



24 September 2018

### **43-101 Technical Report for the NORI Clarion – Clipperton Zone Project, Pacific Ocean**

*DeepGreen Announces world-class high-grade 900 million tonne NORI Project Inferred Resource Estimate grading 1.3% Nickel, 29.2% Manganese, 1.1 % Copper and 0.2% Cobalt with an average nodule abundance of 13 kg/m<sup>2</sup>*

Vancouver, Canada, DeepGreen Metals Inc. (DGM or DeepGreen) through its wholly owned subsidiary Nauru Ocean Resources Inc. (NORI) is pleased to announce a combined seafloor inferred resource estimate of 909 million tonnes of wet polymetallic nodules grading 1.3% Nickel, 29.2% Manganese, 1.1 % Copper and 0.2% Cobalt with a mean nodule abundance of 13 kg/m<sup>2</sup> based on a nodule abundance cut-off of 4 kg/m<sup>2</sup> at NORI's project in the Clarion Clipperton Zone (CCZ) of the Eastern Pacific Ocean (the "NORI Project").

DeepGreen CEO Gerard Barron comments *"The release of this resource estimate for one of the largest undeveloped cobalt, nickel, and manganese resources on the planet represents a significant milestone for DeepGreen in its quest to transform the way we supply the world with these metals that are critical to support the development of renewable technologies, particularly the batteries required to power electric vehicles.*

*DeepGreen and NORI have developed offshore engineering and onshore processing solutions that would allow for the development of this world-class resource to produce high-purity products with little waste. DeepGreen's subsidiary NORI and its partner Maersk are currently completing offshore surveying campaigns as part of resource evaluation and environmental baseline studies in support of a program to complete feasibility studies and permitting program required to undertake development of this resource."*

The polymetallic nodules are typically 1 to 20cm in diameter and lay within mud on the seafloor (within 30 cm of the surface) in water depths of 4,000 to 5,000 m below sea level and are composed principally of metal hydroxides. The nodules occur as concentric layers of primarily manganese and iron oxides and hydroxides concentrated around a core.

The NORI Project comprising an area of 74,830 km<sup>2</sup>, is located between approximately 115° and 135° West and approximately 10° and 15° North and comprises four areas NORI Area A – D (Fig., 1). The title is held pursuant to an exploration contract between NORI and the International Seabed Authority (ISA) signed 22 July 2011 with a 15-year duration.

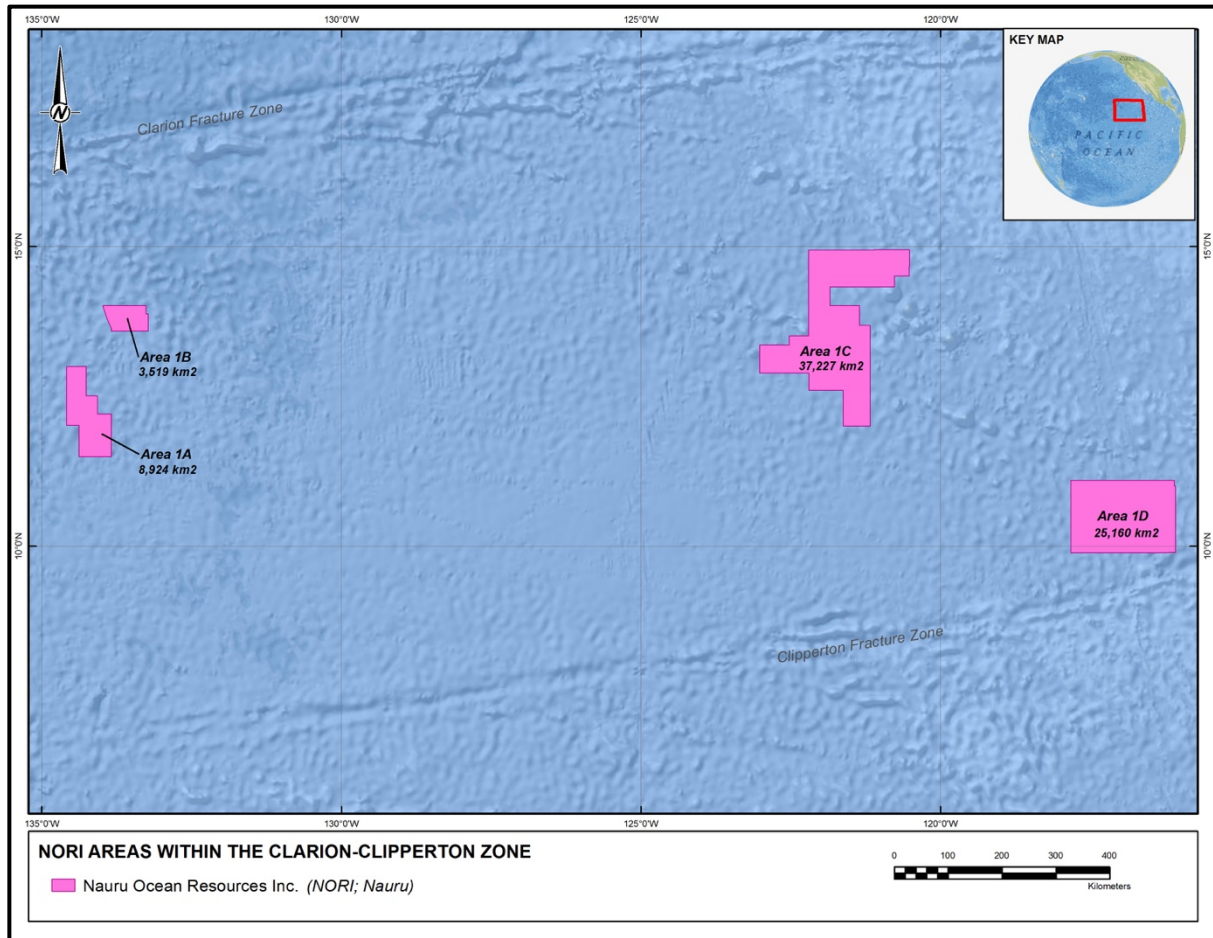


Figure 1 – Location of NORI Contract Areas.

The NI 43-101 Technical Report and Mineral Resource Estimate was prepared by J. DeWolfe of Golder Associates Limited, a member in good standing of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC), and the Association of Professional Geoscientists of Ontario (APGO), and a “qualified person” as defined by National Instrument 43-101. Mr. DeWolfe has reviewed and approved this release. Mr. DeWolfe is independent of DGM as defined by section 1.5 of National Instrument 43-101.

The global Inferred Mineral Resource estimate at various nodule abundance cut-offs for the NORI Area within the CCZ polymetallic nodule deposit is presented in Table 1. The abundance cut-off selected for the purpose of stating Inferred Mineral Resources is the 4 kg/m<sup>2</sup> case.

The effective date for the estimate is May 1, 2018. There have been no material changes to the project between the effective date and the issue date of the Technical Report and Mineral Resource estimate. The Mineral Resource estimate was prepared in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (CIM 2003).

Abundance Cut-Off (wet kg/m <sup>2</sup> )	NORI Area	Abundance (wet kg/m <sup>2</sup> )	Ni (%)	Mn (%)	Cu (%)	Co (%)	Polymetallic Nodules (x10 <sup>6</sup> wet t) <sup>(a)</sup>
0	A	8.5	1.35	28.1	1.07	0.22	75
	B	10.4	1.43	28.9	1.13	0.25	37
	C	10.9	1.26	28.3	1.03	0.21	404
	D	15.9	1.31	30.4	1.13	0.13	399
4	A	9.4	1.35	28.0	1.06	0.22	72
	B	11.0	1.43	28.9	1.13	0.25	36
	C	11.0	1.26	28.3	1.03	0.21	402
	D	15.9	1.31	30.4	1.13	0.13	399
6	A	11.0	1.35	28.0	1.06	0.22	62
	B	11.5	1.43	29.0	1.12	0.25	35
	C	11.4	1.26	28.3	1.03	0.21	391
	D	15.9	1.31	30.4	1.13	0.13	399
8	A	12.4	1.36	28.2	1.06	0.22	51
	B	12.1	1.43	29.0	1.13	0.25	33
	C	12.4	1.26	28.2	1.02	0.21	345
	D	16.2	1.31	30.4	1.13	0.13	394

Table 1: NORI Inferred Resource by Area and Cut-off Grade

Notes: Variations in totals are due to rounding of individual values.

kg/m<sup>2</sup> = kilograms per square meter; Ni = nickel; Mn = manganese; Cu = copper; Co = cobalt; % = percent; t = tonne.

Nodule Abundance Cut-off of 4 wet kg/m<sup>2</sup> selected for reporting of Inferred Mineral Resource highlighted in blue

NORI Areas A to D have sufficient samples of adequate quality and authenticity to define an Inferred Mineral Resource of nickel, copper, manganese, and cobalt. The estimate of abundance at sample stations within the NORI Area may be biased low due to reliance on free fall grab samples, which can have a tendency to under report nodule abundance.

Estimation of tonnage and grade for the NORI Area of the CCZ was undertaken using the sample data within the NORI Area. Datamine Studio mining software (v. 3.20.6140.0) was used for the modelling.

The modelling method used for estimating the Mineral Resource considered the scale of deposit, geological mechanism, and controls behind nodule formation and nature of the sampling method. The approach involved estimating nodule abundance and grades into a two-dimensional block model with abundance in wet kilograms per square metre used for calculating tonnage. Estimates were performed using ordinary kriging (OK) and validations of OK estimation were performed using inverse distance weighting to the power of 2 and nearest neighbor methods.

Analysis of the grab sample data reveals that, as a consequence of their chemical origin from seawater, nodule grades vary only slightly across the CCZ, with spatial continuity of the nickel, copper, manganese and cobalt grades often ranging up to the order of several hundreds of kilometers. Nodule abundance is less continuous, with ranges up to the order of several kilometers, as they are also subject to local changes in net sedimentation (a consequence of seafloor slope, slumping, erosion, and local currents).

Inferred Mineral Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Further details are available in the NI-43-101 Technical Report for the NORI Clarion - Clipperton Zone Project, Pacific Ocean, dated effective May 1, 2018 (the "Technical Report") that has been lodged on SEDAR and available at the DeepGreen website [www.deep.green](http://www.deep.green)

For further information please contact:  
[investor@deep.green](mailto:investor@deep.green)

### **About Maersk Supply Service**

Maersk Supply Service provides marine services and integrated solutions to the energy sector worldwide. Maersk Supply Service is the market leader in deep-water services such as anchor handling in ultra-deep water, mooring installations, rig moves and transport of equipment to drilling rigs and production units.

Maersk Supply Service employs an international staff of around 1100 offshore and 200 onshore people. Headquartered in Lyngby, Denmark, Maersk Supply Service is represented globally with offices in Aberdeen, Houston, St. John's, Rio de Janeiro, Accra, Lagos, Luanda, Singapore and Perth.

Maersk Supply Service is a part of the stand-alone Energy division of A.P. Møller – Mærsk A/S. A.P. Møller – Maersk A/S employs roughly 88,000 employees across operations in 130 countries.

### **About DeepGreen:**

*DeepGreen is a Canadian company offering a new and disruptive approach to supplying the world with metals needed for economic growth and clean technologies. With its patented processing technology, DeepGreen is on track to become a leading producer of base and strategic metals obtained from vast high-grade seafloor polymetallic nodule deposits containing nickel, manganese, copper and cobalt. The Company's leading achievements have already drawn attention from miner and metal trader Glencore, which has contracted to buy a percentage of the nickel and copper produced from a DeepGreen processing plant. Glencore has also made an investment in DeepGreen.*

### **About Nauru Ocean Resources Inc. (NORI):**

*NORI, a Nauruan company sponsored by the Republic of Nauru, is engaged in the exploration and sustainable development of seafloor mineral resources. In 2011, NORI became the first company to obtain a license from the United Nations' International Seabed Authority to explore for minerals in the international seabed area. It will not operate near shallow coral reefs, volcanic ocean vents nor require digging, drilling or use of explosives.*

### **About the International Seabed Authority (ISA):**

The ISA is an autonomous international organization established under the 1982 United Nations Convention on the Law of the Sea and the 1994 Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea (UNCLOS). The Authority is the organization through which States Parties to the Convention shall, in accordance with the regime for the seabed and ocean floor and subsoil thereof beyond the limits of national jurisdiction (the Area) established in Part XI and the Agreement,

organize and control activities in the Area, particularly with a view to administering the resources of the Area.

### **Forward Looking Information**

*This news release contains "forward-looking information" within the meaning of applicable securities regulations in Canada (collectively, "forward-looking information"). The forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, DGM does not intend, and does not assume any obligation, to update this forward-looking information. Forward-looking information includes, but is not limited to, statements with respect to a mineral resource estimate for the NORI Project.*

*The forward-looking information contained in this news release is based on certain assumptions that DGM believes are reasonable, including the key assumptions and parameters on which the mineral resource estimate is based as set out in the Technical Report. However, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of DGM to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, risk that mineral resources are not as estimated, unexpected variations in mineral resources, grade or recovery rates and the risks and uncertainties set out in the Technical Report. Although DGM has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to not be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.*