



Q2 Presentation 2022

AKOBO MINERALS AB (publ)

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This presentation includes information from the Segele Mineral Resource Estimate released by Akobo Minerals AB on the 22th of April 2022. Akobo Minerals AB confirms that it is not aware of any new information or data which materially affects the information contained in the press release regarding the Segele Mineral Resource (22/4/2022). All material assumptions and technical parameters underpinning the estimate are relevant and have not materially changed.

The information that relates to Mineral Resources is based on information compiled by Mr Michael Lowry who is a member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of SRK Consulting (Australasia) Pty Ltd. Mr Lowry has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lowry consents to the inclusion in the report of the matters based upon his information and context in which it appears.

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Key events

Events during second quarter

- Solo Resources (Pty) Ltd contracted for delivery of a processing plant for gold production at the Segele mine
- Mineral Resource Estimate update by SRK completed, demonstrating an increased grade and tonnage
- New mineralization zone discovered, with visible gold intersection

Events after the period

- Contracted IW Mining to operate underground mine
- Secured convertible loan of 5mUSD
- Signed Mandate letter with debt arranger
- First parts of processing plant ready to be shipped

Financial performance overview

Q2 2022

- Results for the period SEK -2 038 512
- Cash flow for the period SEK -16 629 622

First half year 2022

- Results for the period SEK -2 411 311
- Cash flow for the period SEK -30 307 941
- Cash end of period SEK 5 850 454
- Total equity end of period SEK 72 734 279

Remarks on the balance sheet

- No external debt
- All operational costs in Ethiopia is activated

Scandinavian based gold exploration and mining company



Exploration since 1940 with consistent results

No previous modern mining undertaken in the region



182 km² exploration license

An attractive gold-mining jurisdiction 710 km from Addis



16 km² mining license

Potential for significant cash flow from the Segele deposit and large enough to bring adjacent targets into production when discovered



Modern plant, machines and equipment

Very low-cost drilling operations with 3 owned drill rigs and production plant in process



Segele Mineral Resource estimate by SRK

Inferred and Indicated Mineral Resource of 68.811 oz gold @ 22,7g/t Au
Indicated Mineral Resources alone of 41.000 oz gold @ 40.6 g/t.
Ore body is close to surface and still open at depth



High margin gold production envisaged

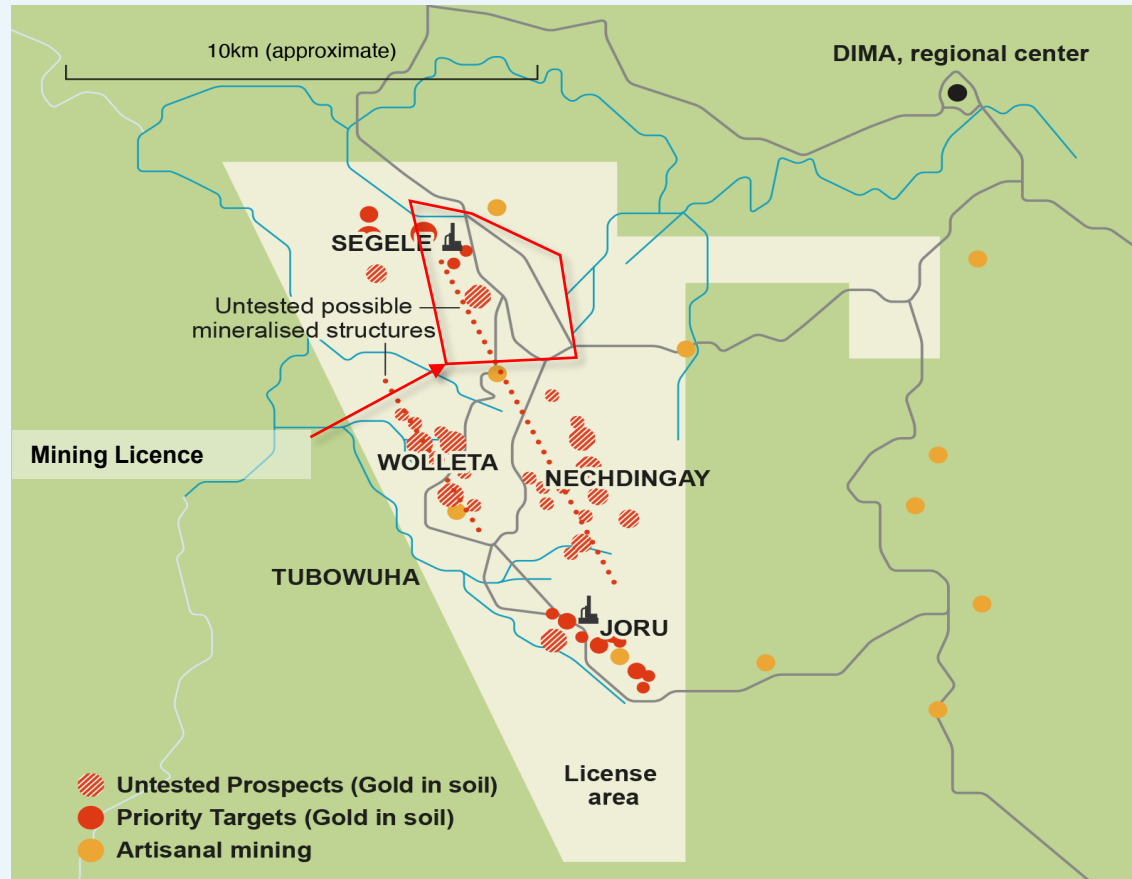
All-in Sustaining Costs USD 243 per ounce

Location of License in Akobo, Ethiopia



Mining and exploration licenses in place

Map of the license Area



Attractive licenses awarded and renewed

Licenses granted by the ministry of Mines and Petroleum ensures Akobo Minerals the following:

- ✓ The right to continue exploration in the 182 km² for a minimum of **3 years** with **yearly renewal up to 10 years**
- ✓ The right to a **5-year Mining License** covering 16 km² of the Segele mineralization and other promising targets – **extendable in 10-year increments**
- ✓ **Proceeds from sale** of gold in overseas USD bank accounts
- ✓ **Right to freely repatriate profits** from overseas USD bank accounts
- ✓ Sell gold freely in international markets
- ✓ Duty free import of plant, machinery and equipment
- ✓ Payment of **5% royalty** to federal government
- ✓ Payment of **7% free** carried interest in the mining project

High margin estimated free cash flow of USD 50 million

Project financials and key assumptions

The model, based upon Akobo Minerals' current Mineral Resource estimate, shows a highly profitable mine operation with an estimated free cash flow of USD 50 million up until the end of 2024

Key assumptions in the model

- Average gold price of 1,800 USD per ounce for the period 2023-24
- Royalty fee to the Ethiopian Government of 5% of revenues
- Community fund payment of 2% of net profits
- Free carry to federal and regional governments of 7 % of net profits
- Income tax of 25%

Quarterly cash flow from production start

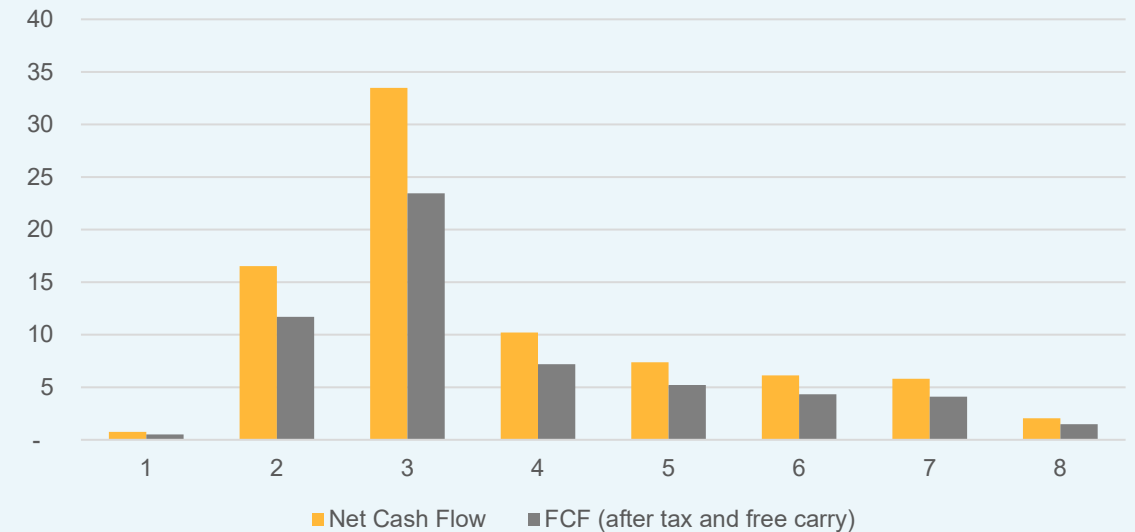


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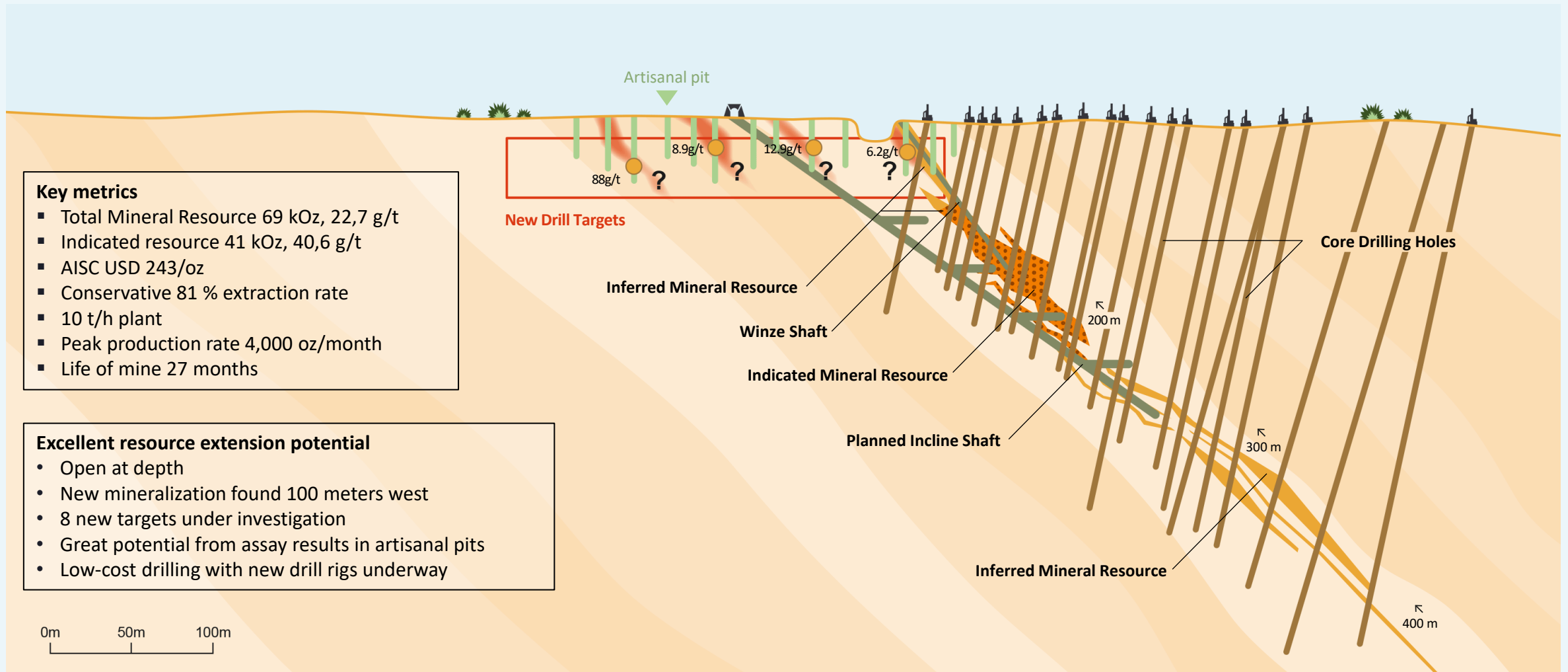
II **Operational update**

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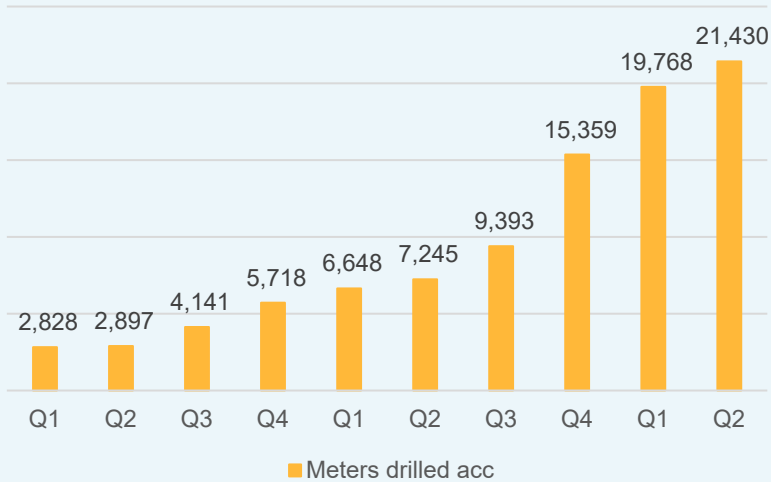


The Segele deposit

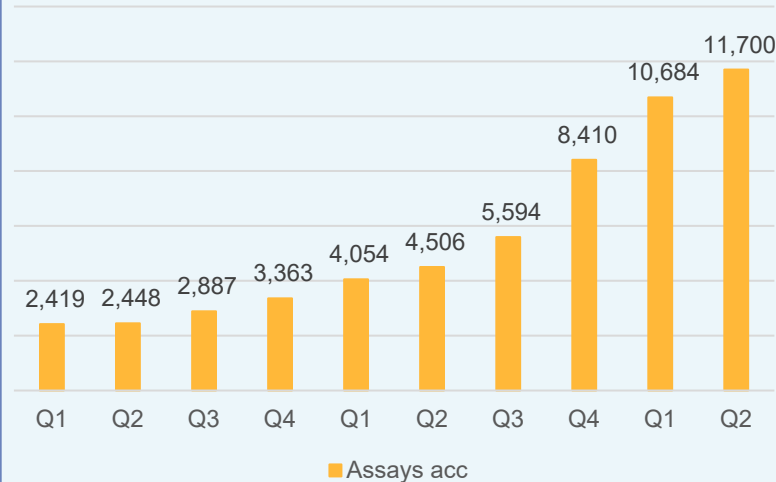


Focus on mining related activities in Q2

Significant drilling activity



Accumulated assays



Employees



KEY MILESTONES

- Lower drilling rate in Q2 due to focus on mining activities
- New drill rigs not in operation yet
- Expected increased drilling for Q3 and Q4

- All assay results received back from ALS
- Results expected to be release soon

- Continued increase in temporary staff for mining preparation and camp development
- 82 Ethiopian employees
- 5 Scandinavian and UK employees

Key contracts secured for low-risk operation

CONTRACT MINING OPERATIONS

A small, focused contractor having delivered a wide range of services such as Conveyor Belt installation, Drop Raise training, Face Advance improvement, Equipment reclamation and **Underground Mining stoping and development to a number of the major Mining Houses** in South Africa over the past seven years.

Founded by Willem Pelser and Ian Lowers with a combined **70 years of mining experience** in various roles on Gold and Platinum Mines

Mine Entrance Construction

Incline Shaft Development

Stoping Operations



PROCESSING PLANT

Solo boasts of over 30 years of experience in the sales, **design, installation, and commissioning** of metallurgical processing equipment into a variety of applications. Solo's core competencies include project management, project engineering, process engineering, mechanical engineering, and a fully equipped drawing office. Solo has experience in many commodities and has been instrumental in a **total of 31 plants**.

The plant will be operated by Akobo Minerals

Crushing and Milling

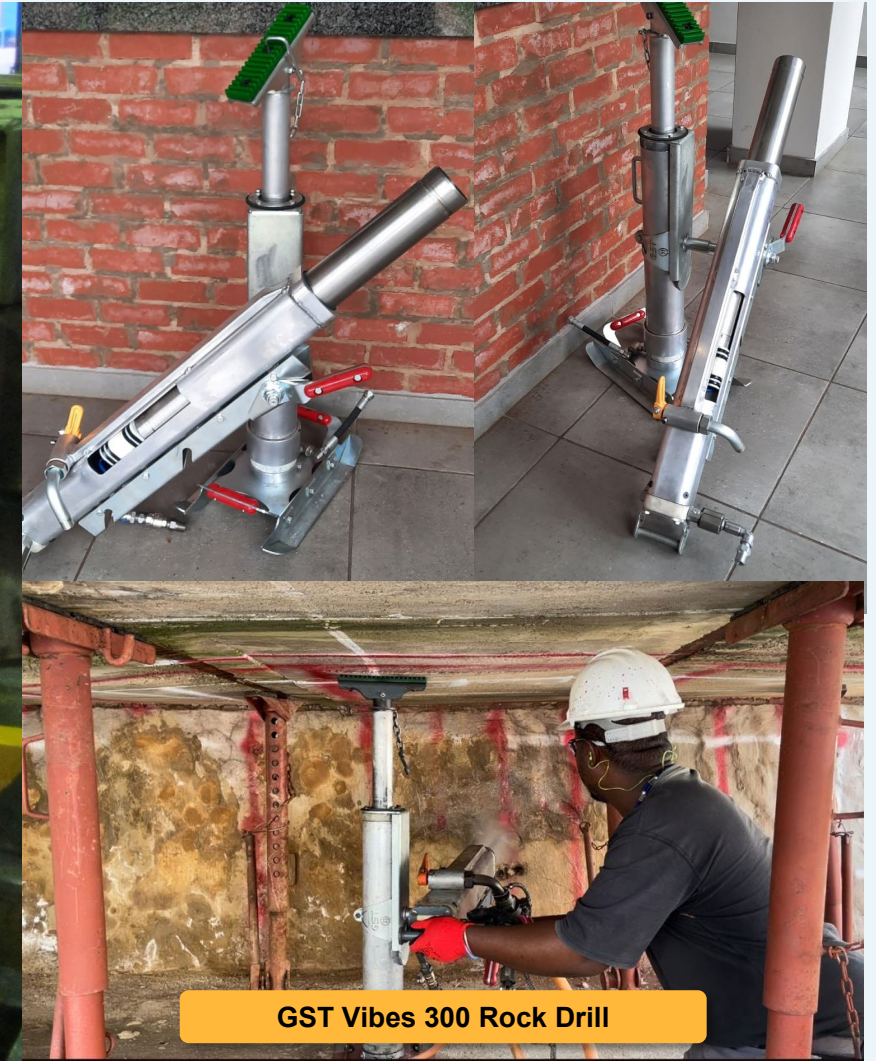
Gravity Concentrator

Cyanide in Leach

Elution and Smelting



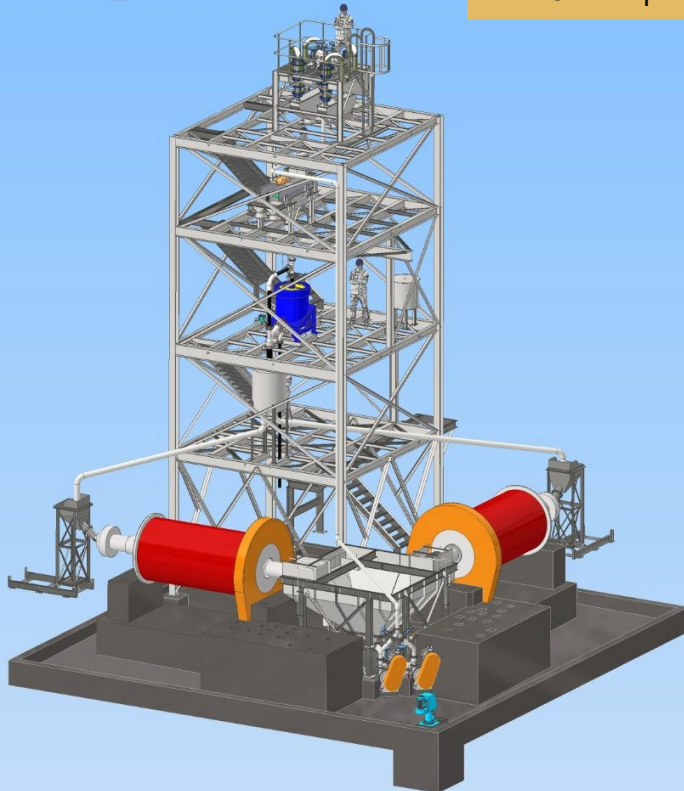
Mining progress



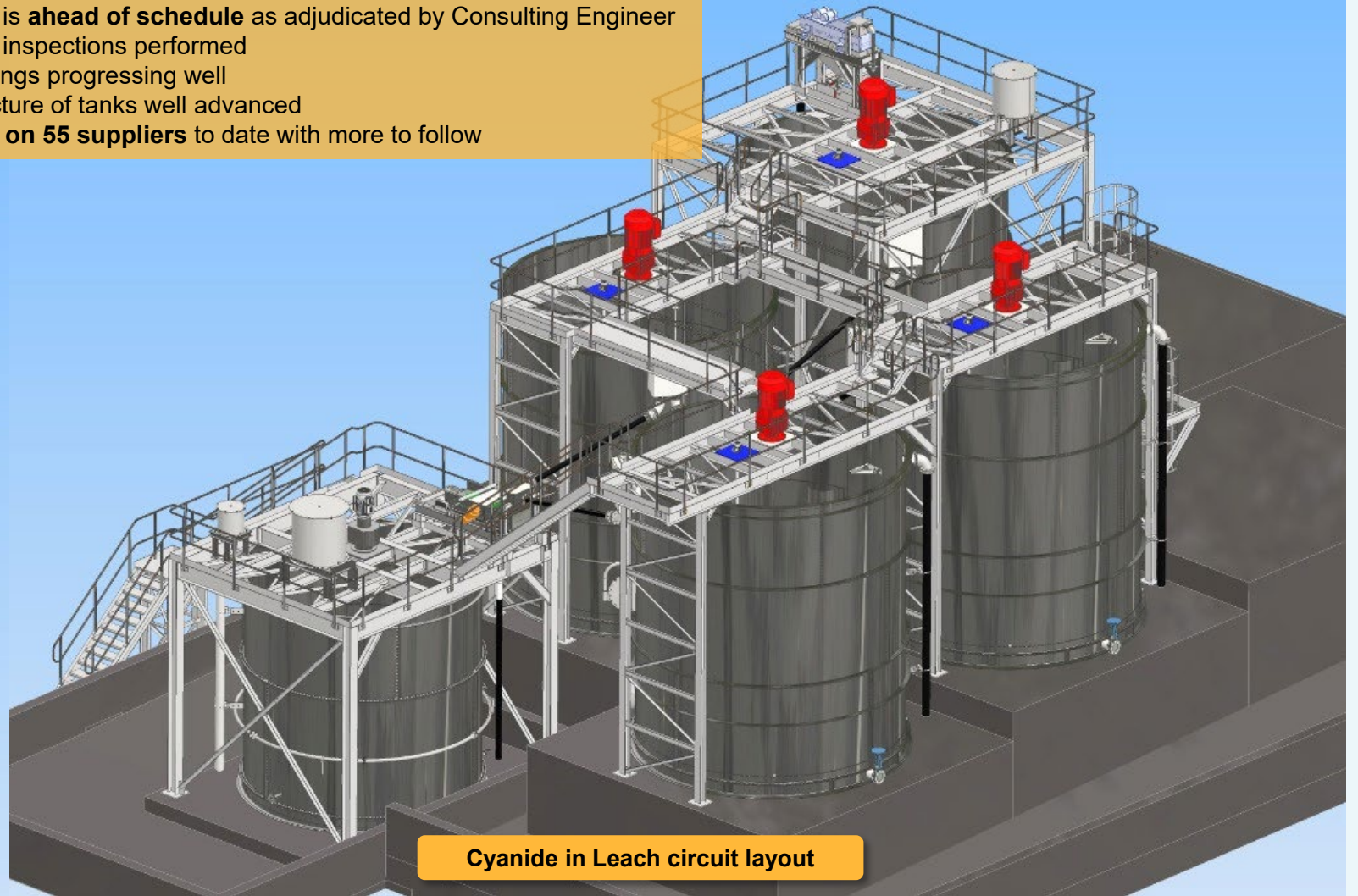
Processing plant progress



- Process Plant is **ahead of schedule** as adjudicated by Consulting Engineer
- Site visits and inspections performed
- Detailed drawings progressing well
- Steel manufacture of tanks well advanced
- Orders placed **on 55 suppliers** to date with more to follow



Milling and gravity circuit layout*



Cyanide in Leach circuit layout

Processing plant progress



Fabrication underway or complete for many major components

- CIL and Detox tanks
- Mill discharge tank
- NaCN Structure and tank
- Intensive Leach Reactor
- Furnaces
- Ball Mill, Jaw and Impact Crushers

Smelt Furnace*

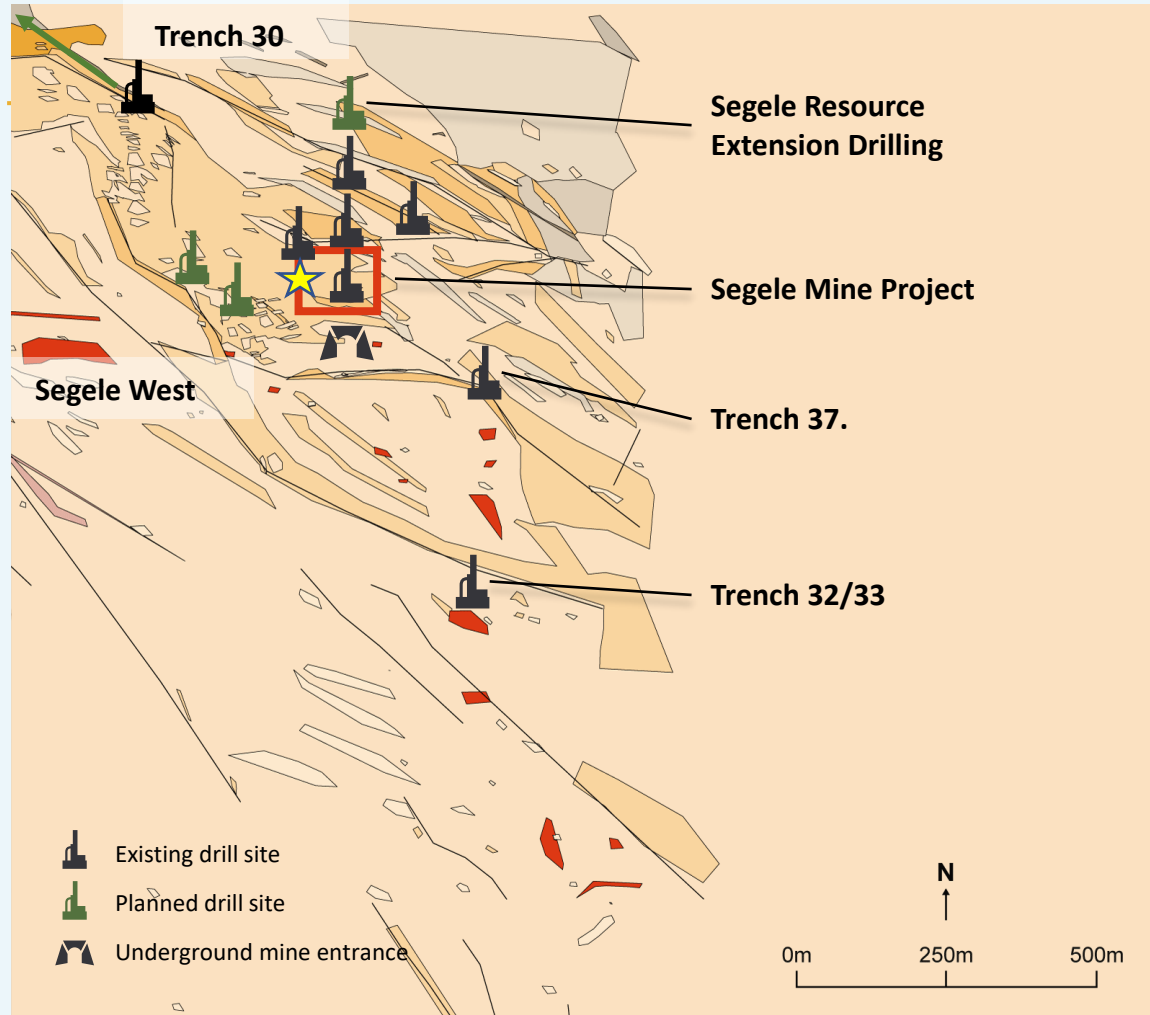
Leach Reactor*

Impact crusher*

Mill discharge hopper*

Grinding mill ready for dispatch to site

Exploration progress



Recent Developments

- **Drilling at Trench 30 underway after short hiatus in activity**
- **New Target Generation Work in progress**
 - Segele Soil sampling completed, awaiting analysis
 - Segele Ground Magnetic and Magnetotelluric Surveys completed
 - Exploration plans for Joru and Wolleta close to completion

★ **New mineralization with Visible Gold**

- Assay results received and under interpretation
 - Same fault breccia that can be seen in other drill holes
 - Further drill planning underway.
- **Two identified targets from follow-up of previous trenches – T32/T33 and T37**
 - Assay results received and under interpretation

Exploration Update to be released soon

ESG - outputs and next steps

Akobo Minerals recognizes the importance of sound ESG performance in meeting its strategic and operational goals. As such, we are in the process of developing and implementing a series of measures that will enable Akobo Minerals to comply with sound international industry practice (GIIP)

Sustainable Natural Resources Management Plan Deliverables



Development of a structure for managing sustainable use of the natural resources;



Enhanced environmental and socio-economic well-being of artisanal gold mining communities



Women and youth have improved technical skills, sustainable livelihood opportunities and financial resilience



Improved skills and competencies in sustainable agricultural and pastoralist practice



Delivery of sustainability awareness and education programme supporting healthy and sustainable life skills



Establishing a tree planting and ecosystem management scheme for carbon credits

Environmental and Social Impact Assessment Completed

- Federal Government Approval Received
- All Environmental and Social Permits in place

Future Milestones

- GAP Analysis to bring ESIA to IFC Performance Standards
- Finalization of closure plan
- Finalization of Environmental and Social Management Plan

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Income statement – Group

INCOME STATEMENT – group of companies

Amount in SEK	2022 04.01-06.30	2022 01.01-06.30	2021 01.01-06.30
Operating income			
Other operating income	-	-	-
Cost of goods	-	-3 327	-
Operating income	-	-3 327	-
Operating expenses			
Other external expenses	-4 002 292	-7 572 283	-1 488 333
Personnel costs	-941 747	-2 381 698	-2 095 577
Total operating expenses	-4 944 040	-9 953 982	-3 583 910
Result from financial items			
Other interest income and similar profit/loss items	3 213 100	9 154 432	-
Interest expense and similar profit/loss items	-307 572	-1 608 434	-1 994 273
Result after financial items	-2 038 512	-2 411 311	-5 578 183
Result for the year before tax	-2 038 512	-2 411 311	-5 578 183
Result for the year	-2 038 512	-2 411 311	-5 578 183
Attributable to the parent company's shareholders	-2 038 512	-2 411 311	-5 578 183

Comments to figures

All P&L related to operations in Sweden and Norway

- Other expenses mainly relate to consulting services such as accounting, audit and legal
- Personnel costs are primarily salaries for fixed employees

All operational costs in Ethiopia are capitalised

Balance sheet – Group

BALANCE SHEET – group of companies

Amount in SEK	2022.06.30	2021.12.31
ASSETS		
Capitalised expenditure for development and similar work	62 851 934	48 992 177
Plant and machinery	1 335 652	1 105 506
Equipment, tools, fixtures and fittings	1 856 030	601 636
Total Fixed Assets	66 043 616	50 699 319
Trade receivables	28 621	-
Other Receivables	2 507 020	1 876 580
Prepaid expenses and accrued income	361 902	410 156
Cash and Bank	5 850 454	33 367 571
Total Current Assets	8 747 997	35 654 307
TOTAL ASSETS	74 791 613	86 353 627

EQUITY AND LIABILITIES

Share capital	1 579 765	1 579 765
Share premium reserve	103 555 022	122 243 897
Balanced result	-29 989 198	-44 009 568
Result of the year	-2 411 311	-
Total Equity	72 734 279	79 814 094
Trade payables	111 660	1 539 012
Current tax liability	66 091	-
Other liabilities	1 269 673	2 815 555
Accrued expenses and deferred income	609 911	1 359 853
Provisions		825 113
Current liabilities	2 057 335	6 539 533
Total Debt	2 057 335	6 539 533
TOTAL EQUITY AND DEBT	74 791 613	86 353 627

- No external debt
- Fixed assets relate to operational activity in Ethiopia

Cash flow – Group

CASH FLOW – group of companies

Amount in SEK	2022 04.01-06.30	2022 01.01-06.30	2021 01.01-06.30	2021 01.01 - 12.31
Before changes in working capital	-4 944 040	-9 953 982	-3 922 010	-10 568 951
Changes in accounts receivables and other receivables	-725 59	-610 807	121 222	62 255
Changes in accounts payable and other liabilities	-2 310 687	-3 573 742	-2 312 308	3 243 765
Cashflow from operating activities	-7 980 486	-14 138 531	-6 113 096	-7 262 931
Investment in intangible non-current assets	-5 635 845	-13 859 757	-6 611 200	-22 453 059
Investment in tangible non-current assets	-1 165 291	-1 484 540	-1 574 333	-1 381 423
Cashflow from investing activities	-6 801 136	-15 344 297	-8 185 533	-23 834 482
New shares issue	-	-	-	50 877 441
Expenses related to share issue	-1 848 000	-	-	-7 431 577
Change in provisions	-	-825 113	-	825 113
Cashflow from financing activities	-1 848 000	-825 113	-	44 270 977
Cashflow for the period	-16 629 622	-30 307 941	-14 298 629	13 173 564
Cash and cash equivalents at beginning of period	20 609 895	33 367 571	19 302 549	19 302 549
Translation difference in cash and cash equivalents	1 870 181	2 790 824	1 157 010	891 458
Cash and cash equivalents at the end of the period	5 850 454	5 850 454	6 160 930	33 367 571

Comments to figures

- Cash flow from operating activities relate to operations in Sweden and Norway
- Change in working capital during the period relates to all entities
- Cash flow from investing activities relates to operational activities capitalised in Ethiopia
- Cash flow from financing activities of 1.8m SEK relates to a bridge loan between ARD and Akobo Minerals
- Translation differences relates to changes in foreign exchange on bank deposits

Key metrics

SEGELE	2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2
Metres drilled (RC+DDH)	670	-	1 292	5 420	4 410	1 662
Accumulated	5 061	5 061	6 353	11 773	16 183	17 844
Assays samples generated (incl QAQC)	132	-	283	2 051	2 274	1 016
Accumulated	2 168	2 168	2 451	4 502	6 776	7 792
Indicated Resources ounces	n.a	n.a	n.a	n.a	n.a	41 000
Inferred Resources ounces	52 410	52 410	52 410	52 410	52 410	27 000
Total Resources ounces	52 410	52 410	52 410	52 410	52 410	68 000
Avg grams per ton	20,9	20,9	20,9	20,9	20,9	22,7
JORU	Q1	Q2	Q3	Q4	Q1	Q2
Metres drilled (RC+DDH)	260	597	856	545	-	-
Accumulated	1 587	2 184	3 041	3 586	3 586	3 586
Assays samples generated (incl QAQC)	559	452	805	765	-	-
Accumulated	1 886	2 338	3 143	3 908	3 908	3 908
Inferred Resources ounces	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
TRENCHING	Q1	Q2	Q3	Q4	Q1	Q2
Metres trenched			876	126	-	-
Accumulated	7 500	7 500	8 376	8 502	8 502	8 502
CORPORATE	Q1	Q2	Q3	Q4	Q1	Q2
Cash balance SEK	11 779 672	6 160 930	47 027 416	33 367 571	20 609 896	5 850 454
Share issue SEK			48 945 840			
Change cash SEK	-7 522 877	-5 618 742	-8 079 354	-13 659 845	-12 757 675	-14 759 442
Employees in total end quarter	33	39	41	38	69	87
Ethiopia fixed	31	36	38	34	41	46
Ethiopia temporary	n.a	n.a	n.a	n.a	23	36
Scandinavia and other	2	3	3	4	5	5
Gold price end quarter	1 707	1 770	1 728	1 829	1 932	1 817



Q & A

