



Stockholm August 26, 2022

Interim report for the first half year (January – June) 2022

The Board of Directors of Arctic Minerals AB (publ) (“Arctic Minerals”, the “Company” or the “Parent company” and together with its subsidiaries the “Group”) (the “Board”) hereby submits an interim report for the period January – June 2022.

First half year (January – June) 2022

- New areas with exceptionally high grades of gold and copper mineralisation have been identified at Arctic Minerals’ Bidjovagge gold-copper project in Norway (March 17, 2022)
- Cobalt and Tellurim potential have also been identified at the gold-copper project Bidjovagge in Norway (January 17, 2022)
- Profit after tax for the period was MSEK -7.3 (-6.3)
- Earnings per share for the period amounted to SEK -0.05 (-0.05)
- Cash and bank position amounted to MSEK 14.6(26.0) at end of period

Significant events during the first half of 2022

- On January 17, 2022 Arctic Minerals announced that the Company has identified cobalt and tellurium potential on its brownfield gold-copper project Bidjovagge in Norway. See the section *Bidjovagge gold-copper project (Norway)*.
- On March 17, 2022 Arctic Minerals announced that the Company has identified new areas with exceptionally high grades of gold and copper mineralisation at its brownfield gold-copper project Bidjovagge in Norway. The latest results came from the Company’s study of drill core assays dating from earlier drilling. Recent analysis of geophysical data also indicates the continuation of the ore zone in several directions. See the section *Bidjovagge gold-copper project (Norway)*.
- On June 16, 2022 the Annual General Meeting in Arctic Minerals resolved on a set-off issue to Company creditors through which the Company set off debts amounting to in total MSEK 3.0. See the section *Annual General Meeting in Arctic Minerals*.

- On June 23, 2022 Arctic Minerals announced that the Company and Rio Tinto had agreed to increase the size of the area covered by the earn-in agreement on the Peräpohja copper project in northern Finland. The agreement increased the size of the permit area covered by the earn-in by 57,000 ha bringing the total permit area covered by the Peräpohja project to 112,000 ha. See section *Copper joint venture project Peräpohja (Finnish Lapland)*.
- On June 29, 2022 Arctic Minerals updated on this seasons' exploration field work in Finland and Norway that started in May 2022. See sections for the different mineral projects.

Significant events after the period ending

- On August 15, 2022 Arctic Minerals entered into a non-binding letter of intent regarding the acquisition of a 100% interest in the gold project Katterat in Norway. See section *Katterat gold project (Norway)*.

Message from the CEO

Arctic Minerals continued to advance our exploration projects during the first half year 2022 with an increased focus on Norway and continued work with our projects in Finland.

Finland

Our gold project *Nutukka* is located towards the eastern end of the central Lapland Greenstone Belt of northern Finland. This belt hosts the largest gold mine in Europe, Kittilä, operated by the Canadian company Agnico Eagle, producing 239,240 oz (7,440 kg) gold per year (2021). The belt has also seen a number of new gold discoveries in recent years. Gold has been found over a large area in Nutukka, with visible gold frequently observed in panning. This summer's program consisted of sampling by trenching, using an excavator to reach bedrock. The program was carried out in July 2022 and the sampling is now to be analyzed.

There have been appeals against the permit application for our battery metals project *Kiiminki* in central Finland. The matter is now being considered by the Administrative Court in Finland. We expect the appeals will be dismissed but this may take until 2023. Once the permit is granted, we plan for sampling of base-of-till and top-of-bedrock using a light drill rig.

The copper project *Peräpohja* in Finnish Lapland is a joint venture with the Rio Tinto Group. Arctic Minerals has been exploring for copper in Peräpohja since 2017 and we have found widespread copper mineralisation in both outcrops and boulders. The area in the Peräpohja copper project covered by joint venture agreement with Rio Tinto has recently been more than doubled to 1,120 km². Work to date includes drilling, geophysical surveys, prospecting for ore boulders and outcrops and geological mapping. We are currently evaluating all work that has been carried out so far together with Rio Tinto.

We believe that both the *Lohi* and *Inari* areas in Finnish Lapland have potential for copper-nickel mineralisation. In part of the reservation at Inari, boulders have been found with anomalous contents of copper and nickel. In both Lohi and Inari, further prospecting is now being carried out during the 2022 field season.

Gold-copper project Bidjovagge in Norway

In 2022, we have continued our refocus on the Company's Norwegian gold-copper project *Bidjovagge*, following the update of the projects mineral resource in December 2021. We consider that there is excellent potential to substantially increase the resource by further exploration. During the first half year 2022, three new areas with exceptionally high grades of gold and copper mineralisation

have been identified through recent study of old drill cores. One drill hole assayed 18.0 metres with 33.8 grams/ton gold and 2.21% copper, including 14.0 metres @ 43.4 grams/ton gold and 0.76% copper. In addition, potential for cobalt and tellurium has also been identified.

Recent analysis of geophysical data also indicates the continuation of the ore zone in several directions. A new ground geophysical survey has been carried out during the summer 2022 to follow up these latest results.

We have also initiated a process to seek a partner to further develop the Bidjovagge project.

Gold project Katterat in Norway

In August 2022, we entered into a non-binding letter of intent regarding the acquisition of a 100% interest in the gold project *Katterat* in Norway. At Katterat, gold has been found in outcropping bedrock in multiple locations. Rock chip samples have returned assays from 0.9 to 18 grams per ton gold. Visible gold grains have also been panned from soil samples. We believe that the geology and mineralisation in the Katterat area may be comparable to the “Gold Line” in northern Sweden, which hosts several large gold deposits such as Barsele (2.1 million ounces contained gold) and Fäboliden (1 million ounces), as well as the currently producing Björkdal mine and past-producing Svartliden mine.

The Katterat gold project has been located and developed by Mr. Ragnar Hagen and Dr. David Ettner, which both have an extensive background from mineral exploration and mining operations in Norway as well as international. Following the final purchase of the the Katterat project, Mr. Hagen and Dr. Ettner will become our partners as shareholders in Arctic Minerals and will together with us continue to develop the Katterat gold project.

Well positioned

In total, Arctic Minerals is now well positioned, with a well-diversified and attractive exploration portfolio. We have projects in both Norway and Finland, brown-field and green-field, wholly-owned mineral projects and a joint venture.

With the Company's current exploration portfolio and business strategy, we intend to provide a good return on invested capital for all our shareholders in the years to come.

Stockholm, August 26, 2022

Jonatan Forsberg
CEO Arctic Minerals AB (publ)

Nordic mineral exploration company

Arctic Minerals is a Nordic mineral exploration company with an exploration project portfolio of in Finland and Norway, exploring for copper, gold, nickel and battery metals.

By June 2022, Arctic Minerals holds 4 exploration reservations in Finland totalling 2,840 km² (284,000 ha) and in addition 20 registered exploration permit applications (wholly-owned and in joint venture) totalling 594 km² (59,400 ha). Arctic Minerals also holds 2 wholly-owned granted exploration permits totalling 68 km² (6,800 ha).

In Norway, Arctic Minerals holds 9 extraction permits totalling 7.17 km² (717 ha) and 7 exploration permits totalling 13 km² (1,300 ha). In addition, the Company has in August 2022 signed a letter of intent for additional 12 exploration permits totalling 116 km² (11,600 ha).

Gold project Nutukka (Finnish Lapland)

Arctic Minerals holds a 100% interest in the gold project Nutukka, which comprises an exploration reservation covering 366 km². The centre of the Nutukka project area is located approximately 20 km southwest of the old gold panning village of Tankavaara. The area is situated towards the eastern end of the central Lapland Greenstone Belt of northern Finland. This belt hosts the largest gold mine in Europe, Kittilä, operated by the Canadian company Agnico Eagle, producing 239,240 oz (7,440 kg) gold per year (2021). The belt has also seen a number of new gold discoveries in recent years. The Company considers that the geology of the Nutukka area has strong similarities to that of the goldfields of Western Australia and the Abitibi belt of eastern Canada, both major gold-producing regions.

Work to date has comprised extensive soil (till) sampling. Gold has been found over a large area, with visible gold frequently observed in panning. This summer's work consists of trenching, using an excavator to reach bedrock. This enables geological inspection and sampling of the local bedrock. The program was carried out during July 2022 and the sampling is now to be analysed.

Copper joint venture project Peräpohja (Finnish Lapland)

The copper project Peräpohja is a joint venture with the Rio Tinto Group. Arctic Minerals has been exploring for copper in Peräpohja since 2017 and has found widespread copper mineralisation in both outcrops and boulders. Work to date includes drilling, geophysical surveys, prospecting for ore boulders and outcrops and geological mapping (see Press Release of 29 November 2021).

The area covered by the earn-in agreement has recently been more than doubled to 1,120 km². The area covered by the earn-in agreement comprises exploration permits and applications held by both parties (see Press Release of 23 June 2022).

The geology of the Peräpohja Schist Belt of southern Finnish Lapland has many similarities to that of the Central African Copper Belt ("CACB"), one of the world's main sources of copper and also a major source of cobalt. Arctic Minerals and Rio Tinto's main exploration target in Peräpohja is a type of mineralisation called "SSC" (Sediment-hosted Stratiform Copper), typical of that found in the CACB.

Copper-nickel projects Lohi and Inari (Finnish Lapland)

Arctic Minerals holds a 100% interest in reservations in the Lohi and Inari areas. The Company believes that both areas have potential for copper-nickel mineralisation. In part of the reservation at Inari, boulders have been found with anomalous contents of copper and nickel. In both Lohi and Inari, further prospecting is being carried out during the 2022 field season.

Battery metals project Kiiminki (central Finland)

In the Kiiminki region Arctic Minerals holds a 100% interest in an exploration permit where multiple lead-zinc-silver geochemical anomalies have been identified. There have been appeals against the permit application and the matter is now being considered by the Administrative Court. The company expects that the appeals will be dismissed but this may take until 2023. Once the permit is granted, the Company plans sampling of base of till and top of bedrock using a light drill rig.

Bidjovagge gold-copper project (Norway)

Arctic Minerals holds a 100% interest in mining and exploration permits at the past-producing Bidjovagge gold-copper mine, located in the Kautokeino municipality of northern Norway. The deposit hosts an indicated mineral resource of 3.3 million tons grading 1.27 gram per ton gold and 0.97% copper. Total contained metal in the indicated resource is 134,000 oz (4,180 kg) gold and 32,200 tons of copper (see press release of 14 December 2021). Potential for cobalt and tellurium has also been identified (see press release of 17 January 2022).

The Company considers that there is excellent potential to substantially increase the resource by further exploration. Recent study of old drill cores has identified three new areas with exceptionally high grades of gold and copper mineralisation. For example, one drill hole assayed 18.0 metres with 33.8

grams/ton gold and 2.21% copper, including 14.0 metres @ 43.4 grams/ton gold and 0.76% copper (see press release of 17 March 2022).

Recent analysis of geophysical data also indicates the continuation of the ore zone in several directions. A new ground geophysical survey has been carried out during the summer 2022 to follow up these latest results.

Arctic Minerals has also initiated a process to seek a partner to further develop the Bidjovagge project.

Katterat gold project (Norway)

Arctic Minerals has in August 2022 entered into a non-binding letter of intent regarding the acquisition of a 100% interest in the gold project Katterat in Norway. The Katterat property consists of 12 exploration permits totalling 116 km² located in Narvik municipality in Norway.

At Katterat, gold has been found in outcropping bedrock in multiple locations. Rock chip samples have returned assays from 0.9 to 18 grams per ton gold. Visible gold grains have also been panned from soil samples. The gold mineralisation is located along a geological structure known as a shear zone, a favourable setting for gold mineralisation. The shear zone has been traced for several kilometres using a combination of geological fieldwork and geophysical data. Arctic Minerals' management believe that the geology and mineralisation in the Katterat area may be comparable to the "Gold Line" in northern Sweden, which hosts several large gold deposits such as Barsele (2.1 million ounces contained gold) and Fäboliden (1 million ounces), as well as the currently producing Björkdal mine and past-producing Svartliden mine.

Fieldwork is planned to be carried out during the third quarter and includes further geological sampling and mapping, as well as a geophysical survey.

The Katterat gold project has been located and developed by Mr. Ragnar Hagen and Dr. David Ettner. Mr Hagen and Dr. Ettner both have extensive background from mineral exploration and production in Norway as well as internationally. They will both be at Arctic Minerals' disposal going forward focusing on the further development of the Katterat gold project.

In the event that Arctic Minerals enters into a binding share purchase agreement on the Katterat gold project, the transaction is expected to be completed during the third quarter 2022 as it is subject to approval of transfer of permits by DMF (the authority in charge of mineral rights in Norway).

Net sales and earnings

During the period January – June 2022, the Group's expenses amounted to MSEK 7.2 (6.5) and were mainly due to Arctic Minerals' ongoing exploration activities. Profit after tax amounted to MSEK -7.3 (-6.3).

Financial position and cash flow

The Group's shareholders' equity in June, 2022 amounted to MSEK 58.8 (75.6). Cash and cash equivalents at the same time amounted to MSEK 14.6 (26.0). The change in cash and cash equivalents during the period consists of cash flow from operating activities after changes in working capital of MSEK -3.5 (-4.2). Cash flow from financing activities amounts to MSEK 0.0 (28.1).

Investments

The Group's investments for the period amounted to 0.0 (0.1).

Financing

Arctic Minerals is a mineral exploration company without any revenues. The Company is therefore depended upon financing itself through the capital market. Historically, Arctic Minerals has financed itself mainly through equity financing and the Company's intention is to do so also in the future. The Company's assessment is that current cash position is sufficient to finance the Company's fixed costs for at least twelve months going forward.

Parent Company

The Parent company provides the group companies with management services. For the period, revenues, which is mainly invoiced costs to the subsidiaries, is in total MSEK 0.4 (5.3), expenses MSEK 5.0 (5.0) and profit after tax MSEK -4.6 (0.3).

Number of outstanding shares

The number of outstanding shares in the company at the end of the period is 143,911,852 (143,911,852).

The Company share

The company's shares are listed on Nasdaq First North Growth Market, Stockholm under the trade designation "ARCT".

Annual General Meeting in Arctic Minerals

Arctic Minerals Annual General Meeting was held on June 15, 2022 (the "AGM"). Peter Walker, Krister Söderholm and Claes Levin were all re-elected and Jonatan Forsberg was newly elected to the Board of Directors. Peter Walker was elected chairman of the Board and on a subsequent board meeting Krister Söderholm was also appointed vice chairman of the Board.

The AGM also resolved on a set-off issue to Company creditors – through which the Company will set off debts amounting to in total SEK 3,004,095 against issuance of 5,006,825 new shares.

For more information on resolutions adopted by the Annual General Meeting, please see the Communique dated 15 June, 2022.

Transactions with related parties

In the set-off issue resolved by the AGM on June 15, 2022 Peter Walker subscribed for 826,866 shares, Risto Pietilä for 479,959 shares and Jonatan Forsberg (through related party) for 3,700,000 shares. The subscription price in the set-off issue amounted to SEK 0.6 per share and corresponds to a premium of approximately 21 per cent compared to the closing price on June 14, the day prior to the AGM.

During the period, no other material transactions with related parties have taken place that goes beyond the ordinary course of business and on market-based terms.

Annual Report

The Annual Report for 2021 is available on the Company website (in Swedish).

Accounting Principles

This interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNR 2012: 1 Annual Report and Consolidated Accounts (K3). Applied accounting principles in the interim report are consistent with the accounting principles applied in the preparation of the Group and the Annual Report for 2021.

Risks

Significant risk and uncertainties include, but not exclusively, results of exploration, continued financing for the Group, political risks in Norway and currently also risks related to the pandemic Covid-19.

The risks in an exploration company are mainly associated to the outcome of and costs for exploration, and in addition price development in the metal market, but also permit issues regarding exploration, processing and the environment. Obtaining the necessary permits and rights in Finland and Norway is associated with risks for the Company. All estimates of recoverable mineral resources in the ground are largely based on probability assessments. There are therefore no guarantees that estimated mineral resources will remain unchanged over time. In addition, it should be noted that Arctic Minerals' various projects are in the early stages.

Arctic Minerals is a mineral exploration company with no revenues of its own. Instead, the Company is dependent on financing itself through the capital markets. Arctic Minerals has historically been financed primarily with equity and the Company intends to do so also in the future. The Company continuously needs new capital for further exploration. The Company's ability to meet future capital needs is highly dependent on how the business develops and no guarantees can be given that Arctic Minerals will succeed in raising new capital even if the business develops positively. This is also determined, not least, by the general situation on the capital markets.

Based on the local political resolutions made during the period 2012–2016, there is a political risk in Norway. However, the Company believes that the prospects for Arctic Minerals to receive positive information in the long term regarding the possibilities of obtaining the necessary permits are realistic and thus considers that the value of the asset can be justified. The Group is also considering finding another owner for the Group's Norwegian project. In the event of a possible sale of the project, there is always the risk that a buyer will make assessments of the project's value different from those which Arctic Minerals has done.

The ongoing war in Ukraine and the overall changed security situation in Europe has not yet affected Arctic Minerals, but the Board of Directors and management are following the development of events to evaluate and manage possible risks.

For more information on significant risks and uncertainties, especially regarding the Company's Norwegian project, please see the Annual Report 2021, which is available on the Company's website (in Swedish).

Upcoming reports

As from fiscal year 2013, the Company reports only half and full year. The year-end report for the full year 2022, will be published on Friday, February 24, 2023.

The Board of Directors and the CEO confirm that the year-end report provides a true and fair view of the Group's operations, financial position and results, as well as the significant risks and uncertainties faced by the Group.

This half-year report has not been audited by the Company's auditor.

Stockholm, August 26, 2022

Peter Walker
Chairman

Claes Levin
Director

Krister Söderholm
Vice Chairman

Jonatan Forsberg
Director, CEO

For further information

See the Company's website at www.arcticminerals.se or contact:

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Certified Advisor

United Bankers Oy in Helsinki, Finland, (www.unitedbankers.fi) is the Company's Certified Adviser on Nasdaq First North Growth Market, Stockholm.

The information was submitted for publication, through the agency of contact person set out above, at 08.30 on August 26, 2022.

Group Income Statement	Group	Group	Group
	6 month	6 month	12 month
	2022-01-01	2021-01-01	2021-01-01
(Amount in kSEK)	2022-06-30	2021-06-30	2021-12-31
Operating income			
Net sales	0	119	118
Activated work	0	16	24
Other income	0	0	1
Total income	0	135	143
Operating expenses			
Expenses	-7 198	-6 446	-15 885
Depreciation and amortization of tangible and intangible fixed assets	-60	0	-121
Total operating expenses	-7 258	-6 446	-16 006
Operating results	-7 258	-6 311	-15 863
Results from financial items			
Net financials	-2	-2	-3
Results after financial items	-7 260	-6 313	-15 866
Income tax	0	0	0
RESULTS FOR THE PERIOD	-7 260	-6 313	-15 866
Earnings per share before and after dilution, SEK	-0,05	-0,05	-0,11
Average number of shares, pcs	143 911 852	139 523 186	141 717 519

Group Balance sheets	Group	Group	Group
(Amount in kSEK)	2022-06-30	2021-06-30	2021-12-31
Assets			
Intangible fixed assets	52 507	52 347	52 498
Fixed assets	181	107	241
Current assets	216	1 465	1 306
Cash and bank	14 565	25 989	18 112
Total assets	67 469	79 908	72 158
Shareholders equity and liabilities			
Shareholders equity	58 769	75 582	66 030
Accounts payable	6 804	3 204	5 456
Current liabilities	1 896	1 122	673
Total shareholders equity and liabilities	67 469	79 908	72 158

Changes in shareholders equity	Group	Group	Group
	6 month	6 month	12 month
	2022-01-01	2021-01-01	2021-01-01
	2022-06-30	2021-06-30	2021-12-31
(Amount in kSEK)			
Opening balance	66 030	45 039	45 039
New issues	0	39 498	39 498
New issues expenses	0	-2 641	-2 641
Results for the period	-7 260	-6 314	-15 866
Closing balance	58 769	75 582	66 030

Cash flow statement	Group	Group	Group
	6 month	6 month	12 month
	2021-01-01	2021-01-01	2021-01-01
	2022-06-30	2021-06-30	2021-12-31
(Amount in kSEK)			
Cash flow from operating activities after changes in working capital	-3 538	-4 159	-11 630
Cash flow from investment activities	-9	-123	-529
Cash flow from financing activities	0	28 071	28 071
Cash flow for the period	-3 547	23 789	15 912
Opening liquid assets	18 112	2 200	2 200
Closing liquid assets	14 565	25 989	18 112
Changes in cash flow for the period	-3 547	23 789	15 912

Segment - Business areas

Arctic Minerals is currently active in the field of exploration and mining in 3 countries. Net sales are 0 (119) ksek for the group. The table shows activated work in the countries the Group has operations and profit after tax.

Activated work, (kSEK)	Group	Group	Group
	6 month	6 month	12 month
	2022-01-01	2021-01-01	2021-01-01
	2022-06-30	2021-06-30	2021-12-31
Norway	0	0	0
Finland	0	16	24
Sweden	0	0	0
Total	0	16	24

Results after tax, (kSEK)	Group	Group	Group
	2022-01-01	2021-01-01	2020-01-01
	2022-06-30	2021-06-30	2020-12-31
	Norway	-319	-402
Finland	-1 983	-6 219	-10 914
Sweden	-4 958	308	-3 347
Total	-7 260	-6 313	-15 866

Key ratios	Group	Group	Group
	6 month	6 month	12 month
	2022-01-01 2022-06-30	2021-01-01 2021-06-30	2021-01-01 2021-12-31
Margins			
Operating income, kSEK	0	135	143
Operating margin, %	neg	neg	neg
Profit margin, %	neg	neg	neg
Profitability			
Return on total capital, %	neg	neg	neg
Return on shareholders equity, %	neg	neg	neg
Capital structure			
Shareholders equity, kSEK	58 769	75 582	66 030
Balance sheet total, kSEK	67 469	79 908	72 158
Equity ration, %	87,1%	94,6%	91,5%
Investments			
Net investments, kSEK	-9	-123	-529
Per share data			
Shares at the end of the period, pcs	143 911 852	143 911 852	143 911 852
Average number of shares, pcs	143 911 852	139 523 186	141 717 519
Earnings per share, SEK	-0,05	-0,05	-0,11
Shareholders equity per share, SEK	0,41	0,41	0,46
Share quota value / face value, SEK	0,60	0,60	0,60
Income statement - parent company			
	6 month	6 month	12 month
	2022-01-01	2021-01-01	2021-01-01
(Amount in kSEK)	2022-06-30	2021-06-30	2021-12-31
Operating income			
Net sales	399	5 341	6 511
Total income	399	5 341	6 511
Operating expenses			
Expenses	-4 958	-5 031	-9 855
Depreciation and amortization of tangible and intangible fixed assets	0	0	0
Total operating expenses	-4 958	-5 031	-9 855
Operating results	-4 559	310	-3 344
Results from financial items			
Net financials	0	-2	-3
Results after financial items	-4 559	308	-3 347
Income tax	0	0	0
RESULTS FOR THE PERIOD	-4 559	308	-3 347

Balance sheets - parent company

(Amount in kSEK)	2022-06-30	2021-06-30	2021-12-31
Assets			
Intangible fixed assets	0	0	0
Shares in group companies	77 391	66 391	77 391
Receivable from group companies	7 967	11 482	6 202
Current assets	134	124	510
Spärrade bankmedel			
Cash and bank	13 064	25 012	16 639
Total assets	98 556	103 009	100 742
Shareholders equity and liabilities			
Shareholders equity	90 165	98 778	95 123
Accounts payable	6 622	3 109	5 233
Payable to group companies	0	0	0
Current liabilities	1 769	1 122	386
Total shareholders equity and liabilities	98 556	103 009	100 742