



Stockholm on 7 October 2024

Arctic Minerals Announces Acquisition of Rare Earth Energy Metals Pty Ltd

Arctic Minerals AB (publ) ("Arctic Minerals" or the "Company") has today, on 7 October 2024, signed a share purchase agreement regarding the acquisition of all shares in the Australian company Rare Earth Energy Metals Pty Ltd ("REEM") (the "Acquisition"). The purchase price for all shares in Rare Earth Energy Metals Pty Ltd will be paid in the form of seller promissory notes of approximately SEK 45.0 million, which will be offset against 166,485,291 newly issued shares in Arctic Minerals, at a subscription price of SEK 0.27 per share (the "Consideration Shares").

In acquiring REEM, Arctic Minerals will gain control of two outstanding copper projects in Sweden, Hennes Bay and Swan Lake. Hennes Bay copper-silver deposit has a historical mineral resource of 25 million tons, which the Company believes can be significantly increased by further drilling. Swan Lake is a very promising discovery hosting multiple outcrops of copper-gold-silver ore, located on the same geological trend as Boliden's Aitik mine, one of Europe's largest copper mines.

Peter Walker, Chairman of Arctic Minerals, comments:

"This is a transformational deal for Arctic Minerals. The acquisition of REEM gives Arctic Minerals 100% ownership of the Hennes Bay copper-silver deposit, with its historic mineral resource of 25 million tons and outstanding upside. Arctic Minerals also gains control of the Swan Lake copper-gold-silver project with its highly promising exploration potential. REEM's management are highly experienced mining executives with a track record of creating shareholder value in excess of US\$ 1 billion.

The acquisition also positions Arctic Minerals as a significant copper exploration company in the Nordic region, with four high quality copper

assets in Sweden, Norway and Finland. These assets combine two identified deposits, Hennes Bay and Bidjovagge, with a strong pipeline of advanced exploration targets at Swan Lake, Tavast and Kuusi. The Company believes this asset portfolio provides multiple opportunities for creating shareholder value.”

Background and rationale

In acquiring REEM, Arctic Minerals will gain control of two copper projects in Sweden, Hennes Bay and Swan Lake, both of which the Company believes have clear potential to be world-class.

The **Hennes Bay** project (100% owned by REEM) is an historic discovery (1980's) with outstanding exploration potential which has never been fully explored. It hosts an historic mineral resource of 25 million tons of copper mineralisation grading 0.93% copper and 23 grams/ton silver. The replacement value of the historical drilling is estimated to be in excess of EUR 2.5 million (SEK 28 million).

The geological setting (sediment-hosted) is analogous to certain very large copper deposits in Congo, USA and Russia. These types of deposit typically run to hundreds of millions of tons, sometimes exceeding one billion tons of ore. The Hennes Bay area has not been explored with modern methods. In addition, it is interpreted that less than 5% of the prospective zone has been tested by drilling. A resource update is scheduled for Q4 2024, and further drilling is planned for Q1 2025. A Preliminary Economic Assessment is planned to commence, also in Q1 2025. The project offers excellent potential for rapid resource growth and new discoveries.

The Swan Lake project is a copper-gold-silver discovery located on the same geological trend as Boliden's Aitik mine, one of Europe's largest copper mines. Multiple outcrops have been located with mineralisation grading up to 0.7% copper, 0.16 grams/ton gold and 55 grams/ton silver. Swan Lake is drill-ready, with identified targets for Aitik-style copper-gold-silver as well as epithermal-style gold-silver mineralisation. REEM currently owns 51% of Swan Lake and has an option to increase this to 80% by spending A\$ 750,000 (EUR 460,000 or SEK 8.5 million) on further exploration.

Conditions for the Acquisition

The purchase price for all shares in Rare Earth Energy Metals Pty Ltd will be paid in the form of seller promissory notes of approximately SEK 45.0 million, which shall be offset against no more than 166,485,291 newly issued shares in Arctic Minerals, at a subscription price of SEK 0.27 per share. The subscription price corresponds to the volume weighted average price of the shares in the Company on Nasdaq First North Growth Market Sweden during the 30 trading days prior to signing of the share purchase agreement. The number of Consideration Shares issued could be lower than 166,485,291 since the number of Consideration Shares each seller is to receive will be rounded down to the nearest whole number. The seller promissory notes do not carry interest. The Acquisition is expected to be completed during the fourth quarter of 2024.

The Acquisition is, *inter alia*, conditional upon that an extraordinary general meeting in Arctic Minerals resolves to amend the limits of the number of shares and share capital in the articles of association and to authorize the board of directors of Arctic Minerals to resolve on the set-off issue to the sellers. The extraordinary general meeting will be held during the fourth quarter 2024 and notice to the extraordinary general meeting will be made public through a separate press release. The Acquisition is also conditional upon that, if required, the Swedish Inspectorate of Strategic Products resolves to approve the sellers' notification under the Swedish Screening of Foreign Direct Investment Act.

The new issue of the Consideration Shares will increase the total number of shares and votes in the Company by no more than 166,485,291, resulting in a total of 332,970,582 shares and votes, and a share capital of SEK 1,331,882.328. The new issue of the Consideration Shares corresponds to a dilution of 50 percent based on the current number of shares and votes in Arctic Minerals.

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.

Other

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

For further information

see the Company's website at www.arcticminerals.se or contact:

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About Arctic Minerals

Arctic Minerals is a Nordic mineral exploration company exploring for copper, 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 (EU) 596/2014. The information was submitted for publication, through the agency of the contact persons set out above, at 18.45 CEST on 7 October 2024.