

# Third quarter 2023 Presentation

AKOBO MINERALS AB (publ)

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# Disclaimer

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This presentation includes information from the Segele Mineral Resource Estimate released by Akobo Minerals AB on the 22nd 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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# Scandinavian based Ethiopian gold exploration and mining company

## Corporate Foundation

- Established and robust corporate foundation facilitating ongoing resource growth and exploration of new gold deposits
- Strategic approach to ensure sustainable development in the Ethiopian mining industry

## Ethical Local Presence

- Strong local foothold rooted in principles of ethics, transparency, and effective communication
- Commitment to responsible mining practices that align with community values

## Cost-Efficient Operations

- Implementation of low-cost and flexible operations
- Cash flow sustainability through boutique mining strategy

**Ambition to become a leading player in the future development of the very promising Ethiopian mining industry**





# Significant exploration and high margin gold production potential



## Segele Mineral Resource estimate by SRK

- Indicated Mineral Resources alone of 41.000 oz gold @ 40,6g/t
- Inferred and Indicated Mineral Resource of 68.811oz gold @ 22,7g/t Au
- Still open at depth
- Near mine targets

Open Pit	Open Pit	Underground Mine
Low grade	0 – 0.5 gold grams per tonne	0 – 0.5 gold grams per tonne
Average grade	0.5 – 1.5 gold grams per tonne	5 – 8 gold grams per tonne
High grade	1.5+ gold grams per tonne	8+ gold grams per tonne
"Bonanza grade"		Troy Ounces (31.1 g/t)



## High margin gold production started

- Ore body reached in the Segele mine – produced in our Ultra small plant
- Estimated free cash flow of USD 50 million from the Segele mine, based upon current Resource estimate and Scoping study
- AISC 243 USD/oz and gold price of 1850 USD/oz



## Exploration license with million-ounce potential

- Ambition of developing world class deposits of 1.5 to 2 Moz
- Several targets identified with high volume potential



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# Doing It Right – an integral and vital part of the company

**Award winning ESG program  
developed with Sazani Associates  
- Sustainable Resource Plan**

minesandmoney

**2 times runner up as ESG explorer of the year at M&M London**

## Technology-driven solutions that enable communities to build sustainable & eco-friendly buildings



## Partners



# Key events

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## Q3 2023 Highlights

- Refinery agreement signed with the world-renowned gold refiner, MKS PAMP
- Results from the Gingibil bulk sampling suggest ore grades are present at surface
- Inauguration of the community 'ecohub' facility
- Assumption of mining operations from IW Mining
- Secured a convertible loan of NOK 34.4 million
- Commencement of Akobo share trading on the OTCQX, ticker AKOBF
- Completion of all major foundations for the processing plant Construction of the main processing plant well is well under way with all major constructions already up.



## Post Q3 2023 Highlights

- Gold price all time high and first high-grade gold produced from the Segele ore body
- Implementation of a new mining team leading to reduced costs and enhanced productivity
- Successful reorganization, establishing new Mining Operations and Business Support Divisions
- Substantial delay in mining progress attributed to significant errors by former mining operator
- Challenges in procurement due to increased inflation and difficulty sourcing consumables and spares in Ethiopia
- Intersection of the Segele ore body in the Western Winze
- Process plant nears completion and commissioning
- Initiation of a cost-saving program
- Commencement of funding dialogue with potential advisers and investors to secure up to 5mUSD



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# Mining Operations – Gold at last

## Key Recent Developments

- Incline Shaft Length: 55m
- Eastern Winze Length: 31m
- Western Winze Length: 46m

## The First Gold

- First gold was extracted from the Western Winze Nov. 27.
- The ore was intersected exactly where we had expected it to be
- Gold transported to Ultra Small Plant for first test production

## The setback in mining of the Western Winze

- It took several months to fully recover from the angle error
- A lot of extra excavation, securing and ripping was done to get back on track

## The end of Contract Mining

- The transfer from Contract Mining to Owner Operated Mining is completed and a fully functional and highly competent team is now running the mine

## Our Current Challenges

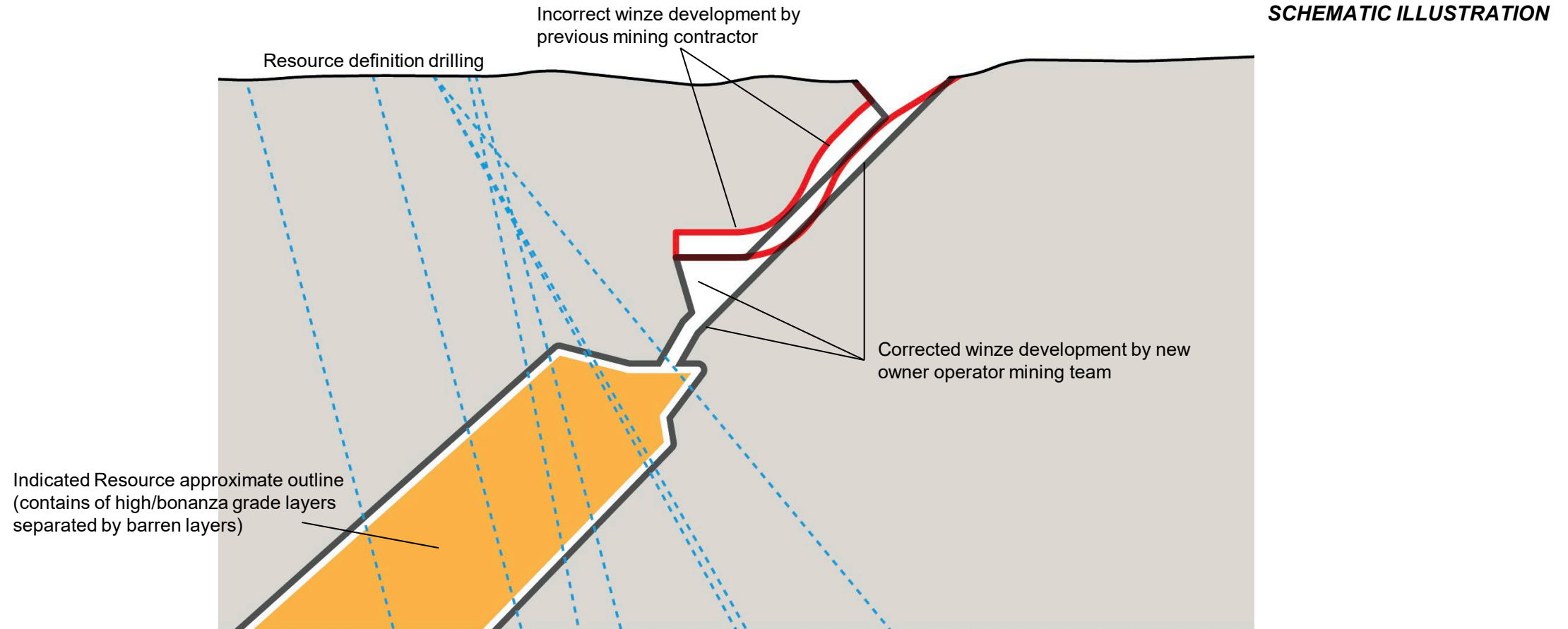
- Procurement of consumables, spare parts and new items continues to be a challenge.
- The instability of the surface rock down to 15 to 20 meters is still posing safety concerns
- The amount of water, both rain and groundwater is considerable and makes pumping a challenge



## Mining Key Facts

- Total mineral resource 69,000 oz, 22,7 g/t
- Indicated resource 41,000 oz, 40,6 g/t
- AISC USD 243/oz
- Conservative 81% extraction rate

# Mining Operations – Western Winze Challenges





# First Gold Day

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Team with first gold (left) and first loading of gold ore (right)





# First High-Grade Gold Produced

- The image shows the first high grade gold ore produced on the Ultra Small Plant (USP)
- The characteristic golden line can be seen between the gangue material and the black.
- A major milestone for Akobo Minerals.
- Proof of concept for resource, mine and plant.



# Mining Operations

- Upper left: Morning meeting for the mine team.
- Lower left: Artisanal miner's hole coming down to the mine from the hang-wall.
- Right: Investigating the face for gold after cleaning.
- Ramp up to 2.000 ton production per month and start up of main plant estimated in May







## Processing Plant

- All major structures up
- Most plant pipework done
- Major remaining tasks: electricals, generator-setup with diesel infrastructure, water pipeline and tailings storage facility



# Electrical work progressing fast

- Cable racks being added on whole plant
- Kilometers of cable getting pulled
- Everything connects to the MCC (Motor Control Center)





# Erection of Major Processing Equipment Complete



*Left: crushing circuit*

Pilot and Main Plant metrics:

## **Pilot Plant Key metrics**

- 1 t/h plant
- 50% recovery of gold
- Fully installed and manned.
- Expansion options being investigated

## **Main Plant Key metrics**

- 10 t/h plant – upgradable to 20t/h
- 97.2% recovery of gold
- Peak production rate 4,000 oz/month
- Under construction



# Ultra Small Plant

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## Pilot Plant Key metrics

- 1 t/h plant
- 50% recovery of gold
- Fully installed and manned
- Expansion options being investigated



## Preparing Segele material

- Visible gold in rocks and mud



# TSF construction

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- Tailings Storage Facility (TSF) being built close to plant
- Secured permit for this TSF in record time



Fayzal Seid, Lead Civil Engineer

# Exploration Strategy

**Ambition to become a leading player in the future development of the very promising Ethiopian mining industry**

## Exploring the right places

- Arabian Nubian Shield
- Unexplored greenstone belt
- Review of and acquisition of licences countrywide

## Tipping the table to success

- Large exploration licences
- Large flow of new targets
- Geology team with the right experience
- Intelligent review of projects and allocation of resources most likely to add growth value.

## Inexpensive technology and logistics

- Company Owned Drill Rig
- Company owned ground magnetic equipment
- Company owned laboratory
- Fully operational camp and transport

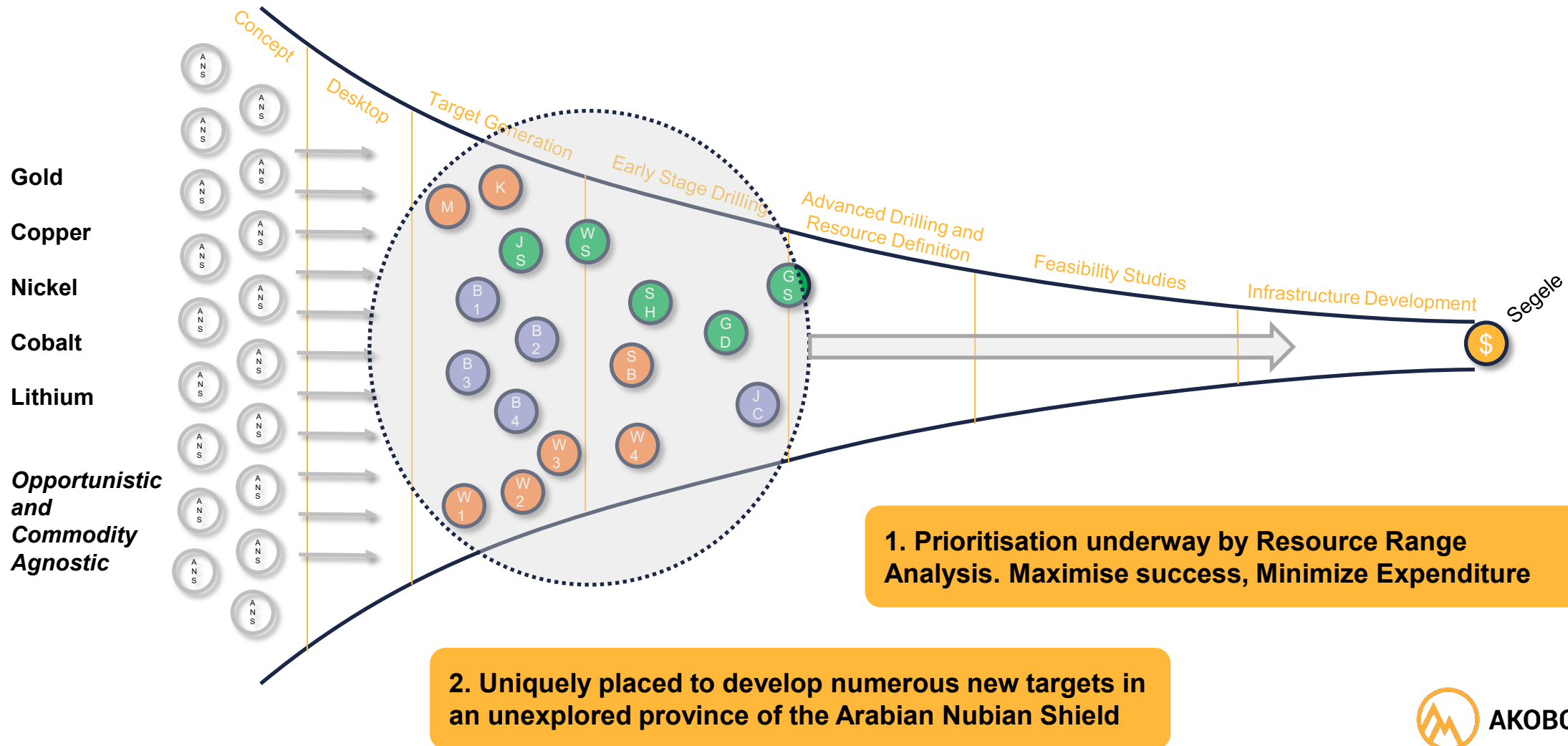


**Leveraging 15 years of geology knowledge and experience in the Akobo Arabian Nubian Shield and Ethiopia.**



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## 1.5 – 2 million ounces – Tipping the table towards success

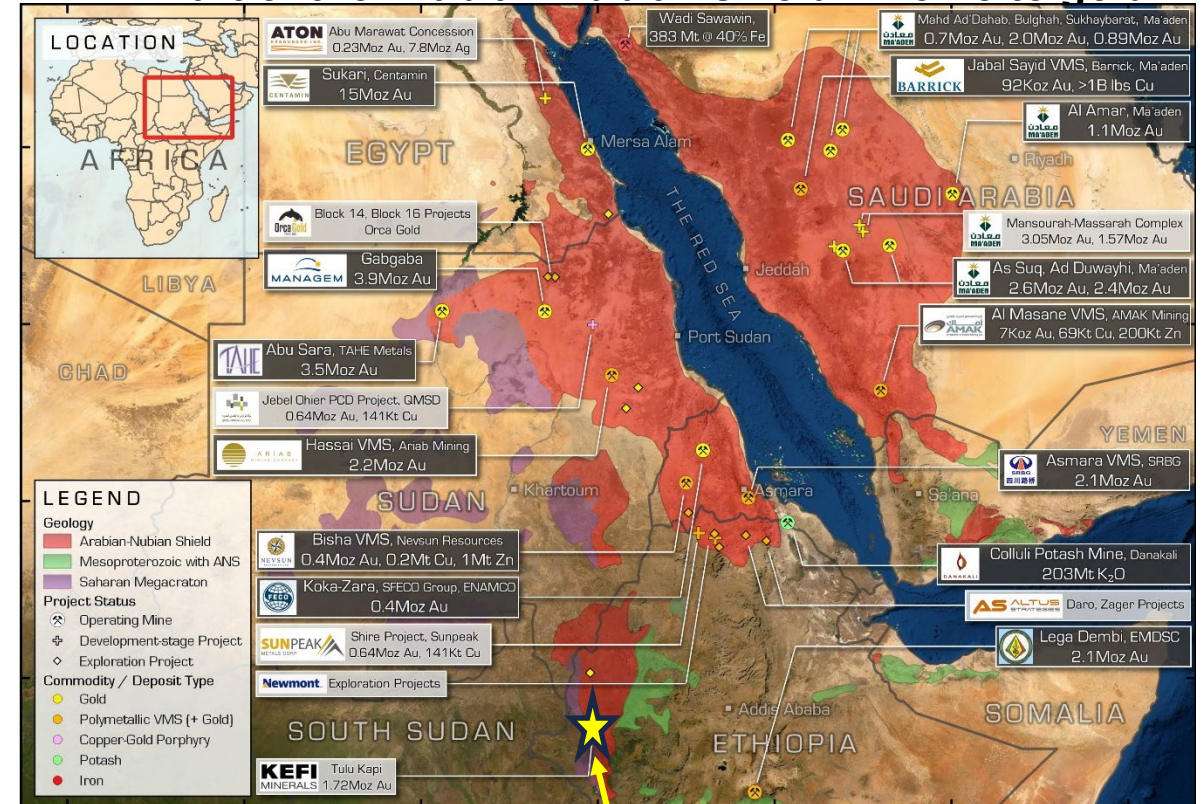




# Akobo is “low-hanging fruit” for modern gold exploration

- 1,000 kg extracted by hand in 18 months<sup>1</sup> immediately above the Segele underground mine (production imminent)
- Lega Dembi project 400 km to the East
  - Main Ethiopian gold producer for 20+ years
  - Estimated gold production 55t Gold
- Allied Gold, Kurmuk project 400 km to the north
  - Within the same geological belt as the Akobo project
  - Mineral Reserves: 2.6 million ounces at 1.53 g/t
- Kefi Minerals, Tulu Kapi project 300 km to the north
  - Within the same geological belt as the Akobo project
  - Inferred and indicated resources of 1.7 million ounces at 2.65 g/t
- Untapped resource base with large potential and lack of modern exploration
  - Mining reform and infrastructure improvements in recent years to facilitate exploration by international companies

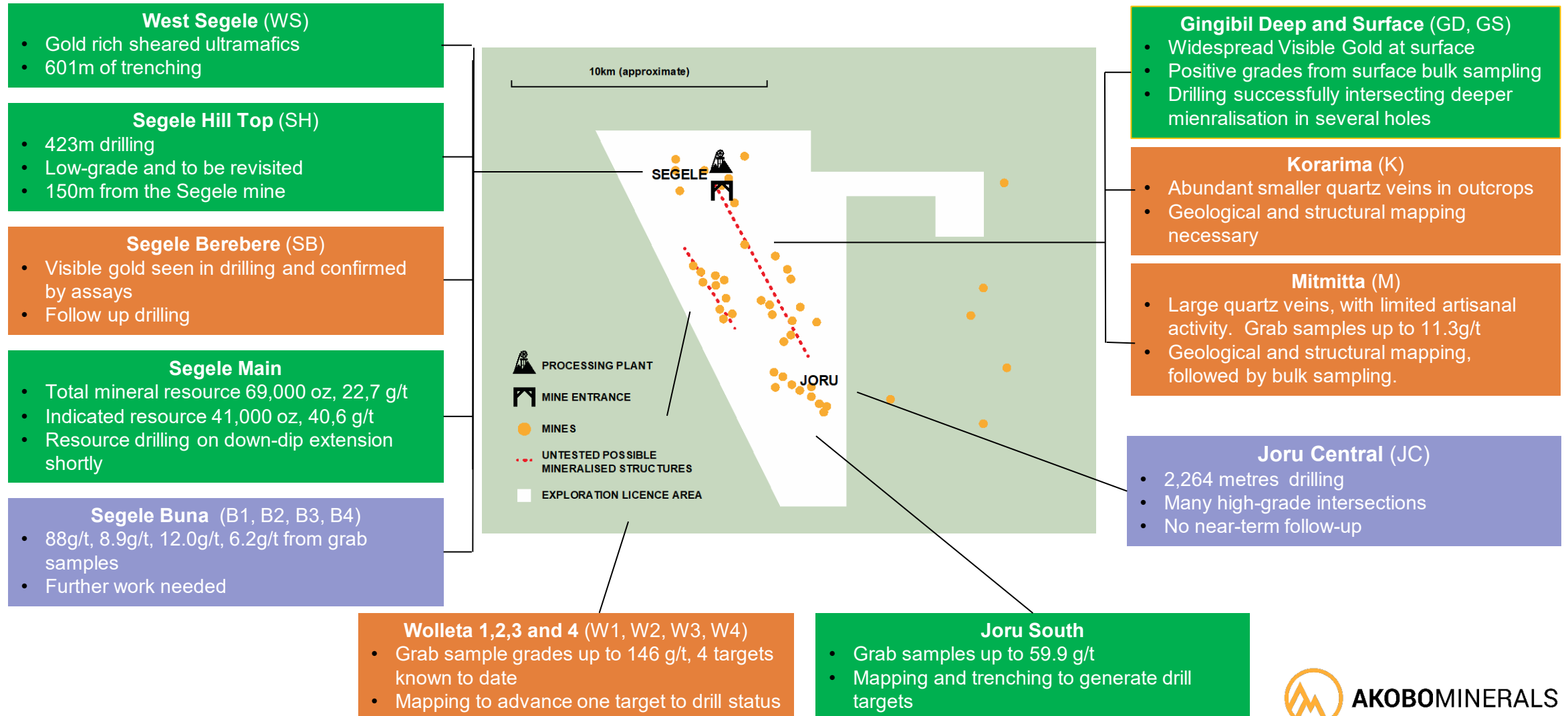
## Part of the Arabian Nubian shield – home to gold



Akobo

**Akobo Minerals has a head start exploring Akobo since 2010**

# Exploration targets



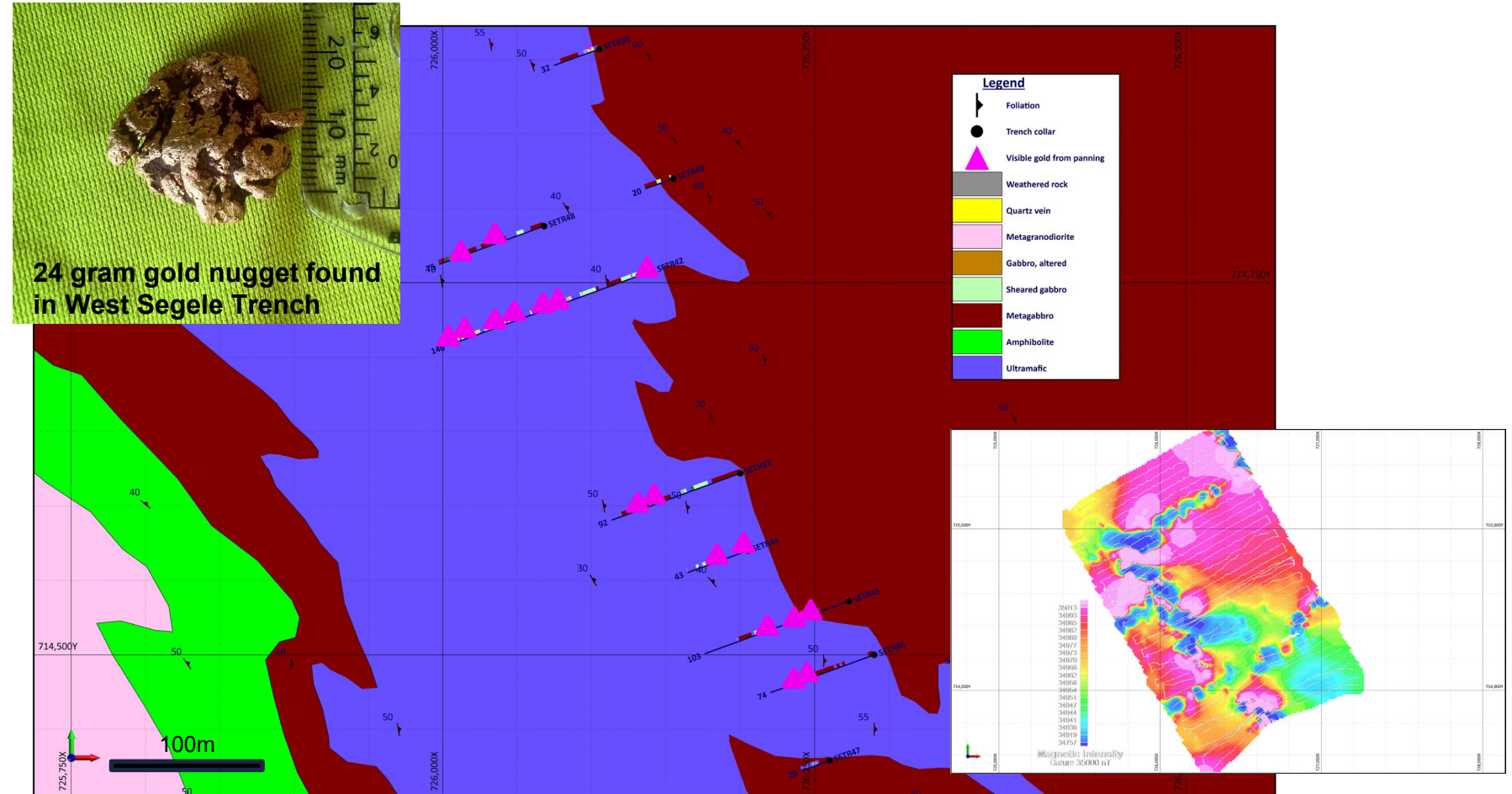


# West Segele – Near mine exploration

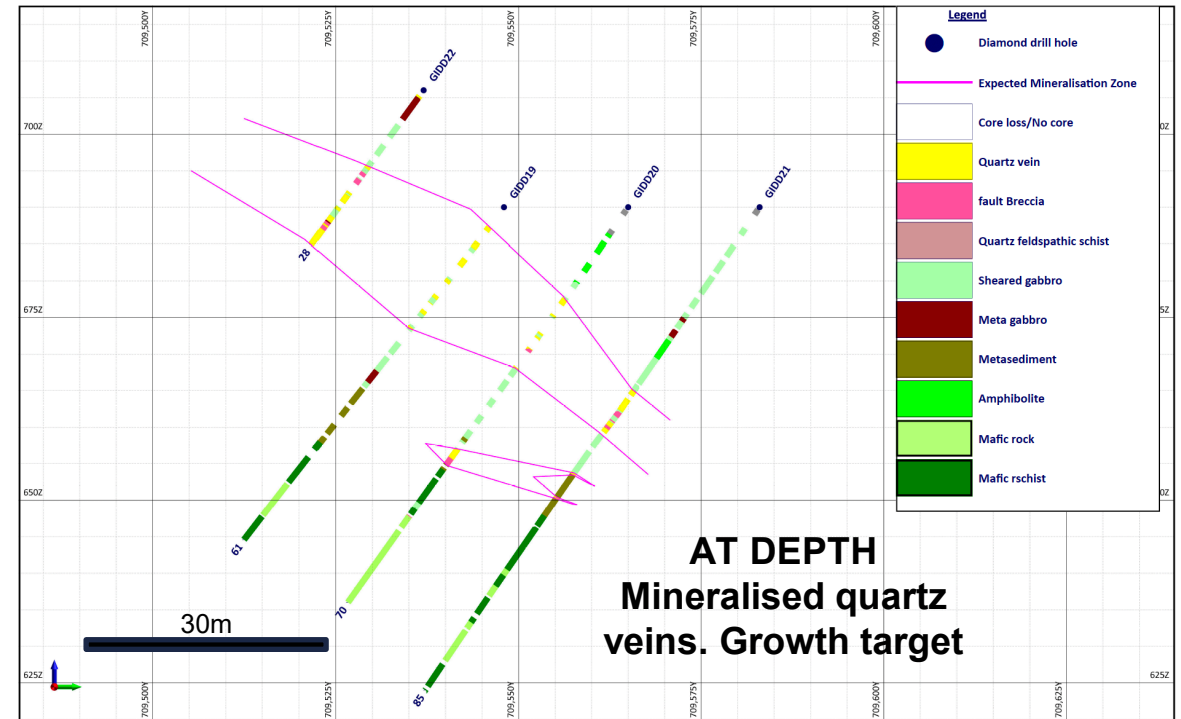
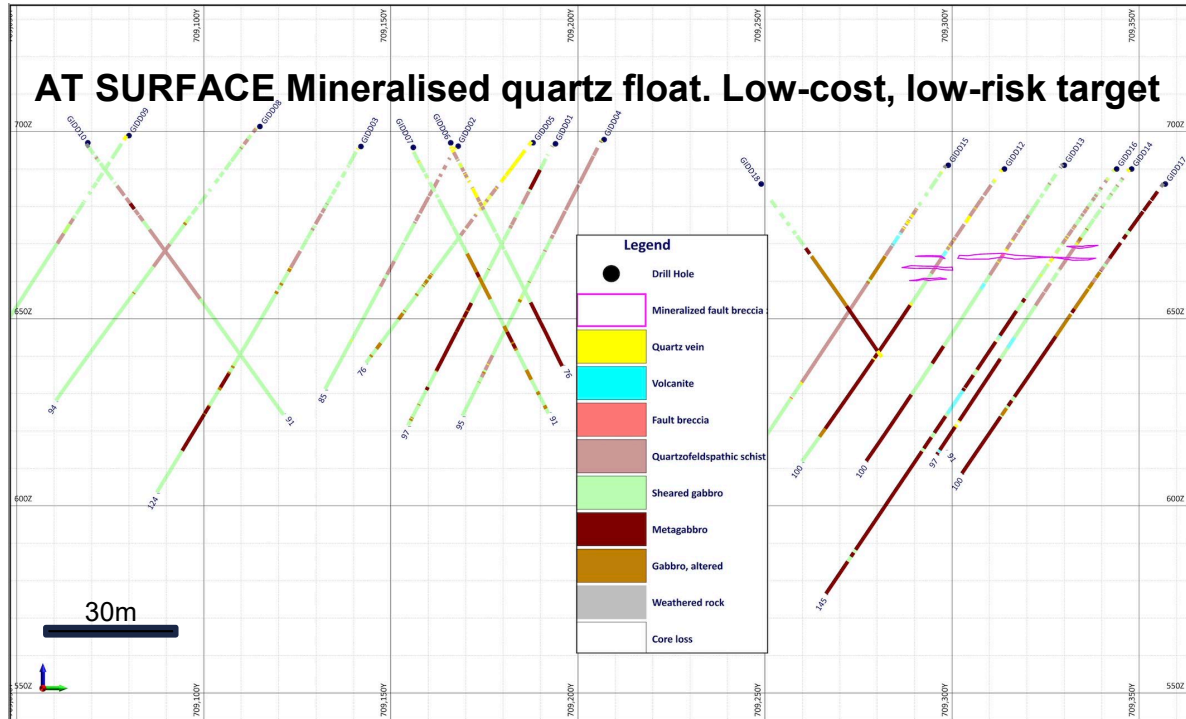
## West Segele Key Facts

Sheared ultramafic rocks with gold nuggets - analogous to those rocks which surround the Segele Bonanza Mineralisation

- 1.5km from Segele mine and Processing
- 601m of trenching completed
- 40 line kilometres of ground magnetics completed
- Drill planning underway



# Gingibil – tangible and prospective



## Gingibil Key Facts

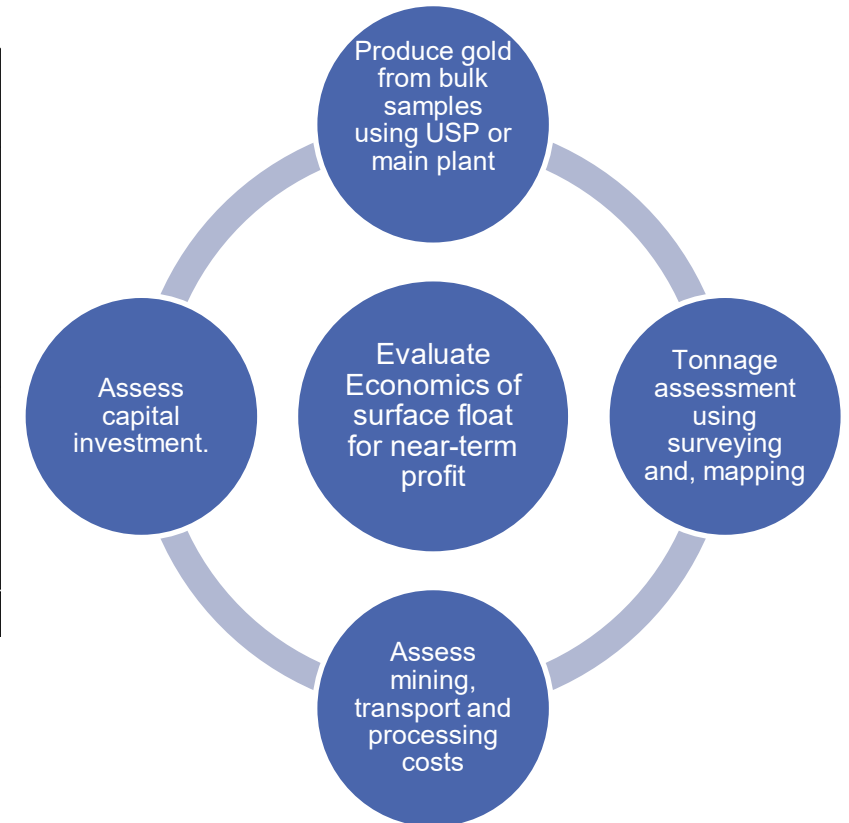
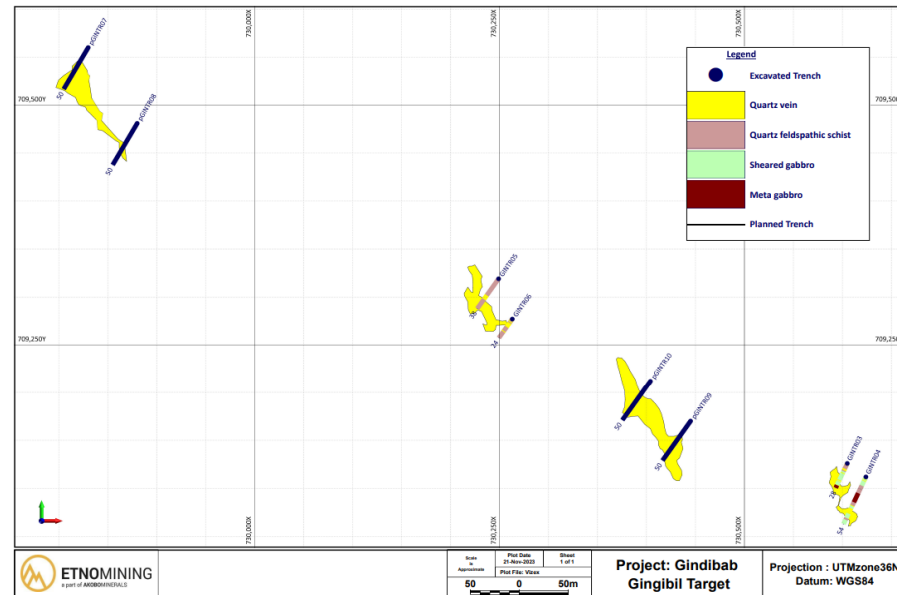
- 10min drive from Segele Processing Plant to Gingibil
- Bulk Sampling has produced gold from surface (1.8 – 5.0 g/t\*)
- Drilling has intersected mineralisation at depth (1.55m@1.328g/t from 20.85m). More assays pending.

Source: Company

\*: Bulk sampling of 58t. Assuming that the dilution is between 2-3x and the USP metallurgical recovery is between 25% and 45%



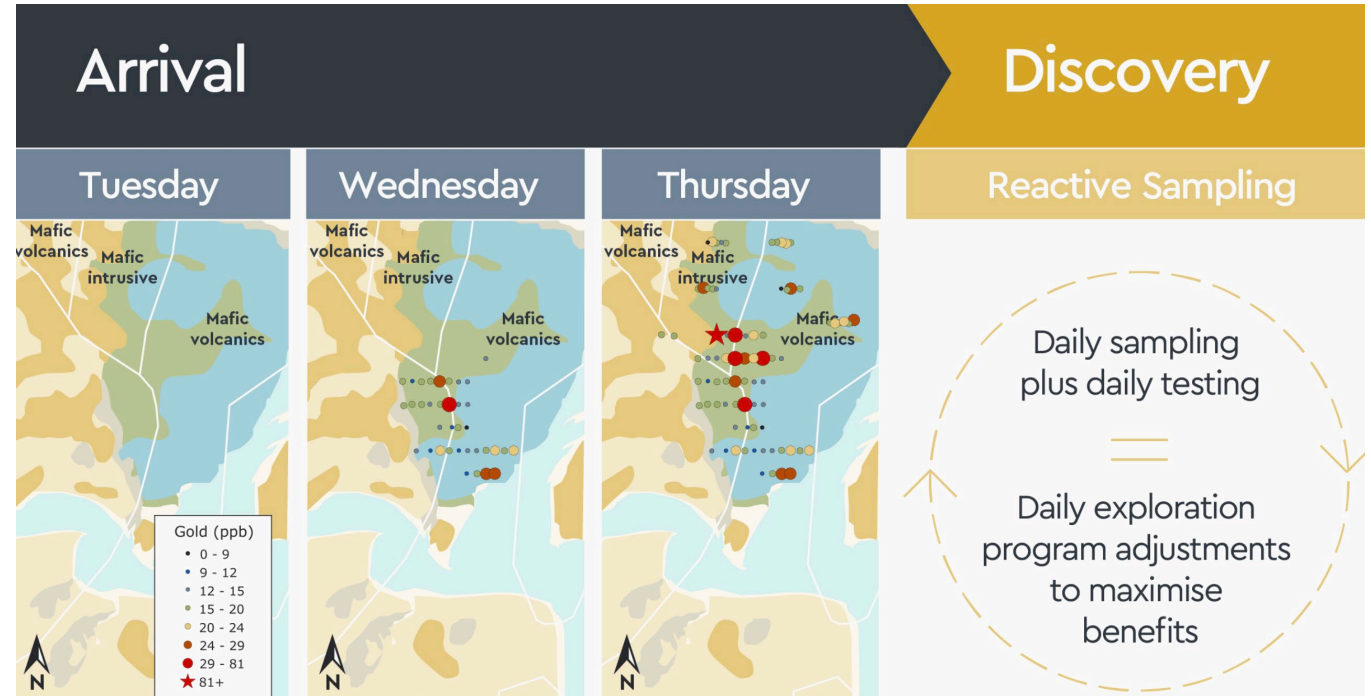
# Gingibil Surface Float – Trial Mining planning complete



## Trial Mining Key metrics

- 6,710t planned to be extracted from four areas.
- To be processed through either the pilot plant or main plant
- Project duration 1 month
- Cost of US \$45k

# Novel Award Winning Technology – To fill the funnel faster



## DetectOre Key Facts

- Shortens assay turnaround from months to days – faster decisions, faster discovery.
- Uses proprietary sample digestion to enable high quality analysis with hand-held XRF
- Not JORC compliant (yet), but minimises samples needed to be sent to accredited laboratories
- Equipment and staff now at site



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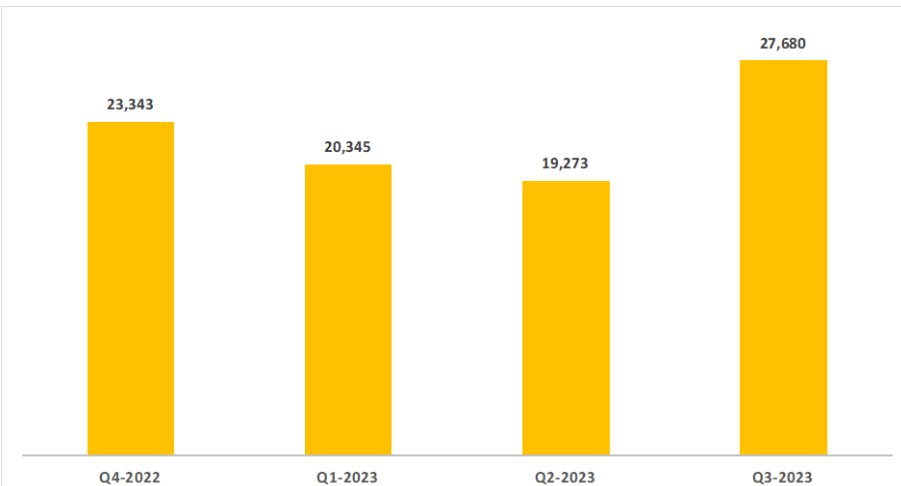
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# Financial performance overview

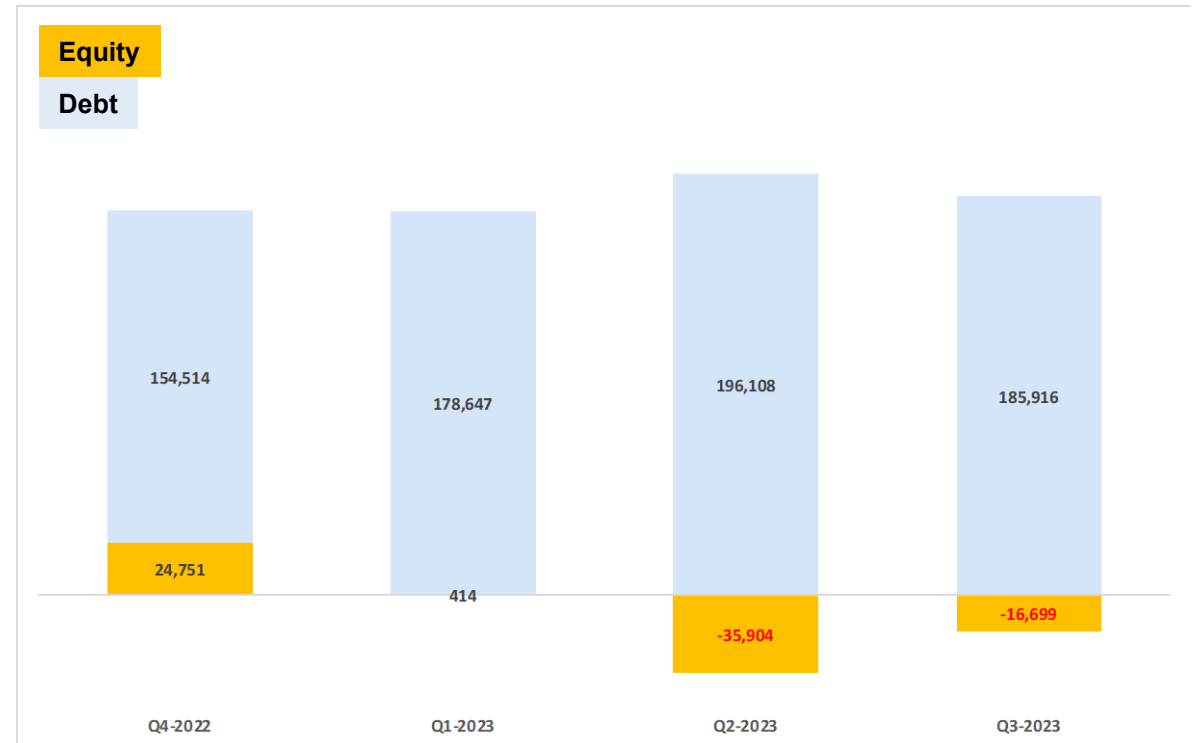
All figures in '000 SEK

## Operational Expenses Development



- The company is still in the project development phase prior to production start-up. There was no income during the quarter
- Operational related cost from Ethiopia is now booked as operational expense in the income statement

## Equity & Debt Development



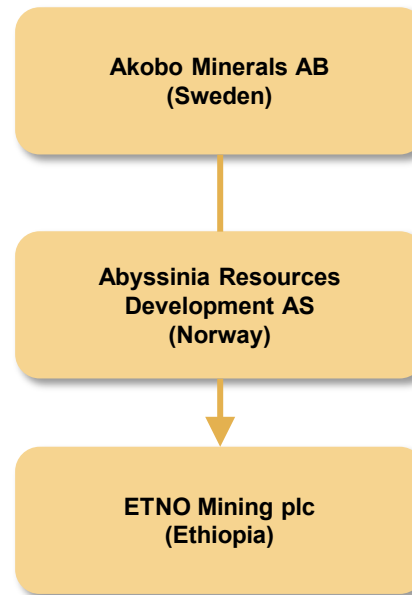


# Corporate structure and top shareholders

## Corporate structure and listing

- Stock listed on Euronext Growth in Oslo and Frankfurt Stock exchange (ticker: AKOBO)
- Trading on the US based OTC Market platform
- The company is backed by a strong group of active Norwegian shareholders in addition to 3,000 retail shareholders
- The company holds a 5.000-ounce gold loan from US based investors
- The company holds two convertible loans of SEK 57 million in total

## Transparent corporate structure



## Top shareholders

Rank	Holding	%	Name
1	6 025 975	11,3 %	PIR INVEST HOLDING AS
2	4 137 348	7,8 %	NAUTILUS INVEST AS
3	4 073 221	7,7 %	Bernhd. Brekke A/S
4	3 153 239	5,9 %	ESMAR AS
5	2 423 825	4,6 %	GH HOLDING AS
6	2 202 129	4,1 %	B FINANS AS
7	2 190 926	4,1 %	ATOLI AS
8	2 137 662	4,0 %	JØRN CHRISTIANSEN
9	1 580 400	3,0 %	ABYSSINIA RESOURCES DEVELOPMENT AS
10	1 133 889	2,1 %	KØRVEN AS
11	1 052 306	2,0 %	Kanoka Invest AS
12	992 438	1,9 %	Gåsø Næringsutvikling AS
13	883 454	1,7 %	JK VISION AS
14	858 683	1,6 %	TORSEN TANKERS & TOWERS AS
15	795 463	1,5 %	OLAV OLSEN HOLDING AS
16	677 584	1,3 %	SKADI AS
17	666 895	1,3 %	PREDICHEM AS
18	666 666	1,3 %	LINDVARD INVEST AS
19	656 000	1,2 %	TSESSEBE AS
20	607 507	1,1 %	SVENSKA HANDELSBANKEN AB
<b>36 915 610</b>		<b>69,5 %</b>	
<b>53 150 223</b>		<b>100,0 %</b>	<b>Total number of shares</b>

# Key metrics

	2022				2023		
SEGELE	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Meters drilled (RC+DDH)	4,410	1,662	768	941	422	-	-
Accumulated	16,183	17,844	18,612	19,553	19,975	19,975	19,975
Assays samples generated (incl QAQC)	2,274	1,016	631	824	485	-	-
Accumulated	6,776	7,792	8,423	9,247	9,732	9,732	9,732
Indicated Resources ounces	n.a	41,000	41,000	41,000	41,000	41,000	41,000
Avg grams per ton Indicated	n.a	40.6	40.6	40.6	40.6	40.6	40.6
Inferred Resources ounces	52,410	27,000	27,000	27,000	27,000	27,000	27,000
Total Resources ounces	52,410	68,000	68,000	68,000	68,000	68,000	68,000
Avg grams per ton total	20.9	22.7	22.7	22.7	22.7	22.7	22.7
GINGIBIL	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Meters drilled (RC+DDH)					183	373	995
Accumulated					183	555	1,550
Assays samples generated (incl QAQC)					-	-	158
Accumulated					-	-	158
JORU	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Meters drilled (RC+DDH)	-	-	-	-	-	-	-
Accumulated	3,586	3,586	3,586	3,586	3,586	3,586	3,586
Assays samples generated (incl QAQC)	-	-	-	-	-	-	-
Accumulated	3,908	3,908	3,908	3,908	3,908	3,908	3,908

TRENCHING	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Meters trenched	-	-	-	100	270	-	459
Accumulated	8,502	8,502	8,502	8,602	8,872	8,872	9,331
CORPORATE	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Cash balance SEK	19,968,338	5,819,157	15,642,398	56,304,870	48,591,104	25,093,434	26,337,873
Share issue SEK							
Convertible loan SEK			52,588,514		22,475,000		34,400,000
Long term loan SEK				84,154,886			
Change cash SEK	-13,399,233	-14,149,181	-42,765,273	-43,492,414	-30,188,766	-23,497,670	-33,155,561
Employees in total end quarter	69	87	85	84	97	132	178
Ethiopian fixed	41	46	55	51	67	91	133
Ethiopian temporary and consultants	23	36	25	28	26	36	40
Scandinavian and other	5	5	5	5	4	5	5
Gold price end quarter	1,932	1,817	1,661	1,824	1,969	1,916	1,870



# Income statement – Group

Figures in SEK	Q3-2023	Q3-2022	Q3-2023 YTD	Q3-2022 YTD
Cost of goods				-3,327
<b>Operating Income</b>				<b>-3,327</b>
Other external expenses	-18,605,033	-9,931,865	-51,423,185	-17,504,148
Personnel costs	-9,074,663	-3,959,886	-15,874,383	-6,341,584
<b>Total operating expenses</b>	<b>-27,679,696</b>	<b>-13,891,751</b>	<b>-67,297,568</b>	<b>-23,845,732</b>
Other interest income and similar profit/loss items	6,289,002	286,114	12,923,801	9,440,545
Interest expense and similar profit/loss items	-7,002,406	-3,589,951	-42,925,980	-5,198,385
<b>Result after financial items</b>	<b>-28,393,099</b>	<b>-17,195,588</b>	<b>-97,299,748</b>	<b>-19,606,899</b>
<b>Result for the year</b>	<b>-28,393,099</b>	<b>-17,195,588</b>	<b>-97,299,748</b>	<b>-19,606,899</b>

## Comments to figures

- SEK 2.2 million in other expenses mainly relate to consulting services such as accounting, auditing and legal both in Norway and Sweden
- SEK 16.4 million in other expenses mainly relate to mining activities in Ethiopia
- Personnel costs are primarily salaries for fixed employees in all countries
- Other interest income/expense relates to FX adjustments, interest on convertible and Monetary Metals loans, and adjustment of gold loan value due to fluctuation in the gold price

# Balance sheet – Group

Figures in SEK	Q3-2023	Q2-2023
Capitalised expenditure for development and similar work	63,241,171	63,241,171
Plant and machinery	64,955,022	60,978,154
Equipment, tools, fixtures and fittings	3,123,334	2,894,469
<b>Total Fixed Assets</b>	<b>131,319,527</b>	<b>127,113,794</b>
Trade receivables	1,480,194	1,480,194
Other Receivables	8,758,513	5,761,132
Prepaid expenses and accrued income	1,320,752	755,219
Cash and Bank	26,337,873	25,093,434
<b>Total Current Assets</b>	<b>37,897,331</b>	<b>33,089,979</b>
<b>Total Assets</b>	<b>169,216,858</b>	<b>160,203,773</b>
Share capital	1,956,479	1,593,775
Share premium reserve	153,186,200	101,303,949
Balanced result	-74,542,182	-69,895,358
Result of the year	-97,299,748	-68,906,648
<b>Total Equity</b>	<b>-16,699,250</b>	<b>-35,904,282</b>
Long term debt	123,142,622	120,543,896
Long term convertible loans	60,881,980	22,798,973
<b>Total Long Term Debt</b>	<b>184,024,603</b>	<b>143,342,869</b>
Trade payables	975,382	113,740
Current tax liability	426,522	162,936
Other liabilities	-600,385	-925,038
Convertible loans		52,131,914
Accrued expenses and deferred income	1,089,987	1,281,635
<b>Current liabilities</b>	<b>1,891,506</b>	<b>52,765,187</b>
<b>Total Debt</b>	<b>185,916,109</b>	<b>196,108,056</b>
<b>Total Equity and Debt</b>	<b>169,216,858</b>	<b>160,203,773</b>

## Comments to figures

- Fixed assets are capitalised exploration costs and local mining equipment in Ethiopia
- Long term debt is the 5.000 ounces gold loan from Monetary Metals and two convertible loans of SEK 57 million



# Cash flow – Group

Figures in SEK	Q3-2023	YTD Q3-2023
Before changes in working capital	-27,679,696	-67,297,568
Changes in accounts receivables and other receivables	-3,562,913	-2,549,410
Changes in accounts payable and other liabilities	5,751,741	-17,636,891
<b>Cashflow from operating activities</b>	<b>-25,490,868</b>	<b>-87,483,869</b>
Investment in intangible non-current assets		-742,168
Investment in tangible non-current assets	-4,163,126	-10,876,168
<b>Cashflow from investing activities</b>	<b>-4,163,126</b>	<b>-11,618,336</b>
Proceeds from short-term debt		21,736,583
Proceeds from long-term debt	33,773,423	42,779,585
Expenses related to share issue		914,375
<b>Cashflow from financing activities</b>	<b>33,773,423</b>	<b>65,430,542</b>
<b>Cashflow net</b>	<b>4,119,429</b>	<b>-33,671,663</b>
Translation difference in cash and cash equivalents	-2,874,990	3,704,667
<b>Cash flow for the period</b>	<b>1,244,439</b>	<b>-29,966,997</b>

## Comments to figures

- Cash flow from operating activities relates to all entities
- Cash flow from investing activities relates only to operational activities capitalised in Ethiopia
- Cash flow from long-term debt relates to the 5000-ounce gold loan affected by gold price and currency
- Translation differences relates to changes in foreign exchange values on bank deposits



Q & A

