

A white car is driving away from the viewer on a straight, dark asphalt road that stretches into the distance. The road is flanked by dry, yellowish-brown desert vegetation. In the background, a large field of white wind turbines is visible on the left side of the road, and a long row of solar panels is on the right. The sky is a pale, hazy blue, suggesting a clear day. The overall scene conveys a sense of sustainable energy and forward progress.

# Q2 2022 Update: Unlocking the World's Largest Estimated Undeveloped Source of Battery Metals

August 15, 2022

## 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 (the “Company”) future operations or financial performance, or 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, 2021, which was filed with the Securities and Exchange Commission on March 25, 2022, as well as any updates to those risk factors filed from time to time in our 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.

### **Regulation G – Non-GAAP financial measures:**

This presentation contains certain non-GAAP financial measures which are provided to assist in an understanding of TMC’s business and its operational performance. These measures should always be considered in conjunction with the appropriate GAAP measure. Reconciliations of all non-GAAP amounts to the relevant GAAP amount are provided in the Appendix to this presentation.

# Agenda.

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## HIGHLIGHTS

# Major project development milestones achieved in Q2 2022, both offshore and onshore.

### Q2 results:

- Net loss of \$12.4 million and loss per share of \$0.05 for Q2 2022 compared to a net loss of \$29.1 million and \$0.15 per share in Q2 2021
- Lower net loss mainly attributable to a decrease of \$9.6 million in non-cash share-based compensation as significant stock options were granted prior to the September 2021 Business Combination, lower offshore campaign costs of \$3.2 million following the completion of NORI Area D baseline campaigns and fair value gains on the Private Warrants of \$5.7 million as TMC share price decreased during the period, partially offset by the increase of \$1.4 million in environmental program costs

### Cash:

- **Total cash of \$46.3 million at June 30, 2022**
- \$22.7 million cash used in operations in Q2 2022 vs. \$7.8 million in Q2 2021
- We believe that our cash on hand, together with the expected proceeds of our announced equity financing, will be sufficient to meet our working capital and capital expenditure requirements for at least the next twelve months from today

### \$30.4M equity financing:

- \$30.4 million committed private investment in public equity (PIPE) financing led by existing investors and insiders
- 38 million common shares to be issued to investors at a price per share of \$0.80 (\$0.9645 to TMC Chairman & CEO Gerard Barron)

### Summary of TMC progress since last update:

#### Offshore nodule collection system

- Successful completion of riser and jumper deployment trials in the Atlantic following a successful deep water trial and drive test
- Hidden Gem transit to Manzanillo, Mexico and commenced collector test mobilisation

#### Offshore environmental & social impact assessment (ESIA)

- Engaged The Commonwealth Scientific Industrial Research Organisation (CSIRO) to lead a consortium of academic research institutes to formulate a science-based framework to assist TMC in the development of an Environmental Management and Monitoring Plan (EMMP) for proposed polymetallic nodule collection operations
- Collector test monitoring science team joined vessel with mobilisation completed in San Diego
- Pre-Collector test monitoring activities commenced in NORI Area D

#### Onshore development

- Progressed refinery bench scale testwork, all recoveries of pay metals to date are within desired thresholds
- Together with Epsilon Carbon, selected a suitable plant site in India and developed and issued Request for Proposal for Project Zero Pre-feasibility and Feasibility Study

#### Impact Report

- Released our inaugural Impact Report providing a forward-looking view of the impacts of our expected operations and the efforts underway to eliminate or reduce them

## EQUITY FINANCING

**\$30M additional cash committed in a new equity issuance led by existing shareholders including Allseas.**

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### **\$30M PIPE FINANCING**

\$30.4 million committed through private investment in public equity (PIPE)

*Transaction announced on Monday, August 15*

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#### **Key terms**

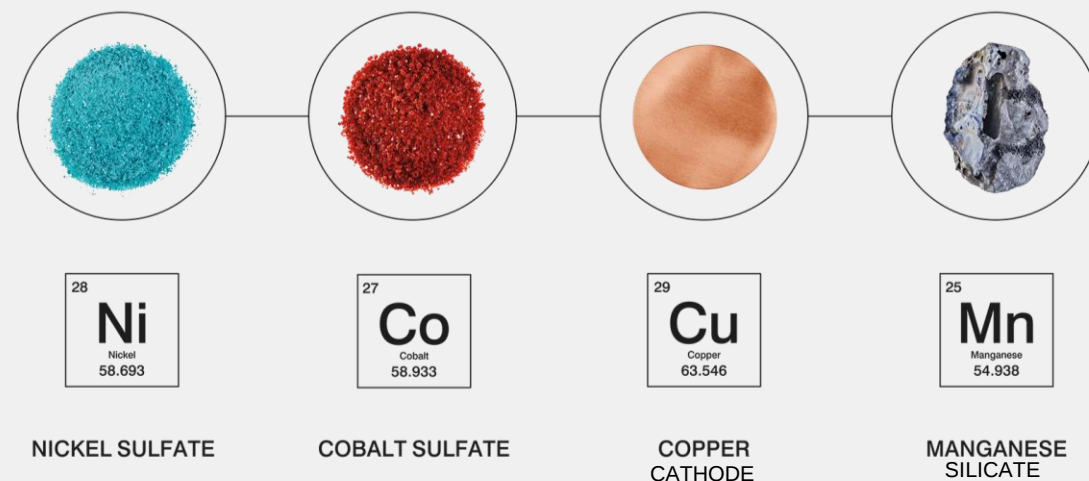
- 38M new shares issuable at USD \$0.80 per share. No warrants
- Expected gross transaction proceeds of \$30.4M (~\$30M net of transaction fees)
- Approximately 70% of the commitments came from existing TMC shareholders and insiders, including Allseas, ERAS Capital (the family office of TMC Director Andrei Karkar), SAF Group Managing Partner Brian Paes-Braga, Front End Chairman & CEO Majid Alghaslan, and TMC Chairman & CEO Gerard Barron (at \$0.9645 per shares based on the closing bid price on August 12) and his family

#### **Rationale**

- Along with existing cash, expected to be sufficient to fund operations for at least the next twelve months, past the date targeted by the ISA for finalization of the Exploitation Code (July 9, 2023)
  - Stronger balance sheet puts TMC in a better negotiating position for potential deals ahead, including strategic partnerships, offtakes and potential asset-level financing transactions
-

## MARKET UPDATE

# Abundant, secure, low production cost and low ESG cost potential supply of metals.



## Abundant

TMC is developing the world's largest estimated source of battery metals with enough nickel, copper, manganese and cobalt *in situ* to potentially electrify 280 million EVs<sup>1</sup>

## Secure

Located on the abyssal seafloor in the international waters regulated by the International Seabed Authority, an inter-governmental organization established pursuant to the United Nations Convention on the Law of the Seas

## Low production cost

Expecting to become the 2<sup>nd</sup> lowest cost nickel producer on the planet at steady state production on Project One<sup>2</sup>, reflecting high grades with four battery metals in high concentrations in a single resource

## Low ESG cost

Expected 70-99% reduction of lifecycle ESG impacts, including near-zero solid processing waste onshore, 90% less CO<sub>2</sub> equivalent emissions<sup>3</sup>

## \$15 billion NPV for 1<sup>st</sup> project

\$15 billion net present value at current metal prices for NORI-D, TMC's first project representing 22% of the company's estimated resource<sup>4</sup>

## Tier 1 partners / investors<sup>5</sup>

GLENCORE



MAERSK



HATCH

<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> Canadian NI 43-101 Compliant Preliminary Economic Assessment (PEA) for NORI-D Area, AMC, February 2021; Metals Cost Curve, Wood Mackenzie, August 2020.

<sup>3</sup> "Where Should Metals for the Green Transition Come From?", Paulikas et al, LCA white paper, April 2020. "Life cycle climate change impacts of producing battery metals from land ores versus deep-sea polymetallic nodules", Paulikas et al, December 2020.

<sup>4</sup> Canadian NI 43-101 and SEC Regulation S-K (Subpart 1300) Compliant NORI Area D CCZ Mineral Resource Estimate and associated financial model, AMC, March 2021. Current prices as of August 12, 2022. NPV at January 1, 2021.

<sup>5</sup> Allseas, Maersk and Glencore are TMC shareholders. Our agreement with Maersk for vessel operations ended pursuant to its terms in January 2022 following the completion of all NORI Area D baseline campaigns.

## MARKET UPDATE

# U.S. Inflation Reduction Act (IRA) of 2022 tackles American energy security...

### "The Inflation Reduction Act<sup>1</sup>..."

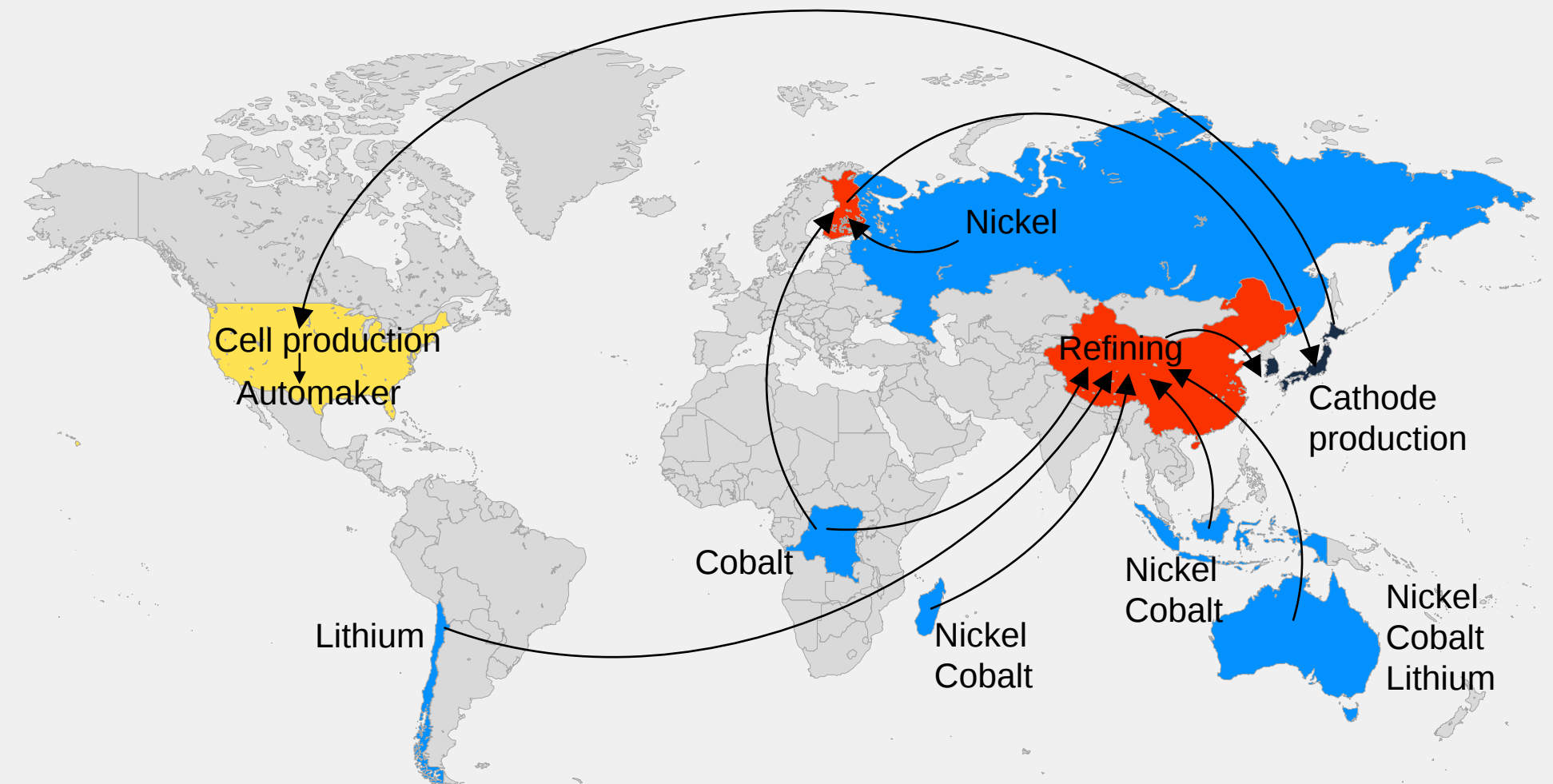
...Increases American energy security through policies to support energy reliability and cleaner production coupled with historic investments in American clean energy manufacturing to lessen our reliance on China, ensuring that the transition to a clean economy creates millions of American manufacturing jobs, and is powered by American-made clean technologies."

Bill sponsor Senator Joe Manchin (D-WV), as reported by Reuters on August 3, 2022<sup>2</sup>

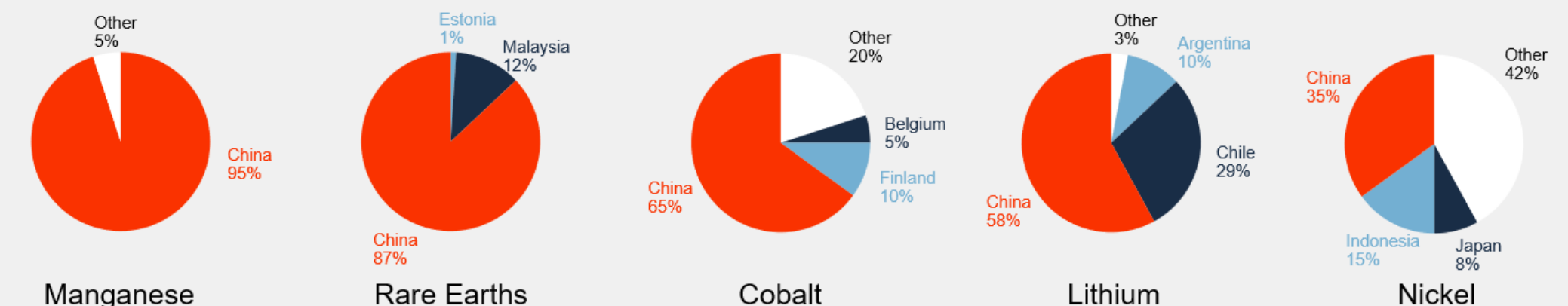
"Tell (automakers) to get aggressive and make sure that we're extracting in North America, we're processing in North America and we put a line on China. I don't believe that we should be building a transportation mode on the backs of foreign supply chains. I'm not going to do it." Manchin said the United States builds its own gasoline-powered vehicles and engines. "Now all of a sudden - now we can't? Come on."

## CURRENT SITUATION ~50,000-mile supply chain controlled by China

Metals mining Refining Cathode production Battery cell production



### Where energy metals are processed



<sup>1</sup> [https://www.democrats.senate.gov/imo/media/doc/summary\\_of\\_the\\_energy\\_security\\_and\\_climate\\_change\\_investments\\_in\\_the\\_inflation\\_reduction\\_act\\_of\\_2022.pdf](https://www.democrats.senate.gov/imo/media/doc/summary_of_the_energy_security_and_climate_change_investments_in_the_inflation_reduction_act_of_2022.pdf)

<sup>2</sup> <https://www.reuters.com/business/autos-transportation/automakers-press-us-senator-manchin-changes-ev-tax-credit-proposal-2022-08-02/>

## MARKET UPDATE

# ...and creates favorable conditions for nodules.

### “The Inflation Reduction Act...”

Includes direct consumer incentives to buy clean vehicles:

- \$4,000 consumer tax credit for lower/middle income individuals to buy used clean vehicles, and
- Up to \$7,500 tax credit to buy new clean vehicles...

...provided clean vehicles meet the critical mineral requirements:

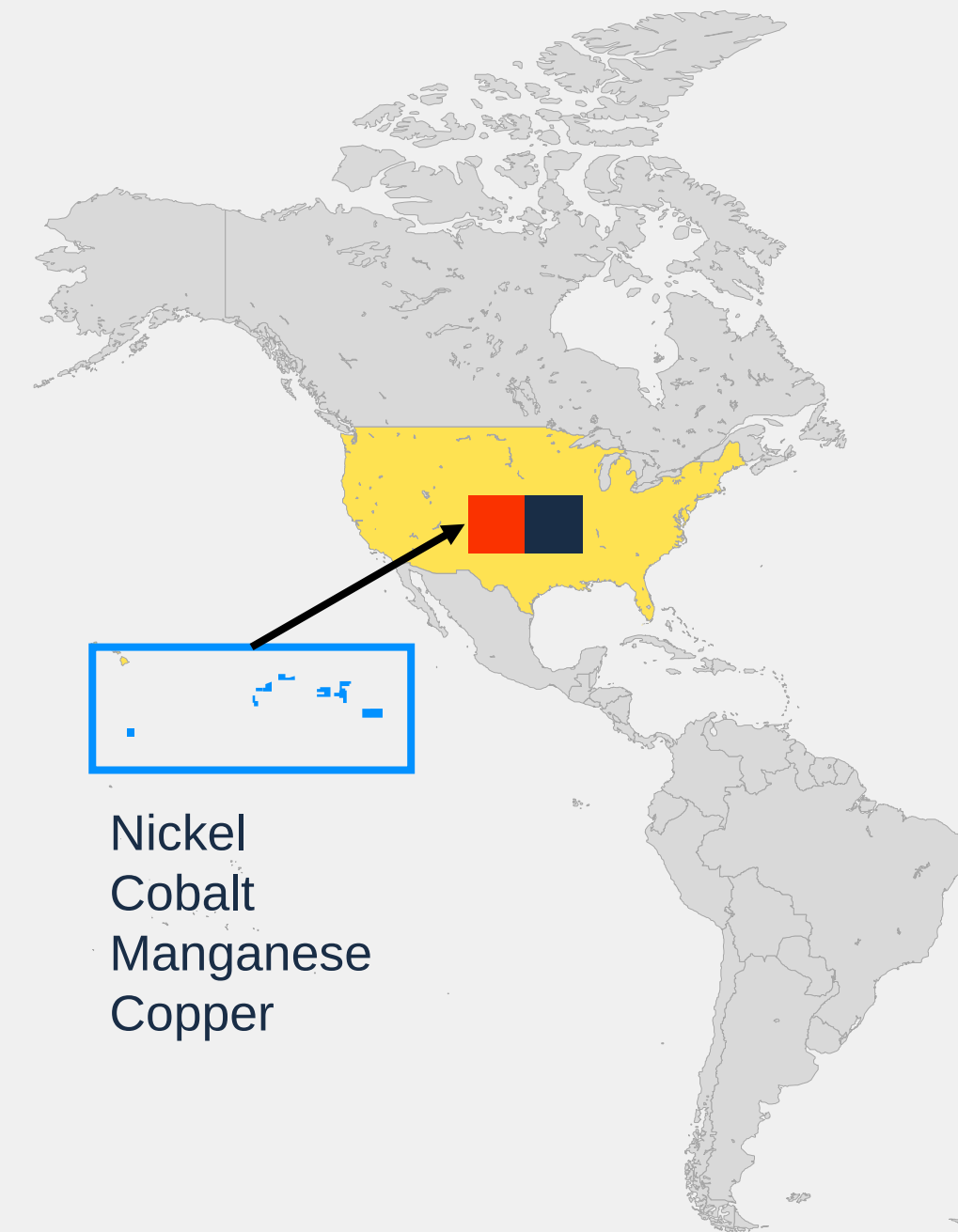
- The applicable percentage of critical minerals contained in the battery must be extracted or processed in a country with which the United States has a free trade agreement or have been recycled in North America (prior to 2024 - 40%, 2024 - 50%, 2025 - 60%, 2026 - 70%, after 2026 - 80%)
- After 2023, a clean vehicle may not contain any battery components which were manufactured by a foreign entity of concern (as defined in 42 U.S.C. 18741(a)(5)), and, after 2024, a clean vehicle may not contain any critical minerals that were extracted, processed, or recycled by a foreign entity of concern

Additional considerations:

- The US does not have free trade agreements with the largest land-based producers of nickel (Indonesia) and cobalt (Democratic Republic of Congo)
- China and Russia are considered entities of concern, among others

## POTENTIAL NODULE SOLUTION OFF U.S. WESTERN SEABOARD ~1,500-mile supply chain re-shored in the United States

Metals mining Refining Cathode production\* Battery cell production



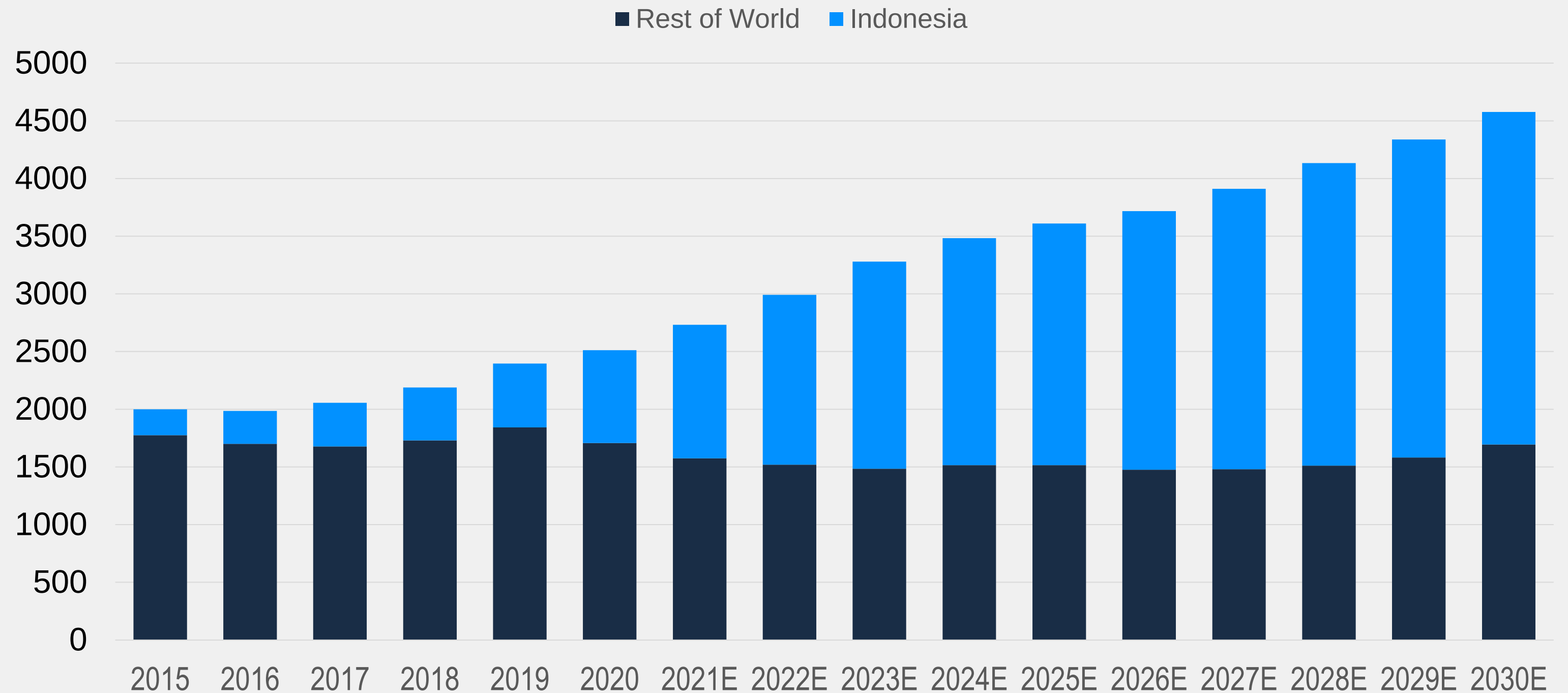
Note: 20 countries have a Free Trade Agreement with the USA: Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Singapore, South Korea. 10 countries are listed by the USA as “foreign entity of concern”: Burma, China, Eritrea, Iran, North Korea, Pakistan, Russia, Saudi Arabia, Tajikistan, Turkmenistan.

## MARKET UPDATE

**For nickel, nearly all net supply growth on land is expected to come from Indonesia, which is not a U.S. FTA partner.**

**Global terrestrial nickel production forecast**

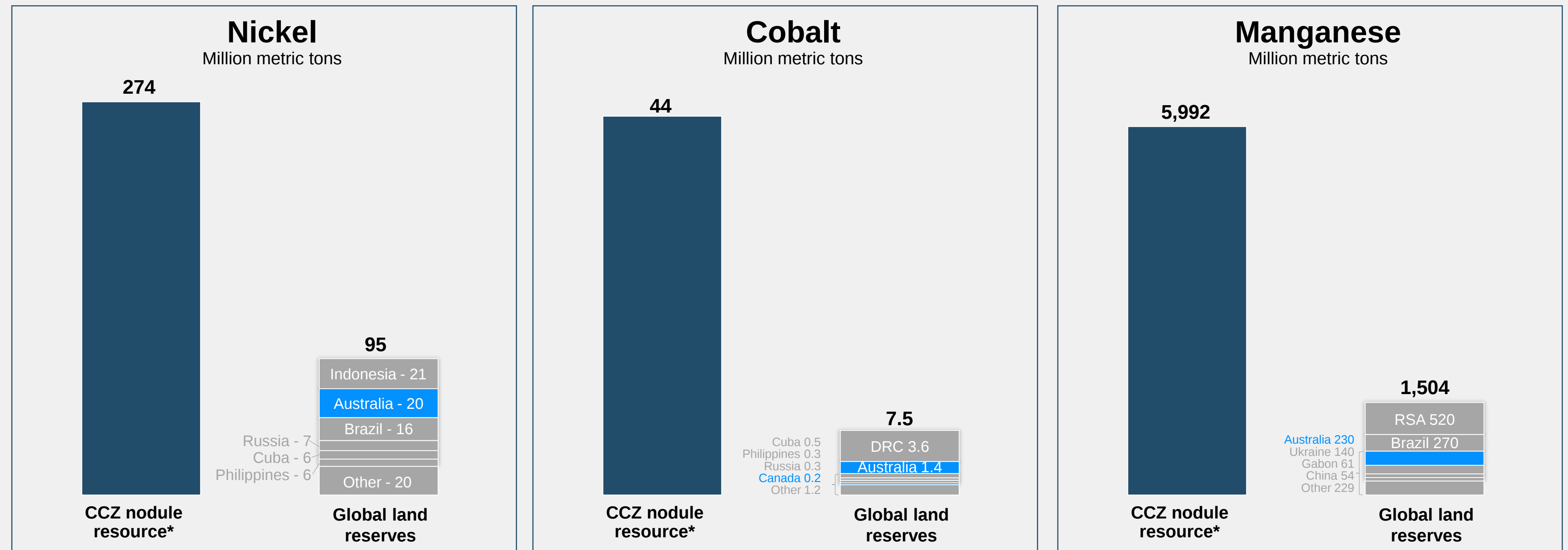
Kilotonnes per annum

Source: Steven Brown, *Responsible Mining & Metals* with data from Macquarie

## MARKET UPDATE

**Total CCZ nodule resource is estimated to be much bigger than critical mineral reserves of countries with U.S. FTAs.**

Total estimated CCZ nodule resource  
 U.S. FTA partner  
 Not a U.S. FTA partner

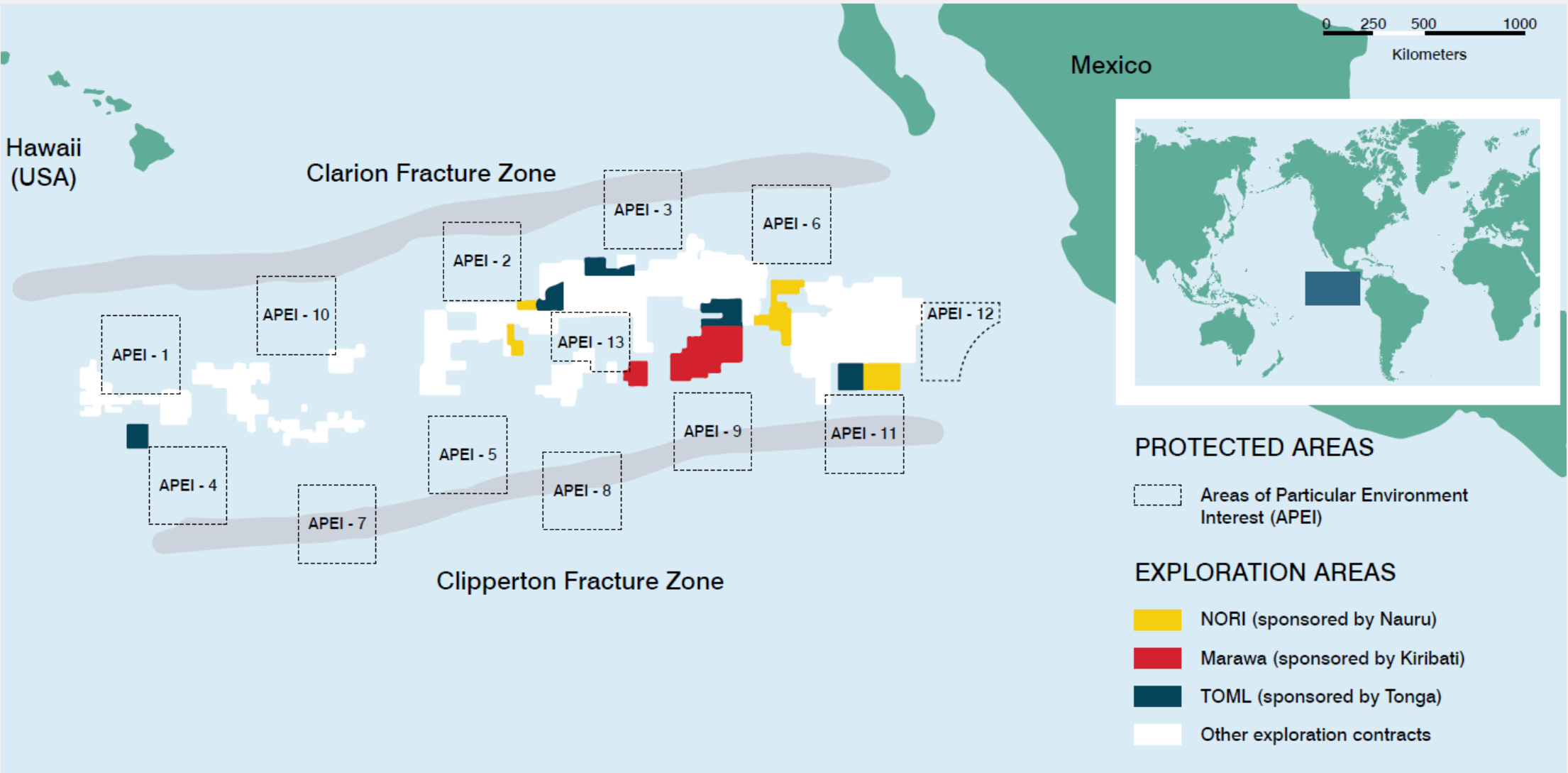


\*CCZ nodules = Clarion-Clipperton Zone polymetallic nodules

Source: USGS 2021 commodity summaries for terrestrial resources; James R. Hein, Kira Mizell, Andrea Koschinsky, Tracey A. Conrad, Deep-ocean mineral deposits as a source of critical metals for high- and green-technology applications: Comparison with land-based resources, Ore Geology Reviews, Volume 51, 2013, Pages 1-14, ISSN 0169-1368, doi.org/10.1016/j.oregeorev.2012.12.001 for CCZ nodules and PCZ crusts

MARKET UPDATE

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>   | 74,990 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) |                        |
| 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.

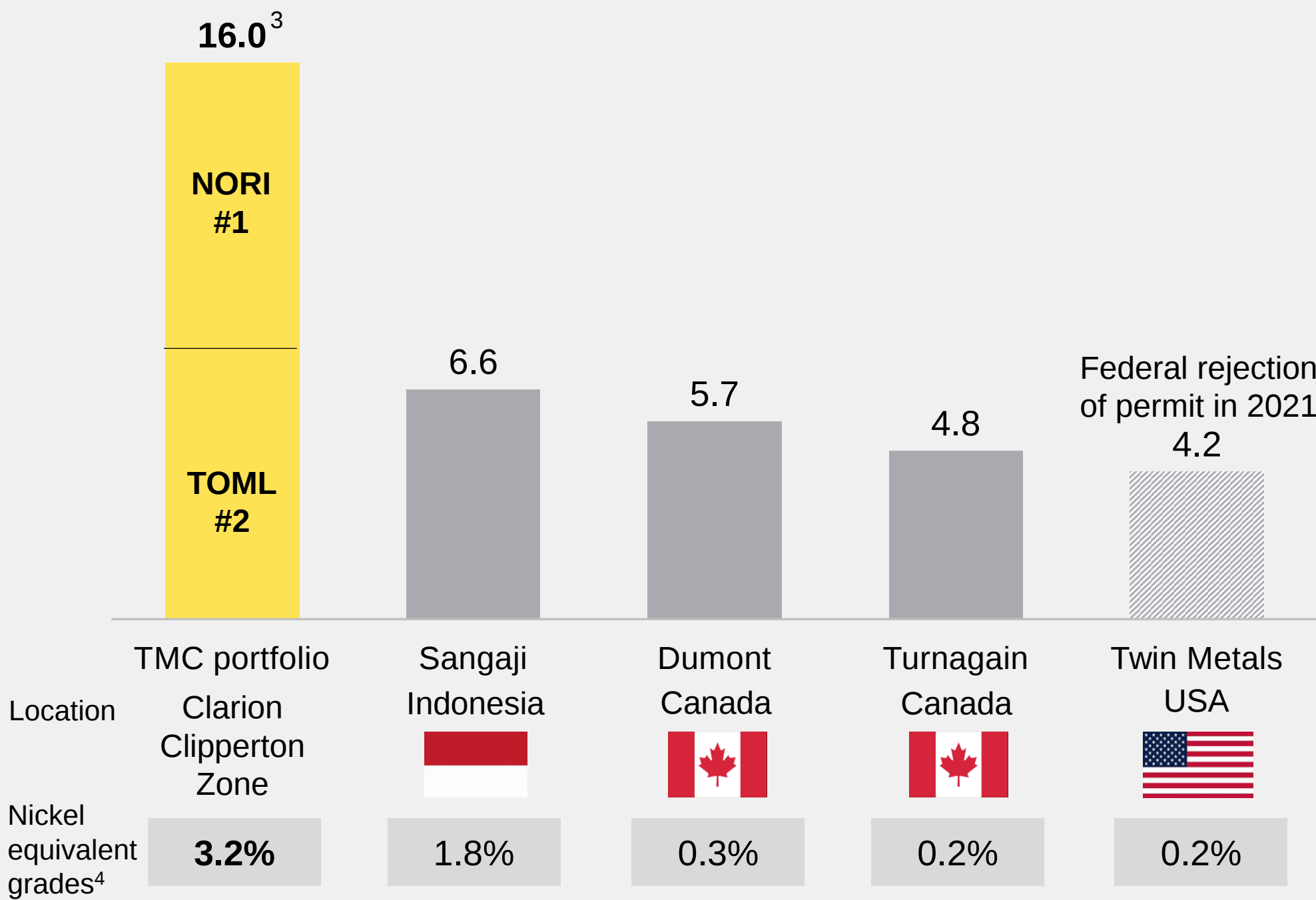
<sup>4</sup> SEC Regulation S-K (Subpart 1300) Compliant NORI Area D Clarion Clipperton Zone Mineral Resource Estimate and associated financial model, AMC, 17 March 2021. 11 Mt Inferred @ 1.4% Ni, 1.1% Cu, 0.1% Co and 31.0 % Mn and 15.6 Kg/m2 abundance, 341 Mt Indicated @ 1.4% Ni, 1.1% Cu, 0.1% Co and 31.2% Mn and abundance 17.1Kg/m2, 4 Mt Measured @1.4% Ni, 1.1% Cu, 0.1% Co and 32.2% Mn and 18.6 Kg/m².

MARKET UPDATE

TMC: #1 and #2 largest undeveloped nickel projects on the planet, and the alternative to Russian- and Chinese-controlled supply.

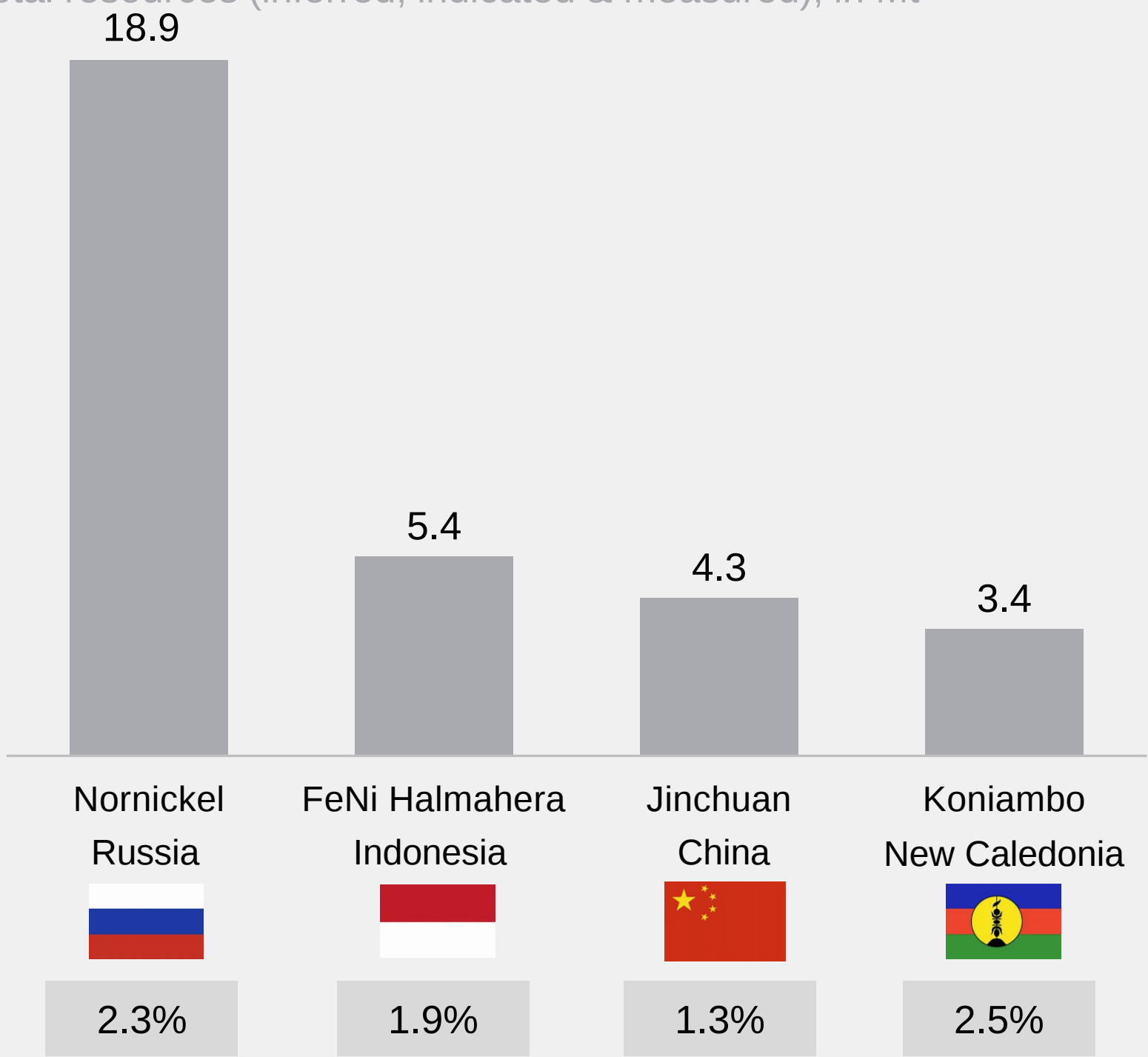
World’s largest nickel projects – 2022

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-2022/>  
<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 DeepGreen 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](https://investors.metals.co).

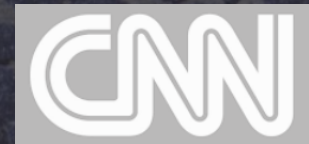
## MARKET UPDATE

## Growing recognition of the seafloor solution...

### THE WALL STREET JOURNAL.

**Admiral Blair op-ed on seafloor nodules, Jun 2022:**

“Securing new supplies of battery-grade nickel should be a priority for achieving America’s energy security goals. Those supply options include vast sources of nickel contained in polymetallic nodules at the bottom of the Pacific Ocean.”



**Fareed Zakaria on seafloor resources, Apr 2022:**

“If people want to protect the planet from climate change and authoritarian governments, people will need to get onboard with new projects. Even the ocean floor cannot be off limits.”

### Forbes

**Jim Conca on seafloor nodules, Feb 2022:**

“...much, much less impactful than any land operations, and is the most optimal method for getting these critical metals between now and 2050...either that or stick with fossil fuels.”

### The world's most sustainable nickel

**Steven Brown on seafloor nodules, Feb 2022:**

“...an overly precautionary approach on deep sea nodules might condemn Wallacea, and the global climate, to irreversible damage.”

## ...and growing recognition of the rainforest nickel problem.



**Tiyashi Datta on potential TSLA rainforest nickel, Jul 2022:**

“Dozens of NGOs have sent an open letter to Elon Musk, urging [him] to not invest in Indonesia's nickel industry on environmental concerns.”



**Matt Fernley on VW rainforest nickel/cobalt sourcing, Apr 2022:**

“Why had VW...signed up to a supply agreement with some of the least environmentally friendly producers? Does this agreement mean that VW has simply been paying lip service to ESG?”



**Firdaus / Levitt on nickel mining in Indonesia, Feb 2022:**

“A Guardian investigation...has found evidence that a source of drinking water close to one of Indonesia’s largest nickel mines is contaminated with unsafe levels of hexavalent chromium (Cr6).”



**Ilagan/Lehren etc. on nickel mining in the Philippines, Dec 2021:**

“The move to expand the mine comes as the destruction of the world’s rainforests, which play a crucial role in protecting wildlife and slowing climate change, is accelerating.”

LIFECYCLE IMPACTS

# Our first Impact Report released.

## 2021 Sustainability Highlights:

ENVIRONMENT

**Contributing to deep-sea ecosystem knowledge**

Completed our environmental baseline assessment

**5** exploration campaigns and **170** days at sea with world-leading scientists

**Enabling operational visibility for stakeholders**

Entered agreement with [Kongsberg Digital](#) to **develop 3D visualization** of the deep-sea operating environment and adaptive management system to stay within ecological thresholds

**Supporting circularity**

Retrofitting a 228-meter-long [former drill ship](#) into first subsea mining vessel

**Lowering carbon footprint of pyrometallurgical processing**

Identified ways to reduce metcoal consumption by at least **10%**

SOCIAL

**Building tomorrow's STEM talent pipeline**

**2 students graduated with bachelor of science degrees** through our full university scholarship program at The University of the South Pacific, Fiji

**Tonga: 4 secondary school scholarships** and an additional 4 technical scholarships at Tonga Maritime Polytechnic Institute were granted

**Contributing to sponsoring state communities**

Formalized a grant program in Nauru and Tonga, supporting **32** community projects

**Contributing to peer-reviewed literature**

**Published 2 peer-reviewed research papers**, one [on solid waste streams](#) from producing critical metals and another on opportunities for [ethically sourcing critical metals from CCZ nodules](#)

**Engaging with global stakeholders**

Received over **600** comments from **19 distinct stakeholders** during an open stakeholder consultation on our environmental impact statement for planned 2022 collector test

GOVERNANCE

**Achieving 50:50 gender parity in the boardroom**

**4 out of 8** board members are women

**Strengthening oversight of ESG performance**

**Established a Sustainability & Innovation Committee** at the board and appointed our first chief sustainability officer



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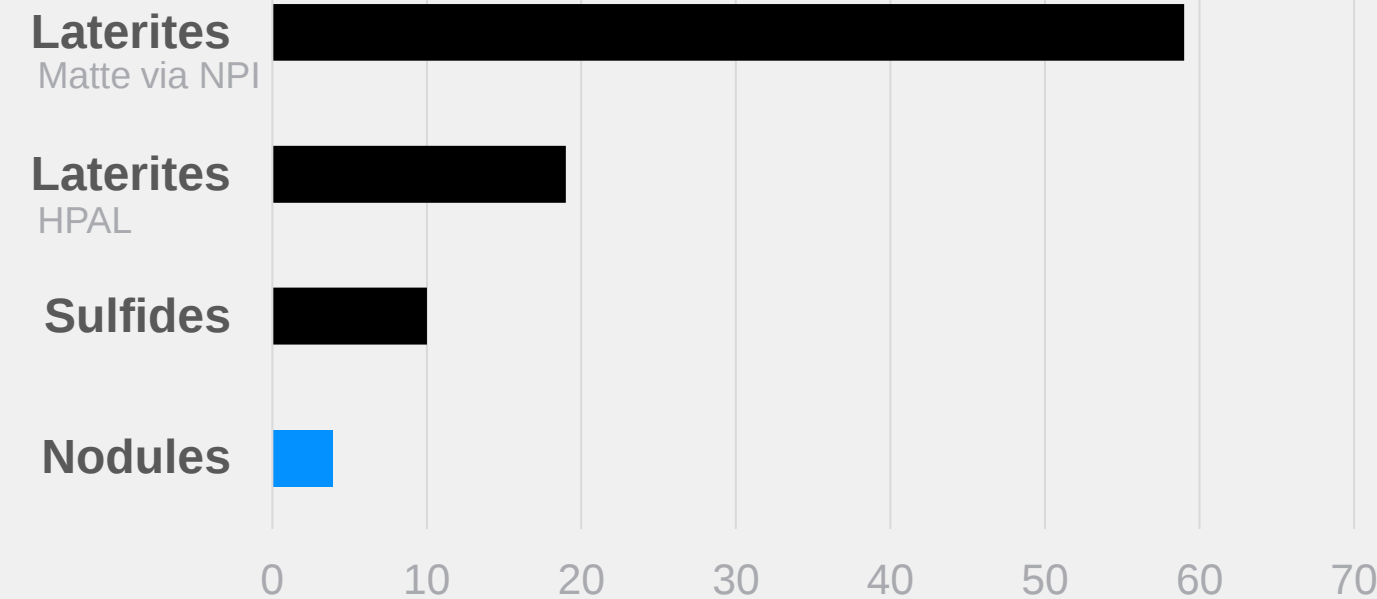
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## LIFECYCLE IMPACTS

**Existing LCA suggests nodules may offer a lower impact source for nickel. Benchmark Minerals (BMI) engaged by TMC in April 2022 for independent LCA.**

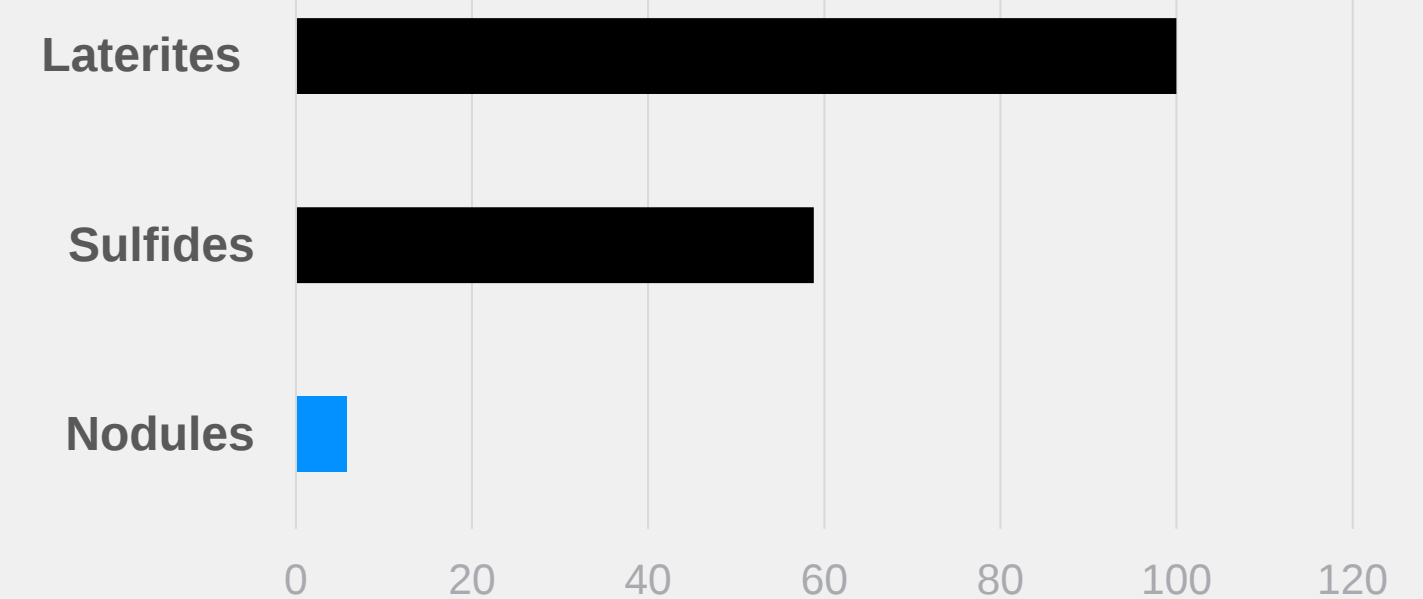
### GHG emissions

kgCO<sub>2</sub>-eq per kg of nickel, lifecycle impacts



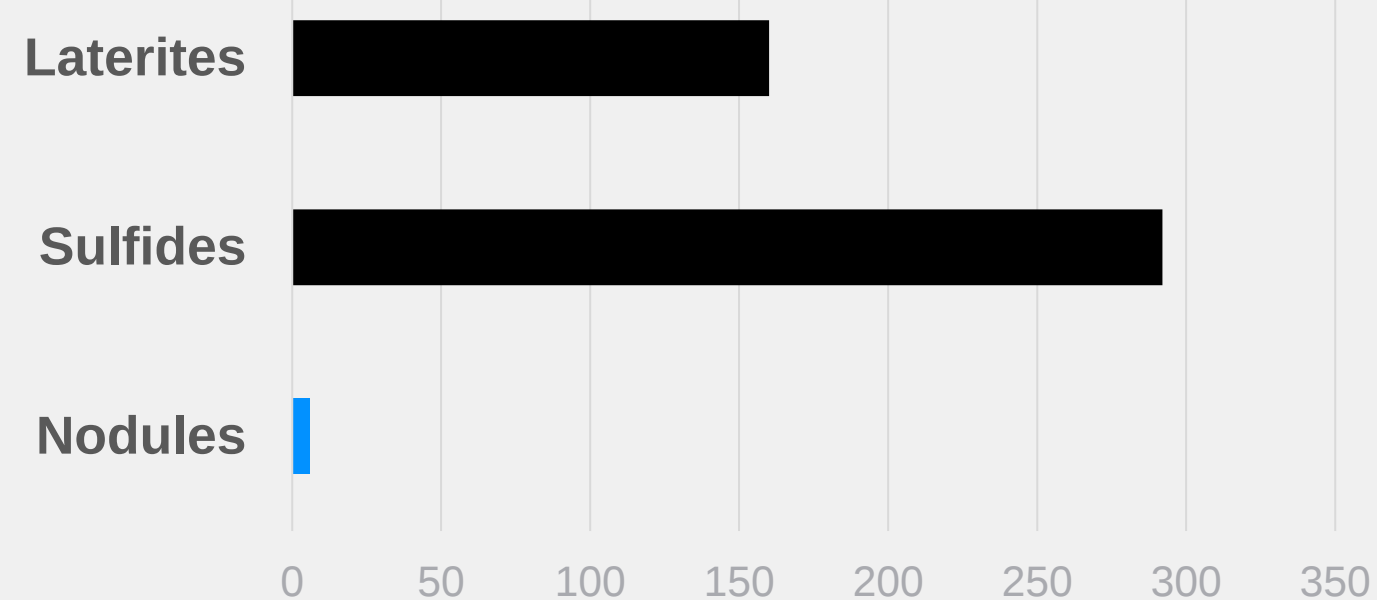
### Carbon sinks at risk

kgCO<sub>2</sub>-eq per kg of nickel, lifecycle impacts



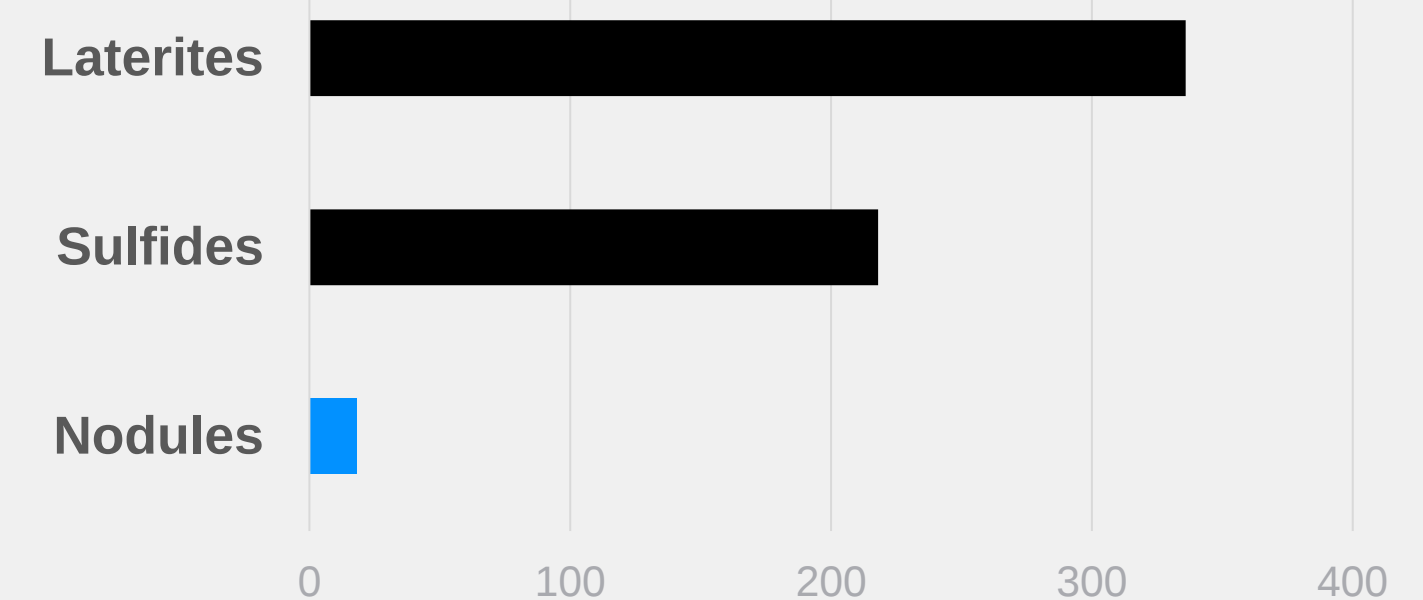
### Solid waste

kg per kg of nickel, lifecycle impacts



### Water

Liters per kg of nickel, lifecycle impacts



Source: IEA, *GHG emissions intensity for class 1 nickel by resource type and processing route*, IEA, Paris <https://www.iea.org/data-and-statistics/charts/ghg-emissions-intensity-for-class-1-nickel-by-resource-type-and-processing-route>; Paulikas et al, "Where Should Metals for the Green Transition Come From? Comparing Environmental, Social and Economic Impacts of Supplying Base Metals From Land Ores and Seafloor Polymetallic Nodules," April 2020 White Paper, <https://metals.co/download/237815/>; Paulikas et al, "Life cycle climate change impacts of producing battery metals from land ores versus deep-sea polymetallic nodules," *Journal of Cleaner Production*, 275 (2020) 123822, <https://doi.org/10.1016/j.jclepro.2020.123822>; Paulikas et al, Deep-sea nodules versus land ores: A comparative systems analysis of mining and processing wastes for battery-metal supply chains, *Journal of Industrial Ecology*, 13 Jan 2022. <https://doi.org/10.1111/jiec.13225>

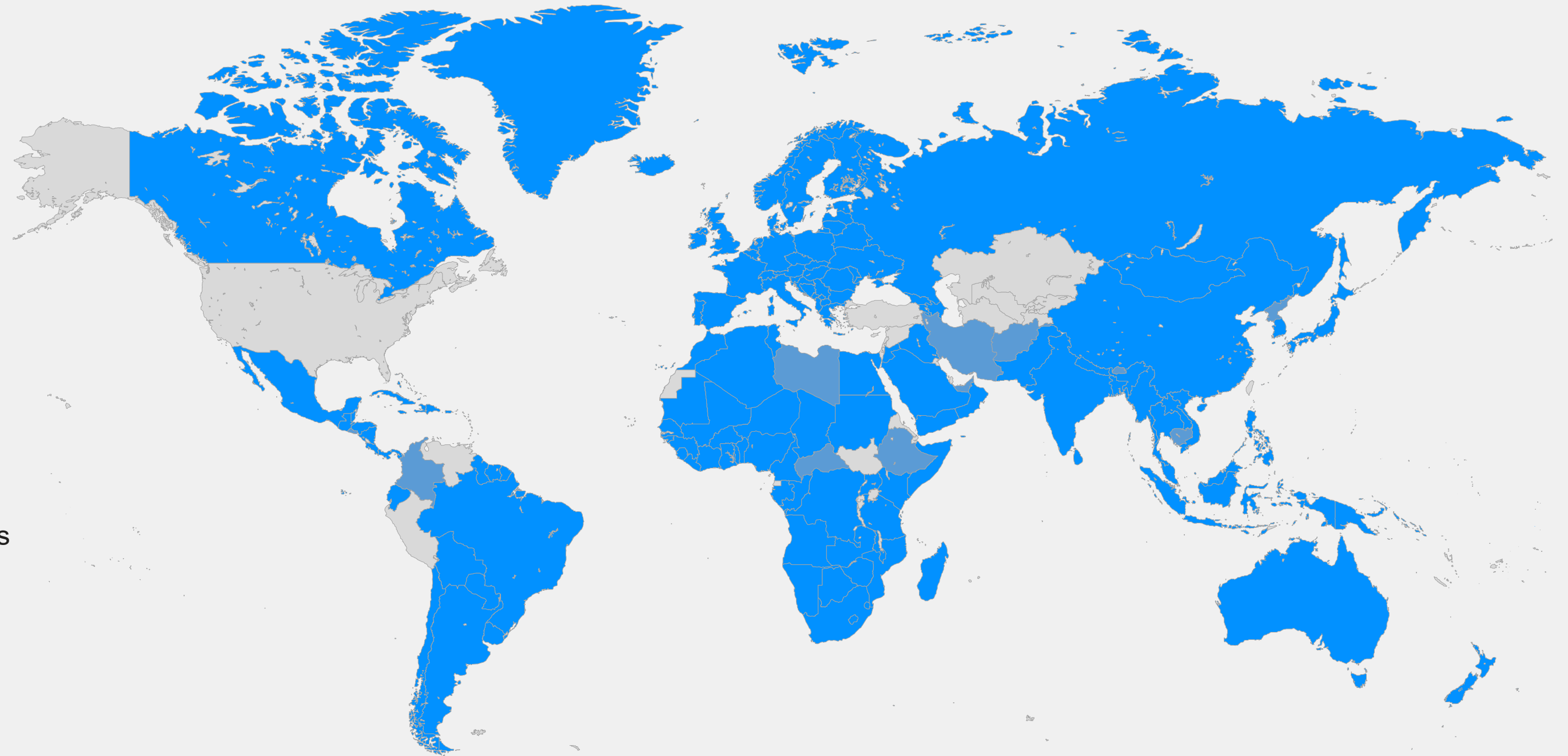
## REGULATORY UPDATE

# 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.
- 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.



## REGULATORY UPDATE

# ISA process targeting final regulations by July 2023.



## Timeline

|               |                                                                                     |
|---------------|-------------------------------------------------------------------------------------|
| July 2020     | ISA stated goal for adoption was delayed due to COVID                               |
| 9 July 2021   | Government of Nauru (Sponsor of NORI) submitted a 2-year notice                     |
| 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     | Deadline for ISA to adopt final exploitation regulations                            |
| 2H 2023       | Estimated timetable for NORI-D application for exploitation contract                |
| 2H 2024       | Estimated timetable for exploitation contract to be granted by ISA, for NORI-D area |

## REGULATORY UPDATE

# ISA finished a month-long working session in Jamaica in August.

## ISA 27<sup>th</sup> session Part II

|                                |                 |
|--------------------------------|-----------------|
| Legal and Technical Commission | 4-15 July 2022  |
| Finance Committee              | 13-15 July 2022 |
| Council                        | 18-29 July 2022 |
| Assembly                       | 1-5 August 2022 |

### ISA Finance Committee



### ISA Council

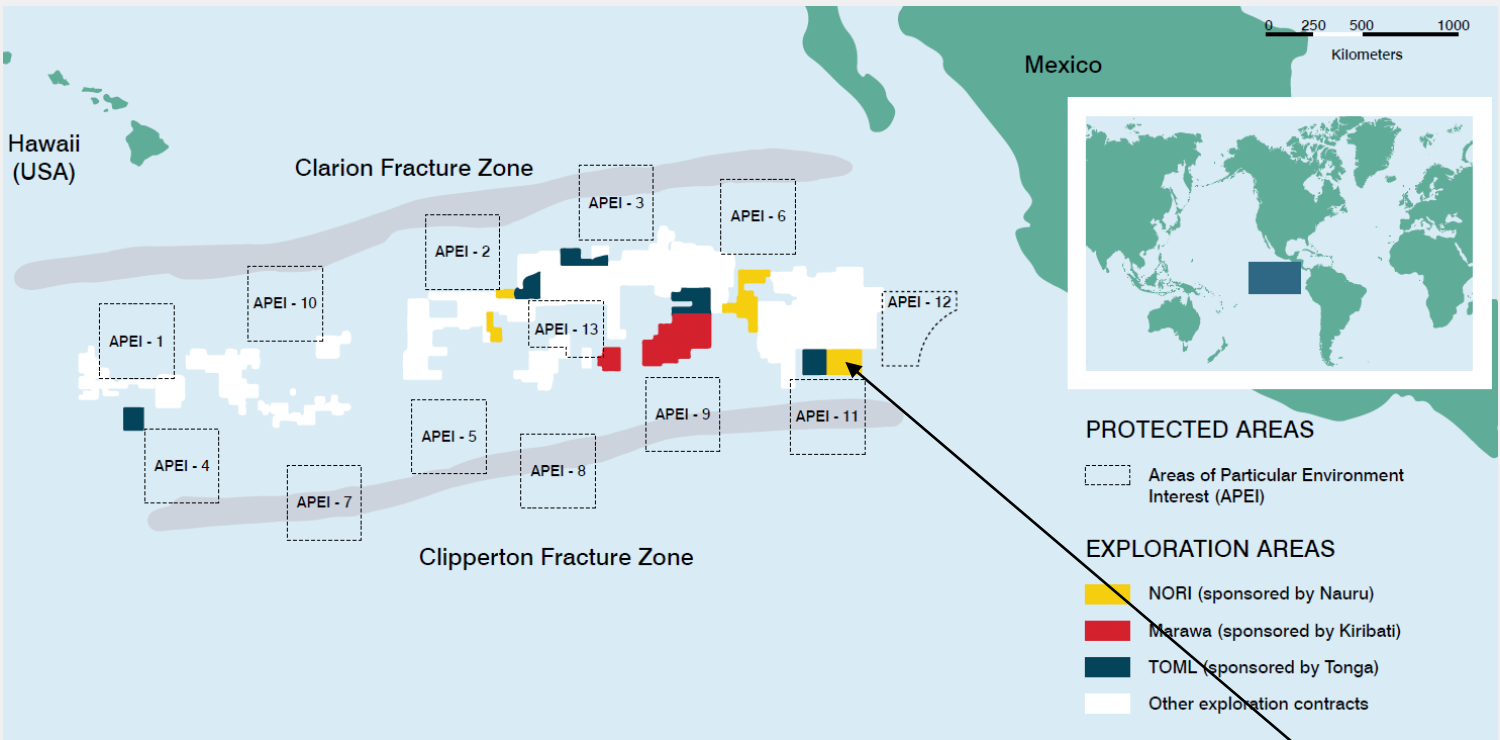


### ISA Assembly



NORI-D PROJECT UPDATE

# NORI-D project at a glance.



|                                                | NORI (A,B,C,D) <sup>1</sup> | NORI-D <sup>1</sup> |
|------------------------------------------------|-----------------------------|---------------------|
| ISA Exploration Contract Grant                 | 2011                        |                     |
| Sponsoring State                               | Republic of Nauru           |                     |
| Contract area, km <sup>2</sup>                 | 74,830                      | 25,160              |
| Nodules, wet tonnes                            | 866                         | 356                 |
| Nickel, % - estimated                          | 1.3                         | 1.4                 |
| Copper, % - estimated                          | 1.1                         | 1.1                 |
| Manganese, % - estimated                       | 29.5                        | 31.2                |
| Cobalt, % - estimated                          | 0.2                         | 0.14                |
| Project status                                 |                             | Mid-PFS             |
| Exploitation contract application <sup>2</sup> |                             | H2 2023             |
| Earliest start of production <sup>2</sup>      |                             | H2 2024             |

Resource

- The estimated largest and highest nickel-equivalent grade undeveloped nickel project on the planet
- Contained metals (Ni, Cu, Co, Mn) well matched to the critical mineral requirements of the energy transition
- NORI-D as the 1<sup>st</sup> project (closest to shore, 41% of estimated NORI resource and 22% of total estimated resource)

Products & project economics

- NiCuCo matte and Mn silicate as intermediates produced from reduced scope onshore metallurgical plant (Project Zero)
- Ni sulfate, Co sulfate, Cu cathode and Mn silicate as main products from full scope onshore metallurgical plant (Project One)
- +60% expected EBITDA margin / 2<sup>nd</sup> lowest nickel C1 cash cost on a by-products’ basis at full scope steady state production on NORI-D Project One

Project partnerships

- Strong focus on leveraging partners’ expertise, reuse of existing assets and access to capital to get into production
- Allseas as offshore production partner for Project Zero and beyond
- Epsilon Carbon as likely onshore production partner for Project Zero

Capital spent

- Approximately \$250M spent on NORI property since 2011 to get to mid-PFS on NORI-D

Valuation of NORI-D project

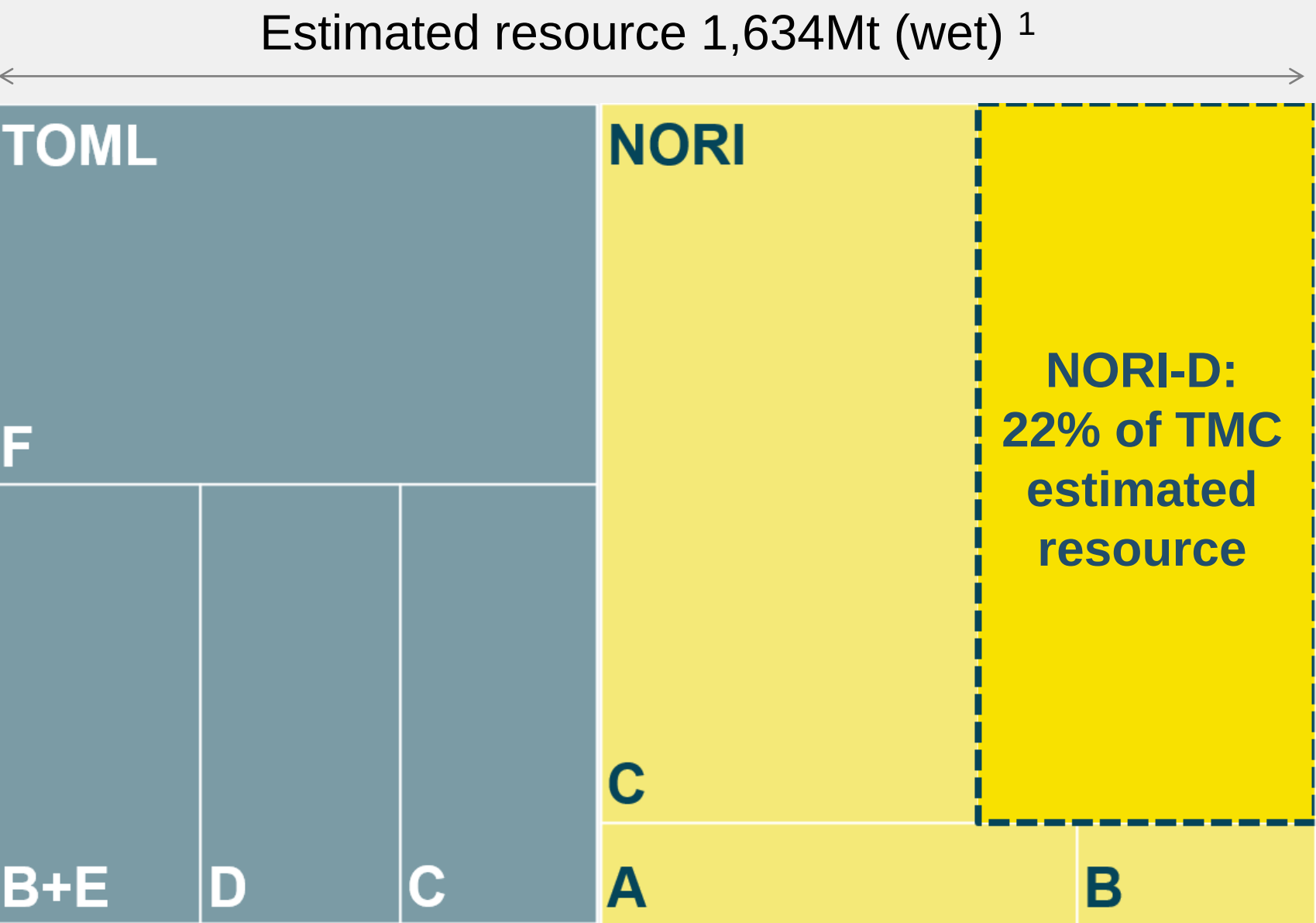
- US\$6.8B NPV for NORI-D at CRU long-term prices (Feb 2021)<sup>1</sup>
- US\$15.2B NPV for NORI-D at current prices (August 12, 2022)<sup>1</sup>

<sup>1</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. NORI-D resource - 11 Mt inferred @ 1.4% Ni, 1.1% Cu, 0.1% Co and 31.0 % Mn and 15.6 kg/m2 abundance, 341Mt Indicated @ 1.4% Ni, 1.1 %Cu, 0.1% Co and 31.2% Mn and abundance 17.1Kg/m2, 4 Mt Measured @1.4% Ni, 1.1% Cu, 0.1% Co and 32.2% Mn and 18.6 Kg/m².

<sup>2</sup> Subject to availability of funding and ISA granting an Exploitation Contract.

NORI-D PROJECT UPDATE

Based on SEC-compliant Initial Assessment, NORI-D project estimated at \$6.8 billion NPV (est. \$15.2 billion using current metal prices).



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

\$ billions unless otherwise noted

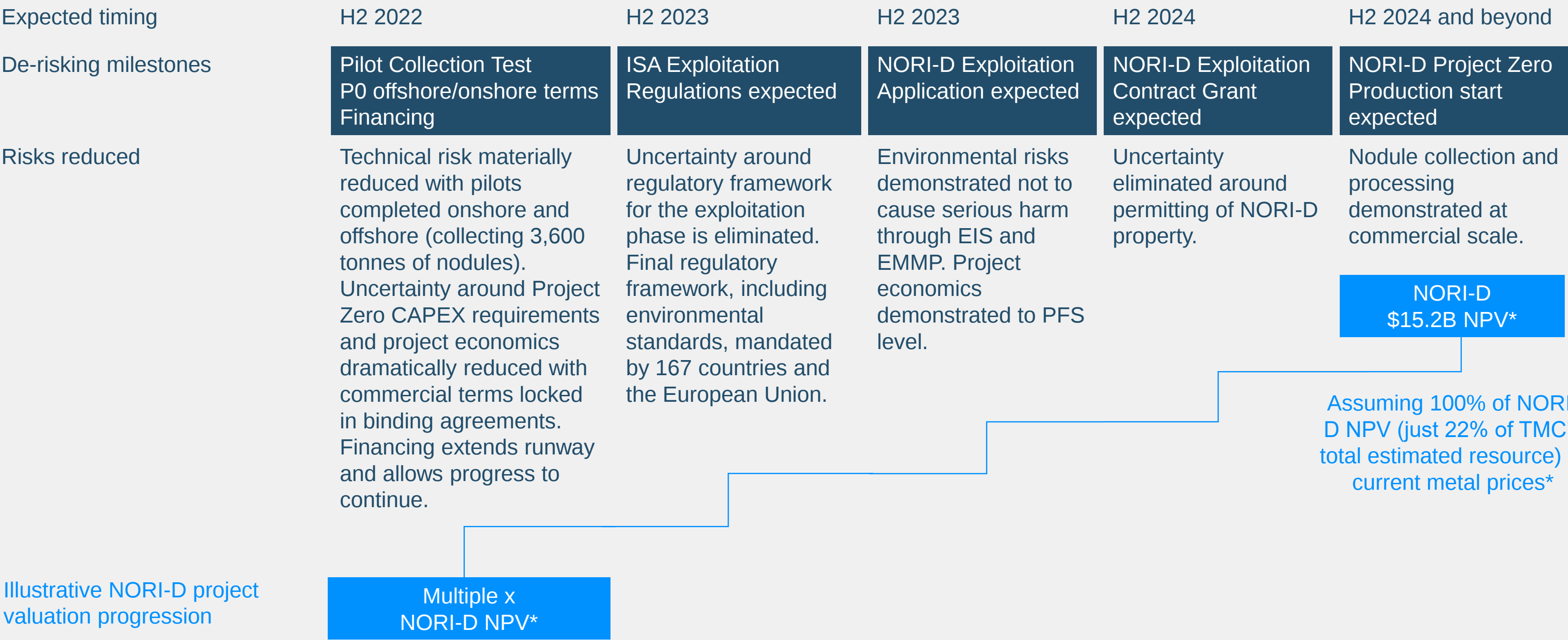
| Prices                                         |               |                |          |
|------------------------------------------------|---------------|----------------|----------|
|                                                | CRU forecast  | Current price  | Increase |
| Nickel                                         | \$16,106/t    | \$23,212/t     | 44%      |
| Copper                                         | \$6,787/t     | \$8,060/t      | 19%      |
| Cobalt                                         | \$46,416/t    | \$47,455/t     | 2%       |
| Mn silicate                                    | \$4.53/dmtu   | \$7.20/dmtu    | 59%      |
| Project economics—cumulative over project life |               |                |          |
| Total revenue                                  | \$95.1b       | \$133.0        | 40%      |
| Nickel                                         | 44.0          | 63.6           |          |
| Copper                                         | 12.7          | 15.1           |          |
| Cobalt                                         | 10.4          | 11.3           |          |
| Mn silicate                                    | 27.2          | 42.5           |          |
| Total OPEX                                     | 37.5b         | 37.5b          | 0%       |
| Total EBITDA                                   | 57.3b         | 95.2b          | 66%      |
| EBITDA margin                                  | 60%           | 72%            | 11 pts   |
| NPV                                            | \$6.8 billion | \$15.2 billion | +125%    |

|                                                                                                               |            |                |                                                                                                         |
|---------------------------------------------------------------------------------------------------------------|------------|----------------|---------------------------------------------------------------------------------------------------------|
| NORI-D NPV at various nickel prices (other assumptions held constant including other metal prices at current) | \$45,000/t | \$28.3 billion | General rule of thumb: every \$10k/t change in nickel price equates to \$6 billion change in NORI-D NPV |
|                                                                                                               | \$35,000/t | \$22.3 billion |                                                                                                         |
|                                                                                                               | \$25,000/t | \$16.3 billion |                                                                                                         |
|                                                                                                               | \$15,000/t | \$10.3 billion |                                                                                                         |

<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 August 12, 2022. NPV at January 1, 2021, assuming 9% discount rate.

NORI-D PROJECT UPDATE

Key milestones and de-risking events ahead to unlock value.



EIS – Environmental Impact Statement  
EMMP – Environmental Management and Monitoring Plan

\*US\$6.8B NPV stated in SEC Regulation S-K (Subpart 1300) Compliant NORI Area D Clarion Clipperton Zone Mineral Resource Estimate and associated financial model, AMC, March 2021. Based on assumed long-term prices of Ni - \$16,106/t, Cu - \$6,787/t, Co - \$46,416/t, Mn - \$4.53/dmtu. \$15.2B NPV is internal-only scenario based on prices as of August 12, 2022 (Ni - \$23,212/t, Cu - \$8,060/t, Co - \$47,455/t, Mn - \$7.20/dmtu). NPV at January 1, 2021 at 9% disc. rate.

NORI-D PROJECT UPDATE

Major de-risking steps on the path to potential production and significantly lower pre-production CAPEX.

| PROJECT ZERO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Zero costs borne by TMC prior to production reduced from US\$193M to ~US\$55M <sup>1</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>OFFSHORE</b><br>Expected start: Q4 2024<br>Expected production: <ul style="list-style-type: none"><li>- 1.3 Mtpa of wet nodules</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>ONSHORE</b><br>Expected start: Q4 2024<br>Expected production: <ul style="list-style-type: none"><li>- 30,000 tpa of NiCuCo matte</li><li>- 750,000 tpa of Mn silicate</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Partner:</b> Allseas                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Partner:</b> Epsilon Carbon                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <i>Non-binding Term Sheet signed Mar 17, 2022<br/>Definitive agreement expected by Dec 31, 2022</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <i>Non-binding MoU signed Mar 17, 2022<br/>Binding Heads of Terms expected by Sept 30, 2022</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <ul style="list-style-type: none"><li>- Allseas intends to upgrade pilot collection system into commercial nodule collection system (“Project Zero System”)</li><li>- Estimated cost of getting into production is expected to be reduced from US\$163M to less than US\$110M, to be shared equally by Allseas and TMC’s subsidiary NORI (NORI portion ~\$55M). NORI then to repay Allseas’ share of upfront CAPEX costs once in production</li><li>- Once in production NORI expects to pay Allseas a production fee to cover their costs, equivalent to &lt;EUR 150/wet tonne of nodules and reducing by &gt;20% as production scales</li><li>- Exploring potential acquisition of the 2nd production vessel to be engineered for 3Mtpa of wet nodules production rate and lower per tonne cost</li></ul> | <ul style="list-style-type: none"><li>- Epsilon Carbon intends to deliver pre-feasibility report (“PFR”) for a nodule processing plant in India powered by renewables (“Project Zero Plant”)</li><li>- Subject to PFR and binding Heads of Terms and subsequent definitive agreements, Epsilon Carbon to finance, engineer, permit, build and operate Project Zero Plant</li><li>- Mutual binding exclusivity until the earlier of binding Heads of Terms or March 31, 2023</li><li>- Joint reach out to Indian Mn alloy producers with positive response on offtake, and signed non-binding expression of interest from one of India’s largest Mn alloy producers</li></ul> |

<sup>1</sup> US\$55M represents TMC portion of US\$110M estimated costs of getting Project Zero System into production. Allseas’ share of upfront and CAPEX costs to be repaid by NORI once in production.

## NORI-D PROJECT UPDATE

# Offshore progress: ongoing testing of Pilot Collection System before planned upgrade to Project Zero System.



Completed  
Ongoing/upcoming

### PILOT COLLECTOR SYSTEM TEST PROGRAM 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                                                                                         |

#### Monitoring Vessel

|           |                           |
|-----------|---------------------------|
| July 8–15 | Mobilization              |
| July 15–  | Pre-collector test survey |

Upcoming

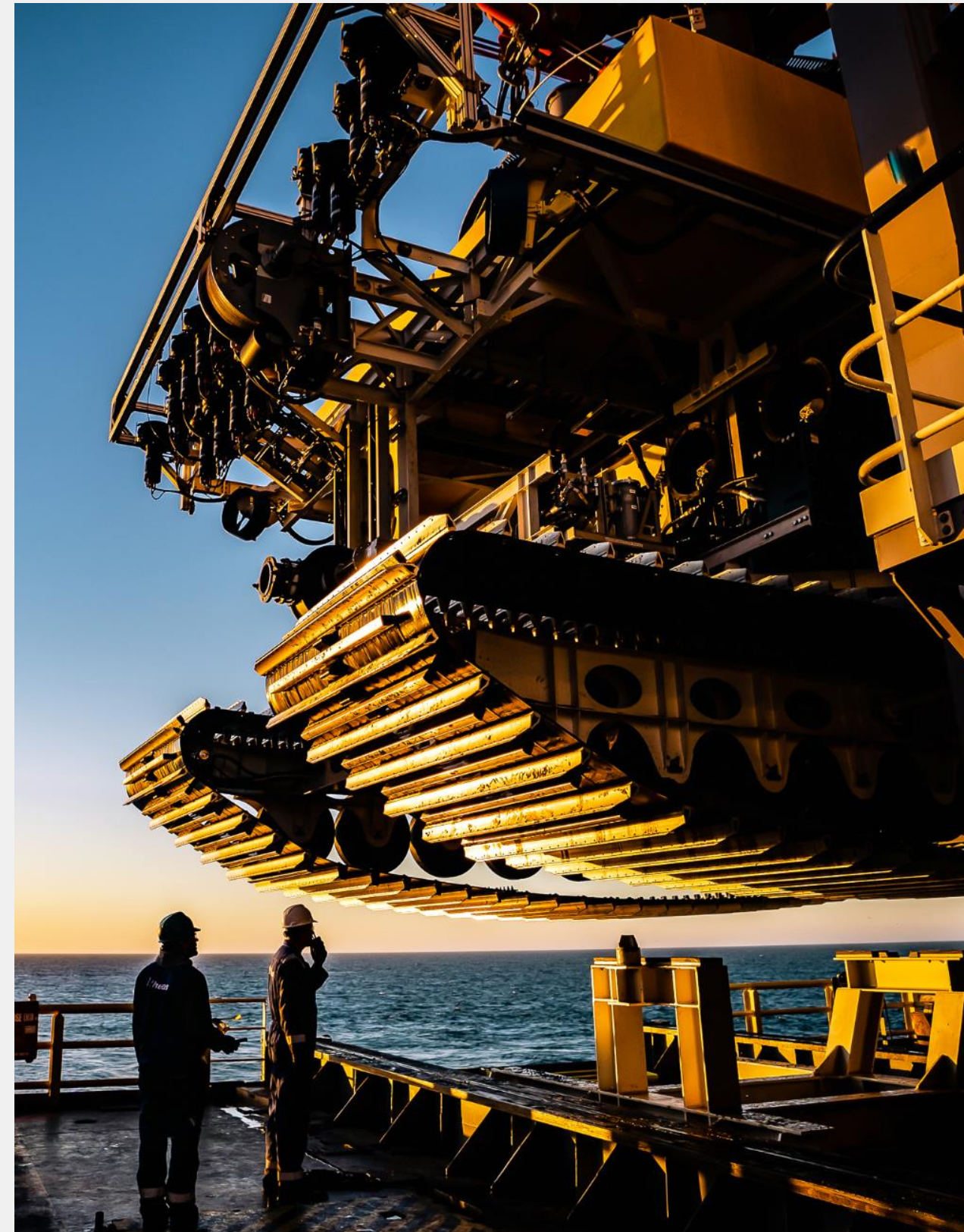
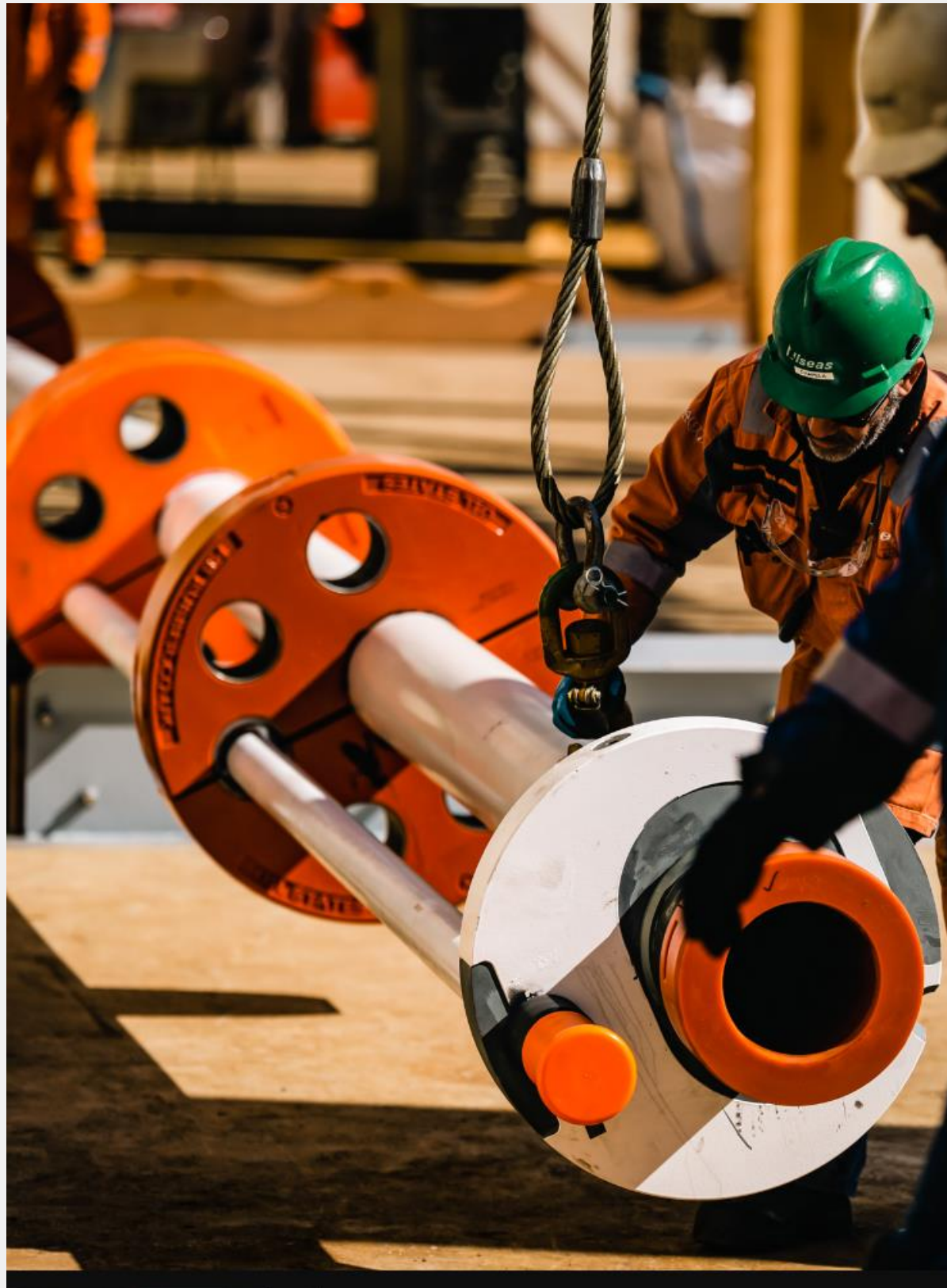
#### Pilot trials in NORI-D

- Integrated collector test
- Environmental impact monitoring
- 3,600 wet tonnes expected to be collected



## NORI-D PROJECT UPDATE

**Additional images of Pilot Collection System taken during testing in North Atlantic.**





**MOBILIZATION: PILOT NODULE COLLECTOR SYSTEM TEST**

Video available at: <https://vimeo.com/739618697>

## NORI-D PROJECT UPDATE

**New world-class partnerships to manage & monitor impacts and provide eyes and ears on future operations.**

**CSIRO**

Australia's National Science Agency



**NIWA**

A Crown Research Institute of New Zealand



### About CSIRO:

- Commonwealth Scientific Industrial Research Organisation (CSIRO) is Australia's national science and technology development agency employing roughly 5,500 people globally
- In 2018, helped design the Great Barrier Reef Restoration and Adaptation Program (RRAP)

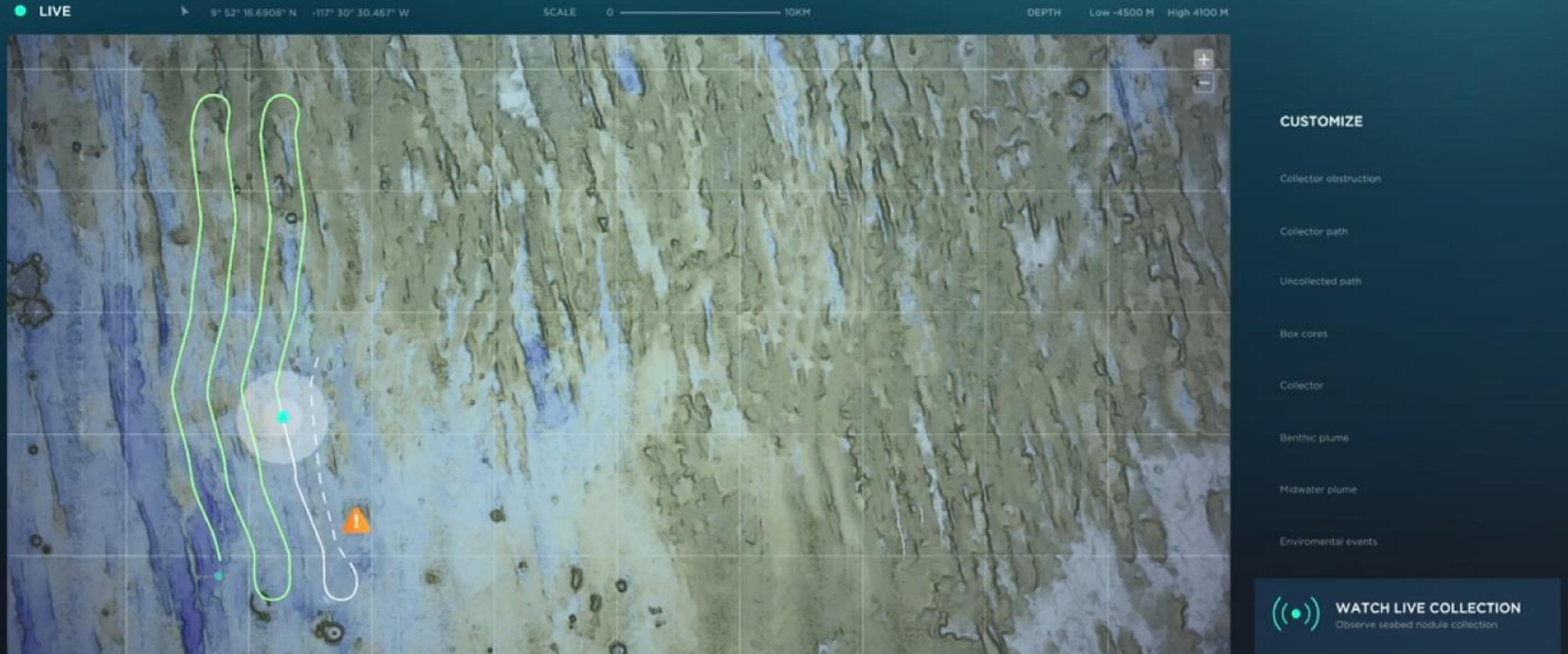
### About NIWA:

- National Institute of Water and Atmospheric Research (NIWA) is New Zealand's leading offshore environmental management agency focused on climate, freshwater and oceans
- 12 NIWA scientists shared in the 2007 Nobel Peace Prize with other contributors to the Intergovernmental Panel on Climate Change

### TMC partnership with CSIRO, NIWA and others in a scientific consortium:

- Consortium was retained in July 2022 to create a framework for the development of an Environmental Management & Monitoring Plan (EMMP)
- Will leverage TMC's baseline data to help develop appropriate indicators and tolerance limits to create safe parameters for collecting seafloor nodules
- The work will form the scientific foundation of TMC's future Adaptive Management System (AMS)

# ADAPTIVE MANAGEMENT SYSTEM PROTOTYPE



Video available at: <https://vimeo.com/645332455>

## UPCOMING COMPANY MILESTONES

**Completion of major milestones in the first half of 2022 with more expected in the second half.**

Completed  
Ongoing/upcoming

### **Project Zero offtakes & strategic partnerships**

- Finalize agreement with Epsilon Carbon
- Finalize agreement with Allseas
- Secure offtake for NiCuCo matte and Mn silicate

### **Onshore processing**

- Complete value-in-use studies for Mn silicate product
- Complete analysis of pyrometallurgical pilot results
- Complete hydrometallurgical bench-scale work

### **Offshore nodule collection system**

- Deep-water test of pilot collector in the North Atlantic
- Pilot collection system test in the Pacific (NORI-D, CCZ)
- Digital twin implementation for pilot trial

### **Offshore environmental & social impact assessment (ESIA)**

- Partner selected for Environmental Monitoring & Management Plan (EMMP)
- Pilot collection system test monitoring campaign contracts

### **Environmental, social and governance (ESG)**

- Complete inaugural Impact Report
- Complete commercial life-cycle analysis (LCA) study for Project One

## FINANCIAL UPDATE

# Income statement highlights: three months ended June 30, 2022.

| (\$mm)                                                      | Q2 2021     | Q2 2022     | Change        |
|-------------------------------------------------------------|-------------|-------------|---------------|
| <b>Exploration expenses</b>                                 | <b>18.2</b> | <b>10.0</b> | <b>(8.2)</b>  |
| Offshore technology development and campaigns               | 6.8         | 3.6         | (3.2)         |
| Environmental program                                       | 0.4         | 1.8         | 1.4           |
| Onshore flowsheet development                               | 0.5         | 0.1         | (0.4)         |
| Project development staff salaries                          | 0.6         | 1.2         | 0.6           |
| Project development share-based compensation <sup>(1)</sup> | 9.4         | 2.9         | (6.5)         |
| Other <sup>(2)</sup>                                        | 0.5         | 0.4         | (0.1)         |
| <b>General &amp; administrative expenses</b>                | <b>10.4</b> | <b>8.3</b>  | <b>(2.1)</b>  |
| Corporate staff salaries                                    | 0.6         | 1.1         | 0.5           |
| Corporate share-based compensation <sup>(1)</sup>           | 5.9         | 2.8         | (3.1)         |
| Professional fees                                           | 1.9         | 2.2         | 0.3           |
| Other <sup>(3)</sup>                                        | 2.0         | 2.2         | 0.2           |
| <b>Net operating loss</b>                                   | <b>28.6</b> | <b>18.3</b> | <b>(10.3)</b> |

<sup>1</sup> The options granted in 2021 were awarded in lieu of cash bonuses to retain DeepGreen employees in furtherance of the September 2021 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.

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

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

## 2021 Share-based compensation

### Options by grant date

17-Feb-21

04-Mar-21

### Total share-based compensation

Expenses re options granted before 2021

### Total share-based compensation expenses

## Units granted in 2021

| Units granted in 2021 (M) | Total expense (\$M) |
|---------------------------|---------------------|
|---------------------------|---------------------|

0.6

0

15.5

14.9

**16.1**

**14.9**

0.4

**15.3**

FINANCIAL UPDATE

Cash flow highlights:  
three months ended  
June 30, 2022.

| (\$mm)                                                       | Q2 2021 | Q2 2022 | Change |
|--------------------------------------------------------------|---------|---------|--------|
| Cash used in operating activities                            | 7.8     | 22.6    | 14.8   |
| Capital expenditures                                         | 1.6     | 0.3     | (1.3)  |
| Settlement of deferred acquisition costs                     | 1.2     |         | (1.2)  |
| Acquisition of equipment                                     | 0.4     | 0.3     | (0.1)  |
| Less non-recurring items                                     | (2.8)   | -       | 2.8    |
| Settlement of deferred acquisition costs                     | (1.2)   |         | 1.2    |
| Transaction costs related to the Business Combination        | (1.6)   |         | 1.6    |
| Free cash outflow excluding non-recurring items <sup>1</sup> | 6.6     | 22.9    | 16.3   |

<sup>1</sup> Free cash outflow excluding non-recurring items is a non-GAAP measure. See Appendix for additional information about non-GAAP financial measures.

## FINANCIAL UPDATE

## Balance sheet highlights: as at June 30, 2022.

| (\$mm)                                   | Dec 31, 2021 | Jun 30, 2022 | Change        |
|------------------------------------------|--------------|--------------|---------------|
| <b>Total Assets</b>                      | <b>133.2</b> | <b>96.2</b>  | <b>(37.0)</b> |
| Cash                                     | 84.9         | 46.3         | (38.6)        |
| Accounts receivable and prepaid expenses | 3.7          | 4.7          | 1.0           |
| Exploration and evaluation assets        | 43.2         | 43.2         | -             |
| Property and equipment                   | 1.4          | 2.0          | 0.6           |
| <b>Total Liabilities</b>                 | <b>40.4</b>  | <b>22.5</b>  | <b>(17.9)</b> |
| Accounts payable and accrued liabilities | 26.6         | 9.2          | (17.4)        |
| Warrant liability                        | 3.1          | 2.6          | (0.5)         |
| Deferred tax liability                   | 10.7         | 10.7         | -             |
| <b>Total Equity</b>                      | <b>92.8</b>  | <b>73.7</b>  | <b>(19.1)</b> |
| Common shares                            | 296.1        | 299.1        | 3.0           |
| Class A – J Special Shares               | -            | -            | -             |
| Additional paid-in-capital               | 102.1        | 113.5        | 11.4          |
| Accumulated other comprehensive income   | (1.2)        | (1.2)        | -             |
| Deficit                                  | (304.2)      | (337.7)      | (33.5)        |

## FINANCIAL UPDATE

# Income statement highlights: six months ended June 30, 2022.

| (\$mm)                                                      | YTD 2021    | YTD 2022    | Change        |
|-------------------------------------------------------------|-------------|-------------|---------------|
| <b>Exploration expenses</b>                                 | <b>56.3</b> | <b>17.3</b> | <b>(39.0)</b> |
| Offshore technology development and campaigns               | 23.5        | 5.4         | (18.1)        |
| Environmental program                                       | 1.9         | 2.9         | 1.0           |
| Onshore flowsheet development                               | 0.9         | 0.2         | (0.7)         |
| Project development staff salaries                          | 1.4         | 2.3         | 0.9           |
| Project development share-based compensation <sup>(1)</sup> | 27.5        | 5.8         | (21.7)        |
| Other <sup>(2)</sup>                                        | 1.1         | 0.7         | (0.4)         |
| <b>General &amp; administrative expenses</b>                | <b>27.8</b> | <b>16.9</b> | <b>(10.9)</b> |
| Corporate staff salaries                                    | 1.0         | 2.1         | 1.1           |
| Corporate share-based compensation <sup>(1)</sup>           | 18.2        | 5.6         | (12.6)        |
| Professional fees                                           | 5.4         | 4.4         | (1.0)         |
| Other <sup>(3)</sup>                                        | 3.2         | 4.8         | 1.6           |
| <b>Net operating loss</b>                                   | <b>84.1</b> | <b>34.2</b> | <b>(49.9)</b> |

<sup>1</sup> The options granted in 2021 were awarded in lieu of cash bonuses to retain DeepGreen employees in furtherance of the September 2021 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.

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

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

## 2021 Share-based compensation

### Options by grant date

17-Feb-21

04-Mar-21

### Subtotal

Expenses re options granted before 2021

### Total share-based

### compensation expenses

Units granted in  
2021  
(M)

Total  
expense (\$M)

0.6

3.5

15.5

41.4

**16.1**

**44.9**

0.8

**45.7**

FINANCIAL UPDATE

Cash flow highlights:  
six months ended  
June 30, 2022.

| (\$mm)                                                       | YTD 2021 | YTD 2022 | Change |
|--------------------------------------------------------------|----------|----------|--------|
| Cash used in operating activities                            | 17.9     | 38.1     | 20.2   |
| Capital expenditures                                         | 3.8      | 0.5      | (3.3)  |
| Settlement of deferred acquisition costs                     | 3.4      |          | (3.4)  |
| Acquisition of equipment                                     | 0.4      | 0.5      | 0.1    |
| Less non-recurring items                                     | (7.7)    | -        | 7.7    |
| Settlement of deferred acquisition costs                     | (3.4)    | -        | 3.4    |
| Transaction costs related to the Business Combination        | (4.3)    | -        | 4.3    |
| Free cash outflow excluding non-recurring items <sup>1</sup> | 14.0     | 38.6     | 24.6   |

<sup>1</sup> Free cash outflow excluding non-recurring items is a non-GAAP measure. See Appendix for additional information about non-GAAP financial measures.

Q&A.

Investor Contact  
[investors@metals.co](mailto:investors@metals.co)

Media Contact  
[media@metals.co](mailto:media@metals.co)

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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 three months ended June 30, 2022 and 2021 is as follows:

| (\$mm)                                                | Three months ended June 30, 2022 |       |
|-------------------------------------------------------|----------------------------------|-------|
|                                                       | 2022                             | 2021  |
| Cash used in operating activities                     | 22.6                             | 7.8   |
| Capital expenditures                                  | 0.3                              | 1.6   |
| Settlement of deferred acquisition costs              |                                  | 1.2   |
| Acquisition of equipment                              | 0.3                              | 0.4   |
| Free cash outflow                                     | 22.9                             | 9.4   |
| Less: non-recurring items                             | -                                | (2.8) |
| Settlement of deferred acquisition costs              |                                  | (1.2) |
| Transaction costs related to the Business Combination |                                  | (1.6) |
| Free cash outflow excluding non-recurring items       | 22.9                             | 6.6   |

# 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.

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| (\$mm)                                                | Six months ended June 30, 2022 |       |
|-------------------------------------------------------|--------------------------------|-------|
|                                                       | 2022                           | 2021  |
| Cash used in operating activities                     | 38.1                           | 17.9  |
| Capital expenditures                                  | 0.5                            | 3.8   |
| Settlement of deferred acquisition costs              | -                              | 3.4   |
| Acquisition of equipment                              | 0.5                            | 0.4   |
| Free cash outflow                                     | 38.6                           | 21.7  |
| Less: non-recurring items                             | -                              | (7.7) |
| Settlement of deferred acquisition costs              |                                | (3.4) |
| Transaction costs related to the Business Combination |                                | (4.3) |
| Free cash outflow excluding non-recurring items       | 38.6                           | 14.0  |

<sup>38</sup>  
Date: 30/05/2020  
Time: 18:20:36 UTC  
Dive No: 144

Easting : 482149.97m  
Northing: 1147003.90m

HDG: 56.92  
Depth: 4294.20m  
Alt: 1.17m

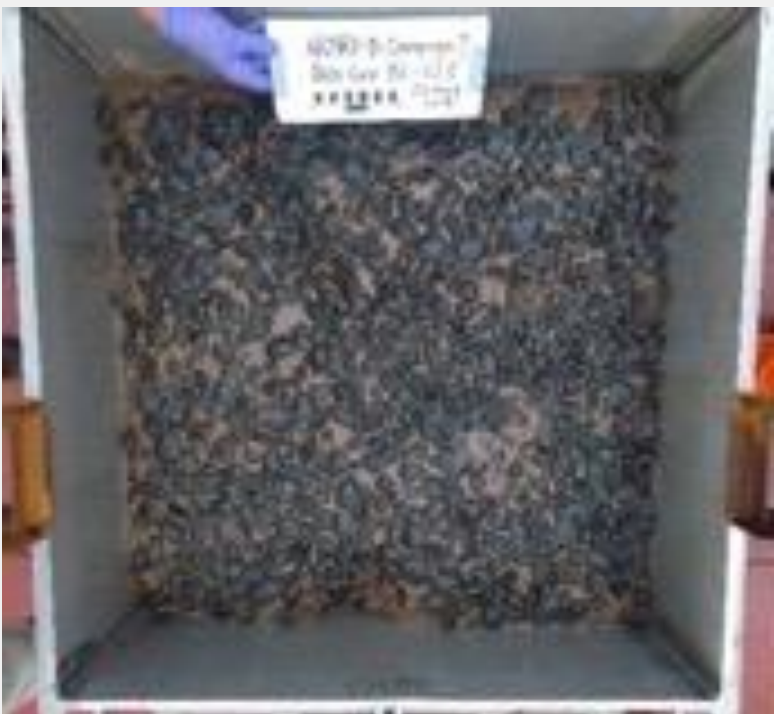
Here is what  
a polymetallic nodule  
field looks like.



Resource definition:  
2D resource allows  
effective definition  
through sampling  
and imagery.

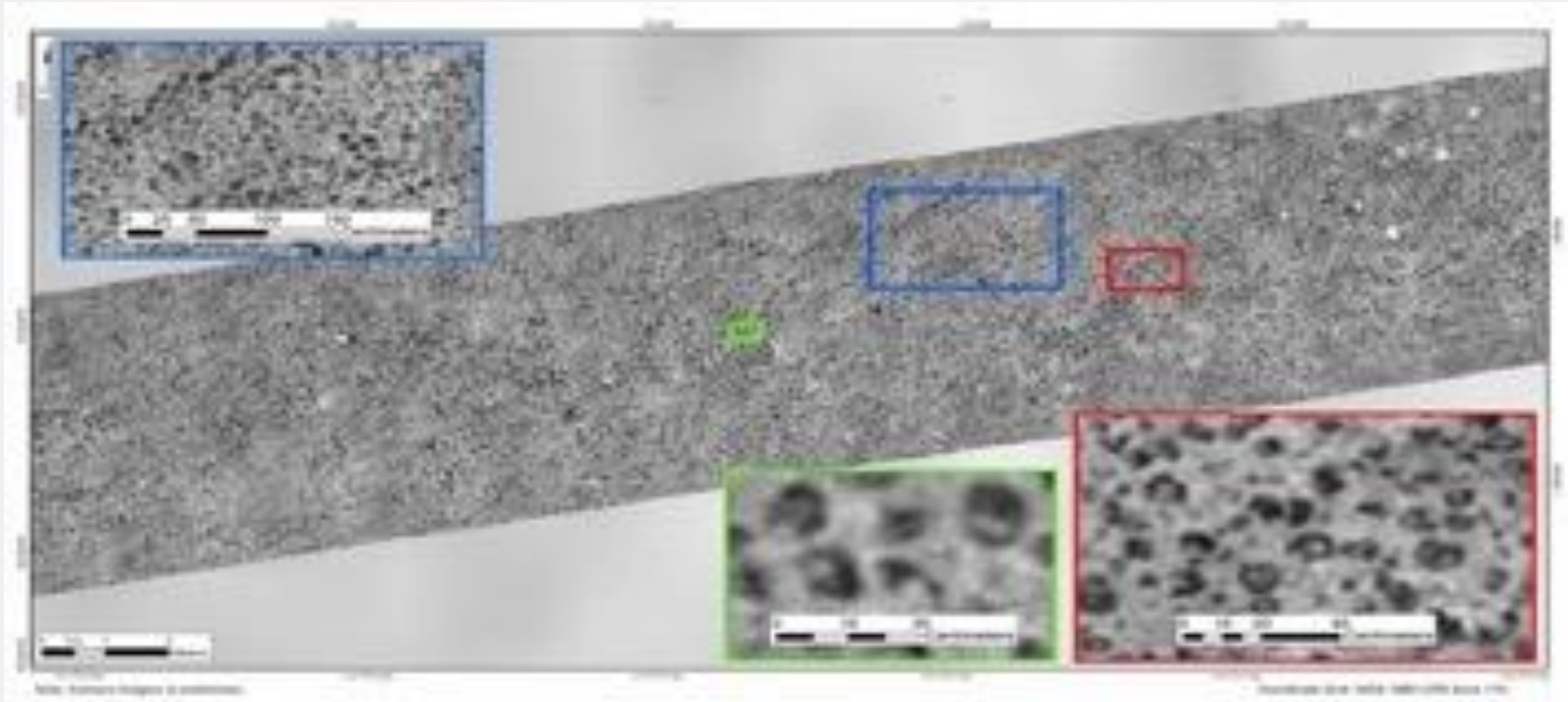
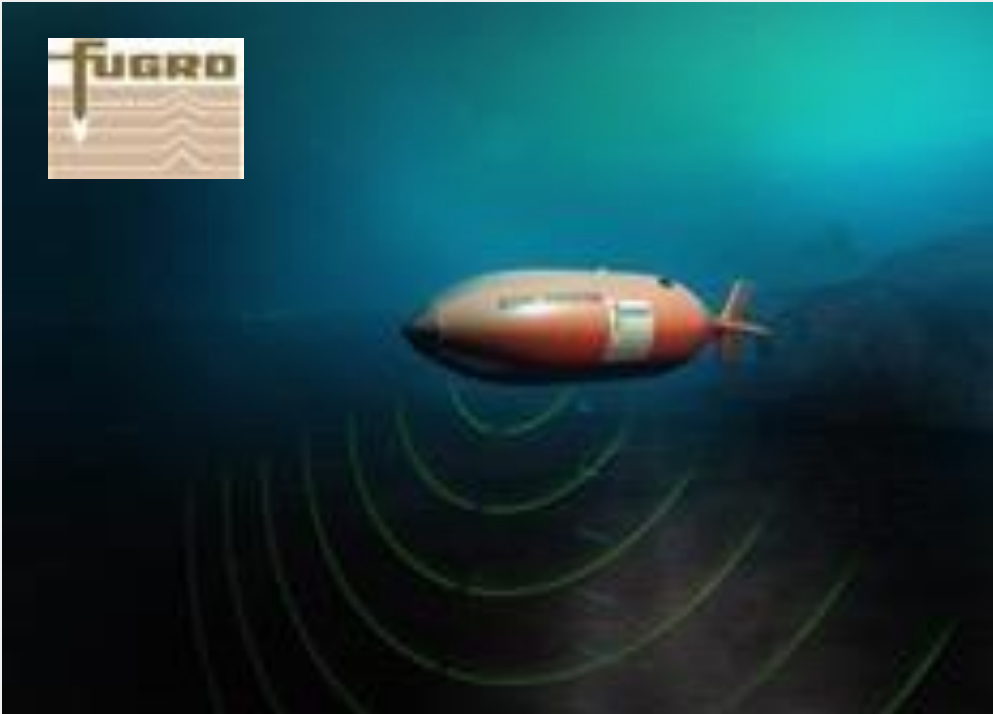
**250**  
box cores collected<sup>2</sup>  
**82,000**  
kg (wet) nodules collected<sup>2</sup>  
**13,950**  
biological samples collected<sup>2</sup>

BOX CORE SAMPLING<sup>1</sup>



AUV CAMERA IMAGERY<sup>1</sup>

**178,591**  
km<sup>2</sup> of high-res bathymetric survey<sup>2</sup>  
**5,439**  
km<sup>2</sup> detailed seafloor imagery<sup>2</sup>



<sup>1</sup> Images from DeepGreen’s resource survey offshore campaigns in NORI contract area.  
<sup>2</sup> Boxcores, nodules collected, high-res bathymetry, detailed bathymetry – compiled by DeepGreen from - 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. Canadian NI 43-101 Compliant TOML Clarion Clipperton-Zone Project Mineral Resource Estimate, AMC, July 2016 and DeepOcean NORI – D Bulk Sampling Report, 2020. Erias Cruise 6a Biological and Physiochemical Co-Sampling Report NORI area D post cruise, 2019; Erias Cruise 6b Biological and Physiochemical Co-Sampling Report NORI area D post cruise report, 2019.

# Nodule collection technology demonstrated in the 1970s.

1970's pilot testing in CCZ



**Kennecott Copper Corp**  
British Petroleum, Rio Tinto-Zinc Corp  
Consolidated Gold Fields  
Noranda Mines, Mitsubishi Corp

**Deepsea Ventures Inc.**  
US Steel, Sun Oil, Union Miniere



**Ocean Management Inc.**  
International Nickel Company  
Metallgesellschaft AG  
Sumitomo, Sedco

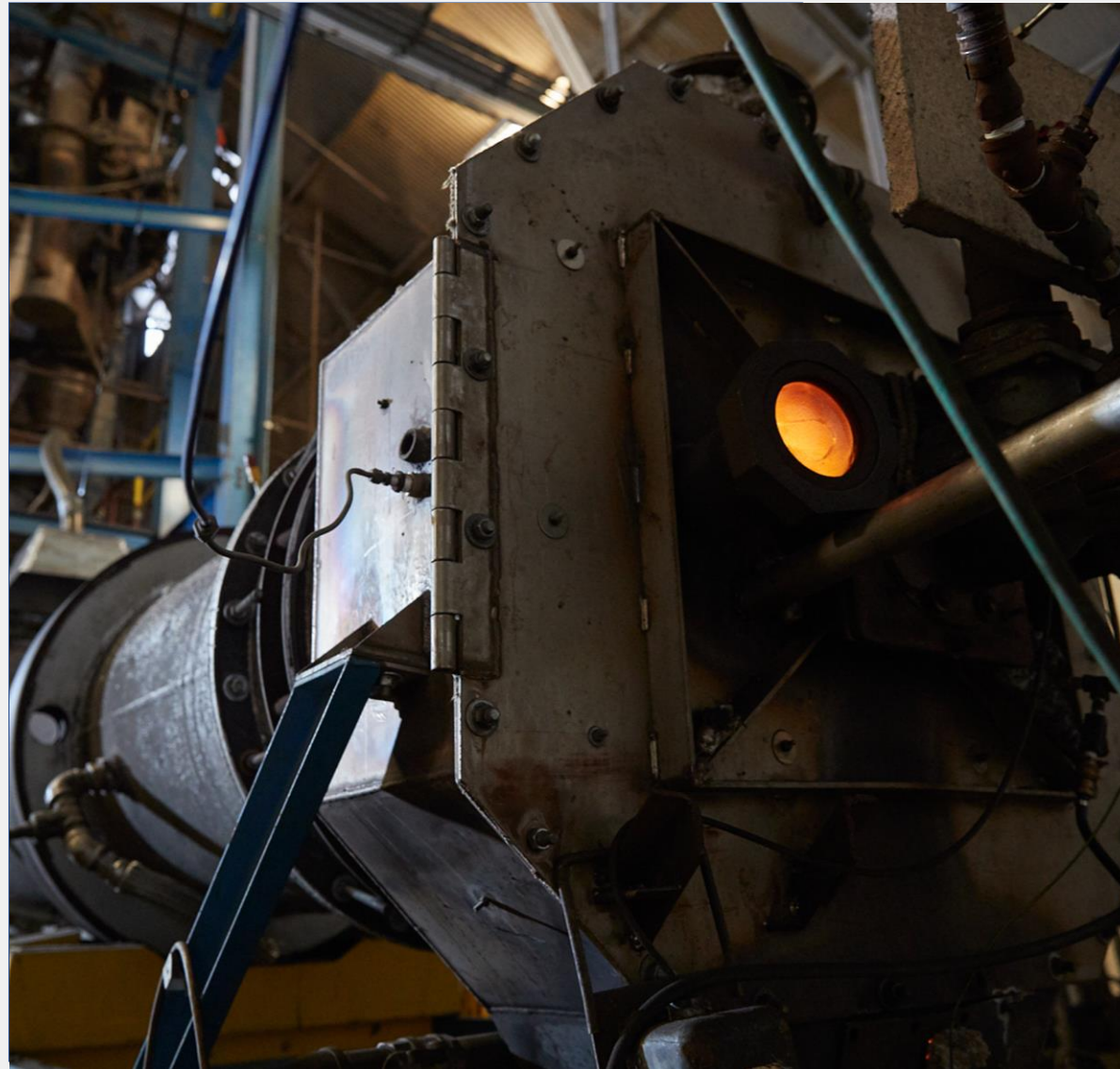
**Lockheed**  
Amoco Minerals, Shell Petroleum

Present Day



**Offshore Diamond Mining**  
De Beers, NAMCO, Samicor

Onshore, we have demonstrated we can turn nodules into manganese silicate and NiCuCo alloy & matte.



**Calcining** nodules at FLSmidth's facilities in Whitehall, Pennsylvania.



**Smelting** nodules in an Electric Arc Furnace at XPS facility in Canada. Electrode temperature 1450 degrees C. Smelting results in two products:

- Manganese silicate product
- NiCuCo alloy (intermediate)

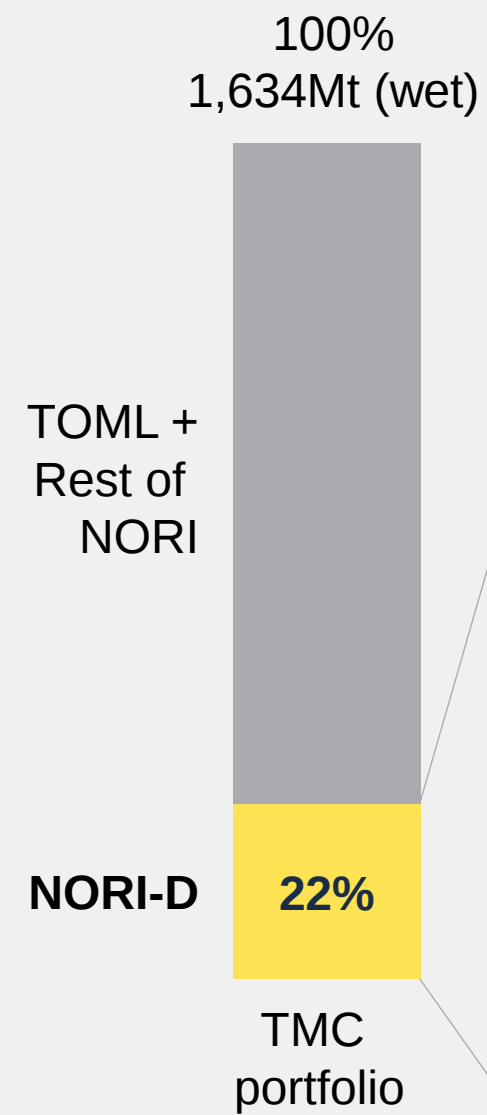


**Converting** NiCuCo alloy into NiCuCo matte (intermediate) at the same XPS facility.

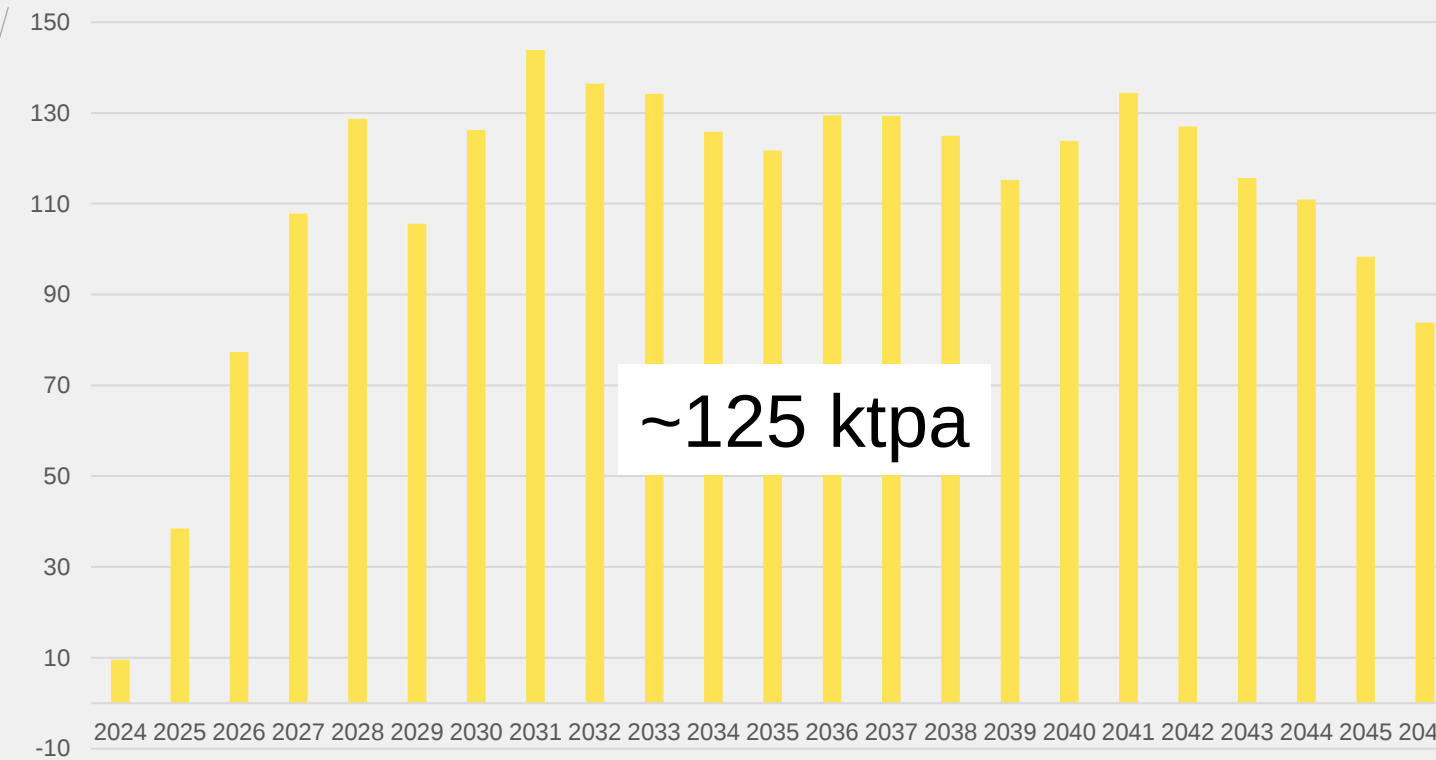


**Matte pour post converting.** End-product is NiCuCo matte.

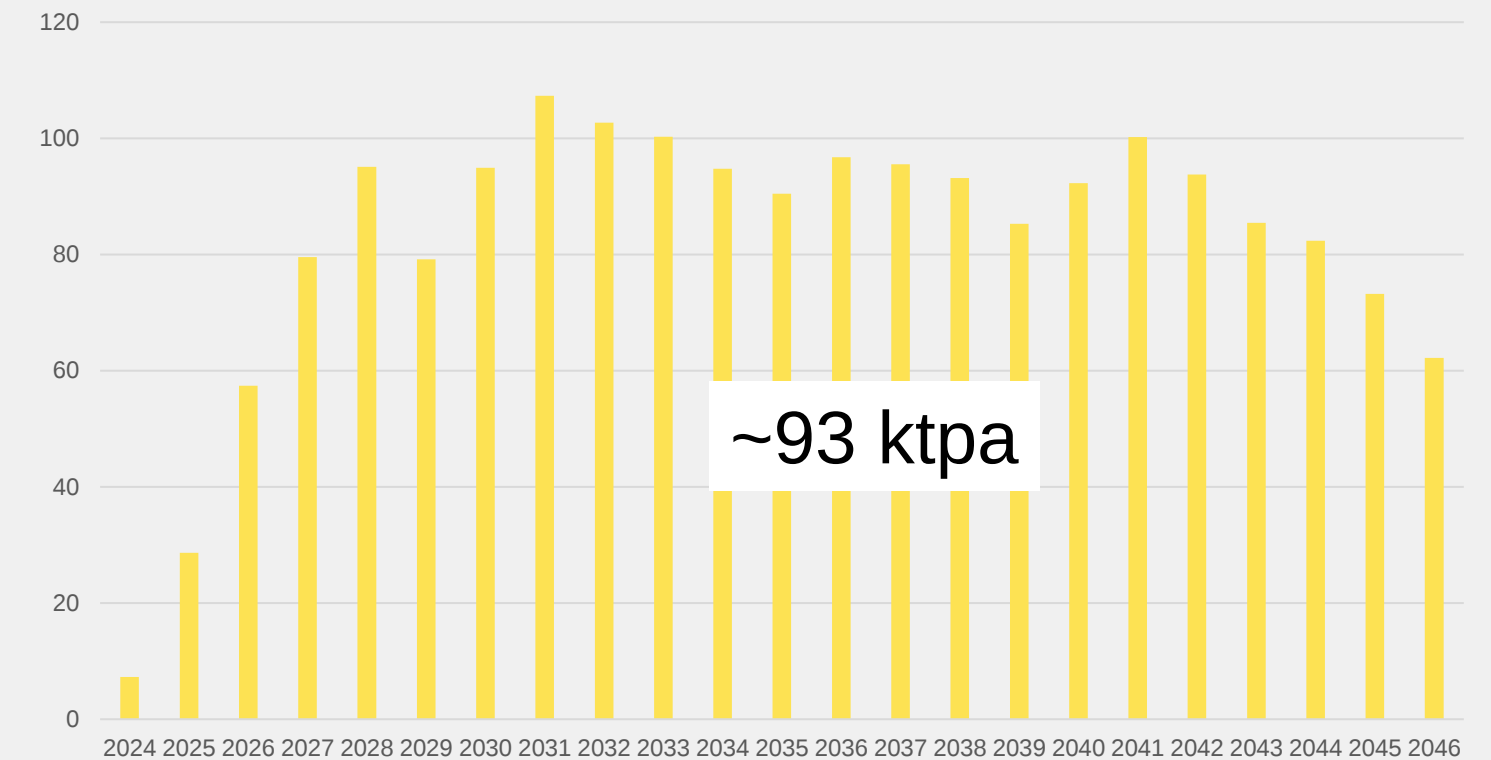
# NORI-D project: expected production volumes.



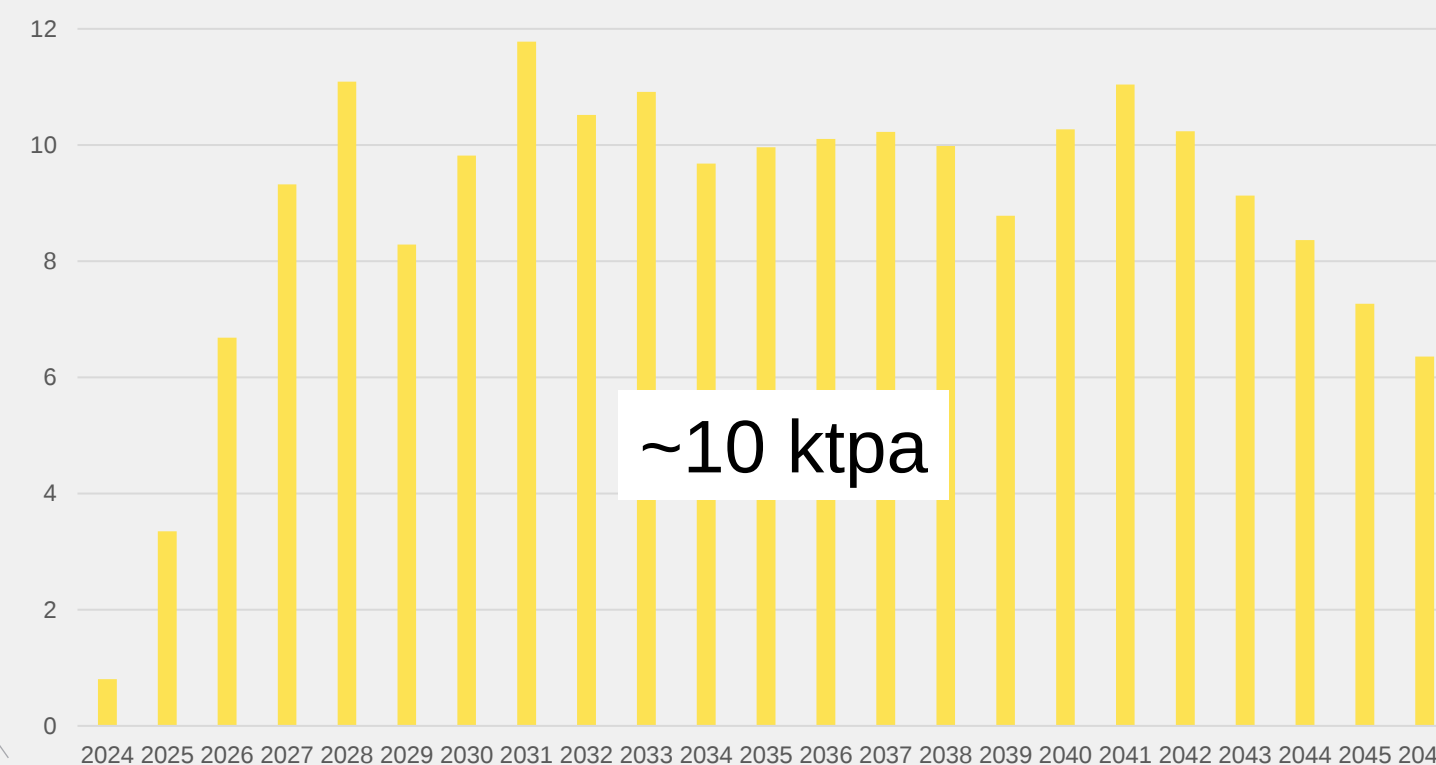
## Nickel, kt



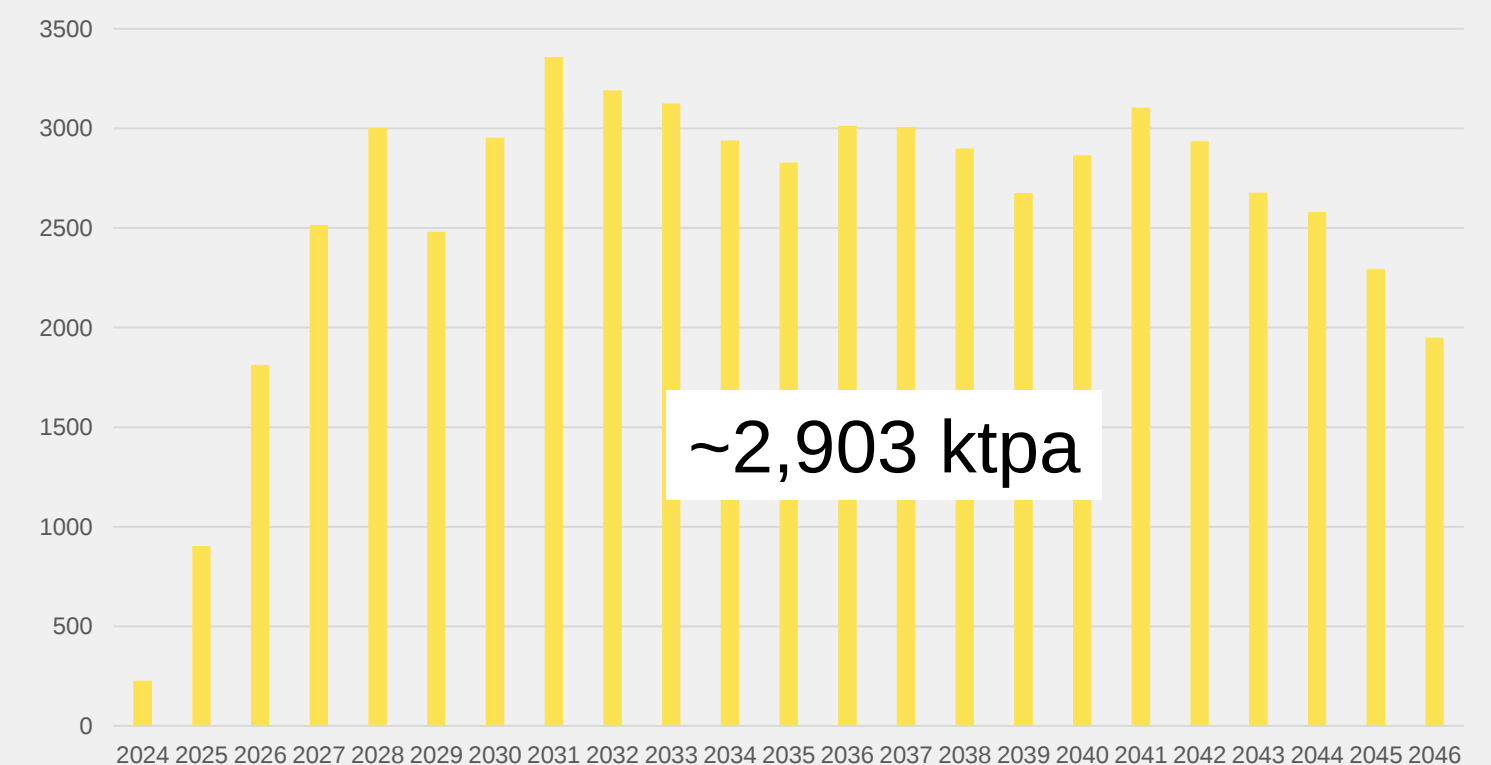
## Copper, kt



## Cobalt, kt

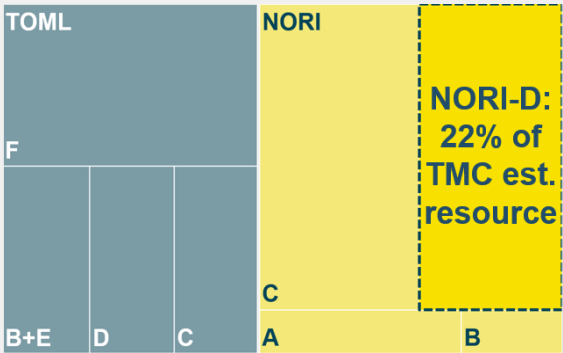


## Manganese, kt



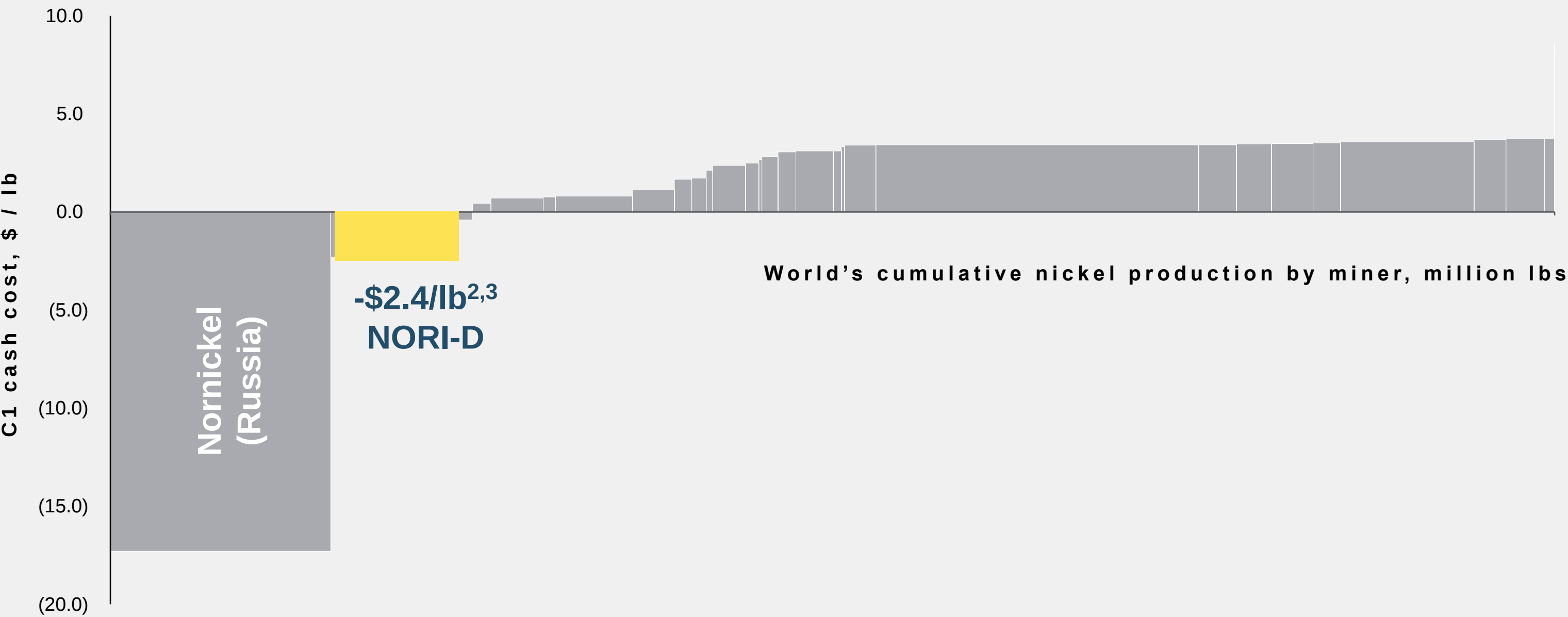
Note: Total NORI-D stable state production including both Project Zero and Project One, 2030-2045 average – based on March 2021 SEC Regulation S-K (Subpart 1300) Compliant NORI Initial Assessment.

We expect to become the second lowest-cost nickel producer in the world.



Nickel C1 cost curve on a by-products’ basis<sup>1</sup>

C1 Cash Cost represents all direct costs, including mining, processing, freight, SG&A minus revenue from by-products

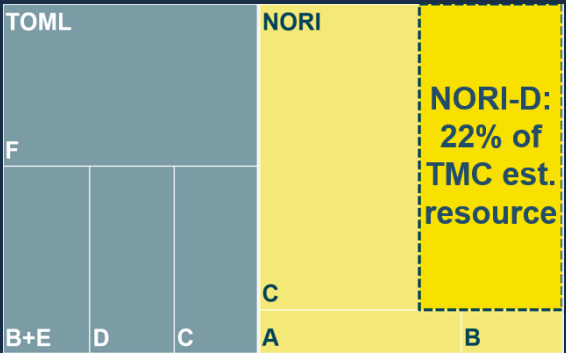


<sup>1</sup> Nickel C1 Cost Curve, Wood Mackenzie, August 2020.  
<sup>2</sup> Average for the steady state years 2030-45.  
<sup>3</sup> Canadian NI 43-101 Compliant Preliminary Economic Assessment (PEA) for NORI-D Area, AMC, February 2021.

# Near term focus on Project Zero, with plan to scale quickly.

| Products       | Production <sup>1</sup> |
|----------------|-------------------------|
| NiCuCo alloy   | 25Kt                    |
| Mn in silicate | 303Kt                   |

| Products   | Production <sup>3</sup> |
|------------|-------------------------|
| Nickel     | 125 Kt                  |
| Manganese  | 2,903 Kt                |
| Copper     | 93 Kt                   |
| Cobalt     | 10 Kt                   |
| Fertilizer | 254 Kt                  |



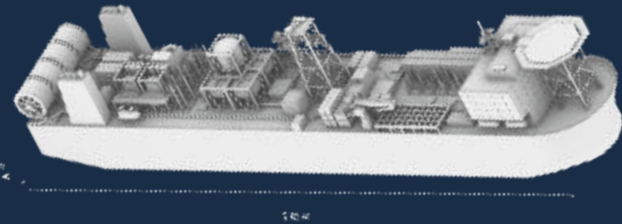
## PROJECT ZERO

1.3Mt (wet)  
1.0Mt (dry)

~\$55M

Project Zero construction and engineering costs borne by TMC prior to production<sup>2</sup>

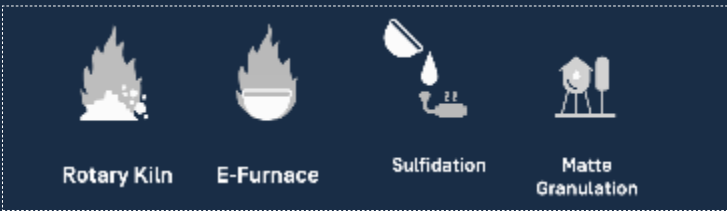
Production vessels  
*Hidden Gem acquired*



Collector robots  
*Ongoing tests in 2022 for pilot collector (#1)*



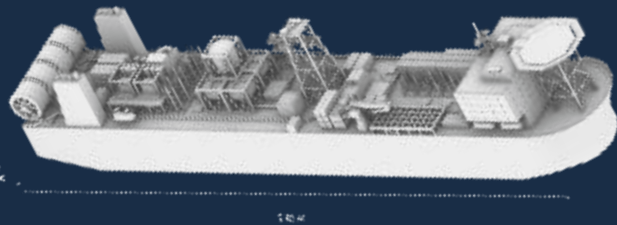
Onshore processing term sheet  
*Partnering with Epsilon Carbon to address onshore processing*



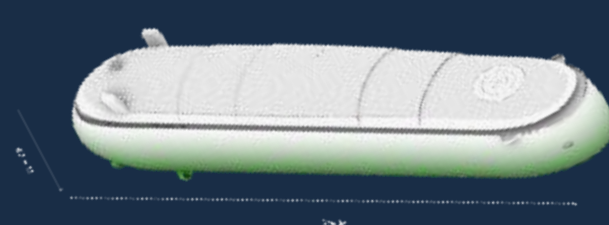
## PROJECT ONE

12.5Mt (wet)  
9.5Mt (dry)

Converted drillship



Purpose-built collection vessel



Support vessel



RKEF lines (x4)  
*New construction*



Refineries (x2)  
*New construction*



<sup>1</sup> Production based on 1.3Mtpa (wet) with a single subsea collector.  
<sup>2</sup> Assuming definitive agreement reached with Allseas based on the non-binding term sheet signed March 17, 2022.  
<sup>3</sup> Total NORI-D stable state production including both Project Zero and Project One, 2030-2045 average.  
**Source:** 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.

# Marine minerals: why we only focus on nodules.

## Polymetallic nodules

|                                        |                                     |                                     |                                     |
|----------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| 25<br><b>Mn</b><br>Manganese<br>54.938 | 28<br><b>Ni</b><br>Nickel<br>58.693 | 29<br><b>Cu</b><br>Copper<br>63.546 | 27<br><b>Co</b><br>Cobalt<br>58.933 |
|----------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|

3,800-5,500m depth  
**The Abyssal Plains**

2-30 cm diameter discrete rocks formed by dissolved metal compounds precipitating around a nucleus  
Growth: 10-100mm per million years

Unattached to the seafloor  
Can be collected using gentle water jets directed at nodules in parallel with the seafloor

Low-food, low-energy environment  
**13 grams of biomass / m<sup>2</sup>**

## Cobalt crusts

|                                     |                                     |                                        |                                        |
|-------------------------------------|-------------------------------------|----------------------------------------|----------------------------------------|
| 27<br><b>Co</b><br>Cobalt<br>58.933 | 28<br><b>Ni</b><br>Nickel<br>58.693 | 25<br><b>Mn</b><br>Manganese<br>54.938 | 78<br><b>Pt</b><br>Platinum<br>195.084 |
|-------------------------------------|-------------------------------------|----------------------------------------|----------------------------------------|

800-2,500m depth  
**Seamounts**

2-26 cm thick, rock-hard, metallic layers that precipitate on the flanks of submarine volcanoes  
Growth: 1-5mm per million years

Integral part of the seafloor that requires hard-rock cutting to break the ore from the substrate

Abundant food supply due to nutrient-rich water upwelling from near-bottom currents  
High frequency destination for tuna and sharks  
**10-100x biomass vs. Abyssal Plain**

## Seafloor massive sulfides (SMS)

|                                     |                                    |                                      |                                  |
|-------------------------------------|------------------------------------|--------------------------------------|----------------------------------|
| 29<br><b>Cu</b><br>Copper<br>63.546 | 79<br><b>Au</b><br>Gold<br>196.966 | 47<br><b>Ag</b><br>Silver<br>107.868 | 30<br><b>Zn</b><br>Zinc<br>65.38 |
|-------------------------------------|------------------------------------|--------------------------------------|----------------------------------|

1,000-4,000m depth  
**Hydrothermal vents**

Tall chimney-like structures that form at hot vents where sulfide-enriched water flows out of the seabed, causing dissolved metals to bind into minute sulfide particles and sink as fine precipitants to the bottom

Integral part of the seafloor that requires hard-rock cutting to break the ore from the substrate

Abundant food supplied by chemoautotrophic bacteria which exploit energy-rich chemical compounds from the vents  
**100x biomass vs. Abyssal Plain**

Remoteness & depth  
of the site has  
several advantages.

## Biomass on Earth

Contained carbon kg/m<sup>2</sup>

~~Deforestation~~  
~~Child labour~~  
~~Social displacement~~  
~~Destruction of carbon sinks~~

0.01

Abyssal seabed

3.6

Land biome average

15-30

Rainforests (e.g., Indonesia)

**Note:** The seafloor-biomass value incorporates an estimate of seamounts and hydrothermal vents attributed to Wei, et al., 2010. It is also an overestimate because it includes all fish in the water column, rather than focusing only on the seafloor and mid-water column. The overall biomass of earth's ice-free terrestrial area was 472.7 gigatonnes of carbon, compared to 2.49 gigatonnes of carbon for the global abyssal seabed.

**Source:** Bar-On, Phillips, & Milo, 2018; Wei, et al., 2010.

GSR pilot  
collector test.

PATENTED TECHNOLOGY

Video available at: <https://vimeo.com/653068330/7f4d928878>

**And here is what the  
seafloor looks like after  
a pilot collector test.**

Source: First test of a manganese nodule collector in around four kilometers of water: research consortium successfully completes monitoring of environmental impacts in the Pacific, BGR press release, May 12, 2021

