



Stockholm February 21, 2024

Year-end report for the full year (January – December) 2023

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 Year-end report for the full year January – December 2023.

Second half year (July – December) 2023

- After the period ending, the Directorate of Mining for Norway ("DMF") 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.
- Profit after tax for the period was MSEK -5.3 (-11.6).
- Earnings per share for the period amounted to SEK -0.03 (-0.08).
- Cash and bank position amounted to MSEK 4.6 (5.6) at end of period.

Full year (January – December) 2023

- Profit after tax for the period was MSEK -11.3 (-18.9).
- Earnings per share for the period amounted to SEK -0.07 (-0.13).

Significant events during the second half of 2023

- On July 4, 2023 Arctic Minerals announced, through a press release, the outcome of the directed set-off issue that was resolved by the Annual General Meeting. The directed set-off issue was fully subscribed for a total amount of approximately MSEK 2.5.

Significant events after the period ending

- On January 18, 2024 Arctic Minerals announced that the Directorate of Mining for Norway ("DMF") had 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 further information, see *Bidjovagge gold-copper project (Norway)*.

Message from the CEO

In 2023 Arctic Minerals' main focus has been 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, in 2023 both gold and copper prices have been trading at historic highs.

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. We believe that these factors make the project very attractive to potential buyers or partners. In this regard, though no successful outcome can be guaranteed, discussions are in progress.

In 2023, we also identified a new copper target in Finland. The *Tavast* property is located in a previously unexplored and sparsely populated part of central Finland. Boulders assay up to 4.4% copper. The nature and location of the boulders 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 large. The area being sparsely populated is also an advantage.

The way forward

The last year has seen challenging investment conditions for the junior mining and exploration markets. Ironically, this is at a time of increasing concerns about impending shortages of mineral resources and lack of security of supply. However, the Company now sees signs of changing sentiment in investment markets. London, in particular, is looking for high-quality projects in stable jurisdictions, with gold and copper being the favoured commodities. The Company therefore believes that the chances of attracting a buyer or partner for the Bidjovagge project have improved in recent months.

Arctic Minerals is a mineral exploration company with no revenues of its own. The Company is therefore dependent on financing itself through the capital markets. In March 2023 we carried out a small capital funding of MSEK 5.3. We continue to review the various strategic alternatives for the Company and its projects.

Stockholm, February 21, 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 February 2024, Arctic Minerals holds 2 exploration reservation in Finland totalling 452 km² (45 200 ha) and in addition 23 registered exploration permit applications totalling 963 km² (96,300 ha). Arctic Minerals also holds 2 granted exploration permits totalling 48 km² (4,800 ha).

In Norway, Arctic Minerals holds 9 extraction permits totalling 7 km² (700 ha) and 17 exploration permits totalling 30 km² (3,036 ha).

Bidjovagge gold-copper project (Norway)

DMF has in January 2024 granted Arctic Minerals a prolongation of its extraction permits *Bidjovagge 1-5* until 19 December 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, *Buljovvarri 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.

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 Company has received analysis results from the exploration carried out.

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 km² approximately 120 km southeast of Oulu.

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. Work to

date includes diamond drilling, geophysical surveys, prospecting for ore boulders and outcrops and geological mapping.

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' exploration target in Peräpohja is a type of mineralisation called "SSC" (Sediment-hosted Stratiform Copper), typical of that found in the CACB.

In December 2022 Arctic Minerals acquired 100% of the Peräpohja copper project through a royalty agreement. The Peräpohja copper project consists of 24 permit and permit applications totalling 946 km² (94,600 hectare). In the royalty agreement, the seller will be entitled to a net smelter return of 1% of the revenue from any eventual production from the project. No up-front cash was paid for the project. Through the agreement, Arctic Minerals also receives full access to all data collected and exploration work carried out by the seller on the Project.

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. 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 is now being considered by the Administrative Court.

Katterat gold project (Norway)

In September 2022, Arctic Minerals acquired the gold project Katterat in Norway in a combined share and cash deal. In order to save cash and focus the Company's resources towards Bidjovagge in Norway and the Arctic Mineral's mineral projects in Finland, the Company has chosen not to prolong the exploration permits for Katterat for 2024, resulting in a financial write down of the project of MSEK 2.0.

Gold project Nutukka (Finnish Lapland)

Arctic Minerals previously held the Nutukka gold project located towards the eastern end of the Central Lapland Greenstone Belt (CLGB) in northern Finland. 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 not to prolong the exploration permits for Nutukka.

Financial development and earnings

During the period July – December 2023, the Group's total operating expenses amounted to MSEK 5.4 (11.5), including a write-down of MSEK 2.0 for the *Katterat* project, and profit after tax to MSEK -5.3 (-11.6). For the full year 2023, the Group's total operating expenses amounted to MSEK 11.4 (18.9) and profit after tax to MSEK -11.3 (-18.9). Expenses are mainly due to Arctic Minerals' ongoing exploration activities in Finland and Norway.

Financial position and cash flow

The Group's shareholders' equity in December, 2023 amounted to MSEK 48.7 (52.1). Cash and cash equivalents at the same time amounted to MSEK 4.6 (5.6).

The change in cash and cash equivalents during the period July – December 2023 consists of cash flow from operating activities after changes in working capital of MSEK -6.0 (-7.0), from investment activities MSEK 0.0 (-2.1) and cash flow from financing activities to MSEK 3.9 (0.0). For the full year 2023 cash flow from operating activities after changes in working capital amounts to MSEK -10.1 (-10.5), cash flow from investment activities to MSEK 0.0 (-2.1) and cash flow from financing activities to MSEK 9.2 (0.0).

Investments

The Group's investments for the period July – December 2023 amounted to MSEK 0.0 (2.1) and for the full year 2022 MSEK 0.0 (2.1).

Financing

Arctic Minerals is a mineral exploration company without any revenues. The Company is therefore depended upon external financing. The Company's assessment is that current cash position is sufficient to finance the Company's fixed costs for at least six months going forward. 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 July – December 2023, revenues, which is mainly invoiced costs to the subsidiaries, is in total MSEK 0.9 (1.7), total operating expenses MSEK 4.9 (8.3) and profit after tax MSEK -3.8 (-6.6). For the full year 2023, revenues are in total MSEK 1.2 (2.1), total operating expenses MSEK 9.6 (13.6) and profit after tax MSEK -8.4 (-11.5).

Number of outstanding shares

The number of outstanding shares in the company at the end of the period is 166,485,291 (152,221,197).

The Company share

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

Transactions with related parties

In the set-off issue resolved by the Annual General Meeting on June 30, 2023 Peter Walker subscribed for 3,945,716 shares, Risto Pietilä for 409,266 shares and Krister Söderholm for 124,096 shares. The subscription price in the set-off issue amounted to SEK 0.55 per share and corresponds to a premium of approximately 16 per cent compared to the closing price the day prior to the AGM.

During the period, no other 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 2022 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 2022, 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 Annual Report for 2023 is expected to be published in May 2024. The half-year report for January–June 2024, will be published on August 29, 2024.

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 Year-end report has not been audited by the Company's auditor.

Stockholm, February 21, 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 or contact:

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Certified Advisor

UB Corporate Finance 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 p.m. CET on 21 of February, 2024.

Income statement - parent company	6 months	6 months	12 months	12 months
	2023-07-01	2022-07-01	2023-01-01	2022-01-01
(Amount in kSEK)	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Operating income				
Net sales	942	1 712	1 152	2 111
Total income	942	1 712	1 152	2 111
Operating expenses				
Expenses	-2 874	-8 261	-7 667	-13 618
Depreciation and amortization of tangible and intangible fixed assets	-1 982	0	-1 982	0
Total operating expenses	-4 856	-8 261	-9 649	-13 618
Operating results	-3 914	-6 549	-8 497	-11 507
Results from financial items				
Financial income	72	0	72	0
Financial expenses	0	-31	0	-31
Results after financial items	-3 842	-6 580	-8 425	-11 538
Income tax	0	0	0	0
RESULTS FOR THE PERIOD	-3 842	-6 579	-8 425	-11 538

Balance sheets	the Group	the Group
(Amount in kSEK)	2023-12-31	2022-12-31
Assets		
Intangible fixed assets	52 584	52 579
Goodwill	-	1 982
Fixed assets	-	121
Current assets	209	493
Cash and bank	4 611	5 555
Total assets	57 404	60 730
Shareholders equity and liabilities		
Shareholders equity	48 682	52 121
Long term Debt	8 027	6 681
Accounts payable	177	975
Current liabilities	518	953
Total shareholders equity and liabilities	57 404	60 730

Changes in shareholders equity	the Group	the Group	the Group	the Group
	6 months	6 months	12 months	12 months
(Amount in kSEK)	2023-07-01	2022-07-01	2023-01-01	2022-01-01
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Opening balance	51 505	58 769	52 121	66 030
New issues	2 515	4 985	7 845	4 985
Results for the period	-5 339	-11 634	-11 284	-18 894
Closing balance	48 682	52 121	48 682	52 121

Cash flow statement	the Group 6 months 2023-07-01 2023-12-31	the Group 6 months 2022-07-01 2022-12-31	the Group 12 months 2023-01-01 2023-12-31	the Group 12 months 2022-01-01 2022-12-31
(Amount in kSEK)				
Cash flow from operating activities after changes in working capital	-5 974	-6 956	-10 131	-10 495
Cash flow from investment activities	0	-2 054	0	-2 062
Cash flow from financing activities	3 861	0	9 187	0
Cash flow for the period	-2 113	-9 010	-944	-12 557
Kursdifferens i likvida medel	0	0		
Opening liquid assets	6 725	14 565	5 555	18 112
Closing liquid assets	4 612	5 555	4 611	5 555
Changes in cash flow for the period	-2 113	-9 010	-944	-12 557

Segment - Business areas

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

	the Group 6 months 2023-07-01 2023-12-31	the Group 6 months 2022-07-01 2022-12-31	the Group 12 months 2023-01-01 2023-12-31	the Group 12 months 2022-01-01 2022-12-31
Activated work, (kSEK)				
Norway	0	80	0	80
Finland	0	0	0	0
Sweden	0	0	0	0
Total	0	80	0	80
	the Group 2023-07-01 2023-12-31	the Group 2022-07-01 2022-12-31	the Group 2023-01-01 2023-12-31	the Group 2022-01-01 2022-12-31
Results after tax, (kSEK)				
Norway	-583	-1 393	-771	-1 711
Finland	-759	-3 662	-1 934	-5 646
Sweden	-3 997	-6 579	-8 579	-11 537
Total	-5 339	-11 634	-11 284	-18 894

Key ratios

	the Group 6 months 2023-07-01 2023-12-31	the Group 6 months 2022-07-01 2022-12-31	the Group 12 months 2023-01-01 2023-12-31	the Group 12 months 2022-01-01 2022-12-31
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Margins

Operating income, kSEK	1	1	7	7
Operating margin, %	neg	neg	neg	neg
Profit margin, %	neg	neg	neg	neg

Profitability

Return on total capital, %	-2,22%	-4,70%	-4,78%	-15,56%
Return on shareholders equity, %	-2,42%	-5,11%	-5,60%	-18,13%

Capital structure

Shareholders equity, kSEK	48 682	52 121	48 682	52 121
Balance sheet total, kSEK	57 404	60 730	57 404	60 730
Equity ratio, %	84,8%	85,8%	84,8%	85,8%

Investments

Net investments in intangible fixed assets, kSEK	0	2 054	0	2 062
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Per share data

Shares at the end of the period, pcs	166 485 291	152 221 197	166 485 291	152 221 197
Average number of shares, pcs	166 485 291	149 735 466	160 968 094	146 823 659
Earnings per share, SEK	-0,03	-0,08	-0,07	-0,13
Shareholders equity per share, SEK	0,29	0,32	0,29	0,32

Income statement - parent company

	6 months 2023-07-01 2023-12-31	6 months 2022-07-01 2022-12-31	12 months 2023-01-01 2023-12-31	12 months 2022-01-01 2022-12-31
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(Amount in kSEK)**Operating income**

Net sales	942	1 712	1 152	2 111
Total income	942	1 712	1 152	2 111

Operating expenses

Expenses	-2 874	-8 261	-7 667	-13 618
Depreciation and amortization of tangible and intangible fixed assets	-1 982	0	-1 982	0
Total operating expenses	-4 856	-8 261	-9 649	-13 618

Operating results

	-3 914	-6 549	-8 497	-11 507
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Results from financial items

Financial income	72	0	72	0
Financial expenses	0	-31	0	-31

Results after financial items

	-3 842	-6 580	-8 425	-11 538
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Income tax

	0	0	0	0
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RESULTS FOR THE PERIOD

	-3 842	-6 579	-8 425	-11 538
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Balance sheets - parent company

(Amount in kSEK)	2023-12-31	2022-12-31
Assets		
Intangible fixed assets	0	0
Shares in group companies	85 596	85 425
Receivable from group companies	6 938	6 440
Current assets	31	60
Cash and bank	4 109	4 375
Total assets	96 674	96 300
Shareholders equity and liabilities		
Shareholders equity	87 992	88 572
Long term debt	8 027	6 681
Accounts payable	137	368
Current liabilities	518	679
Total shareholders equity and liabilities	96 674	96 300