



Stockholm August 29, 2024

## **Interim report for the first half year (January – June) 2024**

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 2024.

### **First half year (January – June) 2024**

- The Directorate of Mining for Norway has granted Arctic Minerals a prolongation of its extraction permits at the Bidjovagge gold-copper project in Norway. This means that all Arctic Minerals' extraction permits in Bidjovagge now are valid until December 2028.
- During the summer 2024 Arctic Minerals commenced the work with a new exploration program in Bidjovagge by submitting detailed plans for the exploration program to the Directorate of Mining for Norway. The Company has also met with representatives for the Norwegian government department for Trade, Industry and Fisheries to discuss the Bidjovagge project.
- Profit after tax for the period was MSEK -1.7 (-5.9).
- Earnings per share for the period amounted to SEK -0.01 (-0.04).
- Cash and bank position amounted to MSEK 2.8 (6.7) at end of period.

### **Significant events during the first half year of 2024**

- On January 8, 2024 Arctic Minerals announced, through a press release, that the Directorate of Mining for Norway has granted the Company a prolongation of its extraction permits at the Bidjovagge gold-copper project in Norway. This means that all Arctic Minerals' extraction permits in Bidjovagge now are valid until December 2028. For more information see, *Bidjovagge gold-copper project (Norway)*.
- On April 9, 2024 Arctic Minerals announced, through a press release, that there have been positive political developments in Norway, that the Company considers very helpful for its Bidjovagge gold-copper project in Norway. Following these positive political developments, the Company

started planning for a new exploration drilling program at Bidjovagge. During the summer 2024 Arctic Minerals commenced the new exploration program in Bijovagge by submitting detailed plans for the exploration program to the Directorate of Mining for Norway. The program is targeting the western limb and also the northern part of the geological "anticline" structure which hosts the Bidjovagge mineralisation. The Company has also during the summer met with representatives for the Norwegian government department for Trade, Industry and Fisheries to discuss the Bidjovagge project. For more information see, *Bidjovagge gold-copper project (Norway)*.

**Significant events after the period ending**

- No significant events after the period ending.

## Message from the CEO

During 2024, Arctic Minerals has continued to focus on the brownfield Bidjovagge gold-copper project in Norway and the Tavast copper prospect in Finland. This strategy has been driven by the known resource and outstanding exploration potential at Bidjovagge and by the very promising early-stage exploration results at Tavast. In addition, investor sentiment towards both gold and copper has continued to strengthen, driven by the historic high gold price and the projected very strong demand forecasts for copper in the coming years.

As previously reported, the Company is seeking a buyer or partner for the Bidjovagge project. The project has a demonstrated resource with projected robust economics, as well as outstanding exploration potential. In parallel with the search for a buyer or partner, we have also commenced a new exploration program in Bidjovagge by submitting detailed plans for the exploration program to the Directorate of Mining for Norway. We have also met with representatives for the Norwegian government department for Trade, Industry and Fisheries to discuss the Bidjovagge project. The aim of the new program is to identify additional areas of mineralisation as well as demonstrating continuity between drill holes.

At the Tavast copper prospect in central Finland prospecting has discovered boulders and rock fragments containing up to 4.4% copper. The nature and location of the boulders strongly indicate that their source is likely to be local. The geological setting is prospective for intrusion-related copper-gold-silver mineralization and such deposits have the potential to be very large. The area is sparsely populated, making exploration work easier than in more populated areas. The Tavast prospect has so far been held under an exploration reservation. However, we have now applied to the Mining Authority, Tukes, for an exploration permit covering 30 km<sup>2</sup>. This will allow us to carry out our planned program of ground geophysics, trenching and Base-of-till / Top-of-bedrock drilling. The aim is to find the mineral source of the boulders.

Arctic Minerals also holds an exploration permit for its Kuusi copper-gold-palladium-platinum prospect in northern Finland. Here, a copper-gold geochemical anomaly is coincident with a strong geophysical anomaly. The geological setting is analogous to the nearby Kilvenjärvi deposit of 700,000 tons with 2.24% copper, 0.8 gram/ton gold and 8.4 grams/ton PGM (platinum group metals). Our plan is to carry out drilling at Kuusi when funding is available.

### **The way forward**

We now believe that investor sentiment towards the exploration and mining sector is improving. Partly, this reflects current high gold prices, as well as the very positive outlook for copper demand.

In addition, governments are increasingly concerned about impending shortages of mineral resources and lack of security of supply. In this regard, in March 2024 Norway signed a Memorandum of Understanding with the European Union to launch a strategic partnership to develop sustainable land-based raw materials and battery value chains. This follows the passing of the EU's Critical Raw Materials Act, which requires that at least 10% of the EU's critical raw materials (including copper) must be mined within the EU. Under the Act, permitting for projects designated as Critical Mineral Projects will be fast-tracked and subject to a maximum permitting time of two years. In total, we believe that this is very positive developments for the Bidjovagge project.

Arctic Minerals is a mineral exploration company with limited revenues of its own. The Company is therefore dependent on financing itself through the capital markets. We continue to review the various strategic alternatives for the Company and its projects.

Stockholm, August 29, 2024

Risto Pietilä  
CEO Arctic Minerals AB (publ)

## **Nordic mineral exploration company**

Arctic Minerals is a Nordic mineral exploration company with an exploration project portfolio in Finland and Norway with the main targets for exploration being gold and copper.

By June, 2024 Arctic Minerals holds 2 exploration reservation in Finland totalling 452 km<sup>2</sup> (45 200 ha) and in addition 1 registered exploration permit applications totalling 29.7 km<sup>2</sup> (2,970 ha). Arctic Minerals also holds 1 granted exploration permit totalling 3 km<sup>2</sup> (310 ha).

In Norway, Arctic Minerals holds 9 extraction permits totalling 7 km<sup>2</sup> (700 ha), 6 applied extraction permits totalling 0.7 km<sup>2</sup> (73 ha) and 17 granted exploration permits totalling 30 km<sup>2</sup> (3,036 ha).

### **Bidjovagge gold-copper project (Norway)**

The Directorate of Mining for Norway has in January 2024 granted Arctic Minerals a prolongation of its extraction permits Bidjovagge 1-5 until December 19, 2028. This means that all Arctic Minerals' extraction permits in Bidjovagge now are valid until December 2028. In addition, Arctic Minerals has been granted a new exploration permit, Buljovarri 6, covering the ground to the northeast of the Bidjovagge project. With these new permits, Arctic Minerals now holds all the ground covering both the known Bidjovagge deposits and also the likely extensions to the north and west.

In 2024 there have been positive political developments in Norway that the Company considers very helpful for its Bidjovagge gold-copper project.

In February 2024 Norway's Minister of Trade, Industry and Fisheries, Jan Christian Vestre attended the Sápmi Business Conference in Kautokeino, the municipality in which the Bidjovagge project is located. At this conference the Norwegian government, in collaboration with the Sámi Parliament, agreed to draw up a road map for Sámi business life. The aim is to encourage business development in the Sami areas in order to create sustainable local communities.

In March 2024, Norway also signed a Memorandum of Understanding with the European Union to launch a strategic partnership to develop sustainable land-based raw materials and battery value chains. This follows the recent passing of the EU's Critical Raw Materials Act, which will require that at least 10% of the EU's critical raw materials (including copper) must be mined within the EU.

During the summer 2024 Arctic Minerals commenced a new exploration program in Bidjovagge by submitting detailed plans for the exploration program

to the Directorate of Mining for Norway. The program is targeting the western limb and also the northern part of the geological "anticline" structure which hosts the Bidjovagge mineralisation. Historic drilling in these areas has discovered bonanza grades of gold, as well as high grades of copper (press release 17 March 2022). The aim of the new program is to identify additional areas of mineralisation as well as demonstrating continuity between drill holes. The Company has also met with representatives for the Norwegian government department for Trade, Industry and Fisheries to discuss the Bidjovagge project.

Bidjovagge is a brownfield gold-copper deposit located 40 km north of the village of Kautokeino in northern Norway. It was first mined by open pit and underground methods in the periods 1971-1975 and 1985-1991. On 15 December 2021, Arctic Minerals announced an updated mineral resource for Bidjovagge where the resource classified as indicated had increased to 3.3 million tons grading 1.27 grams/ton gold and 0.97% copper. Bidjovagge also hosts zones of significant cobalt and tellurium mineralisation (press release 17 January, 2022).

Arctic Minerals believes that there is outstanding exploration potential at Bidjovagge. The Company has identified new areas with exceptionally high grades of gold and copper mineralisation (press release 17 March 2022). The Company has also obtained very promising results from a geophysical survey, which indicates the continuation of the ore zone in several directions (press release 17 December 2022). As a result, three new target areas have been identified for further drilling. Arctic Minerals believes that this could lead to a substantial increase in mineral resources at Bidjovagge.

In 2022, the consulting company AFRY Finland did an estimate of the economics of the Bidjovagge project, based on the mineral resource estimate made in December 2021. The estimate was on a scoping study level, with 25% contingencies and made mainly for internal evaluation of the project. The study shows that the mine project shows very attractive economics. With the excellent potential to increase the mineral resource, the Company believes that an opening of a new Bidjovagge mine is a realistic goal.

Arctic Minerals is also in an active process where the Company seeks a partner or a buyer to further develop the Bidjovagge project.

### **Copper project Tavast (Finland)**

Arctic Minerals has identified a copper target Tavast in a previously unexplored and sparsely populated part of central Finland. Boulders assay up to 4.4% copper.

During the field season 2022, Arctic Minerals carried out preliminary geological fieldwork at its Tavast reservation in western Finland.

The area has previously only seen sparse boulder-hunting, carried out by a prospector some 25 years ago. This prospector found boulders assaying up to 4.2% copper and also some gold-silver bearing boulders with up to 5.1 grams/ton gold and 35 grams/ton silver. Some of the prospector's boulders were found in an area that is now inside a wind farm but there is still a considerable area open for exploration on the western side of the wind farm. The most prospective area is now covered by the Company's Tavast reservation. The reservation covers an area of 444 km<sup>2</sup> approximately 120 km southeast of Oulu. The Company has recently applied for an exploration permit of 29.7 km<sup>2</sup> within the current reservation. The exploration permit, once granted, will allow the Company to carry out its planned program of ground geophysics, trenching and Base-of-till / Top-of-bedrock drilling in order to locate the bedrock source of the mineralisation found in the boulders.

Arctic Minerals' geologists found a number of copper-, gold- and silver-bearing boulders in the area outside the wind farm but within the Tavast reservation. These boulders assayed up to 4.4% copper. One copper rich boulder also assayed 0.56 gram/ton gold and another assayed 17 grams/ton silver. The company believes that the boulders' source is likely to be local.

The sulphides comprise chalcopyrite, pyrrhotite and pyrite which occur as dissemination or in semi-massive concentrations. The boulders occur in an area dominated by felsic intrusive rocks that are cut by a major fault. This setting shares similarities with that of Boliden's Aitik copper-gold-silver mine in northern Sweden, Sweden's largest mine.

### **Copper project Peräpohja (Finnish Lapland)**

Arctic Minerals has been exploring for copper in Peräpohja since 2017 and has found widespread copper mineralisation in both outcrops and boulders.

To enable it to focus on its other projects the Company has dropped its permit applications in Peräpohja. However, it does hold a granted exploration permit at Kuusi, located on the eastern side of Peräpohja. Here, a copper-gold geochemical anomaly is coincident with a strong geophysical anomaly. The geological setting is analogous to the nearby Kilvenjärvi deposit of 700,000 tons with 2.24% copper, 0.8 grams/ton gold and 8.4 grams/ton palladium-platinum. The Company's plan is to carry out drilling at Kuusi when funding allows.

### **Battery metals project Kiiminki (central Finland)**

In the Kiiminki region Arctic Minerals has held a 100% interest in an exploration permit where multiple lead-zinc-silver geochemical anomalies have been identified. The larger Kiiminki area also hosts a number of cobalt-copper geochemical anomalies, coincident with geophysical anomalies.

There have been appeals against Arctic Minerals' permit application and the matter been considered by the Administrative Court. In order to save cash and focus the Company's resources towards Bidjovagge in Norway and Arctic Mineral's other mineral projects in Finland, the Company has chosen to drop the Kiiminki exploration permit in 2024.

### **Financial development and earnings**

During the period January - June 2024, the Group's expenses amounted to MSEK 3.3 (5.9). Profit after tax amounted to MSEK -1.7 (-5.9).

### **Financial position and cash flow**

The Group's shareholders' equity in June, 2024 amounted to MSEK 47.0 (51.5). Cash and cash equivalents at the same time amounted to MSEK 2.8 (6.7). The change in cash and cash equivalents during the period consists of cash flow from operating activities after changes in working capital of MSEK -1.8 (-4.2). Cash flow from financing activities amounts to MSEK 0.0 (5.3).

### **Investments**

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

### **Financing**

Arctic Minerals is a mineral exploration company without any revenues. The Company is therefore depended upon external financing. The Company is considering different alternatives in order to secure further financing for the Company going forward.

### **Parent Company**

The Parent company provides the group companies with management services. For the period total income is MSEK 1.8 (0.2), expenses MSEK 2.1 (4.8) and result after tax MSEK -0.3 (-4.6).

### **Number of outstanding shares**

The number of outstanding shares in the company at the end of the period is 166,485,291 (161,910,297).

### **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 28, 2024 (the "AGM"). Peter Walker, Krister Söderholm and Claes Levin were all re-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.

For more information on resolutions adopted by the Annual General Meeting, please see the Communique dated 28 June, 2024.

### **Transactions with related parties**

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

### **Annual Report**

The Annual Report for 2023 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 and political risks in Norway.

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 external financing. Arctic Minerals has historically been financed primarily with equity from the capital markets. 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. The Company's assessment is that current cash position is not sufficient to finance the Company's fixed costs for at least twelve months going forward. The Company is considering different alternatives in order to secure finance for the Company going forward. There is, however, no guarantees that there is possible to secure financing for the Company short- and long term.

There are permit and political risks in Norway regarding the Bidjovagge project. 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 2023, 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 2024, will be published on Thursday, February 20, 2025.

-----

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 29, 2024

Peter Walker  
Chairman

Claes Levin  
Director

Krister Söderholm  
Vice Chairman

Risto Pietilä  
CEO

**For further information**

See the Company's website at [www.arcticminerals.se](http://www.arcticminerals.se) or contact:

Risto Pietilä, CEO

+(35) 8 40 029 3217

[risto.pietila@arcticminerals.se](mailto:risto.pietila@arcticminerals.se)

**Certified Advisor**

UB Corporate Finance Oy in Helsinki, Finland, ([www.unitedbankers.fi](http://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 11.15 a.m. CEST on 29 of August, 2024.*

<b>Group Income Statement</b>	Group	Group	Group
	6 month	6 month	12 month
	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
<b>(Amount in kSEK)</b>			
<b>Operating income</b>			
Net sales	0	0	0
Other income	1 601	1	7
<b>Total income</b>	<b>1 601</b>	<b>1</b>	<b>7</b>
<b>Operating expenses</b>			
Expenses	-3 301	-5 887	-9 260
Depreciation and amortization of tangible and intangible fixed assets	0	-60	-2 102
<b>Total operating expenses</b>	<b>-3 301</b>	<b>-5 947</b>	<b>-11 362</b>
<b>Operating results</b>	<b>-1 700</b>	<b>-5 946</b>	<b>-11 355</b>
<b>Results from financial items</b>			
Net financials	0	1	71
<b>Results after financial items</b>	<b>-1 700</b>	<b>-5 945</b>	<b>-11 285</b>
Income tax	0	0	0
<b>RESULTS FOR THE PERIOD</b>	<b>-1 700</b>	<b>-5 945</b>	<b>-11 285</b>
Earnings per share before and after dilution, SEK	-0,01	-0,04	-0,07
Average number of shares before and after dilution, pcs	166 485 291	157 065 747	160 968 094
Average number of shares after dilution, pcs	166 485 291	157 065 747	160 968 094
<b>Group Balance sheets</b>			
<b>(Amount in kSEK)</b>			
<b>Assets</b>			
Intangible fixed assets	52 584	52 578	52 584
Goodwill	0	1 982	0
Fixed assets	0	61	0
Current assets	80	121	209
Cash and bank	2 766	6 725	4 611
<b>Total assets</b>	<b>55 431</b>	<b>61 467</b>	<b>57 404</b>
<b>Shareholders equity and liabilities</b>			
Shareholders equity	46 978	51 505	48 682
Long term liabilities	7 496	8 276	8 027
Accounts payable	720	1 346	177
Current liabilities	236	340	518
<b>Total shareholders equity and liabilities</b>	<b>55 431</b>	<b>61 467</b>	<b>57 404</b>
<b>Changes in shareholders equity</b>			
<b>(Amount in kSEK)</b>			
Opening balance	48 682	52 121	52 121
New issues	0	5 329	7 845
Results for the period	-1 700	-5 945	-11 284
<b>Closing balance</b>	<b>46 978</b>	<b>51 504</b>	<b>48 682</b>

<b>Cash flow statement</b>	Group 6 month 2024-01-01 2024-06-30	Group 6 month 2023-01-01 2023-06-30	Group 12 month 2023-01-01 2023-12-31
<b>(Amount in kSEK)</b>			
Cash flow from operating activities after changes in working capital	-1 845	-4 159	-10 131
Cash flow from investment activities	0	0	0
Cash flow from financing activities	0	5 329	9 187
Cash flow for the period	-1 845	1 170	-944
<b>Opening liquid assets</b>	<b>4 611</b>	<b>5 555</b>	<b>5 555</b>
<b>Closing liquid assets</b>	<b>2 766</b>	<b>6 725</b>	<b>4 611</b>
<b>Changes in cash flow for the period</b>	<b>-1 845</b>	<b>1 170</b>	<b>-944</b>

### Segment - Business areas

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

	Group 6 month 2024-01-01 2024-06-30	Group 6 month 2023-01-01 2023-06-30	Group 12 month 2023-01-01 2023-12-31
<b>Activated work, (kSEK)</b>			
Norway	0	0	80
Finland	0	0	0
Sweden	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>80</b>
	Group 2024-01-01 2024-06-30	Group 2023-01-01 2023-06-30	Group 2023-01-01 2023-12-31
<b>Results after tax, (kSEK)</b>			
Norway	-235	-188	-771
Finland	-367	-1 175	-1 934
Sweden	-1 098	-4 582	-8 579
<b>Total</b>	<b>-1 700</b>	<b>-5 945</b>	<b>-11 285</b>

Key ratios	Group	Group	Group
	6 month	6 month	12 month
	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
<b>Margins</b>			
Operating margin, %	neg	neg	neg
Profit margin, %	neg	neg	neg
<b>Profitability</b>			
Return on total capital, %	neg	neg	neg
Return on shareholders equity, %	neg	neg	neg
<b>Capital structure</b>			
Shareholders equity, kSEK	46 978	51 505	48 682
Balance sheet total, kSEK	55 431	61 467	57 404
Solidity, %	84,8%	83,8%	84,8%
<b>Investments</b>			
Net investments in intangible fixed assets, kSEK	0	0	0
<b>Per share data</b>			
Shares at the end of the period, pcs	166 485 291	161 910 297	166 485 291
Average number of shares, pcs	166 485 291	157 065 747	160 968 094
Earnings per share, SEK	-0,01	-0,04	-0,07
Shareholders equity per share, SEK	0,28	0,32	0,29

**Income statement - parent company**

	6 month 2024-01-01 2024-06-30	6 month 2023-01-01 2023-06-30	12 month 2023-01-01 2023-12-31
<b>(Amount in kSEK)</b>			
<b>Operating income</b>			
Net sales	200	210	1 152
Other income	1 597		
<b>Total income</b>	<b>1 797</b>	<b>210</b>	<b>1 152</b>
<b>Operating expenses</b>			
Expenses	-2 063	-4 793	-7 667
Depreciation and amortization of tangible and intangible fixed assets	0	0	-1 982
<b>Total operating expenses</b>	<b>-2 063</b>	<b>-4 793</b>	<b>-9 649</b>
<b>Operating results</b>	<b>-266</b>	<b>-4 583</b>	<b>-8 497</b>
<b>Results from financial items</b>			
Net financials	0	0	72
<b>Results after financial items</b>	<b>-266</b>	<b>-4 583</b>	<b>-8 425</b>
Income tax	0	0	0
<b>RESULTS FOR THE PERIOD</b>	<b>-266</b>	<b>-4 583</b>	<b>-8 425</b>

**Balance sheets - parent company**

<b>(Amount in kSEK)</b>	2024-06-30	2023-06-30	2023-12-31
<b>Assets</b>			
Intangible fixed assets	0	0	0
Shares in group companies	85 596	85 425	85 596
Receivable from group companies	7 457	7 948	6 938
Current assets	40	80	31
Cash and bank	2 232	5 832	4 109
<b>Total assets</b>	<b>95 325</b>	<b>99 285</b>	<b>96 674</b>
<b>Shareholders equity and liabilities</b>			
Shareholders equity	86 893	89 318	87 992
Other long-term liabilities	7 496	8 276	8 027
Accounts payable	700	1 343	137
Current liabilities	236	348	518
<b>Total shareholders equity and liabilities</b>	<b>95 325</b>	<b>99 285</b>	<b>96 674</b>