

# Q3 Report

Per 30 September

AKOBO MINERALS AB (publ)

# 2021



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Akobo Minerals' vision is to be a leading gold exploration company in Ethiopia developing industry-leading gold reserves.





# Third quarter report

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**Akobo Minerals is a Norway-based gold exploration company, currently with ongoing exploration and small-scale mine development in the Gambela region and Dima Woreda, southwest Ethiopia.**

The operations were established in 2009 by people with long experience from the public mining sector in Ethiopia and from the Norwegian oil service industry. Akobo Minerals holds a mining licence and an exploration license over key targets in the area where our team of geologists have worked extensively over the last 11 years to identify potential primary gold targets. Since mid-2020 Akobo Minerals has developed a full operations team capable of supporting mine development activities and ongoing exploration.

Economic mineralisation has been discovered and the company is engaged in mining studies to advance the project to production, alongside exploration core drilling. At both the key targets

Segele and Joru the company has so far released exceptionally high-grade gold results including the Segele deposit with an Inferred Mineral Resource of 78ktons at 20.9g/t. A scoping study for Segele, performed by engineers with a long track record, includes an up-front capital expenditure of USD \$8m and all-in sustaining cost of USD \$243 per ounce of gold produced.

The company has an excellent partnership with national authorities and places ESG at the heart of its activities - a groundbreaking community program is being planned.

Akobo Minerals is listed on Euronext Growth with the ticker symbol **"AKOBO"**.

## IMPORTANT EVENTS IN THIRD QUARTER

- Applies for and is awarded a large-scale mining license for gold and associated minerals
- Listed on Euronext Growth
- Completes its Segele scoping study with very favourable project economics
- Peacocke and Simpson awarded contract for metallurgical testwork at the Segele project
- Continued High Grade Intersections at Joru, and Segele
- Sources the first drill rig from Midroc

## EVENTS AFTER PERIOD

- Sources the second drill rig from Midroc
- TS Environment contracted for Environmental studies in Akobo
- Receives very positive results from metallurgical testwork, potential for greater than previously expected revenue generation
- Segele gold mineralization continues at depth with high grade intersections intercepted at 170 meters
- 1st drill program completed at Joru – rig to be moved to Segele

## FINANCIAL PERFORMANCE OVERVIEW

### Per 30.09.2021

- Results for the period SEK -5,143,916
- Cash flow for the period SEK 40,924,134
- Cash end of period SEK 47,027,416
- Total equity end of period SEK 84,834,626

### Remarks on the balance sheet

- No external debt
- Strong cash position
- All operational costs in Ethiopia are capitalised

## COMMENTS FROM THE CEO

The third quarter of 2021 has been another transformative quarter for the company with several new milestones achieved. We had our first trading day at the Euronext Growth exchange, enabling increased liquidity in the share. Further we both applied for and received our large scale mining license for extracting gold and associated minerals from the Segele deposit. As envisaged, Akobo Minerals is now an exploration company to be supported by mining operations.

With the scoping study for Segele finalised we have now a much better understanding of the economics of the future mining operation. It is an exceptional deposit; world class gold grade of 20,9 gram/ton combined with an estimated all-in sustaining cost (AISC) of 243 USD per ounce. The potential for a high margin mine operation is clear.

### Groundbreaking mining license

With a groundbreaking mining license agreement in place allowing for repatriation of profits from offshore accounts, we hope for a positive development of the Ethiopian mining industry and that more international mining companies will find their way here. This is the first time a mining company in Ethiopia has been granted such a right, an achievement we are proud to have been able to get in place in close cooperation with the Ministry of Mines. With a 5-year mining license and a possible 10 year extension, we have now secured a long term presence in the area. The speed of processing of our licence application and positive experience in dealing with the Ministry of Mines is clear evidence of our solid partnership with the national authorities.

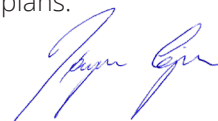
Continued exploration will still be major part of our activity going forward. There are so many existing targets to explore within our license area. We have completed our first drill campaign at Joru and await results from ALS in Ireland. The exploration

activities will continue at Joru based upon latest results with the goal of delivering a first maiden resource estimate in 2022. At the same time we will focus on finding new targets around Segele as well as doing infill and extension drilling of the current deposit to increase the size of the geological database that will feed into updating our next resource estimate.

We also see from our latest drilling that the ore continues to be open at depth, and that the latest intersections below the defined resource is showing gold in line with expectations. This successful drilling will increase the resource size over time. With a second contract drill rig from Midroc in place we will explore the deposit further, both down dip and also in the adjacent areas. As we continue to target deeper mineralisation at Segele, more drilling meters are required in order to extend the resource down-dip. While our work has found that the resource is still open at depth, the drilling at new shallow targets might allow us to target shallower resources.

### The political situation

The political situation is still affected by the ongoing conflict in the northern part of the country. The government has implemented a state of emergency and the security situation is unclear. Up until now, we have had normal operations in Addis and Akobo as it has been for the last 11 years through different political regimes and similar changes in security situation. Having built a solid local organisation we continue work without the need for travel. A continued unclear security situation might potentially cause challenges for employees, suppliers and our operations. We hope for a solution that will bring greater stability and prosperity for all Ethiopians.



## FUTURE OUTLOOK

Akobo Minerals has solidified its position as a leading exploration company in Ethiopia and is now ready to continue to build a solid gold mining operation based upon the same principles.

We are already busy planning for start-up of our mining operations next year. A lot needs to be done, but I am confident our organisation will deliver. Looking forward to the next chapter in Akobo Minerals journey.

## KEY FIGURES

SEGELE	2020				2021		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Meters drilled (RC+DDH)	906	69	1,244	1,577	670	-	1,292
Accumulated	1,501	1,570	2,814	4,391	5,061	5,061	6,353
Assays samples generated (incl QAQC)	497	29	439	476	132	-	283
Accumulated	1,092	1,121	1,560	2,036	2,168	2,168	2,451
Inferred Resources ounces	n.a	n.a	n.a	n.a	52,410	52,410	52,410
Avg grams per ton	n.a	n.a	n.a	n.a	20.9	20.9	20.9
JORU	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Meters drilled (RC+DDH)	-	-	-	-	260	597	856
Accumulated	1,327	1,327	1,327	1,327	1,587	2,184	3,041
Assays samples generated (incl QAQC)	-	-	-	-	559	452	805
Accumulated	1,327	1,327	1,327	1,327	1,886	2,338	3,143
Inferred Resources ounces	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Avg grams per ton	n.a	n.a	n.a	n.a	n.a	n.a	n.a
TRENCHING	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Meters trenched							876
Accumulated	7,500	7,500	7,500	7,500	7,500	7,500	8,376
CORPORATE	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Cash balance SEK	7,320,440	6,801,543	5,782,420	19,302,549	11,779,672	6,160,930	47,027,416
Share issue SEK	8,331,517	1,869,233		20,000,000			48,945,840
Change cash SEK	-2,572,208	-2,388,130	-1,019,123	-6,479,871	-7,522,877	-5,618,742	-8,079,354
Employees in total end quarter	17	23	23	32	33	39	41
Ethiopia	16	22	22	30	31	36	38
Scandinavia	1	1	1	2	2	3	3
Gold price end quarter	1,578	1,780	1,885	1,897	1,707	1,770	1,728

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Akobo Minerals recognizes the importance of the role that Environmental, Social and Governance has to play in meeting its strategic and operational goals. As such, we have set up a robust ESG program to meet the demands of all our stakeholders through HSE and environmental initiatives to ensure we protect both our employees and the environment in which we operate. The company has engaged Sazani Associates to review ESG risks and develop a groundbreaking ESG program which has featured in Global Mining Review (July/August, 2021).

The ESG program includes the completion of an Environmental and Social Impact Assessment to develop the mitigating measures needed for development of the Segele Mine. During Q3 the entire company has received training in how to manage our community partnership. Also during the period recruitment of the community engagement team has been successful and the company will begin to develop a strong connection with our community partners.

The future ESG program will focus on the development of programs which support shared values with our community to improve environmental protections and support a long-term livelihood in the region.

After the period; social, biodiversity, heritage and meteorological baseline surveys have been completed. The community liaison team has begun tracking interactions between the company and the community as a whole. These activities contribute the filing of an Environmental and Social Impact Assessment and form the basis of the activities to mitigate the company's impact.

Akobo Minerals is committed to building a company that looks after the needs of our employees and the needs of the community in which they live and work. As we operate in such a remote part of the world, we have a continuous focus on the most up-to-date safety equipment, systems and modern conveniences at site, ensuring a safe workplace for our staff. We have a program of employee training & development so they can meet their potential. We will also act to make the local community a part of our wider business, so we can have a positive impact on their lives.

**All of our successes will be a result of our commitment to our staff and to supporting the local community. This is why ESG underpins our business – today and tomorrow.**



## CORPORATE GOVERNANCE POLICY

Akobo Minerals is committed to achieving the highest standards of corporate governance and strives to maintain the utmost levels of best practice as defined by Scandinavian corporate governance procedures. We conform to the most stringent ethical and anti-corruption standards through transparent reporting on every aspect of the company's operational and financial activities - all of which are audited by highly respected international firms. We have been recognised by the Ethiopian Ministry of Mines and Petroleum for our stringent commitment to the law.

The board of directors recognizes the crucial importance of effective corporate governance and will take all necessary steps towards complying with corporate governance guidelines with an emphasis on integrity, ethical guidelines and respect for people and the environment.

Akobo Minerals continually documents all its activities by working with highly respected international firms for consulting, verification and audit.

The Company intends to maintain a high level of corporate governance standards and is considering the implications of the Norwegian Code of Practice for Corporate Governance (the Code of Practice). The purpose of the Code of Practice is to clarify the respective roles of shareholders, board of directors and executive officers beyond the requirements of the legislation. As we develop as a company, we are in the process of developing our Corporate Governance framework in line with the Norwegian Code of Practice.



Akobo Minerals will publish interim reports for the first and third quarters, in addition to the half-yearly and annual reports. The company will ensure that half-yearly reports and interim reports for the first and third quarters are published as soon as possible and no later than three months after the end of the accounting period in question. Annual reports will be published in a timely manner and no later than five months after the end of the accounting period in question.





# Financial information

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per 30 September 2021

Group & Parent company

## CORPORATE STRUCTURE AND RISK FACTORS

### Corporate structure

Akobo Minerals (org.no 559148-1253) is headquartered in the municipality of Gothenburg in Västra Götaland County. The Company has a wholly owned Norwegian subsidiary, Abyssinia Resources Development AS (“ARD”). ARD in turn owns 99.97% of the Ethiopian subsidiary Etno Mining Plc. Etno Mining Plc is the sole holder of an exploration permit in the Akobo region of Ethiopia for gold on a 182 km<sup>2</sup> area and a large-scale gold and associated minerals mining license on a 16 km<sup>2</sup> within the exploration license area.

### Shares and shareholders

As of Sept 30, 2021, there were 42,512,606 issued Akobo Minerals shares. The Shares are registered in a central securities depository register in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479). The register is managed by Euroclear Sweden AB, Box 191, SE-101 23 Stockholm. The Company has also registered its share in the Norwegian VPS system.

The Company's register of shareholders in VPS is administrated by the VPS Registrar, DNB Bank ASA, Registrars Department, Norway.

All Shares, including the VPS Shares, are freely transferable, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or any other corporate consents or rights of first refusal.

There are warrants outstanding in the Company entitling the holders thereof to acquire 2,677,000 new shares. The strike price for the warrants is in the range SEK 2.5 to SEK 8.0, reflecting the current market price of the shares at the time of issuance.

There were changes in the ownership structure in the third quarter due to share issue completed. Pir Invest Holding AS, a company controlled by the Chairman, is the only company owning more than 10% of Akobo Minerals. Their ownership at 30.09.2021 was 13,7%.

### Employees

Akobo Minerals had a total 41 employees as of Sept 30, 2021. 38 of these are based in our exploration activity in Ethiopia and 3 in Scandinavia.

### Risks related to the business and industry

Akobo Minerals operates in Ethiopia. This exposes Akobo Minerals to various political and economic risks and uncertainties. Such risks and uncertainties include government policies and legislation, governmental interventions, potential inflation and deflation, potential political, social, religious and economic instability. Ethiopia is an emerging market and its economy is different from economies in more developed countries in many respect including economic structure, government, level of development, growth rates and foreign exchange controls. These factors may limit Akobo Minerals' ability to conduct its operations, obtain necessary financing and otherwise have a material negative impact on the Company's financial position, results and prospects.

### Risks related to health, safety and security

Certain of Akobo Minerals' operations are carried out under potentially hazardous conditions which may cause the Company to be responsible for severe injuries or death by employees, contractors and the general population.

The Company operates in a remote environment and operates heavy machinery, and weather conditions may be extreme. Akobo Minerals is subject to and intends to operate in accordance with applicable health and safety regulations.

However, Akobo Minerals' operations may cause accidents or other misfortunes which inflict severe injuries or death on the Akobo Minerals' employees, contractors or the general population due to negligence or factors beyond Akobo Minerals' control. Such situations may lead to prosecution and loss of social acceptance. This may in turn lead to a reduction in exploration activity or mine production.

### **Risks related to laws and regulations**

Akobo Minerals must complete its exploration activities under the current exploration license before November 2023.

The Company's exploration license for the current area most likely cannot be extended beyond November 2023. Prior to expiration, Akobo Minerals has to complete all exploration activities in the area.

The granting of a large-scale mining license entails significant financial obligations and there is a risk that the Company will be unable to fulfil the conditions and that the Company thus will not be able to commercialise any discoveries made under the mining license.

### **Currency exposure**

The Company is exposed to risk associated with foreign exchange risk and risk related to repatriation of capital

The Company's accounts are held in SEK, the Company raise capital in NOK, transfer funds into Ethiopia in USD and has its operating expenses in Ethiopian birr. In addition there might not be US dollars available in Ethiopia for the exchange of Ethiopian birr to USD for transferring funds out of Ethiopia. This foreign exchange exposure may have an adverse effect on the Company's results, liquidity and financial position.

Akobo Minerals conducts its operation through its subsidiary in Ethiopia and is subject to exchange control on injections and withdrawal of capital to and from Ethiopia. If foreign currency restriction were to be imposed on and enforced against Akobo Minerals, this could restrict Akobo Minerals' ability to repatriate future earnings from its operating subsidiary, payment on dividends and repayment on any future loan facilities. The imposition of the foreign currency restrictions or restriction related to repatriation of capital may have a material adverse effect on Akobo Minerals' business, operations, cash flows and financial condition.

### **Liquidity and financial risk**

Akobo Minerals may require additional financing to achieve its goals, and a failure to obtain necessary capital when needed could force Akobo Minerals to delay, limit, reduce or terminate its current projects.

Akobo Minerals does not generate income to finance its operations and if additional financing is necessary to continue Akobo Minerals' operations, Akobo Minerals will have to rely on external financing, such as bank loans, bonds or issuance of shares. Adequate sources of funding may not be available to Akobo Minerals on favourable terms or at all. Akobo Minerals' ability to obtain funding will in part depend on the general market conditions as well as the market perception of Akobo Minerals and its business. If Akobo Minerals is unable to obtain adequate financing when needed, it may have to delay, limit or abandon one or more of its projects which may have an adverse effect of Akobo Minerals' business and operation and prospects.

## ACCOUNTING POLICIES

The annual report has been prepared in accordance with the Annual Accounts Act and general advice from the Swedish Accounting Standards Board BFNAR 2012:1 Annual accounts and consolidated accounts.

The policies are unchanged compared with the previous year.

## CLASSIFICATION

Fixed assets, long-term liabilities and provisions essentially consist only of amounts that are expected to be recovered or paid after more than twelve months from the balance sheet date. Current assets and current liabilities essentially consist only of amounts that are expected to be recovered or paid within twelve months from the balance sheet date.

## VALUATION PRINCIPLES

Assets, provisions and liabilities have been valued at acquisition value unless otherwise stated below.

## INTANGIBLE ASSETS

### Other intangible assets

Other intangible assets acquired by the company are reported at acquisition value less accumulated depreciation and write-downs. Expenses for internally generated goodwill and brands are reported in the income statement as an expense when they arise.

The company reports internally generated intangible fixed assets according to the capitalization model. All expenses relating to the development of an internally generated intangible fixed asset are capitalized and amortized during the asset's estimated useful life.

### Depreciation

Depreciation takes place on a straight-line basis over the asset's estimated useful life. Depreciation is reported as an expense in the income statement.

2021	Group of companies
The following depreciation periods are applied:	
Capitalized expenses for development and similar work	5

## TANGIBLE FIXED ASSETS

Tangible fixed assets are reported at acquisition value less accumulated depreciation and write-downs.

### Depreciation

Depreciation takes place on a straight-line basis over the asset's estimated useful life, as it reflects the expected consumption of the asset's future economic benefits. Depreciation is reported as an expense in the income statement.

The following depreciation periods are applied:

2021	Group of companies	Parent company
Tangible fixed assets:		
Inventory, tools and installations	5	5

The difference between the above-mentioned depreciation and depreciation made for tax purposes is reported in the individual companies as accumulated overdepreciation, which is included in untaxed reserves.

## **IMPAIRMENT - TANGIBLE AND INTANGIBLE FIXED ASSETS AND PARTICIPATIONS IN GROUP COMPANIES**

At each balance sheet date, it is assessed whether there is any indication that an asset's value is lower than its carrying amount. If such an indication exists, the asset's recoverable amount is calculated.

## **FOREIGN CURRENCY**

### **Items in foreign currency**

Monetary items in foreign currency are translated at the exchange rate on the balance sheet date. Non-monetary items are not recalculated but are reported at the exchange rate at the time of acquisition.

### **Net investments in foreign operations**

An exchange rate difference that refers to a monetary item that forms part of a net investment in a foreign operation and that is valued on the basis of acquisition value is reported in the consolidated accounts as a separate component directly in equity.

### **Translation of foreign operations**

Assets and liabilities, including goodwill and other consolidated surplus and deficit values, are translated into the reporting currency at the closing day rate. Income and expenses are translated at the spot rate per day for the business events unless a rate that is an approximation of the actual rate is used. Exchange rate differences that arise on translation are reported directly against equity.

## **FINANCIAL ASSETS AND LIABILITIES**

### **Financial assets and liabilities**

Financial assets and liabilities are reported in accordance with Chapter 12 (Financial instruments valued in accordance with Chapter 4, Sections 14 a14 e of the Annual Accounts Act) in BFNAR 2012: 1.

### **Accounting in and removal from the balance sheet**

A financial asset or financial liability is recognized in the balance sheet when the company becomes a party to the instrument's contractual terms.

A financial asset is removed from the balance sheet when the contractual right to cash flow from the asset has ceased or been settled. The same applies when the risks and rewards associated with the holding are essentially transferred to another party and the company no longer has control over the financial asset. A financial liability is removed from the balance sheet when the agreed obligation has been fulfilled or terminated. Spot purchases and spot sales of financial assets are reported on the business day.

### **Classification and valuation**

Financial assets and liabilities have been classified into different valuation categories in accordance with Chapter 12 of BFNAR 2012: 1. The classification into different valuation categories is the basis for how the financial instruments are to be valued and how changes in value are to be reported.

### **Loan receivables and accounts receivable**

Loan receivables and accounts receivable are financial assets that have fixed or determinable payments, but which are not derivatives. These assets are valued at amortized cost. Accrued acquisition value is determined on the basis of the effective interest rate calculated at the time of acquisition. Accounts receivable are reported at the amount that is expected to be received, ie. after deductions for doubtful receivables.

### **Other financial liabilities**

Loans and other financial liabilities, e.g. accounts payable, are included in this category. Liabilities are valued at accrued acquisition value.

### **Receivables and liabilities in foreign currency**

Currency futures are used to hedge receivables or liabilities against exchange rate risk. For hedging against currency risk, hedge accounting is not applied because a financial hedge is reflected in the accounts in that both the underlying receivable or the liability and the hedging instrument are reported at the balance sheet date's exchange rate and the exchange rate changes are reported in profit for the year. Exchange rate changes regarding operating receivables and liabilities are reported in operating profit, while exchange rate changes regarding financial receivables and liabilities are reported in net financial items.

## INCOME STATEMENT – group of companies

Amount in SEK	2021-07-01- 2021-09-30	2021-01-01- 2021-09-30	2020-01-01- 2020-12-31
<b>Operating income</b>			
Net turnover	-	-	-
Other operating income	-	-	-
<b>Operating expenses</b>			
Raw materials and consumables	-	-	-3,218,529
Other external expenses	-2,135,462	-3,623,795	-4,972,955
Personnel costs	-1,054,035	-3,149,612	-1,451,689
<b>Total operating expenses</b>	<b>-3,189,497</b>	<b>-6,773,407</b>	<b>-9,643,173</b>
<b>Result from financial items</b>			
Other interest income and similar profit/loss items	634,386	634,386	203,638
Interest expense and similar profit/loss items	-1,954,419	-3,948,692	-1,532,097
<b>Result after financial items</b>	<b>-5,143,916</b>	<b>-10,087,713</b>	<b>-10,971,632</b>
<b>Result for the year before tax</b>	<b>-5,143,916</b>	<b>-10,087,713</b>	<b>-10,971,632</b>
<b>Result for the year</b>	<b>-5,143,916</b>	<b>-10,087,713</b>	<b>-10,971,632</b>
<b>Attributable to the parent company's shareholders</b>	<b>-5,143,916</b>	<b>-10,087,713</b>	<b>-10,971,632</b>

## BALANCE SHEET – group of companies

Amount in SEK	2021-09-30	2020-12-31
<b>ASSETS</b>		
<b>Fixed assets</b>		
<b>Intangible assets</b>		
Capitalised expenditure for development and similar work	38,316,600	26,539,058
	<b>38,316,600</b>	<b>26,539,058</b>
<b>Tangible assets</b>		
Plant and machinery	610,456	304,465
Equipment, tools, fixtures and fittings	10,331	21,254
	<b>620,787</b>	<b>325,719</b>
<b>Total fixed assets</b>	<b>38,937,387</b>	<b>26,864,777</b>
<b>Current assets</b>		
<b>Current receivables</b>		
Trade receivables	1,426,109	369,913
Current tax assets	0	552,513
Other receivables	106,624	172,016
Prepaid expenses and accrued income	75,878	124,246
	<b>1,608,611</b>	<b>1,218,688</b>
<b>Cash and bank</b>	<b>47,027,416</b>	<b>19,302,549</b>
<b>Total current assets</b>	<b>48,636,027</b>	<b>20,521,237</b>
<b>TOTAL ASSETS</b>	<b>87,573,414</b>	<b>47,386,014</b>

## BALANCE SHEET – group of companies

Amount in SEK	2021-09-30	2020-12-31
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,579,765	1,279,525
Share premium reserve	127,518,255	78,474,745
Balanced result incl. result for the year	-44,263,394	-34,877,135
Equity attributable to the parent company's shareholders	84,834,626	44,877,135
<b>Total equity</b>	<b>84,834,626</b>	<b>44,877,135</b>
<b>Long term liabilities</b>		
Convertible loans	-	-
<b>Current liabilities</b>		
Trade payables	1,333,652	897,394
Current tax liability		38,223
Other liabilities	788,463	850,398
Accrued expenses and deferred income	616,673	722,864
	<b>2,738,788</b>	<b>2,508,879</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>87,573,414</b>	<b>47,386,014</b>



## CHANGES IN EQUITY – group of companies

Group of companies	Share capital	Share premium reserve	Balanced result incl. result for the year	Total
<b>Opening balance 2021-01-01</b>	<b>1,279,525</b>	<b>78,474,745</b>	<b>-34,877,135</b>	<b>44,877,135</b>
New shares issue	300,240	48,645,600		48,945,840
Translation difference			1,099,364	1,099,364
Results for the year			-10,087,713	-10,087,713
<b>Closing balance 2021-09-30</b>	<b>1,579,765</b>	<b>127,120,345</b>	<b>-43,865,484</b>	<b>84,834,626</b>
<b>Opening balance 2020-01-01</b>	<b>619,195</b>	<b>47,266,497</b>	<b>-19,692,779</b>	<b>28,192,913</b>
New shares issue	660,330	34,005,969		34,666,299
Translation difference		-2,797,721	-4,212,724	-7,010,445
Results for the year			-10,971,632	-10,971,632
<b>Closing balance 2020-12-31</b>	<b>1,279,525</b>	<b>78,474,745</b>	<b>-34,877,135</b>	<b>44,877,135</b>

## CASH FLOW – group of companies

Amount in SEK	2021-07-01- 2021-09-30	2021-01-01- 2021-09-30	2020-01-01- 2020-12-31
<b>Cashflow from operating activities</b>			
Before changes in working capital	-2,445,165	-6,367,175	-11,176,222
Changes in accounts receivables and other receivables	-2,506,567	-2,385,345	405,100
Changes in accounts payable and other liabilities	817,101	-1,495,207	-973,727
<b>Cashflow from operating activities</b>	<b>-4,134,631</b>	<b>-10,247,727</b>	<b>-11,744,849</b>
Investment in intangible non-current assets	-5,166,342	-11,777,542	4,493,567
Investment in tangible non-current assets	1,279,267	-295,066	149,722
<b>Cashflow from investing activities</b>	<b>-3,887,075</b>	<b>-12,072,608</b>	<b>4,643,289</b>
Amortisation of loans	-	-	-2,813,000
New shares issue	48,945,840	48,945,840	34,666,299
<b>Cashflow from financing activities</b>	<b>48,945,840</b>	<b>48,945,840</b>	<b>31,853,299</b>
<b>Cashflow for the period</b>	<b>40,924,134</b>	<b>26,625,505</b>	<b>24,751,739</b>
Cash and cash equivalents at beginning of period	6,160,930	19,302,549	1,561,131
Translation difference in cash and cash equivalents	-57,648	1,099,362	-7,010,321
<b>Cash and cash equivalents at the end of the period</b>	<b>47,027,416</b>	<b>47,027,416</b>	<b>19,302,549</b>

## INCOME STATEMENT – parent company

Amount in SEK	2021-07-01- 2021-09-30	2021-01-01- 2021-09-30	2020-01-01- 2020-12-31
<b>Operating income</b>			
Net turnover	-	-	-
Other operating income	-	-	-
<b>Operating expenses</b>			
Raw materials and consumables	-	-	-3,218,529
Other external expenses	-909,632	-2,296,755	-2,638,618
Personnel costs	-	-	-84,197
<b>Total operating expenses</b>	<b>-909,632</b>	<b>-2,296,755</b>	<b>-5,941,341</b>
<b>Result from financial items</b>			
Profit/loss from participations in group companies	-	-	-25,053,243
Other interest income and similar profit/loss items	855,669	1,247,483	2,290,976
Interest expense and similar profit/loss items	-1,854,613	-1,884,865	-23,009
<b>Result after financial items</b>	<b>-1,908,576</b>	<b>-2,934,137</b>	<b>-28,726,617</b>
<b>Result for the year before tax</b>	<b>-1,908,576</b>	<b>-2,934,137</b>	<b>-28,726,617</b>
<b>Result for the year</b>	<b>-1,908,576</b>	<b>-2,934,137</b>	<b>-28,726,617</b>

## BALANCE SHEET – parent company

Amount in SEK	2021-09-30	2020-12-31
<b>ASSETS</b>		
<b>Fixed assets</b>		
<b>Financial assets</b>		
Participation in group companies	5,994,250	5,994,250
Receivables from group companies	66,877,456	-
	<b>72,871,706</b>	<b>5,994,250</b>
<b>Total fixed assets</b>	<b>72,871,706</b>	<b>5,994,250</b>
<b>Current assets</b>		
<b>Current receivables</b>		
Receivables from group companies	-	3,440,976
Current tax assets	87,366	-
Other receivables	-	-
Prepaid expenses and accrued income	8,084	4,295
	<b>95,450</b>	<b>3,445,271</b>
<b>Cash and bank</b>	<b>-</b>	<b>18,314,248</b>
<b>Total current assets</b>	<b>95,450</b>	<b>21,759,519</b>
<b>TOTAL ASSETS</b>	<b>72,967,156</b>	<b>27,753,769</b>

## BALANCE SHEET – parent company

Amount in SEK	2021-09-30	2020-12-31
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	1,579,765	1,279,525
<b>Non restricted equity</b>		
Share premium reserve	104,055,944	55,410,344
Balanced result incl. result for the year	-33,370,942	-30,436,805
Equity attributable to the parent company's shareholders	72,264,767	26,253,064
<b>Total equity</b>	<b>72,264,767</b>	<b>26,253,064</b>
<b>Long term liabilities</b>		
Convertible loans	-	-
<b>Current liabilities</b>		
Trade payables	-	883,742
Other liabilities	702,389	386,963
Accrued expenses and deferred income	-	230,000
	<b>702,389</b>	<b>1,500,705</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>72,967,156</b>	<b>27,753,769</b>

## CHANGES IN EQUITY – parent company

Parent company	Share capital	Share premium reserve	Balanced result incl. result for the year	Result of the year	Total
<b>Opening balance 2021-01-01</b>	<b>1,279,525</b>	<b>55,410,344</b>	<b>-1,710,188</b>	<b>-28,726,617</b>	<b>26,253,064</b>
New shares issue	300,240	48,645,600			48,945,840
Previous years result			-28,726,617	28,726,617	-
Results for the year				-2,934,137	-2,934,137
<b>Closing balance 2021-09-30</b>	<b>1,579,765</b>	<b>104,055,944</b>	<b>-30,436,805</b>	<b>-2,934,137</b>	<b>72,264,767</b>
<b>Opening balance 2020-01-01</b>	<b>619,195</b>	<b>21,404,375</b>	<b>-656,599</b>	<b>-1,053,589</b>	<b>20,313,382</b>
Ongoing new shares issue	660,330	34,005,969			34,666,299
Previous years result			-1,053,589	1,053,589	-
Results for the year				-28,726,617	-28,726,617
<b>Closing balance 2020-12-31</b>	<b>1,279,525</b>	<b>55,410,344</b>	<b>-1,710,188</b>	<b>-28,726,617</b>	<b>26,253,064</b>



# Responsibility Statement

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We confirm, to the best of our knowledge, that the financial statements for the third quarter in 2021 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Gothenburg, 24.11.2021



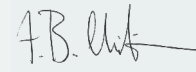
Hans Olav Torsen  
Chairman of the Board



Jørgen Evjen  
CEO

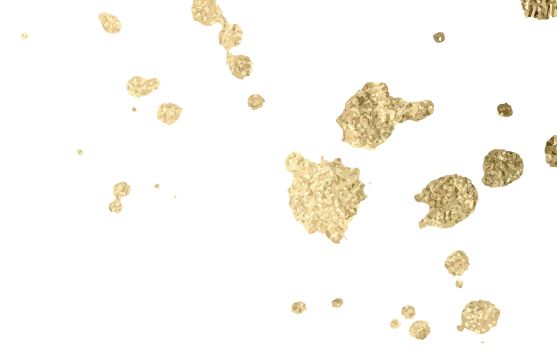


Erik Haugane



Jørn Christiansen





AKOBOMINERALS

MINNESOTA #2020215



## Q3 Report 2021

### Third Quarter Results

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