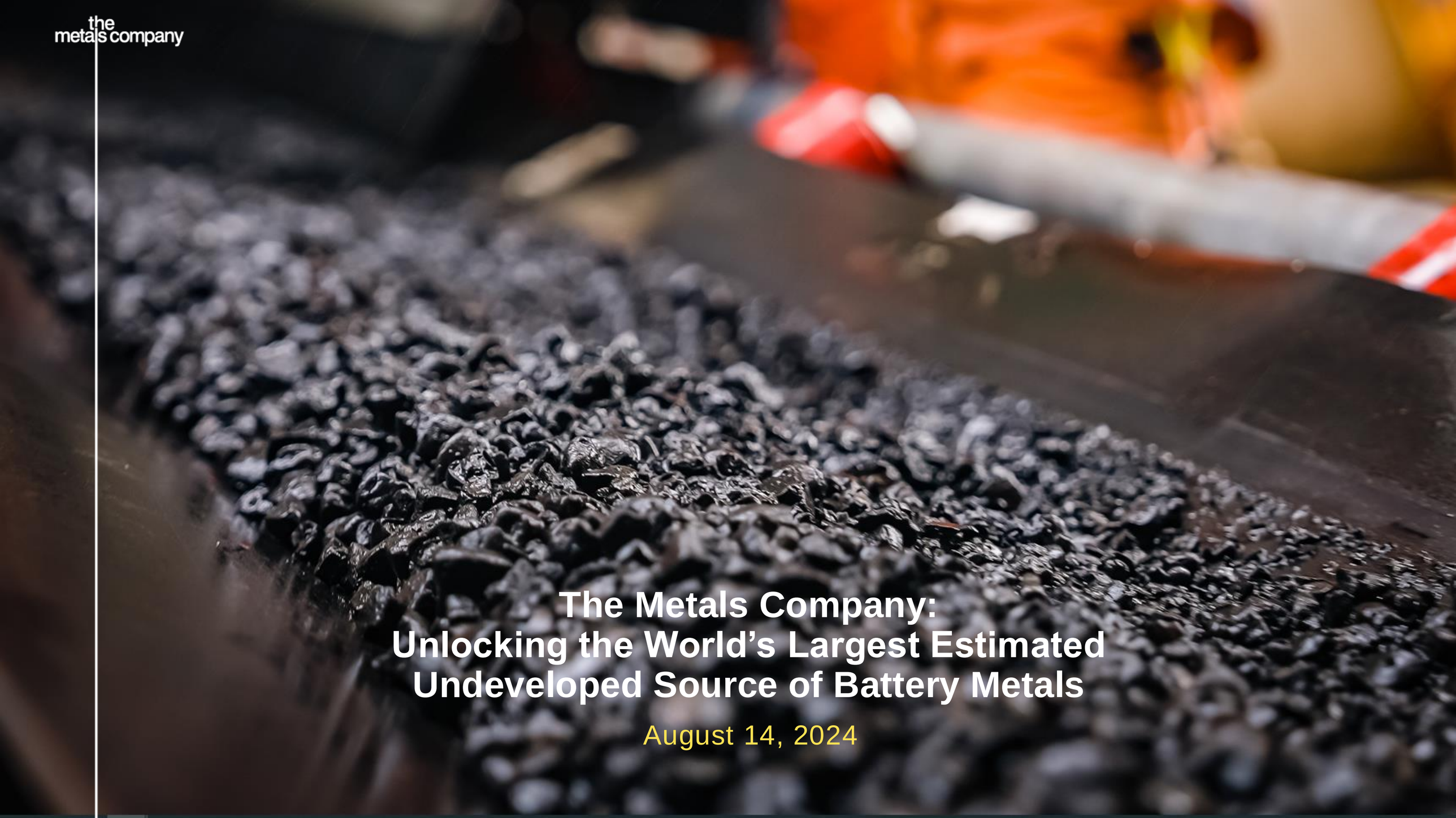


The Metals Company: Unlocking the World's Largest Estimated Undeveloped Source of Battery Metals

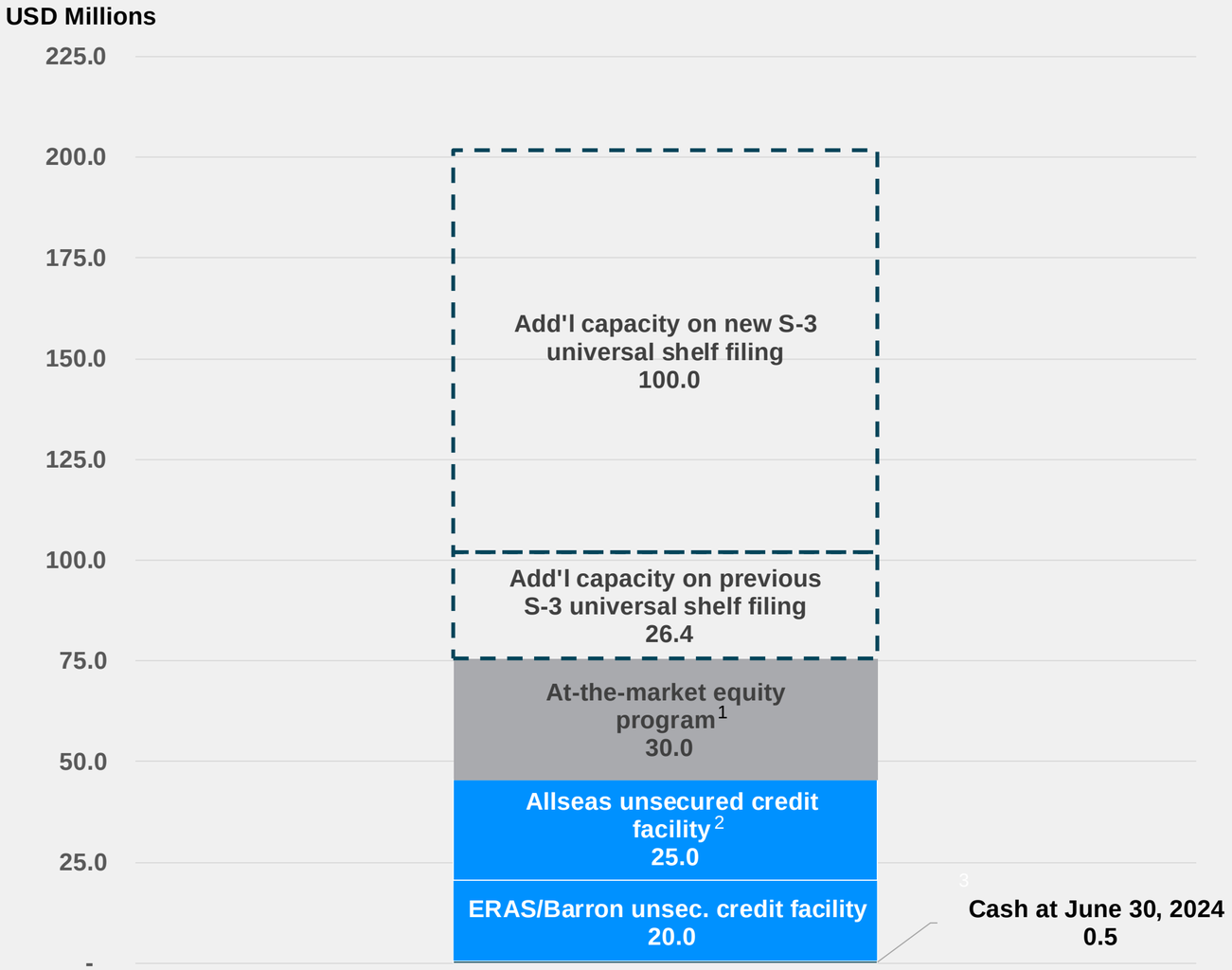
August 14, 2024

Forward looking statements.

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

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

TMC liquidity (cash plus unsecured borrowing capacity) of ~$40 million at June 30, 2024, prior to $7.5 million increase in unsecured credit facility capacity.



- Our credit facilities are being used as intended, as a bridge to what we believe will be attractive financing options after we are able to share more information on strategic developments
- Increased borrowing limits from our unsecured credit facilities by $7.5 million in August 2024: (i) ERAS/Barron facility from $20 million to $25 million and (ii) an affiliate of Allseas Group SA from $25 million to $27.5 million
- This further support from our three largest shareholders helps us keep our progress on track and minimize dilution amidst a difficult market

1. $2.6 million sold under ATM program in Q2 2024 at an average share price of $1.61.
2. $2.0 million borrowed from party related to Allseas under a separate term loan in Q2 2024.
3. $3.9 million borrowed from ERAS/Barron facility in Q2 2024.

Summary since last quarterly update: increased credit facility capacity from three largest shareholders, positive geopolitical tailwinds, NORI EIS progress and data submission to ISA.

Q2 2024 results

- $12.1 million cash used in operations in Q2 2024
- Net loss of $20.2 million and net loss per share of $0.06 for the quarter ended June 30, 2024

Cash and liquidity

- Total liquidity available from credit facilities of approximately $48.3 million based on agreement in principle to upsize facilities, inclusive of:
  - $27.5 million unsecured credit facility from an affiliate of Allseas Group SA with a maturity date of August 2025
  - $20.8 million undrawn amount from unsecured credit facility with a maturity date of September 2025 provided by our largest shareholder, ERAS Capital LLC (the family office of TMC director Andrei Karkar), and our Chairman & CEO, Gerard Barron

Financing activities

- Increased borrowing limits from our unsecured credit facilities by $7.5 million on August 9, 2024: (i) ERAS/Barron facility from $20 million to $25 million and (ii) an affiliate of Allseas Group SA from $25 million to $27.5 million
- $2.6 million sold under ATM program in Q2 2024 at an average share price of $1.61

Business developments:

- **U.S. House Allocates Defense Department Funding to Assess the Feasibility of Domestic Nodule Refining Capacity**
- On May 23, 2024, we welcomed the allocation of $2 million under the House version of the fiscal year 2025 National Defense Authorization Act (NDAA) to the Defense Department's Industrial Base Policy Office to study the feasibility of developing domestic capacity to refine polymetallic nodule-derived intermediates to high-purity nickel, copper and cobalt products.

- **World-First Cobalt Sulfate Produced from Deep-Seafloor Polymetallic Nodules**
- On June 12, 2024, we announced that we successfully produced the world's first cobalt sulfate derived exclusively from seafloor polymetallic nodules. The milestone followed the news in May of our successful production of nickel sulfate, a key raw material input used in the production of energy-dense electric vehicle batteries.

- **Prominent Sustainability Strategist Brendan May Joins TMC's Board of Directors**
- On June 3, 2024, we announced the appointment of Brendan May to our Board of Directors. As a former Chief Executive of the Marine Stewardship Council (MSC) and European Chairman of the Rainforest Alliance, Mr. May has spent over two decades at the forefront of sustainability challenges in globally significant ecosystems.

- **NORI-D Project Developments**
- Data processing from the successful Campaign 8 has been completed, and data packages have been distributed to all relevant subcontractors to advance environmental and technical scopes.
- On April 6, 2024, 2,000 wet tonnes of polymetallic nodules were delivered to PAMCO. This delivery facilitated the commencement of calcining trials at the PAMCO facility in mid-May, marking a significant milestone in supporting the metallurgical program.
- Progress continues on the Environmental Impact Statement (EIS), Pre-Feasibility Study (PFS), and Plan of Work application documentation. Key activities during the second quarter 2024 included the development of tender documents by Allseas for long lead items and our EIS team conducted an environmental synthesis workshop with all EIS contributors.

- **ISA Developments**
- At its July 2024 session, the ISA agreed to continue the negotiations of the Mining Code with a continued view to its adoption during the 30th session of the ISA in 2025.
- On August 2, 2024, the ISA Assembly elected Leticia Carvalho of Brazil as the new Secretary-General of the ISA for the period 2025-2028.

Agenda.

Why nodules?

Polymetallic

High grades of four critical metals: nickel, copper, cobalt and manganese.

Far offshore

Far away from people, no physical impact on communities.

Very deep

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

Unattached

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

Portable

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

No tailings, near zero waste

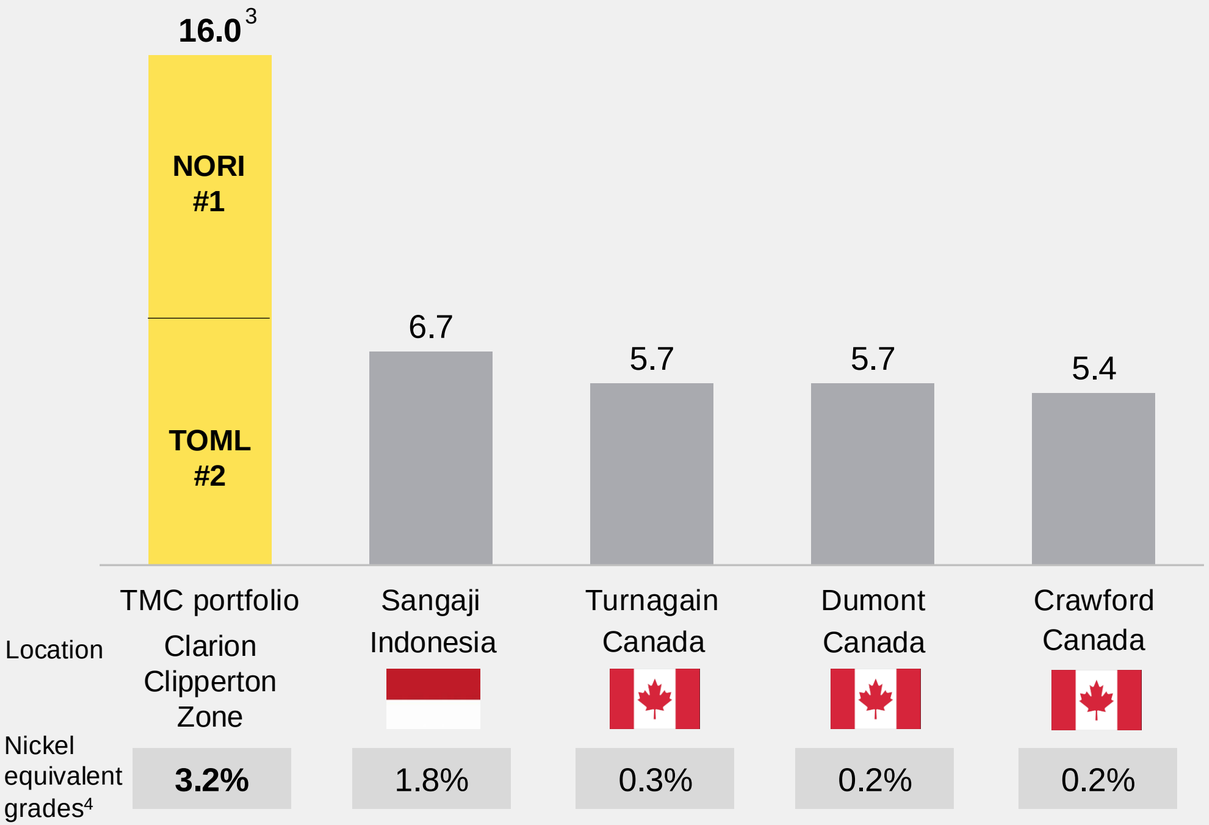
The nature of nodules and our flowsheet design make nearly the entirety of the nodule into useable products.

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

World's largest nickel projects – 2023

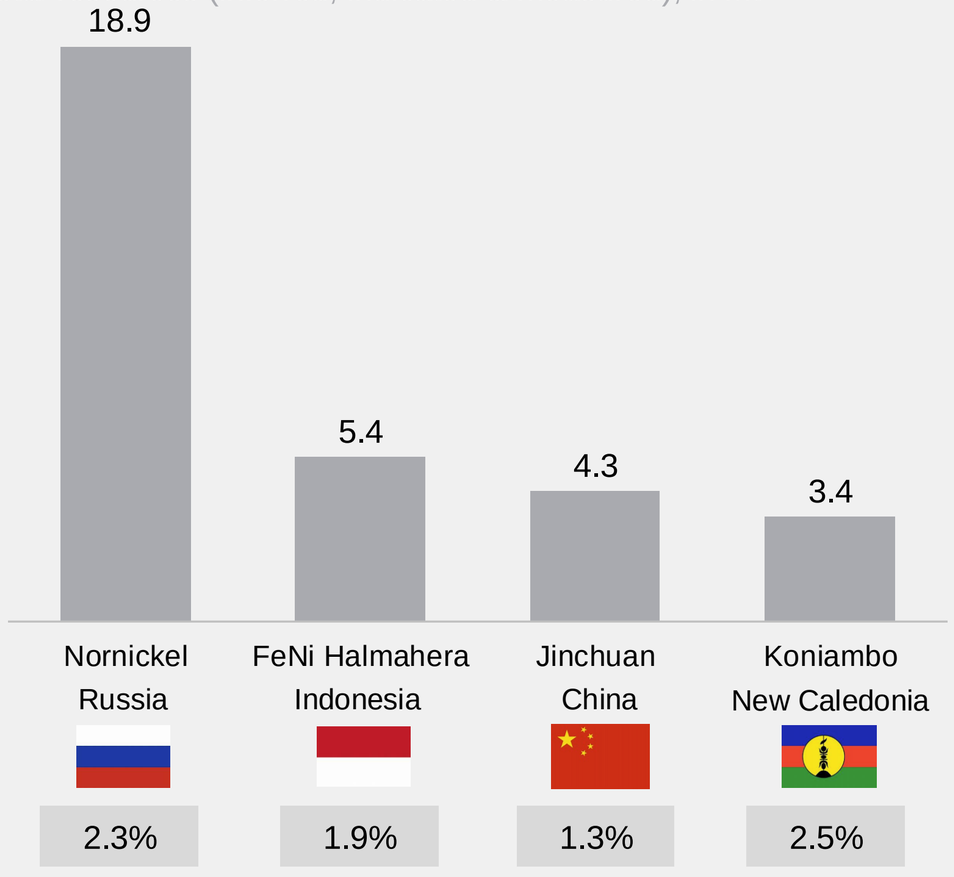
Total est. resources (inferred, indicated & measured), in Mt[1]

MINING [DOT] COM



World's largest nickel operations ranked by resource

Total resources (inferred, indicated & measured), in Mt[2]



[1] https://www.mining.com/featured-article/ranked-worlds-biggest-nickel-projects/
[2] Global Nickel Industry Cost Summary, Wood Mackenzie, August 2020; inclusive of reserves. Asset Reports for FeNi Halmahera, Jinchuan and Koniambo.
[3] Canadian NI 43-101 Resource Statement for full field financial model (internal TMC development scenario).
[4] Nickel equivalence calculation uses NORI-D Model price deck as stated in NORI Initial Assessment available at investors.metals.co.

Nodule composition is well suited for battery metal needs.

POLYMETALLIC SEAFLOOR NODULE

Metal
contained value[1]

28%

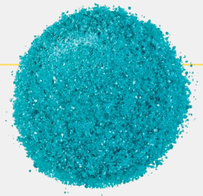
11%

43%

18%

MANGANESE

COBALT



NICKEL

COPPER

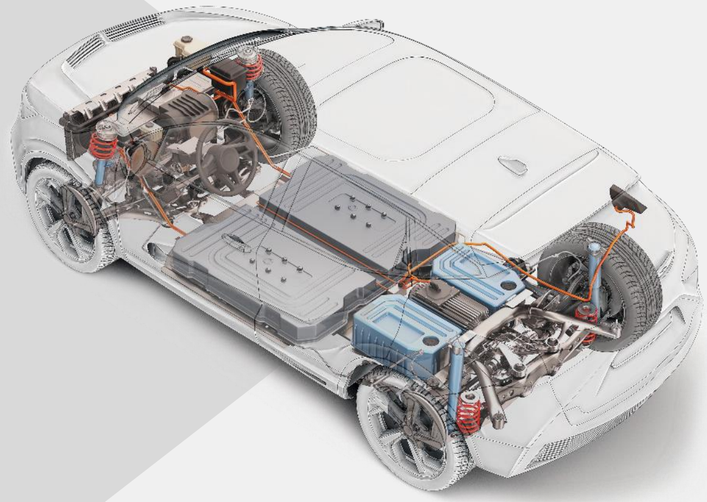
Metal
requirements

6.6 kg

7.1 kg

56 kg

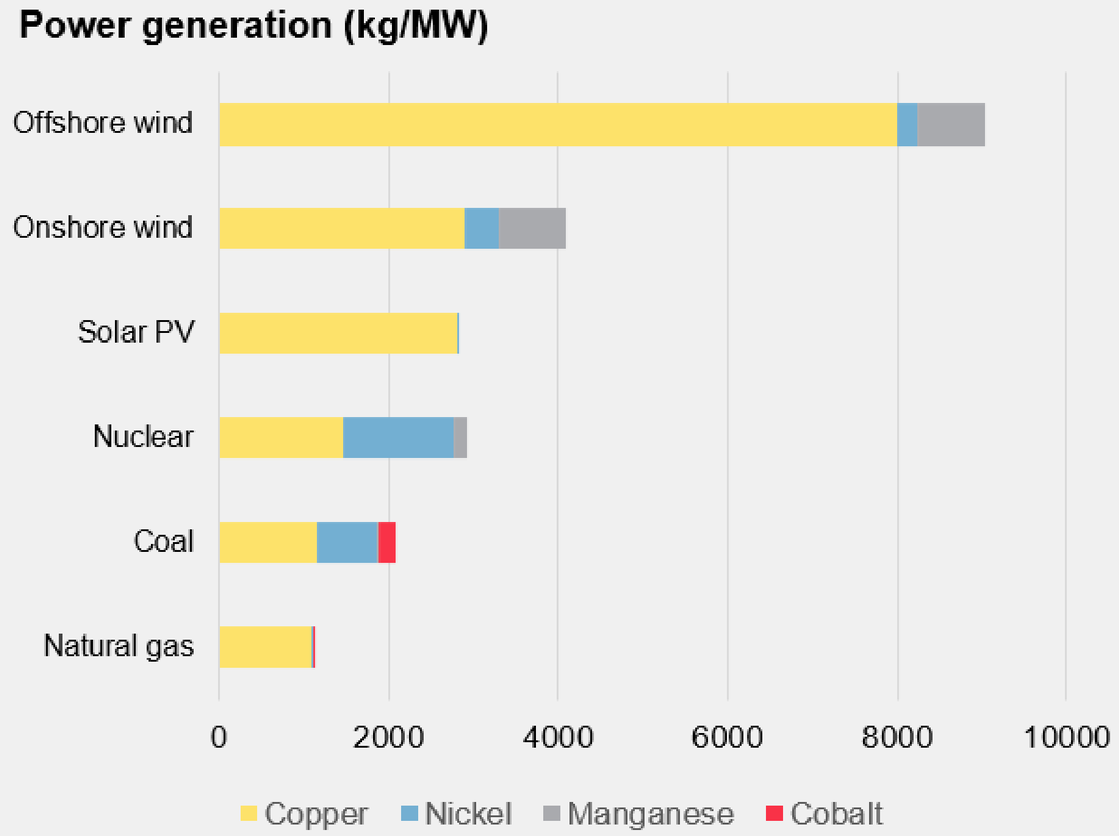
53 kg



ELECTRIC CAR
75kWh battery
with NMC811 chemistry

[1] Contained metal value of polymetallic nodule resources calculated using dry nodule grades from the Technical Report Summary: Initial Assessment of the NORI Property, Clarion-Clipperton Zone, in accordance with the requirements of SEC Regulation S-K (subpart 1300) with an effective date of December 31, 2021 (the "NORI Report") (Ni 1.3%, Cu 1.1%, Co 0.2%, Mn 29.5%) and metal prices as of Feb 2024 for Ni at $17,460/tonne (“t”), Cu at $8,474/t, Co at $28,550/t, Mn at $5.0/dry metric tonne unit (“dmtu”).

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



28 **Ni** Nickel 58.693

- Electric vehicle batteries
- Solar, wind and nuclear energy
- Nickel-cadmium batteries for energy storage systems
- Stainless steel
- Wind turbine blades
- Alloys for electronics, kitchen appliances
- Critical defense production

27 **Co** Cobalt 58.933

- Phone/laptop batteries
- High-strength superalloys
- Chemical/petroleum catalysts
- Paints/varnishes
- Critical defense production
- Hydrogen catalysis, fuel cells

25 **Mn** Manganese 54.938

- Iron
- Steel production
- Critical defense production

Manganese silicate by-product used in steelmaking:
Cost and CO_2 footprint advantages
Potential for 7%-17% higher value-in-use[1]

29 **Cu** Copper 63.546

- Third most-used metal globally
- Grid and distributed energy electrification
- Home appliances
- Building construction
- Critical defense production
- Data centers powering AI

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

1 Depending on carbon tax regimes

The world's three most populous countries and other key industrial economies have announced key actions this year on seafloor resources.

US House allocated $2M in defense funding to assess the feasibility of domestic nodule refining capacity
April 2024

Two Chinese contractors recently launched stakeholder consultations for environmental impact statements for forthcoming collector tests in 2025. April 2024 and May 2024

India recently submitted two applications to the ISA for plans of work for seabed mineral exploration
January 2024

Belgium parliament adopted legislation to "ensure deep-sea mining is undertaken responsibly."
May 2024

Japan has announced its intention to conduct a polymetallic nodule collection system test in its territorial waters as early as 2025
June 2024

Norway has announced it was to begin accepting applications for marine mineral exploration in its territorial waters
June 2024

Tesla and GM shareholders and boards reject activist push to exclude seafloor resources from future supply chains: only 8% of Tesla shareholders supported and 12% of GM.

Proxy filing on April 17, AGM on June 13

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

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

Proxy: April 2024

Proxy filing on April 24, AGM on June 6

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

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

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

Proxy: April 2024

We have demonstrated we can turn nodules into nickel sulfate and cobalt sulfate, indicative of battery grade material.

- NORI, in collaboration with SGS, has produced what is believed to be the first nickel sulfate and cobalt sulfate ever generated from polymetallic nodules

- The sulfates, whose quality is indicative of material suitable for battery markets pending confirmation of preliminary assays, was produced in a program testing our efficient flowsheet design that processes intermediate matte direct to nickel sulfate and cobalt sulfate (without making nickel or cobalt metal) and produces fertilizer byproducts instead of solid waste or tailings

Nickel sulfate crystals from nodules

Cobalt sulfate crystals from nodules

We have achieved significant milestones, having already raised over $500 million to progress our projects.

What we have already raised[1]

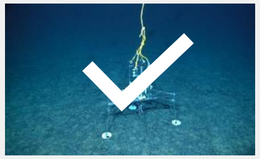
Year	Equity Raised ($M)	Comments
1H 2021 and prior	188.9	- Equity issued at various prices as private company prior to 2021 Business Combination[2]
2H 2021	176.4	- $138M gross proceeds from the Business Combination and listing on the Nasdaq ($10 per share) - $26M convertible debentures (converted to equity at $10 per share) - Share-based payments to contractors
2022	30.4	- Predominantly proceeds from $30M private equity placement announced in August 2022 led by existing shareholders ($0.80 per share)
2023	101.7	- $85.8M in stock-based payment to Allseas on completion of the pilot collection test program - $16M in equity raised through Registered Direct Offering ($2 per share and half warrant)
2024 (1H)	11.6	- Includes further $9 million received from Registered Direct Offering
Total	**509.0**	

What we have already done

Resource definition / Initial Assessment: COMPLETE
✓ Two SEC S-K 1300 resource statements
✓ Initial Assessment on NORI-D ($6.8B NPV)[3]

Offshore pilot collection test: COMPLETE
✓ First successful integrated pilot system test in CCZ since ‘70s, lifting 3,000 wet tonnes of nodules in 2022

Onshore test processing: COMPLETE
✓ Pyrometallurgical processing pilot in 2021
✓ First nickel sulfate and cobalt sulfate from seafloor nodules in 2024



Environmental campaigns and LCAs: COMPLETE
✓ Finished 22 pre-application campaigns
✓ Preliminary data analyzed for Enviro. Impact Statement
✓ Comparative LCAs of nodules vs land ores

Key remaining items for NORI exploitation contract application

Pre-feasibility study (PFS)

Environmental Impact Statement (EIS)

Environmental Management and Monitoring Plan (EMMP)

Nauru Certificate of Sponsorship

[1] From TMC financial reports filed with the SEC and available at https://investors.metals.co/financials/sec-filings.
[2] From June 30, 2021 balance sheet of TMC predecessor DeepGreen Metals Inc.
[3] See NORI Report.

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

Seafloor plumes

Concern: “Seafloor plumes could travel 10,000s km^2 beyond mining sites.”

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

Midwater plumes

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

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

Carbon

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

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

Noise

Concern: “Noise from operations could disrupt whales’ communications.”

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

Biodiversity loss

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

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

Habitat destruction

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

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

EIS progress: new submission to ISA in May 2024 grows the NORI baseline dataset.

0-200m
MESOPELAGIC
200-1000m
1000m
BATHYPELAGIC
1000-3000m
2000m
3000m
ABYSSOPELAGIC
3000+m
4000m
4200m
ABYSSAL PLAINS

Submission based on **8** environmental campaigns

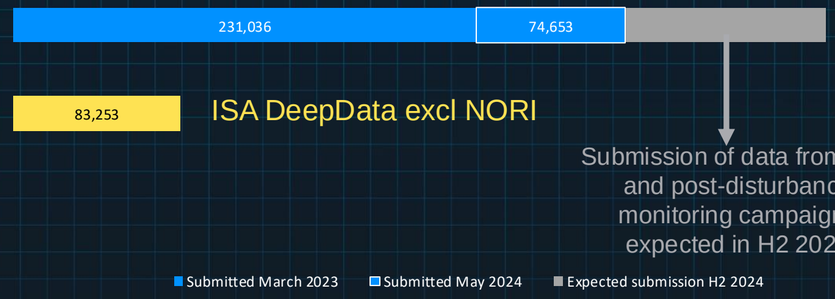
312 days at sea

261 deployments

89 Multicores
57 Mocness tows
55 CTD casts
25 ROV dives, 606 hours
22 Benthic pump lander deployments
9 Mooring deployments, 3,038 mooring days
4 Sediment drifting array deployments

NORI submission on 24 May 2024 contains many different types of data from biogeochemistry to biological samples.

Number of biological occurrences



Moorings
2,022 sediment samples
2,010 sea water samples
889 sediment porewater samples

Mocness MOC1 depths range: 0 – 1500m
1,603 samples (zooplankton size factions)

Mocness MOC10 depths range: 0 – 4201m
188 MOC10 samples (zooplankton size factions)

CTD rosette sampler
6,830 water column biogeochemistry data points generated
15 water column biogeochemistry analytical instruments used
3 water column biogeochemistry laboratories used

CTD, multicore, benthic pumps, moorings
51,204 biogeochemistry data points
35 biogeochemistry analytical instruments used
10 biogeochemistry laboratories used

Sediment drifting array
131 data points on particle fluxes and composition

Benthic pump landers
600,818 liters of water sampled
40,245 number of individuals sampled

ROV megafauna surveys
12,060 images analyzed for megafauna
32,617 number of individuals inc. xenos
15,719 number of individuals exc. xenos

Multicore
37,706 sediment biogeochemistry data points generated
13 sediment biogeochemistry analytical instruments used
7 sediment biogeochemistry laboratories used

Note: The number of biological specimens in the ISA DeepData related to CCZ nodules estimated based on 52,222 records containing the total of 111,004 individuals, less 25% “duplicates” estimated in Rabone et al, 2022
Source: ISA DeepData database downloaded on 12 July 2021: https://data.isa.org.jm/isa/map; Rabone et al, “A Review of the International Seabed Authority database DeepData: Challenges and Opportunities in the UN Ocean Decade (manuscript submitted to Oxford University Press Database Journal on 18 October 2022), https://doi.org/10.1101/2022.10.14.512288; NORI-D Collector Test EIS, 2022

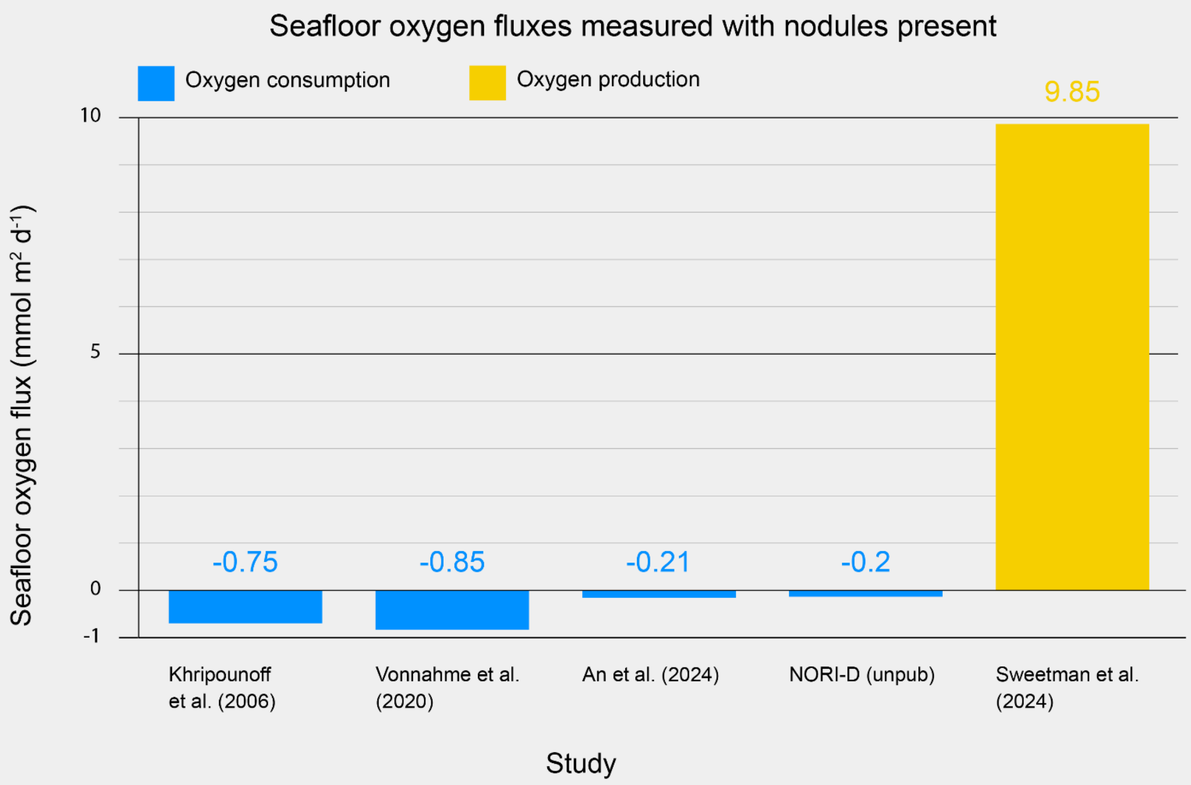
Despite heavy media coverage, serious concerns on the validity of the recent ‘dark oxygen’ paper are being raised from within the scientific community.

Activists and media have amplified the story to back the narrative that there are too many unknowns about nodule collection.

Due to Sweetman et al.’s methodology and findings, we have serious concerns about the validity of their data and conclusions, and given **3 prior published studies using the same techniques failed to detect oxygen production** (see chart to right).

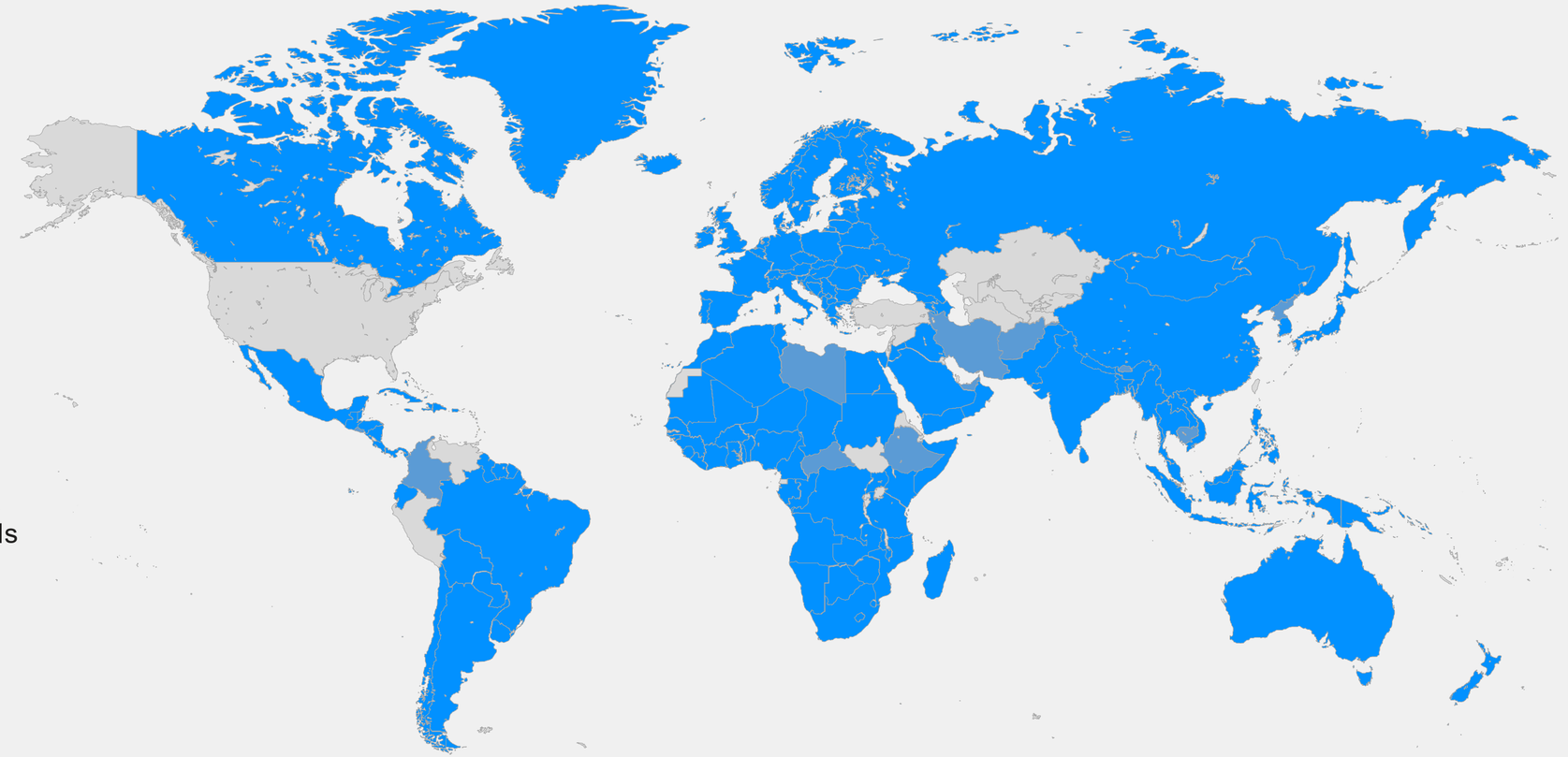
A recent review of the paper by scientists at ADEPTH stated: "The level of care necessary to justify extraordinary claims with such broad implications is absent from the paper and the results are in direct opposition to all other published work.“[1]

The ADEPTH response came to conclusions similar to our own, and we believe we have sufficient scientific evidence from our studies which conclusively call this paper into serious question. TMC will soon be submitting its own rebuttal to *Nature Geosciences*, providing the data over which issues have been raised and validating the many concerns.



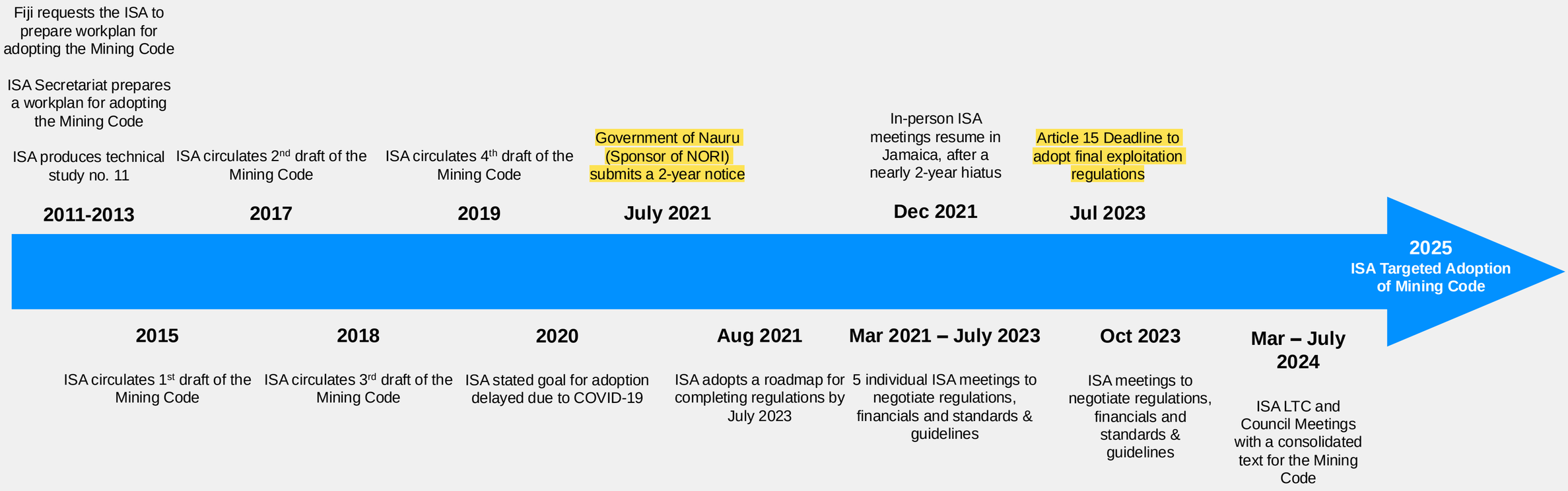
1. https://medium.com/@larskristian.trellevik/critical-review-of-the-article-evidence-of-dark-oxygen-production-at-the-abyssal-seafloor-by-a1d0a69ab846

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



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

After over a decade of negotiations and multiple drafts, the ISA has published a consolidated regulatory text and reiterated in their last four meetings that they are working with a view to adopting the Mining Code in 2025.



Source: Letter from Nauru Ambassador to ISA Secretary-General, July 2021, available at URL: https://www.isa.org.jm/wp-content/uploads/2022/06/ISBA_26_C_38-2108753E.pdf
Status of the draft regulations and proposed ISA Roadmap for 2022 and 2023, August 2021, available at https://www.isa.org.jm/wp-content/uploads/2022/06/ISBA_26_C_44-2112033E.pdf
Council decision; ISBA/28/C/24 https://www.isa.org.jm/wp-content/uploads/2023/07/2314552E.pdf

Timeline for development of Mining Code is driven by ISA Council, with support from other primary organs.

Council (Norway as President)

The publication of the consolidated regulatory text in February 2024 marked the transition to the **final phase of negotiations.**

Council took a **significant step towards finalizing the regulations** by completing its 1st reading of the consolidated draft regulatory text in July 2024. It is expected to publish an updated 2nd consolidated draft regulatory text at the end of November 2024.[1]

Council convenes working groups on outstanding issues[2]:
- Issue of “effective control”
- Inspection, compliance and enforcement mechanism
- Equalization measure
- Rights and interests of coastal states
- Underwater cultural heritage
- Environmental management and monitoring plans
- Test mining
- Closure plans

Council President will release a briefing note to **provide an update on the progress of these working groups** in advance of the Council’s next meeting.

Roadmap for 2025
The next Council session will be held from March 17-28, 2025, where it will negotiate the revised consolidated text, review progress on the draft regulations and adopt regulations, if ready for adoption[3]. Should additional work be required, Council will agree on necessary intersessional work. Council plans to meet from July 7-18, 2025, to continue negotiating the text and adopt the regulations, if ready for adoption.

Assembly

- Supreme / political organ, comprised of 168 Member States
- Power to establish general policies
- Responsible for decisions on equitable benefit sharing and other economic benefits
- Approves budget
- Approves regulations recommended by Council

Legal & Technical Commission (LTC)

- 41 expert members
- Recommend approvals of plans of work
- Propose technical and environmental regulations to Council

Secretariat

- Comprised of the Secretary-General and their Administrative and Technical Staff

Sources: 1) Statement of the President on the Work of the Council, ISBA/29/C/9/Add.1, 29 July 2024. 2) See Annex II to the Statement of the President. 3) Annex III to the Statement of the President.

Draft review process for NORI-D application assuming submission prior to ISA's March 2025 session.

NORI right to submit application based on Exploitation Regulations, whether draft or final, pursuant to Article 15 of the 1994 Implementation Agreement

Consistent with NORI's rights under UNCLOS and the 1994 Implementation Agreement, NORI reserves its right to submit an application for a plan of work for exploitation, which will be included as part of the application for an exploitation contract, and to have that application considered and provisionally approved based on the state of the Exploitation Regulations at the time of the application (whether draft or final).

Summary of Exploitation Contract Application Submission and Review Process

NORI Application

NORI submits its application for an exploitation contract prior to the ISA's March 2025 session

SG checks for completeness

Secretary General (SG) ensures NORI's application is complete

SG does not review application or set timelines

Upon confirmation of completeness, Secretariat forwards NORI application on to Legal and Technical Commission (LTC)

LTC reviews application

LTC fully reviews NORI's application including EIS, EMMP, mine plan, and all other elements

If consensus on an approval recommendation is not reached, decision made by simple majority vote

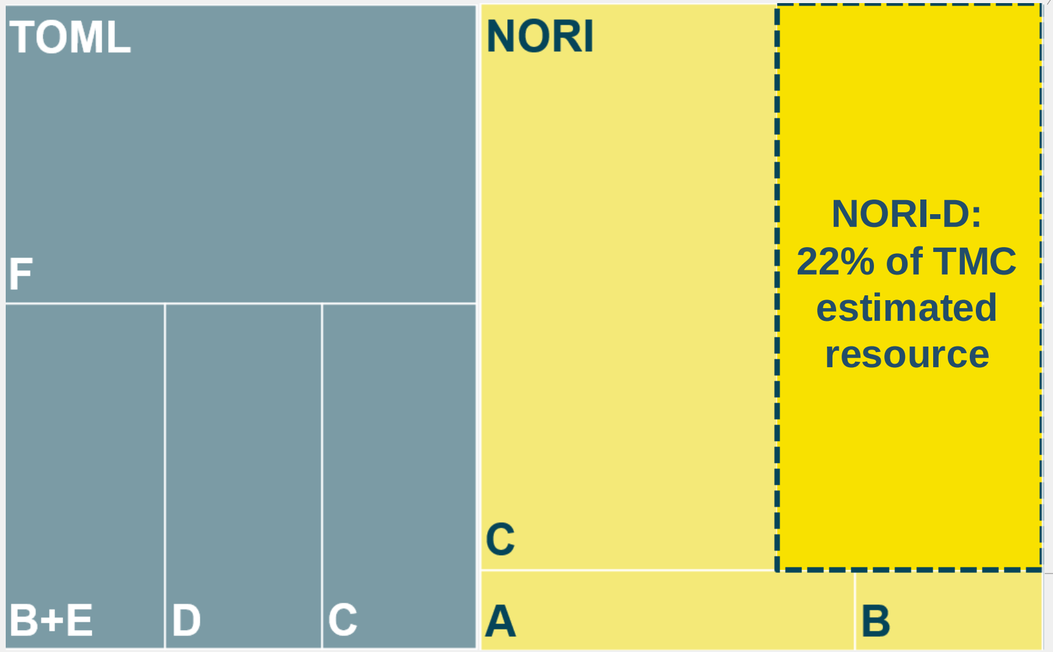
LTC rec. / Council vote

If the LTC recommends approval, the Council reviews and if acceptable approves recommendation

Two-thirds majority of ISA Council AND simple majority of each Council group would be needed to overturn a positive LTC recommendation

Based on NORI Report, NORI-D project estimated at $6.8 billion NPV (est. $8.5 billion using current metal prices).

Estimated resource 1,634Mt (wet)[1]



NORI-D Financial Model[2]

$ billions unless otherwise noted

Estimated Prices	March 21 Initial Assess. w/CRU price forecast	Current prices, all other inputs unchanged	Increase/ (Decrease)
Nickel	$16,106/t	$16,085/t	0%
Copper	$6,787/t	$9,063/t	34%
Cobalt	$46,416/t	$26,625/t	(43%)
Mn silicate	$4.53/dmtu	$5.88/dmtu	30%
Estimated Project economics—cumulative over project life			
Total revenue	**$95.1**	**$102.5**	**8%**
Nickel	44.1	44.0	
Copper	12.7	17.0	
Cobalt	11.1	6.3	
Mn silicate	26.8	34.7	
Total OPEX	**37.5**	**37.5**	**0%**
Total EBITDA[3]	**57.3**	**64.7**	**13%**
EBITDA[3] margin	*60%*	*63%*	*3 pts*
NPV	**$6.8 billion**	**$8.5 billion**	**+26%**

[1] See NORI Report and TOML Report. Based on measured, indicated and inferred across all NORI and TOML project areas.
[2] See NORI Report. 'Current price' scenario is internal-only, as of July 30, 2024. NPV at January 1, 2021, assuming 9% discount rate. 'CRU Forecast' based on price projections from CRU Group used the 2021 Initial Assessment.
[3] Earnings before interest, taxes, deprecation and amortization (EBITDA) and EBITDA are non-GAAP financial measures. TMC does not forecast GAAP earnings or GAAP gross margin because it cannot predict certain items that are included in GAAP results. See the statement on non-GAAP measures at the beginning of this presentation.

Income statement highlights: three months ended June 30, 2024.

($mm)	Q2 2024	Q2 2023	Change
Exploration and evaluation expenses	12.4	8.1	4.3
General and administrative expenses	7.9	5.1	2.8
Operating loss	**20.3**	**13.2**	**7.1**
Equity-accounted investment loss	0.1	0.1	-
Change in fair value of warrants liability	(0.6)	0.8	(1.4)
Foreign exchange loss	(0.1)	-	(0.1)
Interest expense (income)	-	(0.3)	0.3
Fees and interest on credit facility	0.5	0.3	0.2
Other items	**(0.1)**	**0.9**	**(1.0)**
Net loss	**20.2**	**14.1**	**6.1**
Loss per share ($)	**0.06**	**0.05**	**0.01**

Cash flow highlights:
three months ended June 30, 2024.

($mm)	Q2 2024	Q2 2023	Change
Cash used in operating activities	**12.1**	**8.4**	**3.7**
Capital expenditures	**0.1**	**0.1**	**-**
Acquisition of equipment	0.1	0.1	-
Free cash outflow	**12.2**	**8.5**	**3.7**

Balance sheet highlights: quarter ended June 30, 2024.

	Jun 30, 2024	Dec 31, 2023	Change
Total Assets ($mm)	**60.7**	**68.9**	**(8.2)**
Cash	0.5	6.8	(6.3)
Accounts receivable and prepaid expenses	1.2	2.0	(0.8)
Exploration contracts	43.2	43.2	-
Right of use asset	4.8	5.7	(0.9)
Equipment	0.9	1.1	(0.2)
Software development costs	1.8	1.7	0.1
Investment	8.3	8.4	(0.1)
Total Liabilities ($mm)	**70.3**	**58.0**	**12.3**
Accounts payable and accrued liabilities	37.8	31.3	6.5
Short-term debt	5.9	-	5.9
Warrant liability	1.9	2.0	(0.1)
Royalty liability	14.0	14.0	-
Deferred tax liability	10.7	10.7	-
Total Equity ($mm)	**(9.6)**	**10.9**	**(20.5)**
Common shares	460.6	438.2	22.4
Additional paid-in-capital	125.3	122.8	2.5
Accumulated other comprehensive income	(1.2)	(1.2)	-
Deficit	(594.3)	(548.9)	(45.4)

the metals company

APPENDIX

Non-GAAP reconciliation.

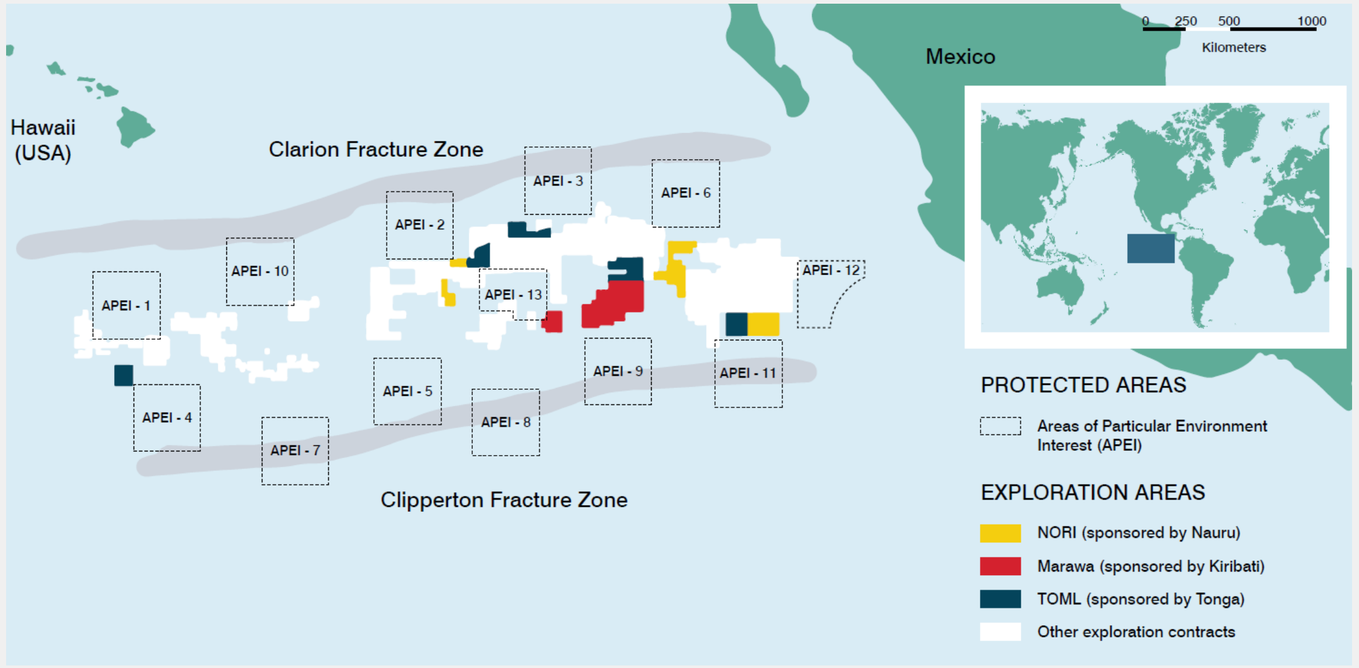
Non-GAAP Financial Measures – Free Cash Outflow

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

A reconciliation from our cash flow GAAP measure (Decrease in Cash) to free cash outflow for the three months ended June 30, 2024 and 2023 is as follows:

	Three months ended June 30	
($mm)	**2024**	**2023**
Net cash used in operating activities	**12.1**	**8.4**
Net cash used in investing activities	**0.1**	**0.1**
Net cash provided in financing activities	**(8.6)**	**(0.1)**
Decrease in cash (GAAP measure)	**3.6**	**8.4**
Add back net cash provided in financing activities	**8.6**	**0.1**
Add back net cash used in investing activities other than capital expenditures	**-**	**-**
Free cash outflow	**12.2**	**8.5**

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



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

[1] 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.
[2] 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.
[3] 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.
[4] 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/m^2.

Benchmark: Nickel from NORI-D could have dramatically lower lifecycle impacts including substantially lower CO_2e emissions.

Global Warming Potential

Kilogram of CO_2e emissions per kilogram of nickel in nickel sulfate

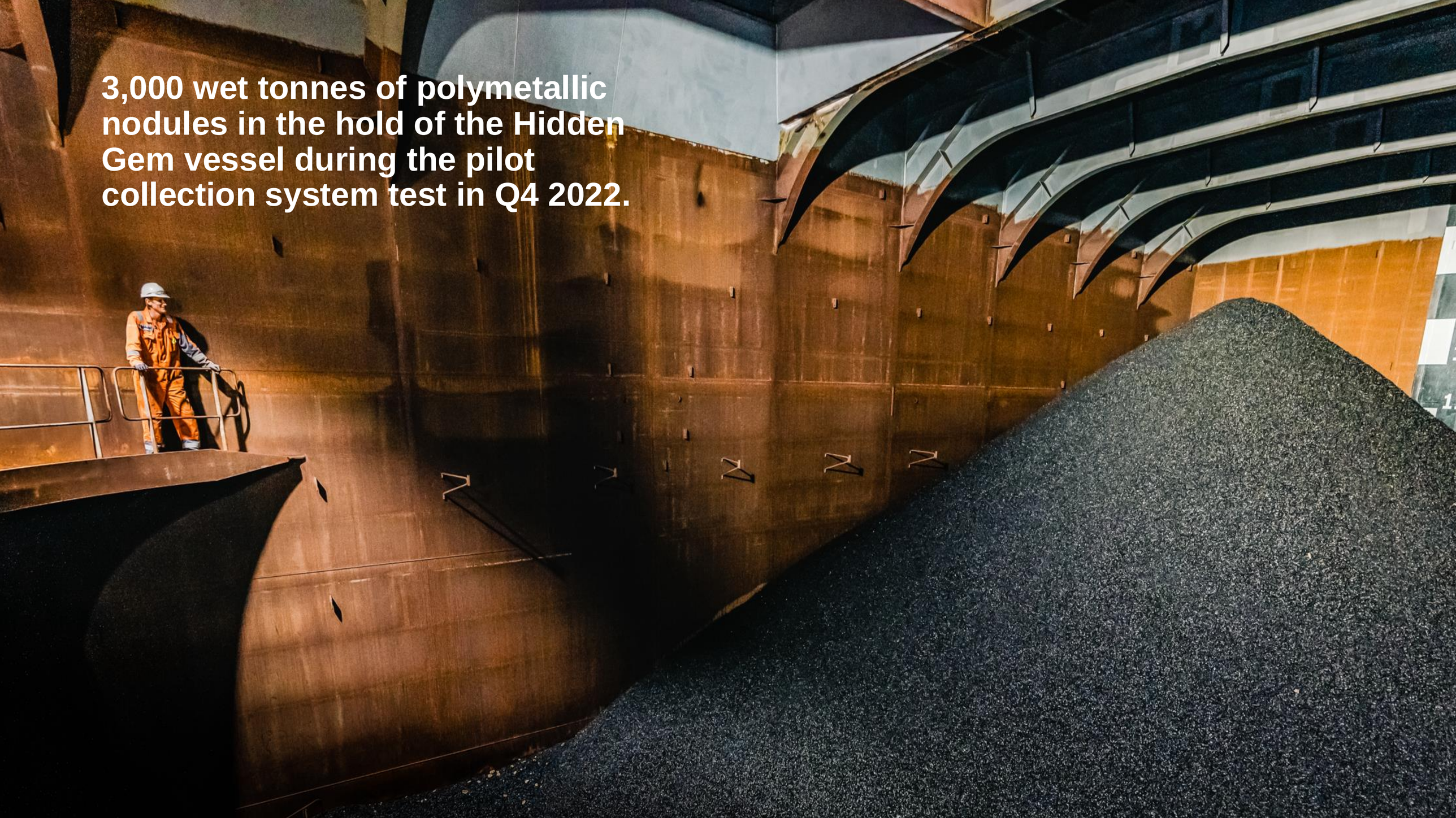
Impact category	Unit	Laterite Indonesia RKEF route	Laterite Cuba Caron route	Sulfide Australia DON route	Sulfide Australia Conventional	Laterite Indonesia HPAL (MHP)	Laterite Philippines HPAL (MSP)	Sulfide Canada POX route	Nodules NORI-D RKEF route
Global warming potential	*kg CO_2 eq*	102.0	64.4	29.2	28.5	19.2	13.9	8.0	6.2
Stratospheric ozone depletion	*mg CFC11 eq*	14.1	17.3	27.5	27.1	3.1	3.1	3.4	0.7
Fine particulate matter formation	*g PM2.5 eq*	1,187.0	31.7	43.1	42.9	262.0	160.4	39.5	9.2
Terrestrial acidification	*kg SO_2 eq*	0.96	0.09	0.13	0.13	0.69	0.53	0.13	0.03
Freshwater eutrophication	*g P eq*	91.0	9.5	75.8	76.4	9.1	5.2	2.9	1.0
Marine eutrophication	*g N eq*	5.5	0.1	2.3	2.3	-1.8	-1.3	0.2	-2.1
Water consumption	*m^3*	0.31	0.17	0.15	0.13	0.25	0.24	0.15	0.05
Land-based waste generation	*kg*	244	365	545	545	337	337	82	0
Marine waste generation*	*kg*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	137

* Nodule collection operations entrain underlying sediment, separate it from nodules and return to the seafloor within meters of its origin. For the purposes of the LCA, this entrained sediment has been defined as a marine waste stream

Source: Independent lifecycle assessment (LCA) completed by Benchmark March 2023. Lifecycle from mine to end-product format (battery-grade nickel sulfate, cobalt sulfate, copper cathode and manganese silicate)

Nodules from NORI-D (RKEF route) also found to be the lowest impact option for copper. Cobalt from the DRC is lowest impact in GWP and water consumption; cobalt from NORI-D are lowest in all other assessed impact categories.

Click for Video: NORI & Allseas - First Integrated Collection System Trials Since 1970s https://vimeo.com/778303976/28d019f234



3,000 wet tonnes of polymetallic nodules in the hold of the Hidden Gem vessel during the pilot collection system test in Q4 2022.

Thank you.

Investor Contact
investors@metals.co

Media Contact
media@metals.co

Follow us