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Arctic Minerals evaluates the conditions to carry out a directed issue of units of approximately SEK 12 million

Arctic Minerals AB (publ) (“Arctic Minerals” or the “Company”) evaluates the conditions to carry out a directed issue of units, consisting of shares and warrants of series TO5, corresponding to a value of approximately SEK 12 million (the “Directed Issue”), through a so-called accelerated bookbuilding procedure. The purpose of the Directed Issue is to provide the Company with necessary funding to finance the project advancement of the combined company’s assets after the acquisition of Rare Earth Energy Metals Pty Ltd (“REEM”), as announced earlier today in a separate press release (the “Acquisition”). In connection with the Directed Issue, a set-off issue to the Company’s Board and Management, and a directed cash issue to Arctic Minerals’ chairman, will be proposed.

The Directed Issue

- Arctic Minerals acquires 100 per cent of the shares in REEM, which will be paid in the form of seller promissory notes, which shall be offset against newly issued shares in Arctic Minerals. Please see the separate press release announced earlier today for further information about the Acquisition.
- The Directed Issue is intended to be carried out with deviation from the shareholders’ pre-emptive rights.
- The subscription price and the total number of units will be determined through an accelerated bookbuilding procedure conducted by Augment Partners AB (“**Augment**”), which will commence immediately after the publication of this press release.
- Pricing and allocation are expected to take place before the commencement of trading on Nasdaq First North Growth Market on Tuesday, 8 October 2024.
- By establishing the subscription price through an accelerated bookbuilding procedure, it is the assessment of the Board of Directors that the subscription price will accurately reflect current market conditions.
- The closing, pricing and allocation of the bookbuilding procedure is at the discretion of Arctic Minerals and may be shortened, extended or cancelled at any time, and Arctic Minerals may thus, in whole or in part, refrain from executing the Directed Issue. Arctic Minerals will announce the outcome in a subsequent press release after the bookbuilding procedure has been completed.
- One unit consists of two (2) new shares and one (1) warrant of series TO5. Each (1) warrant of series TO5 entitles the holder to subscribe for one (1) new share in the Company at a subscription price corresponding to approximately 130 per cent of the subscription price per share in the Directed Issue, during the subscription period commencing on 15 September 2025 and ending on 26 September 2025.

Use of proceeds

The purpose of the Directed Issue is to provide Arctic Minerals with the necessary funding to finance the project advancement of the combined assets after the Acquisition. The Acquisition will add two highly prospective copper projects in Sweden to Arctic Minerals’ project portfolio including one with historical mineral resources exceeding 25 million tonnes, complimenting existing gold-copper and copper projects in Norway and Finland and establishing Arctic Minerals as a significant exploration company in the copper space, with four high quality assets at different stages of the development cycle.

Directed issue of units to the Board and Management

In connection with the Directed Issue, Arctic Minerals' Board of Directors proposes that the Company resolves on a separate directed issue of units corresponding to approximately SEK 2 million with payment through set-off to the Company's Board and Management, at the same terms as in the Directed Issue (the "Set-Off Issue"). Furthermore, Arctic Minerals Board of Directors also proposes a directed cash issue of SEK 0.5 million to the Company's chairman, Peter Walker, at the same terms as in the Directed Issue. The Set-Off Issue and the proposed directed cash issue to the Company's chairman is subject to the decision of an Extraordinary General Meeting (the "EGM"), which is intended to be held during the fourth quarter of 2024. A separate notice will be published regarding the EGM.

Deviation from the shareholders' preferential right

The Board of Directors of Arctic Minerals has carefully evaluated the possibility of raising the required capital through a rights issue. In this evaluation, the Board of Directors has considered several factors, including that the Company must secure the necessary funds to finance exploration and development activities in the combined company's assets in close proximity to the Acquisition. Furthermore, the Board of Directors considers it necessary to secure the needed funds promptly to avoid any financial shortfall or complications, which could jeopardise the Acquisition. This underscores the importance of a swift and efficient capital-raising process to ensure the successful completion of the Acquisition and to safeguard the interest of Arctic Minerals and its shareholders. In this regard, the Board of Directors has concluded that a rights issue would be significantly more time-consuming, and, thereby, not fulfil the requirements of urgency in this situation. Also, a rights issue would incur higher total costs for Arctic Minerals. A rights issue would also expose Arctic Minerals to market volatility as set out above, potentially resulting in a lower subscription price to the disadvantage of Arctic Minerals' shareholders. Given these considerations, the Board of Directors has assessed that the Directed Issue, with deviation from shareholders' pre-emptive rights, is in the best interest of Arctic Minerals and its shareholders.

Advisors

Augment Partners AB is acting as the financial advisor and Schjødt is acting as the legal advisor to the Company in connection with the Directed Issue.

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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.

About Arctic Minerals AB (publ)

Arctic Minerals is a Nordic mineral exploration company exploring for copper, zinc, gold and battery metals in the Nordics.

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 contact person set out above, at 18:55 CEST on 7 October 2024.

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This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the securities. Any investment decision in connection with the Directed Issue must be made on the basis of all publicly available information relating to the Company and the Company's securities. Such information has not been independently verified by Augment. Augment is acting for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Directed Issue or any other matter referred to herein.

This press release does not constitute an invitation to warrant, subscribe, or otherwise acquire or transfer any securities in any jurisdiction. This press release does not constitute a recommendation for any investors' decisions regarding the Directed Issue. Each investor or potential investor should conduct a self-examination, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results. Neither the contents of the Company's website

nor any other website accessible through hyperlinks on the Company's website are incorporated into or form part of this press release.

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, unless it is required by law or Nasdaq First North Growth Market's rule book for issuers.

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 securities in Artic Minerals have been subject to a product approval process, which has determined that such securities 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 securities in the Company has led to the conclusion that: (i) the target market for such securities 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 securities 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 securities in Artic Minerals may decline and investors could lose all or part of their investment; the securities in Artic Minerals offer no guaranteed income and no capital protection; and an investment in the securities 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 Directed Share

Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Augment will only procure investors who meet the criteria of professional clients and eligible counterparties.

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 securities in Arctic Minerals.

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