

Nickel Mountain Resources AB (publ) announces financial report for third Quarter 2020

Third Quarter 2020 (July – September 2020)

- Revenue in third quarter amounts to MSEK 1.2 (0.0)
- Exploration and evaluation costs for third quarter amounts to MSEK 2.2 (0.1)
- After-tax result for the third quarter amounts to MSEK -87.6 (5.8)
- Result per share for third quarter amounts to SEK -0.15 (0.012)

First nine months 2020 (January – September 2020)

- Revenue for first nine months amounts to MSEK 1.2 (0.0)
- Exploration and evaluation costs for first nine months amounts to MSEK 2.3 (0.2)
- After-tax result for first nine months amounts to MSEK -265.8 (4.6)
- Result per share for first six months amounts to SEK -0.46 (0.011)

Significant events in the reporting period

- Acquisition of 98.1% of Vilhelmina Mineral AB (publ) concluded during the third quarter
- As a result of the Company's acquisition of Vilhelmina Mineral AB (publ), a total of 313,087,849 shares have been registered with the Swedish Companies Registration Office during the third quarter, at the end of the third quarter of 2020, the total number of shares in the Company amounted to 825,888,439
- Subsidiary Vilhelmina Mineral has revoked application for public listing at NGM Nordic SME
- Peter Hjorth has been elected new CEO
- The Company reported about the regulatory work related to the planned mine in Norway
- The Company's Russian oil project has been written down by an additional SEK 85 million in the Group and by SEK 100 million in the Parent Company. The write-down has no effect on the Company's cash flow or cash position

Significant events after the reporting period

- The county administrative board of Västerbotten informed that a Natura 2000 evaluation must to be completed before final assessment of the Company's application for an exploration concession
- The Company has hired a geology consultant to carry out the work with a so-called void model for the Joma mine, which is essential for providing an updated mineral resource estimate (MRE)
- The Company has announced plans to transfer the Russian oil assets into a newly formed Swedish subsidiary and distribute the shares in this subsidiary to the shareholders in the Company during spring of 2021
- The Company has called an Extraordinary General Meeting in December 2020 to, among other things, decide on new Articles of Association with a new company name, a reverse share split and reduction of the share capital
- The Company has announced that during the first quarter of 2021 it plans to offer the remaining shareholders in Vilhelmina Mineral AB (publ) to sell their shares to the Company on essentially the same terms as the sale of shares in Vilhelmina Mineral to Nickel Mountain Resources which took place in July 2020, considering the reverse share split.

Stockholm November 2020
Nickel Mountain Resources AB (publ)
The Board

Publication of information

This information is inside information which Nickel Mountain Resources AB (publ) is required to publish in accordance with the EU Market Abuse Regulation. The information was submitted, for publication on 20 November 2020 at 8.40 CET, by the contact person below.

Additional information

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General information about the Nickel Mountain Resources

Nickel Mountain Resources is an independent Swedish company active in mine development of copper and zinc resources as well as exploration of primarily nickel, gold and oil.

The company owns approximately 95% of the subsidiary Vilhelmina Mineral, which is focusing on the development of copper and zinc deposits in the Nordic region. In Sweden, the Company owns Stekenjokk, where a total of approximately 7 million tons of ore was mined between 1976 and 1988. According to previous resource estimates, there is a remaining indicated mineral resource of approximately 7.4 million tons with grades of 1.17% Cu, 3.01% Zn and 47 g/ton Ag (at cut-off grade of 0.9% Cu). In Norway, the Company is owner in the Joma field, where approximately 11.5 million tons of ore was processed between 1972 and 1998 with an average grade of 1.5% Cu and 1.5% Zn. The Joma field (excluding Gjersvik) is estimated to contain an additional indicated mineral resource of approximately 5.7 million tons with grades amounting to 1.55% Cu and 0.82% Zn (at cut-off grade 0.8% Cu).

In 2017, the company acquired the Cypriot company Mezhlisa Resources Cyprus Ltd ("Mezhlisa"). Through the Russian subsidiary OOO Bakcharneftegaz (BNG), Mezhlisa controls 71-1 exploration and production licenses in the Tomsk region of Russia. Mezhlisa is currently registered as the owner of 72.3809 percent of BNG. Mezhlisa has, based on that, access to the exploration and evaluation project that BNG acquired at a public auction in August 2010, license 71-1 "Ellej-Igajskoje" in Tomsk Oblast, Russia. The Company conducts an exploration program of oil and gas assets on licenses 71-1 which has shown significant potential.

The Company owns the nickel projects Rönnbäcken (which is Europe's largest known undeveloped nickel resource) and Orrbäcken in Sweden. According to the mining consulting company SRK, the Rönnbäcken project contains a mineral resource of approximately 574 million tons with an average grade of 0.0174% nickel ("measured and indicated"). The preliminary economic assessment that SRK completed predicts a production of 26,000 tons of high-grade nickel concentrate per year for 20 years, which would be a significant proportion of Sweden's total annual use of nickel which thereby has a strategic value. Orrbäcken is an exploration license that is considered to have potential as a nickel deposit.

The company owns the gold project Haveri, through its subsidiary Palmex Mineral AB, which in 2014 carried out a so-called Preliminary Economic Assessment (PEA) prepared by SRK Consulting. This report estimates 1.56 million oz. historically inferred mineral resource of gold equivalents with a grade of 0.93 g/t gold.) Kattisavan is mainly considered to have potential as a gold resource and is located within the so-called gold line, close to projects such as Svartliden, Fäboliden and Barsele.