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Q3 2024 TMC THE METALS COMPANY INC EARNINGS CALL

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CORPORATE PARTICIPANTS

- **Craig Shesky** *TMC the metals company Inc - Chief Financial Officer*
- **Gerard Barron** *TMC the metals company Inc - Chairman of the Board, Chief Executive Officer*

CONFERENCE CALL PARTICIPANTS

- **Operator**
- **Matthew O'Keefe** *Cantor Fitzgerald & Co. - Analyst*
- **Dmitry Silverstine** *Water Tower Research LLC - Analyst*
- **Jacob Sekelsky** *Alliance Global Partners - Analyst*

PRESENTATION

Operator

Good day and thank you for standing by. Welcome to The Metals Company third-quarter 2024 corporate update conference call. (Operator Instructions) Please be advised that today's conference is being recorded. I would now like to hand the conference over to your first speaker today, Craig Shesky, CFO. Please go ahead.

Craig Shesky *TMC the metals company Inc - Chief Financial Officer*

Thanks, everybody, and please accept our apologies for a bit of a delay here. We appreciate you joining for our third-quarter 2024 corporate update conference call.

Please note that during this call, certain statements made by the company will be forward-looking 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.

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 statements.

Our remarks today may also include non-GAAP financial measures, including with respect to free cash flow. And 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.

And you're welcome to follow along with our slide deck or, joining by phone, you can access it at any time at investors.metals.co. And I will now turn the call over to our Chairman and CEO, Gerard Barron.

Gerard Barron *TMC the metals company Inc - Chairman of the Board, Chief Executive Officer*

Thanks, Craig, and thanks to all of you for joining our third-quarter conference call. Typically, in these calls, we remind everyone about our value proposition and provide incremental project updates. But if you're listening, you likely already know that this is a world-class high-grade resource that is significantly undervalued based on any reasonable metric.

You may even be sick of us reminding you of that. All of that information is still readily available and included in the appendix.

What we'd really like to talk about is our strategy to start unlocking that significant value now, rather than waiting for first production. And over the last two weeks, we've seen some events that we believe are going to be watershed moments in TMC's journey.

Last week, we saw a US election where Republicans will see themselves take the White House and both houses of Congress. We have allies on both sides of the aisle and have been talking with the Biden administration for years. But since people ask us all the time if this was a good outcome for TMC, the answer is an emphatic yes. But more on that shortly.

Earlier this week, we issued a press release, which confirms our plans to submit NORI's application for an exploitation contract on June 27, 2025, along with our strategy and detailed rationale for the selection of this date. And just a few minutes ago, we announced a registered direct offering led by our largest non-affiliated institutional shareholder to help ensure that we will have the financial resiliency to see this work through.

As you have heard from me many times before, protecting the equity is something that I care deeply about. And this is also a key consideration for our two largest shareholders, Allseas and our Director, Andrei Karkar. And it's why the three of us have provided over \$60 million in credit facility capacity for the company following an upsizing of mine and Andrei's facility this month.

At the same time, we've also heard from some in the market that they just don't like seeing such a low cash balance, nor are they comfortable with a rising debt balance during a period of regulatory uncertainty. As such, we are pleased to announce that we've taken some money and terms which, by no means, are up to my expectations for where we should be valued but are above market terms for a normal course public transaction like this.

And this deal was anchored by a major institutional shareholder that we've gotten to know closely over the last years. And I'm delighted to deepen that relationship. It was also supported by various existing shareholders for good measure. It is certainly reassuring to see this kind of support from the market to augment the continued strong support from Allseas and ERAS Capital, and to keep our team's eyes on the critical work ahead.

On that point, we issued a press release, which confirms our plan to submit NORI's application for an exploitation contract to the ISA on June 27 of next year. This decision was made in consultation with our sponsoring state of Nauru, who have formally requested in a letter that the ISA clarify the submission and review process at the March 2025 meetings before NORI submits the application. And this will allow council to agree on the process prior to NORI's application submission date of June 27, 2025, providing certainty to NORI, the company, and the ISA; and allow for the review of the application to begin immediately after it is submitted under an agreed upon process.

But TMC's value proposition extends beyond a narrow focus on mining code and the NORI application. We are now in a strong position to leverage our investment of over \$0.5 billion and capabilities developed over the last decade plus as the eyes of the world's largest economies turn to the seafloor to produce the metals needed for the energy transition, defense infrastructure, and the needs of a growing world population.

To that end, we are pleased to announce this week that we are developing a new services business for seafloor resource development. We are already in discussion with several parties on services contracts to provide our expertise in the areas of new exploration plans of work, resource definition, environmental impact assessments, data management, and offshore campaign execution.

We also intend to optimize and diversify our resource portfolio with the Clarion Clipperton zone and in national jurisdictions. To help explain some of these new initiatives, we intend to announce a Strategy Day to occur before the end of the year so we can spend more time walking stakeholders through our plans. I'm personally very excited to share what our team has been working on (added by company after the call).

And while our new services business may assist on the revenue side, we're also taking a sharp look at the cost side of the business. First of all, we are going to cut spending with a target of less than \$5 million in operating expenses per quarter. Further, we do not expect to raise funds for capital expenditures related to the preparation of the Hidden Gem vessel, until such time as the final regulations are adopted, the application is approved based on the draft regulations or until other potential non-dilutive strategic financing is in place.

So how did we come to the decision of delaying the production capital spending and reducing operating costs post-application? Well, the answer is through input from our key stakeholders after taking a hard and honest look at what has been holding our share price back since going public.

A year before going public, we were raising money at \$3 per share. Just before proceeding with our public listing, we were raising money at \$10 per share. But today, the price is around \$1. And if you look at the capital we have raised and invested in what we certainly believe were value-creating project development milestones, you are forced to confront a stark reality and that is that the TMC market cap is below the total capital raised.

Considering what we've accomplished since 2021 alone, it's frustrating for us, and I'm sure for many of you, to see our market cap sitting at about 60% of the nearly \$0.5 billion we've spent since inception de-risking these projects, never mind what may be tens of billions of underlying asset value based on the resource itself. We clearly think these historic milestones achieved have inherently created value. And this coiled spring has just kept getting tighter. Has all of this work been worth it? And why doesn't the market seem to agree currently?

Our resource is more than just nickel. But focusing on nickel developers for a public company comp, it's quite obvious that we're valued at a small fraction of our peers, many of which face their own regulatory and permitting hurdles, in addition to higher CapEx requirements inherent in land-based capital-heavy mining.

But the share price is the share price. And rather than complain and second guess what the market thinks, we reached out to our institutional investors and analysts with an informal survey. We asked them to rank five factors by importance for any potential rerating of the TMC stock. Adoption of the ISA Mining Code emerged as the single most important factor that is likely depressing the TMC stock.

Through this lens of shareholder value maximization, we believe it is wiser to get the application over the line and then resume project development after the ISA adopts the mining code or grants our application based on the existing draft rules. I'll now turn it over to Craig to discuss some of these capital considerations further.

Craig Shesky TMC the metals company Inc - Chief Financial Officer

Thanks, Gerard. And I believe the slides are working on our webcast. I believe they were frozen a moment, but they are available on our website as well.

When TMC listed on the Nasdaq, we published an SEC standard compliant initial assessment of the NORI-D project, or in more familiar terms, a PEA. The purpose of the PEA is to offer an early-stage conceptual assessment of the potential economic viability of mineral resources in NORI-D.

That PEA showed how much development capital would be needed to get NORI-D to produce 12 million wet tonnes of nodules per year. And importantly, it was based on a 100% new build scenario. It assumed that we would build all the production assets like the nodule collection vehicles, and nodule processing and refinery plants, and do all of that ourselves.

I think as everybody is now aware, it's not our plan to do that. We've obviously shown that we don't have to do that, with our partner, Allseas, providing our first production vessel and our partner, PAMCO, providing a turnkey solution for processing. And we're pleased to announce that we have now completed a pre-feasibility study, or PFS, for this capital-light strategy. Now, we're finalizing approvals and sign-offs on this SEC compliant document, and we look forward to providing more information, including summary project economic data in our upcoming Strategy Day in December.

Fortunately, as I said, TMC doesn't have to be spending anything on pre-production CapEx for the onshore component of our operations, thanks to the availability of existing processing facilities, likely the one owned by our partner PAMCO in Japan. A world's first commercial-scale nodule processing trial on a 2,000-tonne sample of nodules has been underway at PAMCO's Hachinohe facility since April.

During the first phase of the trial, PAMCO successfully produced around 500 tonnes of high-temperature material known as calcine. And Phase 2 has now commenced, and we expect these commercial trials to be finalized in early 2025.

With the US election now behind us, many of the elements that, frankly, have been in a holding pattern over the course of this year are now expected to land in 2025. We've been spending quite a bit of time in D.C., including Gerard's testimony recently to the House Select Committee on China. Our sources in D.C. tell us that the long-awaited Pentagon report is nearly finished, and we're optimistic on what it's going to say before the year is out.

Importantly, the National Defense Authorization Act, which is the Department of Defense Annual spending bill, is expected to be signed in December and is also expected to call for the delivery of a feasibility study on nodules during 2025. We are also eagerly awaiting the Pentagon's response to our pending application for a \$9 million grant on building a refinery down the road in the United

States to refine nodule derived intermediates. We do hope to have more to say on that in the coming quarters.

The US interest in this space is not new, having been a priority for both President-elect Trump and Biden. Seabed mapping and technology innovation was elevated to 'national priority' status in 2020 by Trump, (added by company after the call) and last year, President Biden announced the demarcation of an additional 1 million square kilometers of seafloor to the US continental shelf.

Over the past year, influential figures from across the political spectrum and the defense and intelligence communities have repeated calls for the US to sign UNCLOS, amid growing concern that adversaries are taking advantage of America's absence to undermine its economic and national security interests. And in March, the Republican-led Responsible use of Seafloor Resources Act was introduced in Congress. Sponsored by seven representatives, various committees and endorsed by the National Ocean Industries Association and other key industry players, the bill requests financial and other support for nodule collection, processing and refining to close defense and clean energy supply chain vulnerabilities.

Now, specifically looking at the ISA, the two most influential entities on the ISA file for the United States are arguably the UN delegation and the State Department. Trump's nominations for the UN Ambassador and Secretary of State are already vocal public supporters of polymetallic nodules. Trump nominated representative Elise Stefanik, one of our biggest champions and a staunch supporter of nodules as a source of US critical materials, to serve as US ambassador to the United Nations. Through our contribution to the congressional knowledge base on deep sea mining, we've had the pleasure of meeting with representatives Stefanik on multiple occasions and is actually one of the co-leaders of the letter, along with Representative Rob Wittman, sent to the Pentagon trying to prioritize seafloor nodules.

The President-elect has also nominated Marco Rubio as Secretary of State, according to media reports. Senator Rubio, in 2022, called out Volkswagen for its ESG hypocrisy in valuing deep sea sentiment over human rights and human life. Overall, it's great to see nodule supporters being tapped through their leadership on these pivotal issues as the US enters the second Trump administration.

Now, for those of you who joined our last earnings call, you'll remember we highlighted the increased focus on deep sea minerals from among the world's largest economies and industrialized nations with multiple technology trials scheduled for 2025. During the last quarter, we saw more notable news items.

In India, the world's most populous nation and a major consumer of base metals, scientists and engineers of the National Institute of Ocean Technology recently conducted a pilot nodule collection tech trial in the Andaman Sea, which falls under India's Exclusive Economic Zone. Meanwhile, in Norway, which announced its intention to open up parts of its territorial waters for deep sea mining earlier this year, the government allocated a further \$14 million to gather essential resource and environmental data, initiatives which are crucial for the responsible development of seafloor resources.

Just a few weeks ago, a new report by the Federation of German Industries, also known as BDI, noted that Germany cannot afford to be left behind on deep sea mineral exploration. The report stated that Germany cannot escape this trend and, I quote, it's not a question of whether but how, unquote, deep mineral extraction will take place. The Voice of German Industry, the BDI represents 39 industrial sector associations, including the German association of the automotive industry.

Now, back to the key remaining deliverable on the NORI-D project, our environmental impact assessment, which, with this registered direct offering, is the key next remaining element for finalization of TMC's application now with that pre-feasibility study finished. With petabytes of data, millions of still and video images, and tens of thousands of biological samples, NORI's data set represents one of the largest deep sea data sets ever compiled.

The EIS is tightly focused on assessing the potential impacts of our operations on marine biodiversity and overall ecosystem function. And as time goes on, we're addressing these concerns and continue to demonstrate that activist and media speculation about potential impacts is overblown.

We now know that sediment plumes generated at the seafloor stay low and settle fast with 92% to 98% of sediments staying within two meters in seafloor. And while activists continue to warn that organisms living in and around areas impacted by the plume will not recover, post-disturbance monitoring conducted earlier this year has shown this to be yet another tactic to mislead. We now have visual evidence that organisms we identified two weeks after our 2022 trials in areas where sedimentation was heaviest are still present and alive over a year later. And nodules that were once covered in sediment are now sitting and visible.

So with our team continuously analyzing the expanding data set over the years, they've become adept at identifying claims that aren't supported by the data, or claims that appear implausible, and a good example of this would be the media frenzy over the so-called dark oxygen production on the sea floor of the abyssal plain. And we think that bubble is beginning to burst. The media were

quick to jump on some pretty crazy conclusions about how this fundamentally altered our understanding of life on earth, while NGOs happily pointed to the paper to advance their calls for moratorium.

However, we and some of the media didn't buy the hype. Back in August, a journalist at Science Magazine reached out to our team to let us know that they have not covered the paper because they felt the findings were deeply questionable.

As one of the leading academics interviewed for the piece warned, 'there's a high probability that the paper is wrong'. Since then, multiple rebuttals have been submitted, including our own, warning of serious methodological and ethical flaws, lack of data to support the paper's claims, and calling for the paper to be retracted.

We'd like to point out comments made by the researchers at the University of Gothenburg, arguably the foremost experts on the type of seafloor lander experiments that Andrew Sweetman's team conducted, who cited, quote, poor quality lander incubation experiments leading to faulty oxygen flux measurements, end quote. Meanwhile, we were recently contacted by Andrew Sweetman's former employer, Heriot-Watt University, who had warned Nature Geoscience that the Andrew Sweetman data had not been in a campaign report submitted to TMC because of serious concerns with its validity. And that they have not authorized Andrew Sweetman to publish this data in his research as a result.

So this, of course, is in direct violation of Nature's own policies, which state that an author must obtain authorization to use any data from that data's owners. So arguably, that alone should have been cause for retraction, but we think the weight of criticism levied at the paper will lead to that outcome.

On to the regulatory update, the publication of the consolidated regulatory text at the ISA earlier this year was a key milestone in the regulatory process and marked the transition to the final phase of negotiations. The Council completed its first reading at the July session, moving us one large step closer to bringing the process to a close.

Based on feedback from the first meeting, a revised version of the text will be circulated to all ISA members this month. And after multiple draft regulatory texts, dozens of technical studies, and thousands of hours of in-person meetings, we have a very good idea of what that final mining code will look like.

Also last quarter, we congratulated the newly elected Secretary General, Brazil's Leticia Carvalho, and our team had the pleasure of meeting Ms. Carvalho at the UN General Assembly meetings in New York. Now, while the Secretary General will play a major role in ensuring the ISA's decision-making organs can fulfill their mandate, it's important to remember that, ultimately, it's the ISA council that is the main driver of negotiations over the mining code. To that end, the council, led by its Norwegian President, has already set out a thorough agenda of eight intersessional working groups, which will meet over the coming months to address outstanding issues ahead of its publication of an updated consolidated text this November.

Now let's turn to what will happen once NORI submits that exploitation application. Under the current draft rules, following NORI's submission, on June 27, 2025, the ISA Secretariat would then undertake a brief review of the document to assess it for completeness before handing it over to the 41 experts that comprise the organization's main technical body, the Legal & Technical Commission.

The LTC will then review the application in its entirety, including the wealth of environmental baseline data and impact data that we've compiled, before making a decision on whether to approve our project either by consensus or a simple majority vote. With approval from the LTC, it would then take a two-thirds majority from within the ISA Council and a simple majority of each of the council subgroups to overturn a positive LTC recommendation. And that's why we're so confident that the LTC's conclusion is very important.

So on to the financial results, TMC reported a net loss of approximately \$20.5 million or \$0.06 per share in the third quarter of 2024 compared to a net loss of \$12.5 million or \$0.04 per share for the same period in 2023. Exploration and evaluation expenses during the third quarter of 2024 were \$11.8 million compared to \$7.9 million for the same period in 2023. The increase was primarily due to an increase in share-based comp due to the amortization of the fair value of restricted stock units and options granted to directors and officers in the second quarter of 2024, increase in mining, technology and process development, resulting from increased engineering work by Allseas and higher personnel costs.

General and administrative expenses were \$8.2 million for the quarter ended September 30, 2024, compared to \$4.6 million for the quarter ended September 30, 2023. The increase was mainly due to an increase in share-based comp due to the amortization of the fair value of RSUs and options granted to directors and officers in the second quarter of 2024, including the compensation package for their Chairman and CEO, which would not vest until share price is far higher than where we are today, along with an increase in legal and consulting costs and higher personnel costs.

The third-quarter 2024 results also included a gain of \$1.1 million for the change in fair value of warrant liability and charges of \$0.9 million for foreign exchange losses and \$0.6 million of fees and interest on our credit facilities. In the comparative quarter of 2023, again, due to the change in fair value of warrant liability, was \$0.1 million and charges for fees and interest on our credit facilities were \$0.3 million.

In the third quarter of 2024, the net cash used in operating activities amounted to \$5.7 million compared to \$12.5 million for the third quarter of 2023. The reduction in the third quarter of 2024 compared to the prior period in 2023 is mainly due to change in working capital, reflecting the increase in accounts payable and accrued liabilities, and a reduction in receivables and pre-payments.

The free cash flow for the third quarter of 2024 was negative \$5.8 million compared to negative \$12.6 million in the third quarter of 2023. Free cash flow is a non-GAAP measure and we point you to the non-GAAP reconciliation table included in this slide deck. We believe that our cash on hand, along with the funds just raised through a registered direct offering, and the undrawn \$33.8 million unsecured credit capacity on the facility from Gerard Barron and Andrei Karkar, will be sufficient to meet our working capital and capital expenditure requirements for at least the next 12 months from today.

During the third quarter of 2024, the company drew \$3.3 million from the credit facilities and short-term debt. The company also raised \$2.3 million under the ATM facility in the third quarter by issuing 1.6 million shares at an average price of \$1.45 per share, after raising \$2.6 million in the second quarter at an average price of \$1.61. There has been no ATM usage in the fourth quarter. With that, we will turn it over to the operator to take us into Q&A.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Matthew O'Keefe, Cantor Fitzgerald.

Matthew O'Keefe Cantor Fitzgerald & Co. - Analyst

Thanks, operator. Good evening, good evening. Yeah, just, I'm very interested in the services business potential. I mean, as you pointed out in your presentation, we've seen a lot of interest from -- in deep ocean from governments like China, India -- you mentioned Norway. I guess, Japan as well. What kind of -- with respect to the services business, how big will this be? What's the revenue model going to look like? And is it a big stretch to step it up? Are there a lot of costs to set up this business?

Gerard Barron TMC the metals company Inc - Chairman of the Board, Chief Executive Officer

Yeah, thanks, Matt. Look, we're super excited about this part of our go-forward strategy because we have this amazing expertise that we've gathered over the last decade. And when we look at how we operate our offshore campaigns, and resource definition, and the success of those campaigns that is now going to be all demonstrated in our application to the regulator, we realized that we've got something very special.

And we know that other contractors spend about \$100 million a year at the moment. But we -- there are forecasts in the market that estimate that could increase 10x once the mining code is in place. And that's just in the international waters. If you add to that territorial waters, then that number could be much higher.

So we see a great opportunity of being able to keep that talent that we've mustered over the last decade and make it available to other operators. And there's no real investment. It's really about looking at that talent that is going to start becoming more available once our application is lodged and how we can help other contractors increase that spend.

Because there are some contractors who aren't spending as much money as they should because they're waiting on the mining code to be adopted. That's their excuse. But with the advent of the mining code, then all of that excuse goes away and contract holders will be obliged to move their blocks forwards towards permitting. Now, we know how to do that better than anyone else.

And so we've already been talking to many contractors. I don't think the Chinese contractors are likely to use that service, but I am confident many others will, particularly because we can offer a similar service to several contractors at once, particularly when it

comes to offshore deployments, and there are tremendous economic advantages for all of those contractors if they collaborate on some of that work.

Matthew O'Keefe Cantor Fitzgerald & Co. - Analyst

And is this -- would this just be focused around Clarion Clipperton, or do you see not just -- not areas for nodules in other parts of the ocean and also other types of deep-sea mining, or would you really just focus in your quote, unquote, backyard?

Gerard Barron TMC the metals company Inc - Chairman of the Board, Chief Executive Officer

Look, our backyard is certainly the CCZ for sure, but the services apply beyond into regional waters as well. And we have had conversations already with regards to territorial waters.

Craig Shesky TMC the metals company Inc - Chief Financial Officer

We would also note, Matt, in terms of the potential elsewhere from the Clarion-Clipperton Zone, all of the strategy is incorporated within the capital-light approach. So this is not something where we say, hey, let's get some shifts to help do this. The services business is really built on expertise that our team has gathered in environmental impact assessments and resource definition. Other technical matters that, frankly, our team of roughly 50 people are some of the best in the world. But it's not something where you can expect that TMC is going to get out over our skis with respect to additional capital.

We certainly would love the opportunity, not only in the services business, thinking about future revenue, but thinking about increasing the size of the resource portfolio. So you can think of us as being very nimble, and very good stewards of capital, and evaluating every opportunity based on the return on equity and the IRR, and thinking of shareholders every step of the way.

Matthew O'Keefe Cantor Fitzgerald & Co. - Analyst

Okay, thanks. Well, that sounds good. I'll look forward to more updates on that. That will do it for me. Thanks very much.

Craig Shesky TMC the metals company Inc - Chief Financial Officer

While we're waiting, I see a question from Ryan Boley. Elon Musk guaranteed cobalt without child labor used in production. How can this be a reality sooner rather than later?

Well, look, I think in terms, Ryan, of thinking where the mix of metals within batteries is ending up, there is always a changing equation between how much nickel, how much cobalt, maybe LFP or other forms. I think what we've seen certainly over the past few quarters is that, while we do focus on electric vehicles and that source of demand is going to be very big, for TMC, thinking about some of the metals we produce, such as industrial metals for manganese and nickel used in stainless steel, there are scenarios we could talk about over half of revenue down the road, perhaps coming from some of those sources outside of batteries. It all depends on what the nature of some of our future contracts look like.

But the underlying demand for these metals is not only driven by EV batteries. And I think that's one of the reasons, too, when you talk about cobalt or you talk about nickel, it's evolving past the situation of the EV industry struggling with these difficult decisions. And that's why it was so important to see Marco Rubio, the incoming Secretary of State, if he's confirmed, calling out Volkswagen and other brands for their hypocrisy and what some of their sourcing methods are.

But I think we can expect over the course of the next year, to see this pivoting away from an EV industry equation and something where NGOs versus contractors and really taking the form of the West versus China. And TMC certainly was in a Washington Post article on this topic late last year, as well as a few pieces in 60 Minutes. So it is definitely evolving into national security. And certainly, with the Republican administration coming in and the majority in both houses of Congress, that sets us up very well. And I think we're positioned better than anybody to take advantage of that.

Operator

Dmitry Silversteyn, Water Tower Research.

Dmitry Silverstine Water Tower Research LLC - Analyst

Good afternoon, gentlemen. Thank you for taking my questions. I just wanted to follow up on your service business potential. Are you -- I think, Gerard, you mentioned that you're talking to some contractors now. Are you in discussions that are a little bit more serious than talking at this point or is this something that's still in the very early stages?

Gerard Barron TMC the metals company Inc - Chairman of the Board, Chief Executive Officer

No, it's quite advanced. Hi, Dmitry, thanks for the question. And no, it's quite advanced. We have RFPs out of the market and we are certainly hoping by the time we have our next conference call that we'll have contracts under our belt.

Dmitry Silverstine Water Tower Research LLC - Analyst

Wonderful. Did I understand you correctly that you would be able to really sort of dedicate your energy and attention to this business once you're done submitting the application to the ISA? So mid-2025 is when we should think about as the timing of the -- underway?

Gerard Barron TMC the metals company Inc - Chairman of the Board, Chief Executive Officer

Well, there is a bit of a lead time, and I would think of it as 2025 calendar year. There'll certainly be more of our team available after that application is lodged. And of course, for us, we see it as an economic opportunity, but we also see it as a great way of keeping the gang together because our team applied are approached regularly, to go and join other operators.

But everyone likes working as part of a coherent team, and we've really amassed some talent. And for us, it's about how do we -- how can we economically keep that team together? And the easiest way is to make them available and sell those services into other operators.

And there's tremendous synergies if we can encourage other contractors to work together, but someone needs to bring it together. And of course, it's worth reminding that we have conducted 22 successful offshore campaigns over the last decade. We've had no wipe-outs, and that's really unusual. Look at the amazing collector trial that we ran in 2022 with our partner Allseas. It was amazingly successful.

And that's -- we didn't lose a single day of operation through COVID, yet we ran nine offshore campaigns. And so, we've had some amazing successes in this area. And so our credentials are very strong, and that provides a good basis to go and build a business around, particularly because it doesn't require any investment.

Dmitry Silverstine Water Tower Research LLC - Analyst

Sounds good. Gerard. Thank you for that. And then one final question, and I think it was just -- I lost connection on my end. But when you're talking about the deep dive date that you're planning to hold, is that -- can you repeat the dates for that?

Gerard Barron TMC the metals company Inc - Chairman of the Board, Chief Executive Officer

Yeah, we haven't announced the date, but it will be before the end of the year. And we can't wait.

Dmitry Silverstine Water Tower Research LLC - Analyst

Got you. Okay, all right. Thank you very much. That's all the questions I had.

Operator

Jake Sekelsky, Alliance Global Partners.

Jacob Sekelsky Alliance Global Partners - Analyst

Hey, guys. Thanks for taking my questions. Just a quick one here, are you able to provide any additional color on that \$9 million in government funding that Craig had mentioned earlier related to domestic refining capacity? Domestic supply chains are obviously becoming very topical after the election. I'm just curious how advanced you are in that process and have you identified any potential sites at this point?

Craig Shesky TMC the metals company Inc - Chief Financial Officer

Yeah, definitely. Appreciate that, Jake, always good to speak with you. And the answer is yes, we have identified potential sites. The quality of our application, I think, is underpinned by the fact that we have been thinking and planning on this for a very long time in consultation with our project team as well as our business development team.

So I think, because we are so far along and because we do feel we have growing support, and that's only going to multiply exponentially when you see some of the people who are getting into positions of influence within the incoming White House, we feel it's in a very good place.

Now, look these applications do take time. We think, on average, they've taken over a year for most applicants. And there's always a question of, at any point of time, what funding is available from the Department of Defense's Defense Production Act Title III grant program? But it's now been close to nine months since we launched that application. So it's conceivable in the next couple of quarters that we will know more on that information going forward.

Now, in the context of this project and the context of this resource, \$9 million may not sound like a lot. We would say it's more about that explicit support from the government that's going to be very helpful. Not just with eventually building out some capacity in the United States, but that's the type of thing that really does give confidence and cover for other people to kind of put their head above the parapet and not be so afraid of the NGO noise.

Because a lot of people get it. A lot of people understand that this resource is transformational. And one extra push where you have explicit support from the US is the type of thing that can make it easier for investors of all shapes and sizes to come on board. So we're going to view that as a very key moment. But at the same time, it's certainly not a must-have. We view this as being very opportunistic and I think what you've seen in the cadence of news on nodules over the last year shows that this has been an investment well spent and time well spent on our team.

Jacob Sekelsky Alliance Global Partners - Analyst

Makes sense. Okay, thanks again.

Craig Shesky TMC the metals company Inc - Chief Financial Officer

I do see a question in the online queue from Tyler McNeil. Can we ensure investors the application date is not going to be pushed back beyond June 2025? And then something on the side of potential services contracts.

Well, Gerard did mention on the services business the addressable market in terms of other contractor spending in a ballpark of \$100 million per year. Now, we do expect that's a number that will increase substantially as the mining code is getting closer. And there will be requirements from contractors to effectively play catch up on work that perhaps hadn't been pushed forward in the past. Beyond that, again, the addressable markets beyond just what we're looking at narrowly within the area of the Clarion-Clipperton Zone or high seas, but a lot of other areas in national jurisdictions that we'll see quite a bit of increased spending.

In terms of the application date not being pushed back, look, we are full bore on this, and we have our cadence and our schedule lined up, and the team is all in agreement on what needs to be delivered. There is a rationale, too, to say getting that over the line on that June date, we didn't just pick it out of a hat. That's a date that allows us to put forth the best application. But importantly, to ensure that in the March 2025 ISA session, we get additional clarity from the ISA on what the application review process looks like very specifically. Such that, once the application is in towards the end of June, they can start dealing with it at their July session. So there's a natural reason why we picked that date and certainly, every incentive in the world to ensure that there is no delay beyond that. Gerard, I'm not sure if you have any other comments on that.

Gerard Barron *TMC the metals company Inc - Chairman of the Board, Chief Executive Officer*

No other than we -- it's, all roads lead to that date. And as we alluded to, there were many stakeholders we consulted on that. We also are aware the UN Ocean Council is meeting, which we'll be attending in June of next year as well. We wanted to give that some clean air. I would say that the amount of dialogue between sponsoring states is certainly on the increase or between member states of the International Seabed Authority. And we're very encouraged by that dialogue, and we think it all leads to adoption of the mining code in the very near future.

Operator

Thank you. This concludes the question-and-answer session from the phone line. I would now like to turn it back to Craig Shesky.

Craig Shesky *TMC the metals company Inc - Chief Financial Officer*

Hey, thank you very much. Thanks to everybody for attending this call. Usually, we say we look forward to seeing you on our next quarterly update call, but hopefully, we can see many of you even before that when we announce news and the date for our Strategy Day before year-end. So stay tuned on that and thank you all very much.

Gerard Barron *TMC the metals company Inc - Chairman of the Board, Chief Executive Officer*

Thank you, everyone.

Operator

Thank you for your participation in today's conference. This does conclude the program. You may now disconnect.

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