



PRESS RELEASE on December 14, 2020

Arctic Minerals' board of directors has resolved on directed share issues of up to approximately MSEK 39.5 million

The board of directors of Arctic Minerals AB (publ) ("**Arctic Minerals**" or the "**Company**") has resolved, conditional upon approval at a subsequent extraordinary general meeting, on a directed new share issue with payment in cash of up to 40,965,652 shares, which will raise proceeds to the Company of up to SEK 30 724 239 million before issue costs (the "**Directed New Share Issue**"). Further, the board of directors has resolved, conditional upon approval at a subsequent extraordinary general meeting, on a directed new share issue with payment through set-off to three of the Company's creditors of up to 11,713,337 shares, which will result in the Company's debts decreasing by up to SEK 8,785,002.75 million (the "**Set-Off Issue**"). The subscription price in both new share issues amount to SEK 0.75 per share and has been determined through an accelerated book building process in connection with the Directed New Share Issue.

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The intention to carry out the Directed New Share Issue was announced on December 14, 2020 after market close. The board of directors has now resolved, conditional upon approval at a subsequent extraordinary general meeting, on the Directed New Share Issue to a number of Swedish and international professional investors outside the Company's existing shareholder base and to Peter Walker and

some other existing shareholders, on the basis of an accelerated bookbuilding process conducted by the Company's financial advisors.

The subscription price for the shares in the Directed New Share Issue amounts to SEK 0.75 per share. Since the subscription price is determined through an accelerated bookbuilding process, it is deemed to correspond to the market value of the shares. Accordingly, the board of directors has ensured that the subscription price is market. The subscription price in the Directed New Share Issue constitutes a discount of approximately 11 per cent compared to the closing price on December 14, 2020.

In total, up to 40,965,652 new shares will be issued in the Directed New Share Issue, which means that the Company will receive issue proceeds of up to SEK 30,724,239 before issue costs. Through the Directed New Share Issue, the number of shares and votes in the Company will increase by up to 40,965,652, from 91,247,865 up to 132,213,515. The share capital will increase by up to SEK 24 579 391,2, from SEK 54,748,717.8 up to SEK 79,328,109. The Directed New Share Issue will result in a dilution of approximately 28 per cent, based on the number of shares and votes in the Company after the Directed New Share Issue and the Set-Off Issue.

The proceeds from the Directed New Share Issue are intended to be used to strengthening the working capital and to finance primarily ongoing exploration at the Company's *Nutukka gold project* in Finnish Lapland and at the Company's project for *battery metals in the Kiiminki* in central Finland.

The board of directors has also resolved, conditional upon approval at a subsequent extraordinary general meeting, on the Set-Off Issue to three of the Company's creditors - Geevintti (Risto Pietilä), Peter Walker and Nordic Opportunity AB (controlled by Jonatan Forsberg - through which the Company will set off debts amounting to in total up to approximately SEK 8,785,002.75 against issuance of up to 11,713,337 new shares. The Set-Off Issue will result in up to 11,713,337 additional shares and votes in the Company, entailing a total number of shares and votes of up to 143,926,852 (after the registration of both the Directed New Share Issue and the Set-Off Issue). The share capital will increase by up to additional SEK 7,028,002.2, entailing a total share capital of up to SEK 86,356,111.2 (after the registration of both the Directed New Share Issue and the Set-Off Issue). The Set-Off Issue will result in a dilution of approximately 8 per cent, based on the number of shares and votes in the Company after the Set-Off issue and the Directed New Share Issue.

The board of directors' resolution regarding the Directed New Share Issue and the Set-Off Issue are conditional upon approval at a subsequent extraordinary general meeting in Arctic Minerals. The board of directors will publish the notice to such an extraordinary general meeting shortly.

United Bankers and Carlsquare have acted as financial advisers to Arctic Minerals.

Certified Advisor

UB Securities Ltd, 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". The Company website is www.arcticminerals.se.

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About Arctic Minerals AB

Arctic Minerals is a Nordic mineral exploration company exploring for copper, zinc, gold and battery metals in northern and central Finland. The Group also owns mineral rights in Norway.

At present, Arctic Minerals has exploration permits in the Raahe-Ladoga ore belt of central Finland, and has applied for an exploration permit in the Peräpohja schist belt in northern Finland. In addition, the Group has exploration reservations in the Peräpohja schist belt, in the Kiiminki schist belt northeast of Oulu, Paasivaara northeast of Kemi and in Central Lapland. Arctic Minerals also owns mineral rights to the closed Bidjovagge gold- copper mine in Finnmark in northern Norway.

This information is information that Arctic Minerals AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 22.45 CET on December 14, 2020.

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects,

anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

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 Arctic 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 “Target Market Assessment”). Notwithstanding the Target Market Assessment,

Distributors should note that: the price of the shares in Arctic Minerals may decline and investors could lose all or part of their investment; the shares in Arctic Minerals offer no guaranteed income and no capital protection; and an investment in the shares in Arctic 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 Directed New Share 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 (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.