Net cash provided by financing activities	134,701	21,292
Increase (decrease) in cash	74,767	(5,847)
Impact of exchange rate changes on cash	10	(8)
Cash - beginning of year	10,096	15,951
Cash - end of year	\$ 84,873	\$ 10,096

TMC THE METALS COMPANY INC.
Fourth Quarter and Full Year Corporate Update Conference Call
Thursday, March 24, 2022

Transcript of Portions of Conference Call – Cautionary Statements and Presentation of Financial Results by the Chief Financial Officer

[*****]

Craig Shesky

Thank you.

Please note that during the call certain statements made by the Company will be forward-looking and based on Management's beliefs and assumptions from information available at this time. These statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control, including those set forth in our Safe Harbor provisions for forward-looking statements that can be found at the end of our fourth quarter 2021 corporate update press release. Such statements may also be found in our Form 10-K when it's available, and other reports filed with the SEC, all that provide further detail about the risks related to our business. Additionally, please note that the Company's actual results may differ materially from those anticipated and, except as required by law, we undertake no obligation to update any forward-looking statement.

Our remarks today may also include non-GAAP financial measures, including with respect to free cash flows. Additional details regarding these non-GAAP financial measures, including reconciliations to the most directly comparable GAAP financial measures, can be found in our slide deck being used with this call. This slide deck is available on our website investors.metals.co.

[*****]

Craig Shesky

Thank you, Gerard.

[*****]

As Gerard mentioned earlier, our cash balance of \$85 million as of the end of December remains sufficient to fund operations into the third quarter of 2023, at which point TMC's subsidiary, NORI, is expected to apply to the ISA for an exploitation contract. Despite facing significant financial headwinds as part of the de-SPAC process, we achieved major project development milestones in 2021, which you can see on the right-hand side of this page.

The Company recorded a net loss of \$19.8 million, or \$0.09 per share, for the fourth quarter of 2021 compared to a net loss of \$17.1 million, or \$0.09 per share, for the fourth quarter of 2020. The higher net loss was mainly attributable to \$2.6 million in non-cash share-based compensation and increased general and administrative expenses as being a public company, partially offset by an \$8.5 million reduction in the fair value of the warrants liability as a result of the decrease in our share price. Backing out that \$8.5 million warrant liability adjustment results in a net operating loss we show on this page of \$28.3 million for Q4 2021.

Exploration expenses of \$12.8 million in the fourth quarter of 2021 were similar year over year.

General and administrative expenses were \$15.5 million for the fourth quarter of 2021 compared to \$3.9 million for the fourth quarter of 2020, mainly driven by higher non-cash share-based compensation expense and overall higher cost as a result of being a public company.

Excluding nonrecurring items, free cash flow for the fourth quarter of 2021 was negative \$27.8 million compared to negative \$5.2 million in the fourth quarter of 2020.

For the year ended December 31, 2021, the Company reported a net loss of \$141 million compared to the \$56.6 million in the prior year. Backing out the aforementioned \$8.5 million warrant liability adjustment results in a net operating loss of \$149.6 million for the Full Year 2021.

Exploration expenses increased from \$48.9 million to \$93.0 million, and G&A expenses increased from \$7.7 million to \$56.6 million when comparing 2020 to 2021.

Apart from the higher cost structure as a public company, the largest increases, both in exploration expenses and G&A expenses, resulted from the issuance of stock options for DeepGreen employees and contractors in Q1 2021 before the business combination was finalized. The options granted in 2021 were awarded in lieu of cash bonuses to retain DeepGreen employees in furtherance of the Business Combination. The DeepGreen Board had the sole discretion to award these options, and they exercised this discretion to do so, as it had not consistently awarded cash bonuses to employees despite multiple years of service. Some of the options were granted subject to the achievement of significant long-term performance goals of DeepGreen, now TMC, and those remain unvested.

Finally, excluding nonrecurring items, free cash flow for 2021 was negative \$51.1 million compared to negative \$26.5 million in 2020.

I'll now turn it back over to Gerard for some final comments before opening it up to Q&A.

[*****]

**** Note that this is not a transcript of the entire conference call held on March 24, 2022 and consists only of the cautionary statements and an excerpt from the Chief Financial Officer's financial update during the call. ****

The background image shows a white car driving away on a long, straight desert road. In the distance, there are several large wind turbines and a row of solar panels on the right side. The sky is clear and the overall scene is set in a dry, open landscape.

the
metals company

Q4 and FY 2021 Update: Key Strategic Announcement Bringing TMC Closer to Unlocking the World's Largest Estimated Undeveloped Source of Battery Metals.

March 24, 2022

*** Note that this is not the entire investor presentation used on March 24, 2022 and consists only of the forward-looking statement legend, an excerpt from the Chief Financial Officer's financial update and the non-GAAP financial measures appendix. ***

Forward looking statements.

Certain statements made in this presentation are not historical facts but are forward-looking statements for purposes of the safe harbor provision under The Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “goal,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from those discussed in the forward-looking statements. Most of these factors are outside TMC’s control and are difficult to predict.

Factors that may cause such differences include, but are not limited to: regulatory uncertainties and the impact of government regulation and political instability on TMC’s resource activities; changes to any of the laws, rules, regulations or policies to which TMC is subject; the impact of extensive and costly environmental requirements on TMC’s operations; environmental liabilities; the impact of polymetallic nodule collector on biodiversity in the Clarion Clipperton Zone (CCZ) and recovery rates of impacted ecosystems; TMC’s ability to develop minerals in sufficient quantities to justify commercial operations; the lack of development of seafloor polymetallic nodule deposit; uncertainty in the estimates of mineral resource calculations from certain contract areas and for the grade and quality of polymetallic nodule deposits; TMC’s ability to successfully enter into binding agreements with each of Epsilon Carbon and Allseas; risks associated with natural hazards; uncertainty with respect to the specialized treatment and processing of polymetallic nodules that TMC may recover; risks associated with collective, development and production operations, including with respect to the proposed plant in India and Allseas’ expected development efforts; fluctuations in transportation costs; testing and manufacturing of equipment; risks associated with TMC’s limited operating history; the impact of the COVID-19 pandemic; risks associated with TMC’s intellectual property; and other risks and uncertainties, including those in the “Risk Factors” section in TMC’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 filed by TMC with the Securities and Exchange Commission (“SEC”) on November 15, 2021, and in TMC’s other future filings with the SEC. TMC cautions that the foregoing list of factors is not exclusive.

TMC cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. TMC does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based except as required by law.

FINANCIAL UPDATE

Major project development milestones achieved in 2021, both offshore and onshore.

Q4 results:

- Net loss of \$19.8 million and loss per share of \$0.09 for Q4 2021 compared to a net loss of \$17.1 million and \$0.09 per share in Q4 2020
- Higher net loss mainly attributable to an increase of \$2.6 million in non-cash share-based compensation issued following the Business Combination, increased G&A expenses now as a public company, partially offset by an \$8.5 million reduction in the fair value of the warrants liability, as a result of the decrease in the share price. Exploration expenses at \$12.8 million in Q4 2021 were similar to those in Q4 2020.

Cash:

- **Total cash of \$84.9 million at December 31, 2021.**
- \$27.8 million cash used in operations in Q4 2021 vs. \$5.2 million in Q4 2020.
- We continue to anticipate that current cash will be sufficient to fund operations to the key milestone of submitting our application to the ISA for an exploitation contract for the NORI-D area in Q3 2023.

2021 SUMMARY:

Business Combination with SOAC

Completed transaction in September, raising gross proceeds of \$100 million net of cash prior to transaction fees

Resource definition & project economics

- SEC Reg. SK 1300 compliant resource statements issued for
- SEC Reg. SK 1300 compliant initial assessment of project economics
- Regulatory uncertainty reduced through action by NORI Sponsor

Onshore processing

- Processed nodules into manganese silicate product and NiCu
- Converted NiCuCo alloy into NiCuCo matte
- Started detailed bench-scale test work program on refining Ni, cobalt, nickel sulfate, cobalt sulfate and copper cathode

Offshore nodule collection system

- Collector vehicle constructed and currently undergoing trials
- Significant progress on assembly of pilot nodule collection system
- Held investor and stakeholder event in Rotterdam to show progress

Offshore environmental & social impact assessment (ESIA)

- Completed 5 offshore environmental baseline study campaign
- Submitted Environmental Impact Statement for planned pilot trial in 2022
- Planned pilot trial monitoring campaign in the CCZ in 2022

FINANCIAL UPDATE

Income statement

highlights: three months

ended Dec 31, 2021.

(\$mm)	Q4 2020	Q4 2021	Change
Exploration expenses	13.1	12.8	(0.3)
Offshore technology development	10.0	10.3	0.3
Offshore environmental program	1.1	3.8	2.7
Onshore flowsheet development	0.6	(0.2)	(0.8)
Project development staff salaries	1.1	2.3	1.2
Project development share-based compensation	0.3	2.4	2.1
Other ⁽¹⁾	-	(5.8)	(5.8)
General & administrative expenses	3.9	15.5	11.6
Corporate staff salaries	0.2	1.8	1.6
Corporate share-based compensation	2.1	2.6	0.5
Professional and consulting fees	1.2	2.1	0.9
Other ⁽²⁾	0.4	9.0	8.6
			-
Net operating loss	17.0	28.3	11.3

¹ Exploration expenses – other includes regulatory approval fees and corporate costs associated with exploration activities. In addition, a \$6 million adjustment was made in Q4 2021 for transfer pricing between exploration and G&A expenses for the full year 2021.

² General & administrative expenses – other includes investor relations expenses, corporate office expenses and director fees. In addition, a \$6 million adjustment was made in Q4 2021 for transfer pricing between exploration and G&A expenses for the full year 2021.

FINANCIAL UPDATE

Cash flow highlights: three months ended Dec 31, 2021.

(\$mm)	Q4 2020	Q4 2021	Change
Cash used in operating activities	5.2	27.8	
Capital expenditures	-	-	
Settlement of deferred acquisition costs	-	-	
Acquisition of equipment	-	-	
Less: non-recurring items	-	-	
Acquisition of exploration contract	-	-	
Transaction costs related to the Business Combination	-	-	
Free cash outflow excluding non-recurring items	5.2	27.8	

FINANCIAL UPDATE

Income statement highlights: year ended Dec 31, 2021.

(\$mm)	2020	2021	Change
Exploration expenses	48.9	93.0	44.1
Offshore technology development	39.6	52.0	12.4
Offshore environmental program	3.2	6.7	3.5
Onshore flowsheet development	1.1	1.8	0.7
Project development staff salaries	3.3	4.3	1.0
Project development share-based compensation ⁽¹⁾	0.8	27.0	26.2
Other ⁽²⁾	0.9	1.2	0.3
General & administrative expenses	7.7	56.6	48.9
Corporate staff salaries	0.9	3.4	2.5
Corporate share-based compensation ⁽¹⁾	3.3	33.4	30.1
Professional and consulting fees	2.1	10.7	8.6
Other ⁽³⁾	1.4	9.1	7.7
Net operating loss	56.6	149.6	93.0

¹ The options granted in 2021 were awarded in lieu of cash bonuses to retain DeepGreen employees in furtherance of the Business Combination. The DeepGreen Board had the sole discretion to award these options and exercised its discretion to do so, as it had not consistently awarded cash bonuses to its employees, despite multiple years of service. Some of the options were granted subject to the achievement of significant long-term performance goals of DeepGreen and remain unvested.

² Exploration expenses – other includes regulatory approval fees and corporate costs associated with exploration activities.

³ General & administrative expenses – other includes investor relations expenses, corporate office expenses and director fees.

2021 Share-based compensation	Units granted in 2021	Total expense
Options by grant date		
Granted before 2021	-	-
February 17, 2021	0.6	0.6
March 4, 2021	15.5	15.5
September 10, 2021	-	-
Total options	16.2	16.2
Restricted stock units (RSUs)	4.1	4.1
Total share-based comp.	20.3	20.3

FINANCIAL UPDATE

Cash flow highlights: year ended Dec 31, 2021.

(\$mm)	2020	2021	Change
Cash used in operating activities	26.5	56.1	29.6
Capital expenditures	0.6	3.8	3.2
Settlement of deferred acquisition costs	-	3.4	3.4
Acquisition of equipment	-	0.4	0.4
Acquisition of exploration contract	0.6	-	(0.6)
Free cash outflow	27.1	59.9	32.8
Less: non-recurring items	(0.6)	(8.8)	(8.2)
Acquisition of exploration contract	(0.6)	(3.4)	(2.8)
Transaction costs related to the Business Combination	-	(5.4)	(5.4)
Free cash outflow excluding non-recurring items ⁽¹⁾	26.5	51.1	24.6

¹ Free cash outflow excluding non-recurring items is a non-GAAP financial measure. See Appendix to this presentation for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Thank you.

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Appendix

Appendix: non-GAAP reconciliation.

Non-GAAP Financial Measures – Free Cash Outflow Excluding Non-Recurring Items

Free cash outflow excluding non-recurring items is a non-GAAP financial measure. Free cash outflow excluding non-recurring items 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 excluding non-recurring items 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 excluding non-recurring items, which is reconciled to "net cash used in operating activities", is cash flow from operations reduced by capital expenditures excluding certain other one-time expenditures. TMC believes that free cash outflow excluding non-recurring items 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 excluding non-recurring items is useful as a measure of TMC's ability to meet its planned operating obligations moving forward. Free cash outflow excluding non-recurring items, 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 excluding non-recurring items and other measures of free cash flow in different manners and, therefore, TMC's free cash outflow excluding non-recurring items can not be compared to another company's use of free cash outflow excluding non-recurring items or any other measure of free cash flow. TMC therefore believes it is important to view free cash outflows excluding non-recurring items as a complement to its entire condensed consolidated statements of cash flows.

A reconciliation of "net cash used in operating activities" to free cash outflow excluding non-recurring items for the years ended December 31, 2021 and 2020 is as follows:

(\$mm)	Year ended December 31,	
	2021	2020
Net cash used in operating activities	56.1	26.5
Capital expenditures		
Settlement of deferred acquisition costs	3.4	-
Acquisition of equipment	0.4	-
Acquisition of exploration contract	-	0.6
Free cash outflow	59.9	27.1
Less: non-recurring items		
Acquisition of exploration contract	-	0.6
Settlement of deferred acquisition costs	(3.4)	-
Transaction costs related to the Business Combination	(5.4)	-
Free cash outflow excluding non-recurring items	51.1	26.5