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Arctic Minerals resolves on a directed set-off issue of approximately SEK 2.2 million

The Board of Directors of Arctic Minerals AB (publ) ("Arctic Minerals" or the "Company") has today, pursuant to the authorisation granted by the Annual General Meeting held on 10 June 2025, resolved on a directed set-off issue of shares to six of the Company's creditors of a maximum of 381,033 shares, which will reduce the Company's debt by a maximum of SEK 2,229,043.05 (the "Set-off Issue"). The subscription price in the Set-off Issue amounts to SEK 5.85 per share, corresponding to the closing price of the Company's share on Nasdaq First North Growth Market on 17 October 2025. The debts being set-off in the Set-off Issue consists of liabilities arising from fees owed to consultants and advisors including Small Cap Invest and KingHill. All shares in the Set-off Issue have been subscribed and allotted.

Executive Director, Peter George, commented:
"Arctic Minerals has had an extremely productive past 12 months since the acquisition of Rare Earth Energy Metals. The Company has successfully restructured its Board and Management team, established a high calibre Nordic Advisory Committee, made significant progress at the flagship Hennes Bay, as well as advancing other projects within our portfolio. These achievements are in no small part also a credit to the efforts of the Company's key advisors and consultants.

These key advisors and consultants are very positive about the Company prospects and have offered to off-set their fees against shares in Arctic Minerals (instead of being paid in cash), as an indication of their belief in the Company's future and also to help minimise cashflow impacts.

Following the successful capital raise in June 2025 and the recent 99% exercise of the outstanding Warrants of series TO5, Arctic Minerals has strong cash reserves and is well capitalised to undertake the current planned work programs which are aimed at building on the "Starter" resource at Hennes Bay, as well as advancing our well balanced portfolio of Nordic based projects to deliver new discoveries and increased market value."

The Board of Directors has today, pursuant to the authorisation granted by the Annual General Meeting Held on 10 June 2025, resolved on the Set-Off Issue to Company's creditors through which the Company sets off a total of up to SEK 2,229,043.05 in debt through the issuance of up to 381,033 new shares. All shares in the Set-off Issue have been subscribed and allotted.

The subscription price in the Set-off Issue is set to SEK 5.85 per share and has been determined through arm's length negotiations with the creditors and by analyzing a number of market factors such as the Company's financing needs, alternative cost of other financing and assessed market interest for an investment in the Company. The subscription price corresponds to the closing price of the Company's share on Nasdaq First North Growth Market on 17 October 2025. It is the Board of Directors' assessment, based on the above factors, that the subscription price in the Set-off Issue reflects current market conditions and current demand. Against this background, the Board of Directors considers the subscription price to be on market terms.

The reason for the deviation from the shareholders' preferential rights is that the Board of Directors believes that it is in favour of the Company's continued development to reduce the Company's indebtedness through a set-off issue of shares. The Board of Directors also considers that it is in favor of the Company's financial position and in the interest of the shareholders to pay the debts in the form of newly issued shares instead of cash payment as it releases funds that strengthen the Company's working capital.

Through the Set-off Issue, the number of shares and votes in the Company will increase by a maximum of 381,033. The share capital will increase by a maximum of SEK 15,241.320267. The Set-off Issue entails a dilution effect of a maximum of approximately 0.8 per cent, based on the number of shares and votes in the Company following the Set-off Issue.

Certified Advisor
UB Corporate Finance Oy, of Helsinki, Finland, (www.unitedbankers.fi) is the Company's Certified Advisor on Nasdaq First North Growth Market, Stockholm.

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

For further information
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About Arctic Minerals

Arctic Minerals is a mineral exploration and development company exploring for copper, gold and critical minerals in the Nordics (Sweden, Norway and Finland). Stay up to date with the latest developments for Arctic Minerals via the Company's social media at X, Facebook, LinkedIn, Instagram and YouTube.

This information is such that Arctic Minerals AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08.30 CEST on 20 October 2025.

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Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Artic Minerals have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**EU Target Market Assessment**"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares in Artic Minerals may decline and investors could lose all or part of their investment; the shares in Artic Minerals offer no guaranteed income and no capital protection; and an investment in the shares in Artic Minerals is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Arctic Minerals.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Arctic Minerals and determining appropriate distribution channels.