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Arctic Minerals Exploration Update

Arctic Minerals is pleased to issue an update on its exploration progress in northern and central Finland. The 2020 exploration field campaign has been focused on the Company's gold project in *Nutukka* in central Finnish Lapland, battery metals in the *Kiiminki* project in central Finland as well as the exploring for copper in the *Peräpohja* Schist Belt in northern Finland. The exploring for copper in Peräpohja is carried out through the joint venture agreement with the world leading mining group Rio Tinto.

For the fall and winter season 2020/2021, Arctic Minerals is now targeting further field work on the Nutukka gold project and also ground geophysics in Kiiminki in order to optimise locations for drilling for battery metals. In the Peräpohja copper Joint Venture project, further geophysical surveys are being carried out, with the aim of optimising the location of previously identified drill targets as well as identifying potential new targets.

- Arctic Minerals has during the field season 2020 successfully carried out a soil sampling program for gold at Nutukka. Based on the success, the Company plans to carry out further soil sampling and processing starting in September 2020, along with geological fieldwork to locate and sample further outcrops. Depending on these results, further work could include till / base-of-till sampling, further soil sampling, geophysics (magnetic surveys) and structural geological interpretation in order to identify targets for drilling.
- The Company believes that geochemical modelling and the high lead-zinc-silver content of boulders at Kiiminki point to mineralisation in several areas. The Company plans to carry out ground geophysics

this autumn in order to optimise locations of drill targets for subsequent drilling.

- In cooperation with Rio Tinto, Arctic Minerals is currently continuing fieldwork on the *Peräpohja copper Joint Venture* project. Further geophysical surveys are also being carried out, with the aim of optimising the location of previously identified drill targets as well as identifying potential new targets. Currently a deep-penetrating EM (electromagnetic) ground geophysical survey is being carried out. The plan for the near future also includes high-resolution airborne geophysics, Base of Till ("BOT") sampling and diamond drilling in selected areas.

Nutukka gold project

The Nutukka gold project is located in Finnish Lapland, approximately 100 km northeast of the city center of Kittilä, Finland and approximately 20 km southwest of the old gold panning village of Tankavaara. The Nutukka exploration reservation, covering 366 km², is situated towards the eastern end of the central Lapland Greenstone Belt of northern Finland. This belt hosts the Kittilä gold mine, the largest gold mine in Europe, operated by the Canadian company Agnico Eagle Mines Ltd and producing approximately 190,000 oz gold per year (2018). The belt has also seen a number of new gold discoveries in recent years. The Company considers that the geology of the Nutukka area has strong similarities to that of the goldfields of Western Australia and the Abitibi belt of eastern Canada, both major gold-producing regions.

The Company identified the potential of the Nutukka area through detailed study of geochemical, geophysical and other data available from GTK (Geological Survey of Finland). The area hosts a number of soil geochemical anomalies for gold but the origins of these anomalies have yet to be explained. The area lies just east of the locality called Kirakka-aapa, where the GTK conducted shallow bedrock drilling for geological mapping purposes between 2001 and 2005. This drilling intersected in one area 2 metres grading 3-5 grams per ton gold, 0.26 % nickel and 0.08 % cobalt. Another drill hole intersected a gold-copper mineralization grading 0.9 gram per ton gold and 0.8% copper over one meter.

In June 2020, the Company carried out a soil sampling program at Nutukka. A total of 34 samples were taken at a depth of 0.5 - 1.0 metre. Gold particles were observed in 17 of these samples. Of these, 7 samples contained gold particles larger than 100 microns in diameter, with a further 4 samples containing particles larger than 200 microns. The largest particles measured

700 x 250 microns. The distribution of these samples forms two distinct clusters coincident with gold-prospective geology.

Preliminary geological mapping identified several quartzitic rock outcrops near to the best soil samples. These rocks were typical of those likely to host gold mineralisation. The Company believes it likely that more such outcrops could be found by further fieldwork.

The sampling was carried out by a consulting geologist specialising in the type of gold geology which the Company is targeting at Nutukka. This geologist reports that in such geology, gold generally occurs in maximum 20% of soil samples. To find gold in 50% of samples, as was found in June, is promising high. The consultant has therefore strongly recommended more sampling, including further processing in order to identify very fine gold particles invisible to the naked eye.

The Company therefore plans to carry out further soil sampling and processing starting in September, along with geological fieldwork to locate and sample further outcrops. Depending on these results, further work could include till / base-of-till sampling, further soil sampling, geophysics (magnetic surveys) and structural geological interpretation in order to identify targets for drilling.

Kiiminki battery metals project

The Company currently has two exploration reservations totalling 1,092 km² at its Kiiminki battery metals prospect, northeast of the city of Oulu in central Finland. The Kiiminki area hosts a number of cobalt-copper and lead-zinc-silver-gold geochemical anomalies, coincident with geophysical anomalies. One of the geophysical anomalies is adjacent to mafic volcanic rocks which are also anomalous in gold. The area is also highly prospective for lead and zinc: previous GTK fieldwork found lead-zinc -containing boulders assaying up to 11.8% lead, 6.5% zinc, 370 grams/ton silver and 4 grams/ton gold. Currently the Company is conducting further compilation and interpretation of GTK geochemical and geophysical data, as well as geological fieldwork.

In the Martimo area of Kiiminki, geochemical data show a distinct lead-zinc-silver-gold anomaly coincident with geophysical anomalies. On the basis of these anomalies, the extent of the Martimo zone is significant - more than 10 km long and about 1 km wide. The Company believes that the geochemical anomalies in Martimo are due to the presence of lead-zinc-silver-gold mineralisation. These geochemical anomalies will be the subject of further fieldwork this year. It is also notable that, in addition to the lead-zinc-silver-gold target, there are indications that the Martimo area also hosts potential

for copper-zinc mineralisation. The Company plans further geophysical work this autumn to optimise drill target location at Martimo.

Arctic Minerals has identified a second target area in the Katiska area, located 15 km to the west of Martimo and in similar geology. Katiska was identified by geophysical modelling of GTK data in an area called the “lead zone.” The University of Oulu has also previously observed anomalous geophysical conductivity in the Katiska area. As at Martimo, the Company plans to carry out further geophysical work at Katiska this autumn in order to identify targets for drilling.

A third target area has been identified at Kumpusuo, some 5 km north of the Katiska target. The Company has carried out fieldwork at Kumpusuo this summer in order to investigate gold occurrences found by previous exploration some 30 years ago.

Other targets for further fieldwork are the Haukipudas area (see table below), which is the source of the highest-grade boulder samples at Kiiminki. Since the previous exploration, a number of new quarries, forest roads and clearings have greatly increased chances to find new mineralised samples. Several samples have already been taken and assays for gold, silver and base metals are pending.

Sample no.	Lead	Zinc	Copper	Cobalt	Silver	Gold
19901224	11.8%	6.5%	280 ppm	371 ppm	370 grams/ton	4.1 grams/ton
20062466	4.97%	2.99%	120 ppm	85 ppm	139 grams/ton	-
11927389	1.48%	2.00%	110 ppm	80 ppm	65 grams/ton	0.21 gram/ton

The Company's current fieldwork, together with the latest geochemical and geophysical modelling, indicate that Kiiminki is a promising target area for the discovery of base metals and gold, as well as battery metals.

Peräpohja copper Joint Venture project

The geology of the Peräpohja Schist Belt of southern Finnish Lapland has many similarities to that of the Zambian Copper Belt, one of the world's main sources of copper and also a major source of cobalt. Arctic Minerals' main exploration target in Peräpohja is a type of mineralisation called “SSC” (Stratiform Sediment-hosted Copper), typical of that found in the Zambian Copper Belt. Arctic Minerals has been exploring for copper in Peräpohja since 2017 and has found widespread copper mineralisation in both outcrops and boulders.

Fieldwork in 2018 found copper in a number of locations, together with lesser amounts of silver and gold. Samples from both bedrock and boulders contained significant grades of copper, gold and silver. The best of the boulders found in 2018 contained 5.25% copper, 0.4 gram gold per ton and 12 grams silver per ton.

As previously announced on 18 March 2020, fieldwork in 2019 found more copper-bearing boulders and outcrops, as well as significant lead concentrations (up to 2.8%) in certain areas. In one case the presence of lead was associated with significant contents of copper, gold and silver, with one sample assaying 2.4% lead, 1.2 gram/ton gold, 265 grams/ton silver and 0.5% copper.

As well as the sampling program, in 2019 the Company also carried out ground geophysical surveys (Induced Polarisation) on 10 targets. As a result of the program, the Company has identified several promising areas which are being followed up during the current field season.

During the current field season 2020, the Company has found more lead-copper bearing boulders. The best boulder so far returned significant lead content, at 15.8%, as well as 1.8% copper, 84 grams/ton silver and 0.61 grams/ton gold. Another boulder contained 4.18% copper, 28.9 grams/ton silver and 0.12 grams/ton gold. Fieldwork is continuing.

On 21 January, 2020 the Company announced that it had entered into an earn-in and joint venture agreement with the Rio Tinto Group, covering further exploration of certain areas of the Peräpohja belt. On May 15, 2020 Arctic Minerals further announced that the Company had received confirmation of satisfactory due diligence from Rio Tinto on the joint venture agreement. For further information on the agreement with Rio Tinto, please see press release as from January 21, 2020 as well as from May 15, 2020.

In cooperation with Rio Tinto, Arctic Minerals is currently continuing fieldwork in Peräpohja. Further geophysical surveys are also being carried out, with the aim of optimising the location of previously identified drill targets as well as identifying potential new targets. Currently a deep-penetrating EM (electromagnetic) ground geophysical survey is being carried out. The plan for the near future also includes high-resolution airborne geophysics, Base of Till ("BOT") sampling and diamond drilling in selected areas.

Paasivaara chromite-PGE project

Paasivaara is a chromite-PGE (platinum group elements) target located approximately 14 km east of the city of Kemi and 7 km northeast of

Outokumpu Oy's Kemi chromite mine. Arctic Minerals has carried out geophysical and geological modelling which indicates clear potential for chromite and PGE mineralisation. The target coincides with the same major geological fault lines observed at the Kemi mine. Also, the geophysical (seismic) anomaly on the northeast side of the mine indicates that the chromite-PGE -bearing rocks extend into the Paasivaara area. The Company plans to start exploration at Paasivaara this winter. Initial work would consist of a geophysical (induced polarisation or "IP") survey. If results are positive, this would be followed up by drilling.

Vihanti zink project

During the first quarter 2020, the Company drilled a number of holes at its three targets in the Vihanti area: Kuuhkamo, Vilminko and Vihanti Deeps to follow up on previously identified geophysical anomalies. Two holes were drilled at Kuuhkamo, two at Vilminko and one at Vihanti Deeps. The drilling did encounter indications of the ore-bearing horizon at the Kuuhkamo and Vilminko drill targets, whilst the results at Vihanti Deeps could not confirm further ore bearing horizon. The Company is continually evaluating the further merits of the project in comparison with other projects in the Company's exploration portfolio.

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".

For further information

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About Arctic Minerals

Arctic Minerals is a Nordic junior mining 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 (EU) 596/2014. The information was submitted for publication, through the agency of the contact persons set out above, at 16.15 on August 26, 2020.