



Invitation to subscribe for units in Northgold AB

Subscription period 10 September - 24 September 2024

Information memorandum

PLEASE NOTE THAT THE UNIT RIGHTS ARE EXPECTED TO HAVE AN ECONOMIC VALUE

To ensure that the value of the unit rights is not lost, the holder must either:

- use the obtained unit rights for subscription on 24 September 2024, at the latest, or
- sell the obtained unit rights on 19 September 2024, at the latest.

Please note that it is also possible to subscribe for units without unit rights and that shareholders with holdings in a depository bank or other nominee should contact their bank or custodian for instructions regarding subscription and payment.



Important information

General

This information memorandum (the "Memorandum") has been prepared in connection with Northgold AB's, reg. no. 559273-9626 ("Northgold" or the "Company"), new issue of units with preferential rights for the Company's existing shareholders (the "Rights Issue" or the "Offering"). Augment Partners AB, reg. no. 559071-0793 ("Augment") is the financial advisor in connection with the Offering. Advokatfirman Schjødt AS, filial, reg. no. 516412-0809 ("Schjødt") is the legal advisor in connection with the Offering. Aqrat Fondkommission AB, reg. no. 556736-0515 ("Aqrat Fondkommission") is acting as the issuing agent in connection with the Offering. Augment is the Company's Certified Adviser. "Euroclear" refers to Euroclear Sweden AB, reg. no. 556112-8074.

Exemption from prospectus obligation

The Memorandum does not constitute a prospectus and has thus not been prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "Prospectus Regulation") or Commission Delegated Regulation (EU) 2019/980. The Memorandum has also not been reviewed, approved by or registered with the Swedish Financial Supervisory Authority in accordance with the Prospectus Regulation. The Memorandum is exempt from the prospectus obligation in accordance with Article 3(2) of the Prospectus Regulation and Chapter 2, Section 1 of the Act (2019:414) with supplementary provisions to the EU Prospectus Regulation as the amount offered by the Company to the public in the Rights Issue is less than EUR 2.5 million in total during a period of twelve months. The Offering is not directed, directly or indirectly, to persons whose participation requires that a prospectus be prepared or registered or that any other measure be taken in addition to what is required under Swedish law. The Memorandum may not be distributed in or to a country where distribution or the Offering under the Memorandum requires additional registration or other measures other than those required by Swedish law or is contrary to applicable regulations in such country. Neither unit rights, paid subscription units ("BTU") nor the newly issued shares and warrants of series T02 have been or will be registered under the United States Securities Act of 1933, as amended, nor under any corresponding law in any state in the United States. The Offering does not include persons domiciled in the United Kingdom, United States, Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, South Korea or in any other country where the Offering or distribution of the Memorandum is contrary to applicable laws or regulations or requires prospectuses, registrations or other measures than those required by Swedish law. Application for subscription of units in violation of the above may be considered invalid under applicable securities legislation. Consequently, unit rights, BTU's or units may not, directly or indirectly, be offered, subscribed for, exercised, sold, resold, allocated, delivered or in any other way transferred in or to countries where action as described above is required or to shareholders domiciled as described above.

Forward-looking statements

The Memorandum contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and statements and opinions that relate to the future and that, for example, contain words such as "assumed", "believes", "intends", "estimates", "projects", "should", "anticipates", "predicts", "expects", "holds the view", "may", "will", "plans", "potential", "forecasts", "could", "as far as known", or similar expressions, where the intention is to identify a statement as forward-looking. This applies, in particular, to statements and opinions in the Memorandum that address future financial performance, plans and expectations for the Company's operations and management, future growth and profitability, and the general economic and legal environment and other matters affecting the Company. Forward-looking statements are based on current estimates and assumptions based on the Company's knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual

results, including the Company's cash flow, financial condition and results of operations, to differ materially from, or not meet the expectations expressed or implied by, such statements, or to be less favourable than the results expressed or implied by such statements. Similarly, potential investors should not place undue reliance on these forward-looking statements and are strongly advised to read the Memorandum, including the detailed descriptions of risk factors that can affect Northgold's operations and the market in which the Company operates (see section "Risk factors"). Neither the Company nor Augment can give any assurance as to the future accuracy of the opinions presented, or whether the anticipated developments will actually occur. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, it is possible that the future events mentioned in the Memorandum will not occur. The forward-looking statements and projections derived from third-party studies and referred to in the Memorandum may prove to be inaccurate. Actual results, performance, or events could differ materially from those indicated by such statements. Subject to the release of the Memorandum, neither the Company nor Augment undertakes, except as required by law or the Nasdaq First North Growth Market's ("First North") rules for issuers, to update any forward-looking statements or to conform any such forward-looking statements to actual events or developments.

Industry and market information

The Memorandum contains industry and market information relating to the Company's business and the market in which the Company operates. Unless otherwise indicated, such information is based on the Company's analysis of multiple sources. Industry publications or reports generally state that information reproduced therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information cannot be guaranteed. Neither Northgold or Augment has verified the information, and therefore cannot guarantee the accuracy, of the industry and market information reproduced in the Memorandum that has been obtained, or is derived, from industry publications or reports. Such information is based on market research, which by its nature is based on sampling and subjective judgements, including judgements as to the type of products and transactions that should be included in the relevant market, both by those conducting the research and those surveyed. The Memorandum also contains estimates of market data and information derived therefrom that cannot be obtained from publications of market research institutions or any other independent sources. Such information has been prepared by Northgold based on third-party sources and the Company's own internal estimates. In many cases, there is no publicly available information and such market data from, for example, industry associations, government agencies, or other organisations or institutions. Northgold believes that its estimates of market data and information derived therefrom are useful in providing investors with a better understanding of both the industry in which the Company operates and the Company's position within that industry. The third-party information has been accurately reported and, to the best of Northgold's knowledge and belief, no facts have been omitted that would make the reported information inaccurate or misleading. The contents of the Company's website or any third party mentioned herein do not form part of the Memorandum.

Presentation of financial information

Financial and other information in the Memorandum has been rounded off to make the information more accessible to the reader. Unless otherwise explicitly states, no financial information in the Memorandum has been audited or reviewed by the Company's auditor. "SEK" stands for Swedish kronor, "EUR" stands for euro and "USD" stands for United States dollar. The usage of "M" before a currency indicates millions and "K" thousand.

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Information about the Offering

Maximum number of newly issued units	5,070,191 units (15,210,573 shares and 10,140,382 warrants of series TO2)
Terms	One (1) share entitles the holder to one (1) unit right. Three (3) unit rights entitles the holder to one (1) unit. One (1) unit contains three (3) new shares and two (2) warrants of series TO2
Subscription price	SEK 3.00 per unit, corresponding to SEK 1.00 per share, warrants are issued free-of-charge
Issue volume	Approximately SEK 15.2 million
Valuation	Approximately SEK 15.2 million before the Offering (pre-money)
Subscription commitments and underwriting commitments	50 per cent (subscription commitments of approximately SEK 1.8 million and underwriting commitments of approximately SEK 5.9 million)
Trading in unit rights	10 September 2024 - 19 September 2024
Subscription period	10 September 2024 - 24 September 2024
Estimated date for the announcement of issue outcome	25 September 2024

Other information

ISIN code	SE0017131071
LEI code	549300MAQNIYOH5MS433
Short name	NG
Marketplace	Nasdaq First North Growth Market Sweden

Glossary

Exploration

The process of searching for mineral deposits, involving geological surveys, sampling, and drilling to locate and evaluate potential mining sites.

Exploration permit

A legal authorisation allowing the holder to conduct exploration activities, such as drilling and sampling, in search of mineral resources within a specified area.

Fixed-Loop Electromagnetic (FLEM) geophysical ground survey

A geophysical exploration technique used to detect subsurface conductive materials, often used in mineral exploration to locate ore bodies.

Historical resource

Mineral resources that have been estimated based on historical data but may not meet current industry standards for accuracy and reliability.

Indicated mineral resource

A category of mineral resource for which the quality, grade, and physical characteristics are sufficiently well-established through exploration and sampling to allow for more detailed planning and evaluation.

Inferred mineral resource

A category of mineral resource estimated based on limited geological evidence and sampling. It has lower confidence compared to indicated and measured resources.

Measured mineral resource

A category of mineral resource with the highest confidence level. The quality, grade, and physical characteristics have been well-established, providing a reliable basis for planning and evaluation.

Mineral equivalence

A term used to express the value of a specific quantity of one mineral relative to another, for example gold, for economic comparison purposes.

Mineral resource

A concentration of minerals with reasonable prospects for economic extraction, categorised into inferred, indicated, and measured resources based on the level of geological confidence.

Mineralisation

A concentration of minerals with reasonable prospects for economic extraction, categorised into inferred, indicated, and measured resources based on the level of geological confidence.

Mining concession

A legal right or permit granted by a government to explore, develop, and extract mineral resources within a specific area.

Natura 2000

An area protected under the EU's Natura 2000 nature conservation initiative, aimed at preserving rare and endangered species and their habitats across Europe.

Net Smelter Return (NSR)

The net revenue that the owner of a mining asset receives from the sale of the mine's metal or non-metal products, after deducting transportation and refining costs. As a royalty payment, it refers to the portion of the NSR that a mining operator is obliged to pay to the holder of the royalty agreement.

NI 43-101 / JORC-compliant

Refers to mineral resource and reserve estimates that comply with either the NI 43-101 standards or the JORC Code. These standards ensure that public disclosure of exploration results, mineral resources, and reserves are made according to rigorous guidelines, providing transparency, reliability, and consistency in reporting.

Orogen

A region of the Earth's crust where mountains are formed, typically through tectonic plate collisions, often associated with significant mineral deposits.

Paleoproterozoic

A geological era within the Proterozoic Eon, approximately 2.5 to 1.6 billion years ago.

Porphyry system

A type of large, disseminated mineral deposit typically associated with porphyritic igneous rocks, known for containing significant amounts of copper, gold, and molybdenum.

Preliminary Economic Assessment (PEA)

An early-stage financial evaluation of a mining project that provides an overview of the potential viability of the mineral resource.

Preliminary Feasibility Study (PFS)

A more detailed analysis of a mining project, assessing economic, technical, and environmental factors to determine if the project is likely to be economically viable.

Risk factors

A number of risk factors could adversely affect Northgold's operations. Therefore, it is crucial to carefully consider these risks in conjunction with the growth opportunities for the Company. Additionally, there are risks associated with trading the Company's shares. The order in which the risk factors outlined below are presented is not intended to reflect either the relative probability or the potential impact of their materialisation on the Company's business, results of operations or financial position. The following description of risk factors is based on information known and projected when preparing the Memorandum, and therefore the description of risk factors is not necessarily exhaustive. A thorough assessment of all risk factors can only be made when considering the entirety of the information provided in the Memorandum, along with a broader evaluation of external conditions. Additional risks and uncertainties that the Company is not currently aware of or which it currently considers to be immaterial may have a material adverse effect on the Company's business, results of operation and financial position.

Business and operational risks

Additional capital requirements

Northgold's operations may require additional external capital, which could be financed through available liquid assets, new debt financing, the issuance of new shares, or a combination of these financing options. In recent years, the Company has consistently generated operational deficits and currently does not have regular cash flow, which may necessitate raising new capital to meet working capital needs and to finance projects towards mining operations or acquisitions. There is a risk that the Company may be unable to secure this capital, or that it may only be obtained on terms unfavourable to existing shareholders. If additional external capital is required through issuing new shares, there is a risk of dilution for current shareholders. Moreover, the ability to secure external capital through debt financing could be adversely affected by broader economic conditions, economic downturns, or disruptions in capital and credit markets due to increased uncertainty and changes in, or increased regulation of, financial institutions. This could adversely affect the Company's business, result of operations and financial position.

Dependence on qualified personnel

The Company's operations are dependent on its ability to recruit, develop, and retain qualified employees. Given the current limited scope of the Company's organisation, there is a risk that it may not be able to offer key personnel competitive conditions relative to other companies in the industry or related sectors. Should key personnel depart or if future vacancies remain unfilled, it could adversely impact the Company's operations. This may lead to delays and increased costs, which could negatively affect the Company's financial performance and overall financial position.

Technical risks

Exploitation of mineral deposits involves various technical risks. These risks are an inherent part of the industry and are generally beyond the Company's control. They include production-related disruptions of a geological, geotechnical, mechanical, chemical, or logistical nature, which may result in lower production, higher costs, reduced recoveries, and/or decreased product quality. Such factors could adversely affect the Company's operations, financial performance, and financial position.

Workplace risks

Mining and exploration are industry segments that involve challenging working conditions. The operations include the use of heavy machinery, vehicles and explosives, which present risks of injury to personnel. If accidents involving personnel occur, they could have a direct impact on Northgold's capabilities and value. For instance, the Company might face significant costs if damages are not fully covered by existing insurance policies, potentially leading to considerable financial consequences for the Company, which would impact the Company's business, result of operations and financial position.

Infrastructure

Existing infrastructure is critical for both the establishment and operation of mining activities, as well as for conducting cost-effective exploration. Roads, as well as access to electrical power, water, and community services, are important components that affect investment and operational costs of a mining facility. Unusual or infrequent weather events, sabotage, regulatory changes, or other disruptions to the maintenance and availability of existing infrastructure can adversely affect the Company's business, result of operations, and future profitability.

Industry-related risks

Exploration and development risk

Gold exploration and other mineral exploration is inherently uncertain and involves financial risk, especially for early-stage projects. There are no guaranteed methods to determine the exact quantity of mineral reserves in various geological formations. During drilling, simulation models are used to estimate the shape and extent of the ore body. The terms "inferred," "indicated," and "measured" mineral resources are recognised and represent industry standards. However, there is no certainty that any portion of an inferred, indicated, or measured resource will ever be upgraded to a higher category or to mineral reserves. Only a limited number of exploration projects progress to become producing mines. It is possible that gold or mineral quantities may not be found in sufficient concentrations and amounts to make mining economically viable. The economic viability of a mineral deposit depends on a range of factors, including metal prices, exchange rates, grades and other payable metals in the concentrates, the size and geometry of the deposit, recovery rates in the processing, waste rock dilution, ore losses during mining, mining and processing costs, local infrastructure, financing costs, as well as regulatory approvals and other regulations. If additional deposits or exploration projects are not advanced to commercial production, it could negatively impact the Company's operations, financial performance, and financial position.

Mineral prices

A mineral exploration company's financial performance is directly related to prevailing mineral prices, in addition to its operational costs. Mineral prices are set on the international market and fluctuate over time based on changes in supply and demand factors. Currently, the prices of gold and copper specifically affect the Company's exploration opportunities, and the prices of these minerals vary significantly, influenced by factors beyond the Company's control. These factors include global mining production, producers' hedging activities, inflation expectations, relative exchange rates among currencies, global and regional demand, political and economic conditions, and production costs in various producing regions. Prolonged and severe declines in relevant mineral prices could result in losses for the Company, necessitate reductions or cessation of exploration and development activities, and negatively impact the Company's operations, financial performance, and financial position.

Estimation of mineral resources and reserves

The estimation of gold resources and mineral reserves, as well as other mineral resources and reserves, is primarily based on extensive drilling, statistical analyses, and modelling studies. These estimates are inherently preliminary and remain so until validated by industrial production. Accurate determination and categorisation of exact tonnage and grades within a mineralisation are not possible with complete certainty. There is a risk that the mineral resources may not meet the expected tonnage or grades, or that the anticipated recovery rates may not be achievable. As a result, the mineral resources and reserves, particularly gold, that the Company ultimately proves to possess may differ from the assessments provided in this Memorandum. If the actual grades fall short of expectations, it could lead to the Company failing to achieve the projected production levels, thereby negatively affecting the Company's operations, financial performance, and financial position.

Environmental risks and risks related to subcontractors and other counterparties

Mining operations represent an intrusion into the natural environment and may disrupt other activities or stakeholders in the area, including local communities, other industrial operations, tourism, recreation, hunting, and fishing. There is a risk of conflict with other interests utilising the area or its vicinity, which should be considered in a risk assessment.

To conduct the planned mining activities, the Company relies on agreements with third parties, including suppliers, contractors, consultants, and others. There is a risk that the Company's counterparties may not meet future service demands in a timely manner. If the Company experiences limitations in the ability of its counterparties to deliver services or if subcontractors terminate their agreements with the Company, it could adversely affect the Company's operations until alternative solutions are identified and implemented. Identifying alternative subcontractors or other counterparties may involve lengthy selection processes and approval procedures, potentially leading to increased costs and delays in the Company's operations. The realisation of these risks could adversely impact the Company's operations, financial performance, and financial position.

Legal and regulatory risks

Environmental and regulatory requirements

Mining and exploration activities are subject to extensive regulatory requirements, including environmental regulations and permits. Environmental legislation is becoming increasingly stringent, with heightened fines and penalties for non-compliance. This necessitates more rigorous and comprehensive environmental assessments to evaluate the impacts of exploitation, along with increased responsibilities for the Company, its management, board of directors, and employees. There is a risk that future environmental regulations and the conditions for obtaining environmental permits may change, potentially making it challenging for the Company to meet these requirements.

Additionally, there may be environmental risks in the Company's areas of interest arising from previous license holders, of which the Company may not currently be aware. Any potential start of mining operations will be subject to stringent environmental and regulatory requirements, including those related to production, handling and disposal of hazardous materials, emission control, health and safety, and wildlife protection. The Company may need to make substantial investments to comply with these requirements.

The Company relies on maintaining the necessary environmental permits for exploration and mining within its current operations. It also depends on obtaining new environmental permits for additional areas and deposits in the future. Failure to obtain or retain these permits could hinder the Company's development. The Company's cash flow is also dependent on securing environmental permits for new areas and deposits, as production could otherwise decline over time as existing resources are depleted. Realisation of these risks could result in significant fines, production delays, or even the impossibility of proceeding with the exploitation.

Regulatory approvals and necessary permits

Obtaining and maintaining regulatory approvals and necessary permits is essential for both the planned mining operations and exploration activities. There is a risk that obtaining permits, renewing existing permits, or securing permits for future changes in operations may be delayed or

take longer than anticipated. Failure to comply with applicable laws, regulations, or permit requirements could result in penalties, including demands from regulatory authorities or courts. Such demands could involve significant investments in environmental mitigation measures, operational restrictions, or even the suspension of activities, and could negatively impact the Company's operations, financial performance, and future profitability.

Political risks and market regulation

The mining sector, within which Northgold operates, is subject to extensive market regulation. Changes in the legal and financial frameworks governing the Company's operations may impose new and significant investment requirements on the Company or its suppliers. Additionally, new laws and regulations could make operations in the sector more burdensome and less efficient or alter the current balance between suppliers and their clients. The Company may also enter new markets in the future, which will be subject to various local, state, national, and international laws and regulations. Compliance with these regulations requires the Company to obtain and maintain the necessary permits and adhere to the relevant rules. Regulatory compliance is resource-intensive, both financially and operationally, and there is a risk that Northgold may not be able to maintain the required standards at acceptable costs or at all. Failure to adapt to such new conditions within a reasonable time-frame, or at all, could negatively impact the Company's operations and financial position. Furthermore, there is a risk that the Company's interpretation of relevant regulations may differ from that of the designated regulatory body, or that a competent court may reach conclusions contrary to those of the Company.

Currency exchange rate fluctuations

Northgold reports in SEK, while its subsidiaries report in EUR. This creates exposure to fluctuations between SEK and EUR when consolidating the group's financial statements. Additionally, as the Company's products are priced in USD on the international market, Northgold is also exposed to fluctuations between SEK and USD. Significant and sustained changes in currency exchange rates can negatively impact the Company's operations, financial performance, and financial position.

Acquisition-related risks

Risks related to acquisitions of companies and projects

Acquiring projects and companies is a key component of the Company's strategy. However, all acquisitions come with associated risks and uncertainties. For instance, the success of acquisitions depends on the Company's ability to identify suitable targets, negotiate favourable or at least acceptable transaction terms, and secure necessary financing. Acquiring projects or companies also involves various operational and financial risks, including but not limited to higher-than-expected acquisition and integration costs, the risk of overpaying for acquired assets, the possibility that anticipated synergies and cost savings may not materialise, unforeseen expenses or liabilities in the acquired business that are not covered by insurance or warranties, difficulties in retaining staff and key personnel in the acquired entities, and the potential need to incur substantial debt to facilitate the acquisition. Should any of these risks materialise, they could significantly impact the Company's financial results. There is also a risk that the anticipated value creation from an acquired project may not be realised, which could adversely affect the Company's operations

Risks related to the Company's shares

Share-related risks

Northgold's shares are listed on Nasdaq First North Growth Market Sweden. Prospective and existing shareholders should be aware that investing in the Company's securities involves a high level of risk, as the share price has historically exhibited significant volatility and the Company's shares have experienced periods of relative illiquidity. If an active and liquid market for the Company's shares does not develop or proves unsustainable, shareholders may face difficulties in selling their securities, either quickly or at all. The market price of the shares following the completion of the Rights Issue may differ substantially from the subscription price in the Rights Issue. Additionally, the share price could be adversely affected if the market perceives that further share issues may occur. Moreover, significant sales of shares, particularly by major shareholders or new large investors participating in the Rights Issue, could lead

to a decrease in the share price. It is not possible to predict the extent to which investor interest in Northgold will lead to active trading in the shares, BTU's, or unit rights, or how trading in these securities will evolve in the future.

Fluctuations in Northgold's share price

The performance of the stock market as a whole and the share price of individual companies are subject to various external factors that are beyond the control of any single company. Moreover, fluctuations in Northgold's share price can be influenced by changes in the Company's financial results and the liquidity in its share. Such variations may negatively impact shareholders.

Dilution through future issues

The Company may in the future carry out new issues of shares and share-related instruments to raise capital. Any such issues may reduce the proportional ownership and voting rights, as well as earnings per share for existing shareholders. Additionally, any new issues may have an adverse impact on the market price of the Company's shares.

Future dividends

Northgold's ability to issue dividends to its shareholders depends on the Company's future earnings, financial position, cash flows, working capital requirements, investment costs, and/or potential acquisition costs, among other factors. Therefore, the Company cannot make any assurances regarding the payment of dividends in the future. In the event that no dividends are paid, an investor's return will solely depend on the future performance of the Company's share price.

Risks associated with trading on First North

First North operates as an alternative marketplace and does not hold the same legal status as a regulated market. Companies listed on First North are subject to a less comprehensive regulatory framework designed for growth companies, and do not face all the stringent legal requirements that apply to regulated markets. Consequently, investing in companies traded on First North may involve higher risks compared to investments in companies listed on regulated markets.

Subscription commitments and underwriting commitments are not secured

The Company has received subscription commitments and underwriting commitments for the Rights Issue from existing shareholders and external investors amounting to approximately SEK 7.6 million, corresponding to approximately 50.0 per cent of the Rights Issue. However, the Company has neither received nor requested collateral from these parties. These commitments represent legally binding obligations to the Company but are not secured by bank guarantees, pledges, deposits, or any similar arrangements. Therefore, there is a risk that parties with subscription commitments or underwriting commitments may fail to fulfil their obligations to the Company.

Shareholders who do not exercise their unit rights

Unit rights that are not exercised by the holder to subscribe for units in the Offering by 24 September 2024 will expire without compensation. As a result, the holder's proportional ownership and voting rights in Northgold may be diluted according to the outcome of the Rights Issue and the associated warrants. To avoid losing any potential value, holders must either exercise their unit rights during the subscription period or, on their own initiative or through a proxy, sell their unit rights by 19 September 2024. There is a risk that the amount obtained may not correspond to the value lost due to the economic dilution resulting from the Offering for existing shareholders.

Background and motive

Northgold is a Swedish gold exploration and development company with multiple resource-stage projects in the Middle Ostrobothnia Gold Belt of Central Finland. Since the listing of shares on First North in March 2022, Northgold has grown its resources to over 1 million gold equivalent ounces, of which 0.99 million is compliant with the NI 43-101 and JORC-requirements.

The resources are distributed across the three projects:

- **Kopsa** gold-copper project is Northgold's flagship and includes conditionally approved mining concession. The deposit hosts compliant resources of 585,100 ounces gold, or 749,500 ounces gold equivalent including copper.
- **Kiimala Trend** gold project with the largest deposit, Ängesneva, hosts compliant resources of 147,300 ounces gold, and Vesiperä deposit hosts a non-compliant resource estimate of 23,500 ounces gold.
- **Hirsikangas** gold project was acquired by Rupert Resources Ltd in 2023 and hosts compliant inferred resources of 89,000 ounces gold.

In the geographical setting of Northgold's projects, the Middle of Ostrobothnia in Central Finland, the investment opportunities are attractive. The land position has a district-scale potential in an under-explored and emerging gold belt together with proper local infrastructure, including road access to project areas that connect railways and ports. The projects show a high-value mineralisation with near-surface existing resources, implying low discovery costs and suitability for open pit mining.

Along with a suitable geographical setting, Northgold is dependent on the development of the gold price. During 2024, the gold price reached all-time high in nominal terms, demonstrating the gold price's strong resilience to geopolitics uncertainty, risks of recessions and persisting inflation.

The Company's focus since the listing in 2022 has been to conduct drilling programmes, mainly at Kopsa, where additional 6,200 meters have been drilled. The drilling has resulted in a doubling of the resources to 750 thousand gold equivalent ounces from historical 330 thousand gold equivalent ounces.

Based on dialogues with current shareholders and the prevailing market conditions, the board of directors has decided on a new strategy for the Company going forward.

According to the new strategy, the Company will maintain the current main asset base in a cost-effective manner, while continuing to evaluate potential partnerships and collaborations as well as structured deals and opportunities. To maintain the asset base and control the operating costs, the Company will initiate further cost reductions and not conduct any new drilling programs for the time being. The board of directors assesses that the new strategy creates the best opportunities for maximising value for shareholders given the current circumstances.

The Company is carrying out the Rights Issue and will, after the repayment of a bridge loan of SEK 1.3 million and issuing costs of a maximum of SEK 2.5 million, use the remaining net proceeds from the Rights Issue to i) analyse the results from a drilling program completed this year, and ii) finance operating costs. The amount of SEK 7.6 million, which is covered by subscription and underwriting commitments, will ensure sufficient runway for the Company until June 2025.

The Rights Issue includes warrants of series TO2 with exercise period in April 2025. The potential gross proceeds from the warrants of series TO2, a maximum of SEK 12.2 million assuming full subscription in the Rights Issue and full exercise of the warrants, will be used to extend the runway of the Company.

The board of directors of Northgold, which is responsible for the content of this Memorandum, has taken all reasonable precautions to ensure that, to the best of its knowledge, the information provided in the Memorandum accurately reflects the actual circumstances and the requirements set by First North, and that no information has been omitted that could impact the evaluation of the Company.

Stockholm, 4 September 2024

Northgold AB

The board of directors

Invitation to subscribe for units

The board of directors of Northgold decided on 29 August 2024, with support from the authorisation from the Annual General Meeting on 18 June 2024, to carry out a new issue of a maximum of 5,070,191 units with preferential rights for the Company's shareholders. The subscription price in the Offering amounts to SEK 3.00 per unit, corresponding to SEK 1.00 per share. One (1) unit contains three (3) new shares and two (2) warrants of series TO2. Warrants of series TO2 are issued free of charge.

Existing shareholders will receive one (1) unit right for each (1) existing share held on the record date 6 September 2024. Three (3) unit rights entitle the holder to subscription of one (1) unit. The subscription period in the Offering will run from 10 September 2024 to 24 September 2024. The board of directors is entitled to decide to extend the subscription period and the time for payment.

Upon full subscription in the Rights Issue, Northgold will receive gross proceeds of approximately SEK 15.2 million, before the exercise of warrants and issue costs. The issue costs are estimated to amount to a maximum of approximately SEK 2.5 million. Upon full subscription in the Rights Issue, the Company's number of shares will increase by 15,210,573, from 15,210,574 to 30,421,147 shares, and the share capital will increase by SEK 1,071,164.11, from SEK 1,071,164.18 to SEK 2,142,328.30. For existing shareholders who do not participate in the Rights Issue, the maximum dilution will be 50.0 per cent.

Each (1) warrant of series TO2 issued through the Rights Issue will entitle the holder to subscribe for one (1) new share in the Company during the period from 1 April 2025 to 14 April 2025, at a subscription price of SEK 1.20 per share. Upon full exercise of all issued warrants of series TO2, the Company will receive additional proceeds of a maximum of approximately SEK 12.2 million. Upon full exercise of

warrants of series TO2, the number of shares in the Company will increase by an additional 10,140,382 shares and the share capital by SEK 714,109.41, implying an incremental dilution of a maximum of 25.0 per cent, assuming full subscription in the Rights Issue. Consequently, the maximum potential dilution for existing shareholders who do not participate in the Rights Issue amounts to approximately 62.5 per cent, assuming full subscription in the Rights Issue and full utilisation of the warrants of series TO2.

In connection with the Offering, existing shareholders have provided subscription commitments amounting to approximately SEK 1.8 million. Additionally, a consortium of investors have provided underwriting commitments amounting to approximately SEK 5.9 million. In total, the Rights Issue is thus covered by subscription commitments and underwriting commitments amounting to approximately SEK 7.6 million, corresponding to 50.0 per cent of the Rights Issue. No compensation will be paid for subscription commitments. The underwriting commitments entitle to an underwriting fee amounting to twelve (12) per cent in cash, or alternatively, fifteen (15) per cent in the form of units. Neither the subscription commitments or the underwriting commitments are secured by bank guarantees, escrows, pledging or similar arrangements.

The net proceeds from the Offering will be used to analyse the results from a drilling program completed this year and finance operating costs. The amount covered by subscription and underwriting commitments will ensure sufficient runway for the Company until June 2025. In light of the above, existing shareholders, the general public, and institutional investors in Sweden are invited to subscribe for units in Northgold according to the terms outlined in this Memorandum.

Stockholm, 4 September 2024

Northgold AB

The board of directors

Terms and conditions

Preferential right to subscription

Those registered as shareholders in Northgold as of record date 6 September 2024 have preferential rights to subscribe for units in the Company in relation to their existing shareholding in the Company. For each (1) existing share held on the record date, one (1) unit right is received in the Right issue. Three (3) unit rights entitle the holder to subscribe for one (1) unit. One (1) unit consists of three (3) new shares and two (2) warrants of series TO2. Units not subscribed for with primary preferential rights will be offered to all shareholders for subscription with subsidiary preferential rights. If the demand exceeds the available units, they will be allocated among subscribers in proportion to the number of shares they currently own and, to the extent that this cannot be done, by drawing lots. Additionally, shareholders and other investors are invited to express interest in subscribing for units without preferential rights.

Issue amount

The Offering comprises a maximum of 5,070,191 units, distributed among a maximum of 15,210,573 shares and up to 10,140,382 warrants of series TO2, corresponding to a initial proceeds of an approximate amount of SEK 15.2 million.

Record date

The record date with Euroclear for the right to participate in the Rights Issue is 6 September 2024. The last day of trading in the Company's share including the right to participate in the Rights Issue is 4 September 2024. The first day of trading in the Company's share excluding the right to participate in the Rights Issue is 5 September 2024.

Unit rights (UR)

Shareholders in the Company receive one (1) unit right for each (1) existing share held on the record date. Three (3) unit rights entitle the holder to subscribe for one (1) unit. One (1) unit consists of three (3) new shares and two (2) warrants of series TO2.

Subscription price

The subscription price in the Rights Issue is SEK 3.00 per unit, corresponding to SEK 1.00 per share. The warrants of series TO2 are issued free of charge. No brokerage fees apply.

Subscription period

Subscription shall take place from 10 September 2024 to 24 September 2024. The board has the right to extend the subscription period. After the expiration of the subscription period, unit rights that are not exercised to subscribe for shares become invalid and lose their value. Following the subscription period, unit rights that are not exercised will be removed from shareholders' rolling settlement accounts without notification from Euroclear.

Trading in unit rights

Trading in unit rights will take place on First North from 10 September 2024 to 19 September 2024. Shareholders should contact their bank or other authorised custodian directly to buy or sell unit rights. Unit rights acquired during this trading period will, during the subscription period, provide the same right to subscribe for units as the unit rights received by shareholders based on their holdings in the Company on the record date.

Unit rights are not exercised

Unit rights not used for subscription in the Rights Issue must be sold by 19 September 2024, or be used to subscribe for units by 24 September 2024, to not become invalid and lose their value. After the subscription period, unit rights that are not exercised will be removed from the shareholder's rolling settlement accounts without notification from Euroclear.

Subscription forms for subscription with the support of unit rights

Directly registered shareholders

Shareholders or their representatives who are registered in the share register maintained by Euroclear (VPC) on the record date of 6 September 2024 will receive a pre-filled subscription form along with a payment slip, as well as a subscription form for subscription without preferential right. Those listed in the separate register of pledgees and others associated with the share register will not receive this information and will be notified separately. Unit rights will be registered on shareholders' VP accounts without additional notification from Euroclear.

Nominee registered shareholders

Shareholders whose holdings in the company are registered in the name of a nominee with a bank or other trustee will not receive a subscription form from Euroclear. Subscription and payment must be made according to the instructions provided by the respective bank or custodian. In the case of exercising unit rights through a bank or nominee, shareholders are encouraged to complete the subscription early in the subscription period, since banks and nominees may have different deadlines for the last day of subscription.

Subscription with the support of preferential rights

Subscription with the support of preferential rights can be made through cash payment from 10 September 2024 to 24 September 2024. Please note that it may take up to three business days for the payment to reach the recipient's account. Subscription and payments should be completed according to one of the following two options:

1. Payment form

If all unit rights received on the record date are used for subscription, the pre-filled payment slip from Euroclear should be used for subscription through cash payment. The special application form should not be used. No alterations or additions may be made to the pre-filled text on the payment slip. The subscription is binding.

2. Special subscription form

If a different number of unit rights are used than indicated on the pre-filled payment slip from Euroclear, the special subscription form should be used. Subscriptions with payment must follow the instructions provided on the special subscription form. The pre-filled payment slip from Euroclear should not be used in this case. The special subscription form can be ordered from Aqurat by phone or email.

The special subscription form must be received by Aqurat no later than 15:00 CEST on 24 September 2024. Any subscription form sent by mail should therefore be dispatched well in advance of the final subscription date. Only one subscription form per person or legal entity will be considered. If more than one subscription form is submitted, only the most recent one will be processed. Incomplete or incorrectly filled subscription forms may be disregarded. The subscription is binding.

Completed special subscription forms should be sent or delivered to:

Aqurat Fondkommission AB

Subject: Northgold AB

Box 7461

103 92 Stockholm

Phone: 08-684 05 800

Fax: 08-684 05 801

Email: info@aqurat.se (scanned subscription form)

Shareholders domiciled abroad**Shareholders domiciled in certain unauthorised jurisdictions**

The Offering to subscribe for units in the Company in accordance with the terms of this Memorandum is not directed to investors residing in the USA, Canada, Australia, South Korea, Singapore, New Zealand, Hong Kong, Japan, or South Africa, or in any other jurisdiction where participation requires additional prospectuses, registration, or other actions beyond those required under Swedish law.

This Memorandum, subscription forms, and other documents related to the Rights Issue may not be distributed in or to the aforementioned countries or any other jurisdiction where such distribution or participation in the Rights Issue would require additional prospectuses, registration, or other regulatory approvals.

No unit rights, BTUs, shares or other securities issued by Northgold have been or will be registered under the United States Securities Act 1933, or under the securities law of any state in the United States or under any provincial law in Canada. Therefore, no unit rights, BTUs, shares or other securities issued by Northgold may be transferred or offered for sale in the United States or Canada except in such cases that do not require registration. Applications to subscribe for units in violation of the above may be considered invalid and disregarded.

As a result, shareholders with shares directly registered in their VP accounts and whose addresses are in the USA, Canada, Australia, South Korea, Singapore, New Zealand, Hong Kong, Japan, South Africa, or any other jurisdiction where participation would require additional prospectuses, registration, or other regulatory approvals will not receive unit rights in their VP accounts. The unit rights that

would otherwise have been delivered to these shareholders will be sold, and the net proceeds from the sale, minus expenses, will be paid out to these shareholders. However, amounts less than SEK 100 will not be paid out.

Directly registered shareholders with subscription rights domiciled abroad.

Directly registered shareholders domiciled outside Sweden (except for shareholders domiciled in the United States, Canada, Australia, South Korea, Singapore, New Zealand, Hong Kong, Japan or South Africa), who are entitled to subscribe for units in the Rights Issue and who do not have access to a Swedish online banking service can contact Aqurat by telephone or mail as provided above for information on subscription and payment.

Subscription without preferential rights

Subscription for units without preferential rights shall take place during the period from 10 September to 24 September, 2024.

Allocation principles for subscription without the support of preferential rights

In the event that not all units are subscribed for with unit rights, the board of directors shall decide on the allocation within the maximum amount of the Rights Issue. Allocation will be made on the following basis:

- a) Firstly, to those who have subscribed for units using unit rights and who wish to subscribe for additional units (regardless of whether they were shareholders on the record date or not), in proportion to the number of shares they currently own and, to the extent that this cannot be done, by drawing lots.
- b) Secondly, to others who have expressed interest in subscribing for units without unit rights, in proportion (pro rata) to their expressed interest, and, to the extent this cannot be done, by drawing lots.
- c) Thirdly, to those who have provided underwriting commitments for the subscription of units, in proportion (pro rata) to their provided underwriting commitments.

Allocation for subscriptions without preferential rights

Notification of any allocation of units subscribed for without unit rights will be given by sending an allocation notice in the form of a contract note. Payment must be made according to the instructions on the contract note, no later than

two (2) days after the contract note is sent. No notification will be given to those who have not received an allocation. Units that have not been paid for on time may be transferred to another party. Should the sale price in such a transfer be lower than the price in this Offer, the person who originally received the allocation of these securities may be held responsible for all or part of the difference.

Paid subscribed unit (BTU)

Subscription through payment is registered with Euroclear as soon as possible, typically within a few banking days after payment. Subsequently, the subscriber will receive a securities notification confirming that the unit rights have been credited to their securities account. Custody account holders will receive unit rights and information from their respective bank or custodian according to their procedures.

Trading in paid subscribed units (BTU)

Trading in BTUs is expected to take place from 10 September 2024 until the shares and warrants issued in the Rights Issue have been registered with the Swedish Companies Registration Office, which is expected to take place in week 40, 2024.

Conditions for the completion of the Offering

Northgold's board of directors does not have the right to cancel, revoke, or temporarily withdraw the Offering to subscribe for units in the Company in accordance with the terms of this Memorandum. Northgold's board of directors has the right to extend, one or more times, the period during which applications for subscription and payment can be made. Any extension of the subscription period will be announced through a press release.

Delivery of subscribed shares and warrants

When the Rights Issue is registered with the Swedish Companies Registration Office, which is expected to take place in week 40, 2024, the BTUs are converted into shares and warrants. The conversion takes place without special notification from Euroclear. For subscribers who have their holdings nominee-registered, information will be provided by their respective bank or nominee according to their procedures.

Announcement of the outcome of the Rights Issue

As soon as possible after the subscription period has ended, the Company will announce the outcome of the Rights Issue. The announcement will be made via a press release.

Trading on First North Sweden

The shares in Northgold are traded on First North. The newly issued shares and warrants of series TO2 in the Rights Issue will be listed for trading on First North in connection with the registration of the Rights Issue with the Swedish Companies Registration Office, which is expected to take place in week 40, 2024.

Dilution

For existing shareholders who do not participate in the Rights Issue, the maximum dilution will be 50.0 per cent. Upon full exercise of all warrants of series TO2, there will be a further dilution of a maximum of 25.0 per cent, assuming full subscription in the Rights Issue. Under the condition of full subscription in the Rights Issue and full exercise of all warrants of series TO2, the maximum dilution amounts to approximately 62.5 per cent.

Applicable legislation

The shares are issued under the Swedish Companies Act (2005:551) and are governed by Swedish law.

Dividends

The new shares will be eligible for dividends for the first time starting from the closest record date for dividends that occurs after the new shares have been registered.

Terms for warrants of series TO2

Each (1) warrant of series TO2 issued in the Rights Issue will entitle the holder to subscribe for one (1) new share in the Company during the period from 1 April 2025 to 14 April 2025 at a subscription price of SEK 1.20 per share. Adjustment of the number of shares each warrant of series TO2 entitles the holder to, as well as the subscription price, will be made in accordance with standard corporate actions specified in the complete terms, such as stock splits, issuance of securities with preferential rights for existing shareholders, and mergers. Otherwise, the warrants are subject to standard terms and conditions.

Shareholder register

The Company is a CSD-registered company affiliated with Euroclear Sweden AB. The Company's shareholder register, including information about the shareholders, is managed and recorded by Euroclear Sweden AB, located at Euroclear Sweden AB, Box 191, 101 23 Stockholm.

Shareholders' rights

The rights of shareholders regarding dividends, voting rights, and preferential rights in the event of new share issues, among other things, are governed by the Company's Articles of Association, as well as by the Swedish Companies Act (2005:551).

Information on the processing of personal data

Parties subscribing for units in the Rights Issue will provide information to Aqurat Fondkommission. Personal data provided to Aqurat Fondkommission will be processed in data systems to the extent necessary to provide services and manage customer arrangements. Personal data obtained from sources other than the customer to whom the processing pertains may also be processed. Personal data may also be processed in data systems of companies or organisations with which Aqurat Fondkommission collaborates. Information about the processing of personal data is provided by Aqurat Fondkommission, which also receives requests for the rectification of personal data. Address information may be obtained by Aqurat Fondkommission through an automated process with Euroclear.

Other information

In the event that a subscriber has paid an amount exceeding the subscription for units, Aqurat Fondkommission will arrange for the refund of the excess amount. In such cases, Aqurat Fondkommission will contact the subscriber to obtain bank account details for the refund. No interest will be paid on the excess amount. A subscription for units, whether with or without unit rights, is irrevocable, and the subscriber cannot cancel or modify a subscription for units.

Incomplete or incorrectly filled application forms may be disregarded. If the subscription payment is late, insufficient, or paid incorrectly, the subscription application may be disregarded or processed for a lower amount. Any paid amount that has not been utilised will be refunded in such cases.

Units that have not been paid for on time may be transferred to another party. Should the sale price in such a transfer be lower than the price in this offer, the person who originally received the allocation of these securities may be held responsible for all or part of the difference.

Subscription and underwriting commitments

Prior to the publication of the Rights Issue, existing shareholders of the Company have provided subscription commitments of approximately SEK 1.8 million, corresponding to approximately 11.5 per cent, of the Rights Issue. In addition, a consortium of investors has provided underwriting commitments amounting to approximately SEK 5.9 million, corresponding to approximately 38.5 per cent, of the Rights Issue. Thus, the Rights Issue is covered by subscription and underwriting commitments amounting to approximately 50.0 per cent.

Some parties have entered into subscription commitments exceeding their pro rata share. These commitments will be fulfilled through subscription for units without preferential rights and/or through the acquisition of unit rights.

The subscription commitments do not entitle to any compensation. The underwriting commitments entitle to an underwriting fee amounting to twelve (12) per cent of the underwritten amount

in cash, implying a maximum cash cost of approximately SEK 0.7 million for the Company, or alternatively, fifteen (15) per cent of the underwritten amount in the form of units. The subscription price for each share in the units referred to in the underwriting compensation corresponds to the volume-weighted average price of the share during the subscription period, but not less than the subscription price in the Rights Issue. This means that a further maximum of 292,625 units may be issued in the form of a directed set-off issue to underwriters.

The subscription or underwriting commitments are not secured by bank guarantees, escrows, pledging or similar arrangements.

The table below summarises the subscription and underwriting commitments for the Rights Issue as of the date of this Memorandum. The underwriting consortium can be reached at the address: Augment Partners AB, Eriksbergsgatan 8A, 114 30 Stockholm.

Name	Subscription commitments		Underwriting commitments		Total	
	Amounts in SEK	Share of the Offering	Amounts in SEK	Share of the Offering	Amounts in SEK	Share of the Offering
Fenja Capital I A/S			1,402,758	9.2%	1,402,758	9.2%
Biljon AB			499,998	3.3%	499,998	3.3%
Rune Löderup			499,998	3.3%	499,998	3.3%
Thorbjörn Wennerholm			499,998	3.3%	499,998	3.3%
AD94 Holding Aktiebolag			499,998	3.3%	499,998	3.3%
Jens Miöen			399,999	2.6%	399,999	2.6%
CapMate Aktiebolag	9,930	0.1%	399,999	2.6%	409,929	2.7%
Fredrik Attefall			300,000	2.0%	300,000	2.0%
White Owl AB			249,999	1.6%	249,999	1.6%
Tony Chouha			249,999	1.6%	249,999	1.6%
John Andersson Moll			249,999	1.6%	249,999	1.6%
Stefan Hansson			199,998	1.3%	199,998	1.3%
Niclas Löwgren			199,998	1.3%	199,998	1.3%
Frostberget Invest AB			199,998	1.3%	199,998	1.3%
Kati Capital Oy	341,274	2.2%			341,274	2.2%
Oy Kati Ab Kalajoki	341,274	2.2%			341,274	2.2%
Oy Rapid Star Ltd	227,517	1.5%			227,517	1.5%
Andrew Randall	227,517	1.5%			227,517	1.5%
Richard Gazal	227,517	1.5%			227,517	1.5%
Kimberly Wrixon	150,000	1.0%			150,000	1.0%
Forsström Kiinteistö Oy	113,760	0.7%			113,760	0.7%
Forskor-Invest Oy AB	113,760	0.7%			113,760	0.7%
Total	1,752,549	11.5%	5,852,739	38.5%	7,605,288	50.0%

Market overview

Some of the information presented below has been sourced from external sources, including publicly available reports from institutions and research organisations. Industry publications and reports generally indicate that the information is obtained from sources considered reliable, but they cannot guarantee its accuracy or completeness. While the Company considers these industry publications and reports to be credible, it has not independently verified their contents and cannot assure their accuracy or completeness. Forward-looking information does not guarantee future results or developments, and actual outcomes may differ substantially from the statements made in such forward-looking information. Various factors may contribute to such discrepancies. For more details, please refer to the sections "Important information" and "Risk factors" for further details.

The gold market

Mine production accounts for the largest part of the gold supply – typically, 75 per cent each year. However, annual demand requires more gold than is newly mined and the shortfall is made up from recycling.¹ Open-pit mining is the most common method of mineral extraction worldwide, accounting for the majority of the new gold being extracted.² The gold grades in mined ore varies significantly, and generally, underground mines have higher grades compared to that of open-pit mines.

Mine production does not respond to price changes quickly. There is usually a long lead time between exploring for, and finding, new gold deposits and a mine entering into production. However, gold recycling on the other hand is the source of gold supply that is most immediately responsive to the gold price and economic shocks. The majority of recycled gold, approximately 90 per cent, comes from jewellery, with gold extracted from technology providing the remainder.³

Gold mines vary widely in scale and size, and gold mining is a global industry with operations on every continent, except Antarctica. Over the past four decades or so, mines and gold mining operations have become increasingly geographically diverse, a significant shift from the concentrated supply of the past, when the vast majority of the world's gold came from South Africa. In 2023, China was the largest gold producer in the world, accounting for approximately 10 per cent of total global production, followed by Russia and Australia. However, there is no single region that dominates global gold production. In 2023, Afri-

ca accounted for approximately 28 per cent of global gold production, Asia for approximately 18 per cent, the CIS⁴ region for approximately 16 per cent, Central and South America for approximately 15 per cent, North America for approximately 13 per cent, Oceania for approximately 9 per cent and Europe for approximately 1 per cent. Despite a significant increase in the overall levels of mine production during the past decade and a half, substantial new discoveries are increasingly rare.⁵

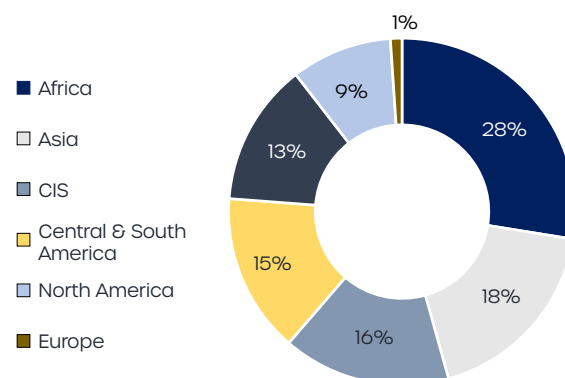


Figure 1 - Gold mine production per region (2023).

Between 2010 and 2023, the gold supply has shown a gradual increase, primarily driven by a rise in mine production. Starting at 2,755 tonnes in 2010, mine production grew to 3,516 tonnes by 2016. However, over the last decade, the supply of gold from mine production has been staggering, with only marginal increases and even slight declines in some years, reaching 3,645 tonnes by 2023. During this period, recycled gold has helped meeting the demand, contributing around 1,100 to 1,300 tonnes annually in recent years.⁶

¹ World Gold Council, Gold Supply, <https://www.gold.org/gold-supply>

² Fortune Business Insights, Gold Mining Market Size, Share, and Industry Analysis by Mining Method, By Grade, and Regional Forecast, 2024-2032

³ World Gold Council, Gold Mining, <https://www.gold.org/gold-supply/gold-mining>

⁴ CIS refers to the Commonwealth of Independent States, an association of states consisting of the former Soviet republics, with the exception of the Baltic states, Georgia and Ukraine.

⁵ World Gold Council, Gold Mining, <https://www.gold.org/gold-supply/gold-mining>

⁶ World Gold Council, Historical demand and supply, <https://www.gold.org/goldhub/data/gold-demand-by-country>

⁷ World Gold Council, Gold Demand Sectors, <https://www.gold.org/about-gold/gold-demand/by-sector>

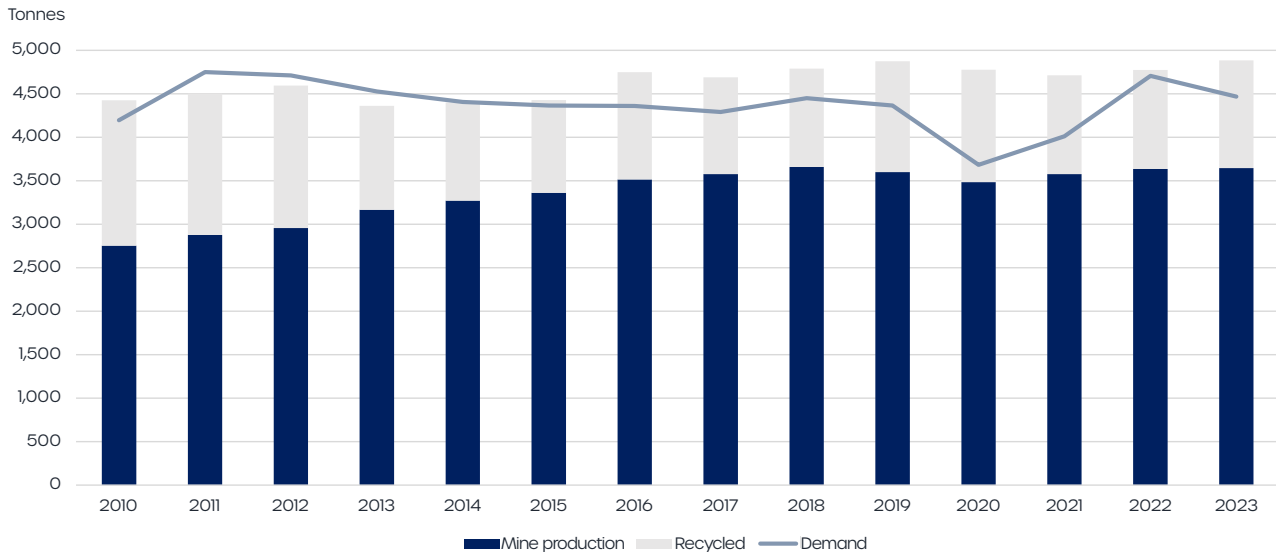


Figure 2 - Global gold supply and demand between 2010 and 2023.

Demand

Gold demand is primarily driven by private consumers, with gold jewellery representing the largest source of annual demand for gold per sector. This has declined over recent decades, but still accounts for around 50 per cent of total demand. Gold is also used as an industrial metal in a wide range of applications, but demand is primarily driven by the electronics sector, which accounts for roughly 80 per cent of gold used in technology.⁷ Gold's properties, such as long-lasting durability, excellent conductivity, high-temperature resistance, and resistance to corrosion, make it highly sought after in the electronics, aerospace and pharmaceutical industries.⁸

Following the COVID-19 pandemic, the demand of gold from central banks is currently at historical highs, purchasing 1,082 tonnes in 2022 and 1,030 tonnes in 2023, and is the major reason behind the increasing demand of gold. Gold is an important component of central bank reserves because of its safety, liquidity, and return characteristics. The average central banks holdings of gold is approximately 12.5 per cent of total reserves. In a 2024 survey by World Gold Council, 29 per cent of central banks respondents intend to increase their gold reserves in the next twelve months, the highest level observed since the survey began in 2018.⁹

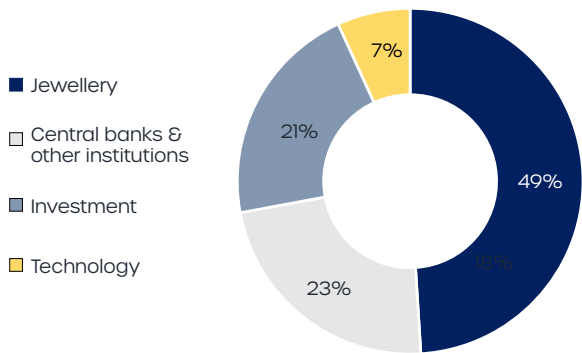


Figure 3 - Sector demand for gold (2023).

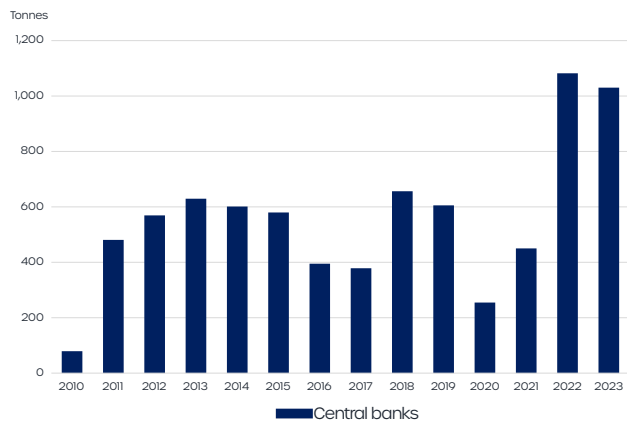


Figure 4 - Central banks gold purchasing from 2010 to 2023.

⁸ Boliden, Gold, https://www.boliden.com/sv/produkter/vara_produkter/gold

⁹ World Gold Council, 2024 Central Bank Gold Reserves Survey, <https://www.gold.org/goldhub/data/2024-central-bank-gold-reserves-survey>

¹⁰ World Gold Council, Why Invest in Gold? Gold's Role in Long-Term Strategies

Often used as an inflation-hedge, gold has consistently shown a strong inverse correlation to the US dollar. As gold is denominated in US dollars, it represents an implicit exposure to a foreign currency for investors outside the US, providing protection against falls in their local currency. The combination of inflation and currency hedging makes gold particularly relevant in protecting purchasing power, and subsequently demand for gold often increases following growing uncertainty on the market. Additionally, gold's demand is also driven by its ability to reduce portfolio volatility and minimise losses during periods of systematic market risk. During such times, when large shocks

impact multiple economic sectors or regions, gold serves as a high-quality, liquid asset.¹⁰

Trading in gold

The primary gold trading centres are the London OTC market, the US futures market and the Shanghai Gold Exchange (SGE). These markets comprise more than 90 per cent of the global trading volumes. During 2023, the average daily trading volume in gold amounted to approximately USD 163 billion. Figure 5 illustrates the average daily trading volumes of gold compared to other various major assets during 2023.¹¹

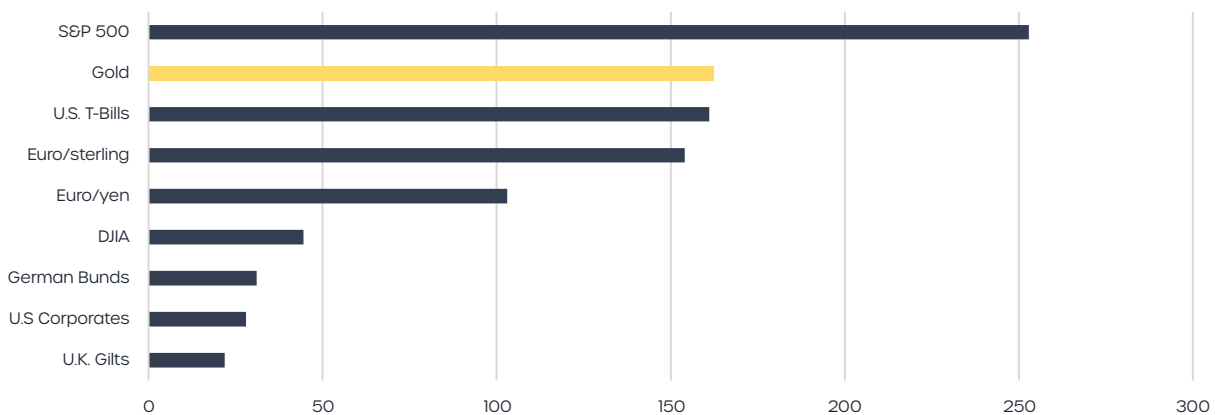


Figure 5 - Average daily trading volumes of gold and other major assets in USD billions during 2023.

The pricing of gold

The LBMA (London Bullion Market Association) Gold Price is a globally recognised benchmark price for gold, established twice daily. This price, conducted in US dollars, is determined through an anonymous electronic auction process. The LBMA Gold Price is used as a reference for pricing gold bullion, derivatives, and other financial products relating to gold.¹²

Gold's long-term price development is typically driven by economic growth, perceived market risk, opportunity costs, and momentum. Wealth and income levels are important drivers of gold prices, as they jointly incentivise the demand for gold jewellery, gold's application in technology and investing in gold as a vehicle for savings.

In the short term, factors like exchange rates, relative asset values, and market risks are key determinants. Gold is widely regarded by inves-

tors as an effective diversifier and risk hedge, with demand surging during periods of heightened market risk perception. Additionally, demand for gold often increases in response to broader political and economic uncertainties.

Interest rates also play a significant role in gold pricing. The weight of gold in investment portfolios is partly influenced by its expected return relative to other safe assets, such as Treasury bonds. Consequently, there is a strong negative correlation between bond yields and the price of gold; as yields on safe assets decrease, the attractiveness of gold typically increases, driving up its price.¹³

Junior mining

Junior mining generally refers to prospecting companies involved in the early stages of mining development. They act as an exploration pipeline for major mining companies that are looking to acquire mineral projects to put into mine production.¹⁴

¹⁰ World Gold Council, Trading volumes, <https://www.gold.org/goldhub/data/gold-trading-volumes>

¹¹ LBMA, LBMA Gold Price, <https://www.lbma.org.uk/prices-and-data/lbma-gold-price/lbma-gold-price>

¹² World Gold Council, GRAM, <https://www.gold.org/goldhub/tools/gold-return-attribution-model>

¹³ Minerals Council South Africa (2021), Junior and emerging miners' desk



Figure 6 - Gold price vs senior (GDX) and junior miners (GDJ).

Since the launch of the junior gold miners index (GDJ), its performance compared to both the gold price and senior gold miners (GDX) has steadily underperformed since the gold price began to falter in 2013. In 2024, the gold price reached all-time high in nominal terms, but junior gold miners are lagging behind both the gold price and senior gold developers.

Challenges

The gold mining industry faces challenges in sustaining production growth as gold deposits become increasingly scarce. New gold deposits are increasingly difficult to find worldwide, with many promising areas already explored. Additionally, many mining projects are situated in remote regions, necessitating substantial infrastructure such as roads, electricity, and water, which significantly increases the costs of construction and financing.¹⁴ The diminishing global gold reserves make the Nordic region an increasingly attractive area for exploration, thanks to its stable political climate, well-developed infrastructure, and favourable geological conditions.

The Nordic gold market

Nordic gold mining potential

Geological reports suggest significant potential for gold mining in Finland. Foreign companies from established mining nations like Canada and Australia have conducted exploration in Finland, confirming the presence of substantial deposits. Finland boasts the highest concentration of gold mineralisation in Europe, with several sites revealing gold levels exceeding 10–15 grams per ton of mineralised material. The Fraser Institute's annual report has consistently ranked Finland as the top, or among the top, countries globally for mining

operations. This report evaluates 86 jurisdictions, comparing factors such as geological attractiveness, regional regulations, infrastructure, political stability, and other elements that influence mining profitability.¹⁵

Mining production in Finland

The Baltic Shield, also known as the Fennoscandian Shield, is a geologically highly interesting ancient rock formation covering Norway, Sweden, Finland, and parts of northwestern Russia. Finland benefits from robust infrastructure and well-defined regulatory frameworks, creating favourable conditions for gold exploration. Although exploration activities have increased in recent years, the Nordic countries remain relatively underexplored compared to other nations with similar geological profiles, such as Canada and Western Australia.¹⁶

Finland's gold mining production amounted to 9.1 tonnes of gold in 2021, followed by a decline to 8.5 tonnes in 2022. In 2023, the gold mining production increased to a total of approximately 9.0 tonnes of gold.¹⁷

In Lapland, there are only a few gold deposits characterised by a specific type of mineralisation. In addition to gold, these deposits also contain nickel, copper, uranium, and cobalt. The largest potential gold deposits are located in the Paleoproterozoic Greenstone Belts of eastern and western Finland. Europe's largest operational gold mine, the Kittilä Gold Mine, is situated in the Central Lapland Greenstone Belt. Additionally, other significant new gold discoveries have been made in the Central Lapland Greenstone Belt, such as Rupert Resources' Ikkari deposit, which contains approximately 4.2 million ounces.¹⁸

¹⁴ FastForward (2024), Gold Mining Industry Struggles with Declining Production Growth, <https://fastforward.com.cy/breakthrough/gold-mining-industry-struggles-declining-production-growth>

¹⁵ Fraser Institute (2024), Annual Survey of Mining Companies, 2023,

¹⁶ Botnia Exploration, Nordic exploration market, <https://www.botniaexploration.com/en/4137-2/nordic-exploration-market/>

¹⁷ World Gold Council, Global mine production, <https://www.gold.org/goldhub/data/gold-production-by-country>

¹⁸ Rupert Resources, Ikkari discovery, <https://rupertresources.com/ikkari-discovery/>

Business overview

Northgold in brief

Northgold is a Swedish gold exploration and development company with multiple resource-stage projects in the Middle Ostrobothnia Gold Belt of Central Finland. Northgold currently holds three assets, the Kopsa gold-copper project, the Kiimala Trend gold project, and the Hirsikangas gold project. The Company currently holds existing informal combined resources of over one 1 million gold equivalent ounces, of which 0.99 million is compliant with the NI 43-101 and JORC-requirements. The Company aims to identify and ultimately extract gold from underexplored areas in Finland.

Strategy

Northgold's team of industry experts aims to deploy capital and knowledge on projects that:

- have low risk due to significant prior investment and discovery,
- demonstrate potential for high-value mineralisation on a district scale,
- and will generate significant uplift through further successful exploration and enhanced technical studies.

The Company focuses on exploration and development of gold deposits that create leverage for the growth of gold as a long-term investment instrument. The Company's business model is to create value by expanding the mineral resources through exploration and increasing their probability of extraction through technical studies. Once sufficient mineral resources have been delineated and a positive feasibility study has been completed, the Company ultimately plans to develop its deposits into economically profitable mines.

The Company's focus since the listing in 2022 have been to conduct drilling programmes, mainly at Kopsa where additional 6,200 meters have been drilled. The drilling has resulted in a doubling of the resources to 750 thousand gold equivalent ounces from historical 330 thousand gold equivalent ounces. In total, Northgold has completed 5,000 meters of drilling in 2022 and 2,300 meters of drilling in 2023.

On 29 August 2024, the Company decided on a new strategy. According to the new strategy, the Company will maintain the current main asset base in a cost-effective manner, while continuing to evaluate potential partnerships and collaborations as well as structured deals and opportunities. To maintain the asset base and control the operating costs, the Company will initiate further cost reductions and not conduct any new drilling programs for the time being.

Organisation

The Company is the parent company of a group that, in addition to the Company itself, includes the wholly owned subsidiaries Fennia Gold Oy and Lakeuden Malmi Oy, both subsidiaries based in Tampere, Finland.

As of the date of the Memorandum's publication, the Company's organisation comprises one full-time CEO, Seppo Tuovinen, a CFO employed on a consultancy basis, Mattias Modén, a senior geologist employed by the Company and an exploration manager employed on a consultancy basis.

Projects

Northgold currently has an existing informal combined resource of more than 1 million gold equivalent ounces, of which 0.99 million is compliant with the NI 43-101 and JORC-requirements. The resources of over 1 million gold equivalent ounces are distributed across the three projects:

- Flagship Kopsa project hosts NI 43-101 compliant measured and indicated mineral resources of 14.4 million tonnes (Mt) at 0.88 part per million (ppm) gold and 0.16 per cent copper for 406,400 ounces (oz) gold (Au) or 513,700 oz gold equivalent (AuEq) including copper content, plus inferred mineral resources of 6.24 Mt at 0.89 ppm gold and 0.19 per cent copper for 178,700 oz Au or 253,700 oz AuEq including copper content.
- The Ängesneva deposit within the Kiimala Trend project hosts NI 43-101 compliant indicated mineral resources of 3.85 Mt at 1.19 ppm Au for 147,300 oz Au, and another Kiimala Trend prospect (Vesiperä) hosts a non-compliant historical, inferred mineral resource estimate of 0.29 Mt at 2.52 ppm Au for 23,500 oz Au. Some copper mineralisation was also detected at these Kiimala Trend deposits, but was excluded from these resource estimates.
- The Hirsikangas project hosts NI 43-101 compliant inferred mineral resources of 2.27 Mt at 1.2 g/t Au for 89,000 oz Au.



Project	Exploration permit status	Deposit	Resource type	Resource category	M tonnes	Au (g/t)	Cu (%)	AuEq (g/t)	Au (oz)	AuEq (oz)
Kopsa	Granted	Main	JORC-compliant	Measured and indicated	14.44	0.88	0.16	1.11	406,400	513,700
				Inferred	6.24	0.89	0.19	1.18	178,700	235,700
Project total					20.68	0.87	0.17	1.13	585,100	749,500
Kiimala Trend	Granted	Ängesneva	NI 43-101 / JORC-compliant	Indicated	3.85	1.19	-	1.19	147,300	147,300
		Vesiperä	Historic / non-compliant	n/a	0.29	2.52	-	2.52	23,500	23,500
Project total					4.14	1.28	-	1.28	170,800	170,800
Hirsikangas	Granted, subject to a permit renewal process	Hirsikangas	NI 43-101 compliant	Inferred	2.27	1.2	-	1.20	89,000	89,000
Project total					2.27	1.2	-	1.20	89,000	89,000
Company total (including historic / non-compliant)					27.90	0.96	0.13	1.37	844,900	1,009,300
Company total (only JORC-compliant or 43-101 compliant)					27.61	0.94	0.13	1.36	821,400	985,800

Table 1 - Summary of Northgold's mineral assets.

Kopsa

Kopsa is Northgold's flagship project which includes drill-ready exploration claims (comparable to exploration permits in the current mining law) and a conditionally approved mining concession. The deposit hosts compliant resources of 585,100 oz Au, or 749,500 oz AuEq including copper. The Kopsa deposit occurs within the Proterozoic aged late orogenic Kopsa Tonalite.

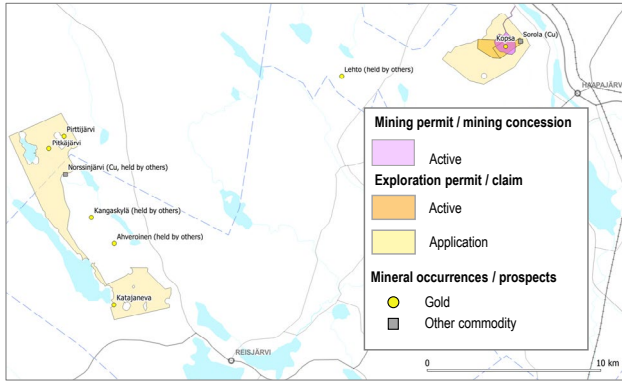


Figure 7 - Kopsa tenement map

Kopsa has been explored by multiple groups, including Outokumpu up to 1982, Belvedere Resources between 2022 and 2015 and Fennia Gold between 2017 and September 2021.

Belvedere Resources engaged SRK Consulting to prepare an NI 43-101 preliminary economic assessment (PEA), which was released in 2013. The PEA demonstrated positive economics for open pit production with off-site processing at a gold price of USD 1,200/oz and a copper price of USD 2.72/lb, with initial capital expenditures below USD 50 million. Gold and copper prices are currently significantly higher, suggesting improved economics today.

Building on 16,800m of drilling by former owners, Northgold has completed additional 4,200m of drilling in 2022 and further 2,000m completed in 2023, leading to a more than double AuEq resource amounting to 749,500 oz. The increase in 2023 reflects a southward expansion and a doubling of depth, which creates new opportunities for further resource expansion. In 2024, the Company completed a drill program with 4 holes, with results expected to be published during Q4 2024.

Northgold's drilling has largely focused on the Main Zone mineralisation, which remains open along strike to the west and down-dip to the south. The deposit also remains open to the north based on apparent parallel zones of mineralisation intersected by historic scout drilling there. And little exploration has been conducted on the significant IP anomalies below the deposit, south and north of the main zone. All of these offer reasonable potential for delineating additional resources prior to completing revamped economic studies.

In February 2024, Northgold announced the results of a Fixed-Loop Electromagnetic (FLEM) geophysical ground survey that was conducted at Kopsa in November 2023. The FLEM survey identified three conductive zones each of which represents a new exploration target, prospective for copper-gold mineralisation. These targets extend to depths well beyond that of the current resource depth and represent an excellent opportunity for further potential resource growth. Notably, two of these conductors lie beneath the existing resource, making them particularly intriguing, especially given the historical theories that Kopsa may be sitting on top of a copper-dominant porphyry type system, some of which have produced large copper-gold deposits such as Aitik and Lavern deposits in Sweden. Initial drilling of upper portions of the top conductor confirmed gold and copper mineralisation.

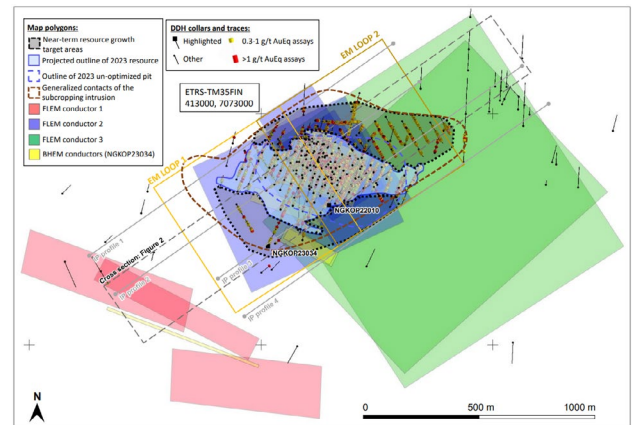


Figure 8 - Map showing geophysical surveys conducted around Kopsa Au-Cu deposit during 2022 and 2023, and past gold and copper assay results.

Project	Exploration permit status	Deposit	Resource type	Resource category	M tonnes	Au (g/t)	Cu (%)	AuEq (g/t)	Au (oz)	AuEq (oz)
Kopsa	Granted	Main	JORC-compliant	Measured and indicated	14.44	0.88	0.16	1.11	406,400	513,700
				Inferred	6.24	0.89	0.19	1.18	178,700	235,700
Project total					20.68	0.87	0.17	1.13	585,100	749,500

Table 2 - Kopsa mineral resources.

Kiimala Trend

The Kiimala Trend is Northgold's second and earlier-stage project. The Company's eight granted exploration permits and two applications cover 36km² and more than 15km along the prospective Kiimala Trend. The areas contain a number of known gold resources and prospects that lie coincident with, or slightly offset from, the regional fault structures. The most advanced prospect is the Ängesneva deposit, hosting compliant resources of 147,300 oz Au, but numerous other occurrences along the trend require follow-up.

The Kiimala Trend project's largest deposit is Ängesneva, for which Belvedere Resources released an initial resource estimate in 2010 of 3.85 Mt at 1.19 g/t Au for 147,300 oz. Historical drilling has returned both significant and high-grade intersections, including:

- 122.4m at 1.52 g/t Au from 57m.
- 80m at 1.85 g/t Au from 128m.
- 15.1m at 5.26 g/t Au and 0.3% Cu from 273m.

Additional resource potential exists at depth and in parallel structures with associated gold mineralisation to the northwest.

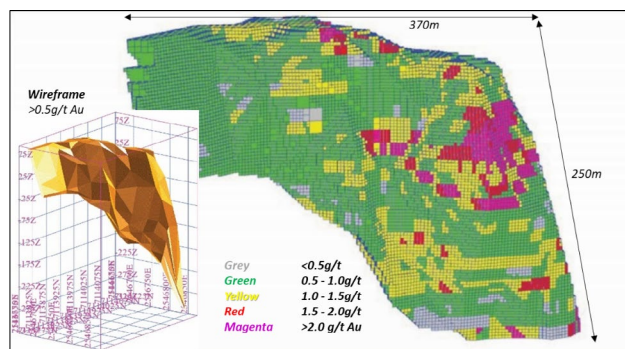


Figure 9 - Modelled mineralised domain and block model of Ängesneva.

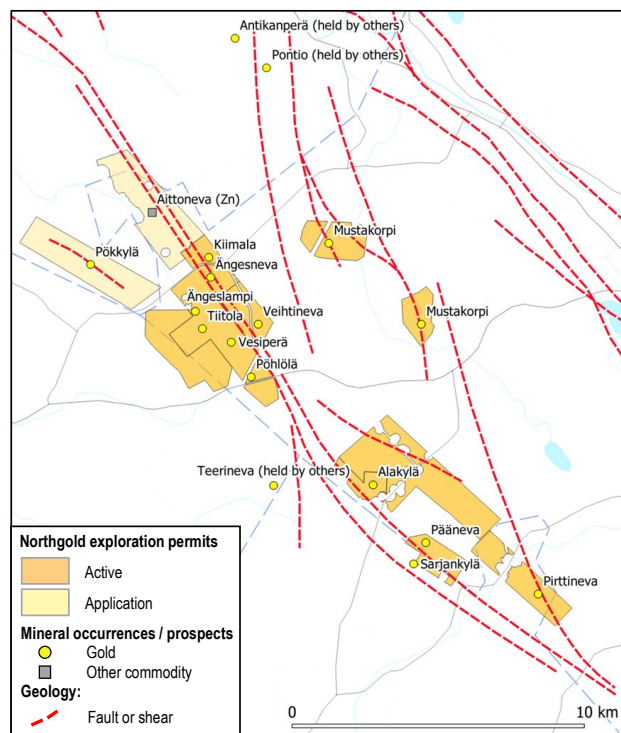


Figure 10 - Kiimala Trend tenement map.

The Vesiperä prospect is located approximately 2km south-southwest of the Ängesneva deposit. Based on limited drilling (35 holes) at Vesiperä, GTK estimated a non-code of 290kt at 2.5 g/t Au for 23,600 oz.

In addition to these results, historical drilling has returned assays of 2.27 g/t Au over 17.25m at the Kiimala prospect. Other prospects that have been drilled are Ängeslampi, Tiitola and Pöhlölä, Alakylä and Paaneva, which contain drilled gold intersections over 1 g/t. Veihtineva, Sarjankylä, and Mustakorpi are undrilled prospects but look promising based on geophysics and rock chip sample results, respectively.

Project	Exploration permit status	Deposit	Resource type	Resource category	M tonnes	Au (g/t)	Cu (%)	AuEq (g/t)	Au (oz)	AuEq (oz)
Kiimala Trend	Granted	Ängesneva	NI 43-101 / JORC-compliant	Indicated	3.85	1.19	-	1.19	147,300	147,300
		Vesiperä	Historic / non-compliant	n/a	0.29	2.52	-	2.52	23,500	23,500
Project total					4.14	1.28	-	1.28	170,800	170,800

Table 3 - Kiimala Trend mineral resources.

Hirsikangas

The Hirsikangas gold project is Northgold's most recently acquired resource-stage project in the Middle Ostrobothnia Gold Belt (MOGB) of Central Finland. The project was acquired from Rupert Resources Ltd in 2023. The project is located roughly 70km from Northgold's flagship Kopsa project, and the property holdings include the 89 koz Hirsikangas deposit with growth potential along trend and at depth, in addition to several earlier stage prospects within tenement areas covering a total of 55km². The property transaction increased Northgold's footprint within the MOGB by more than 50 per cent and its gold equivalent resources by 12 per cent.

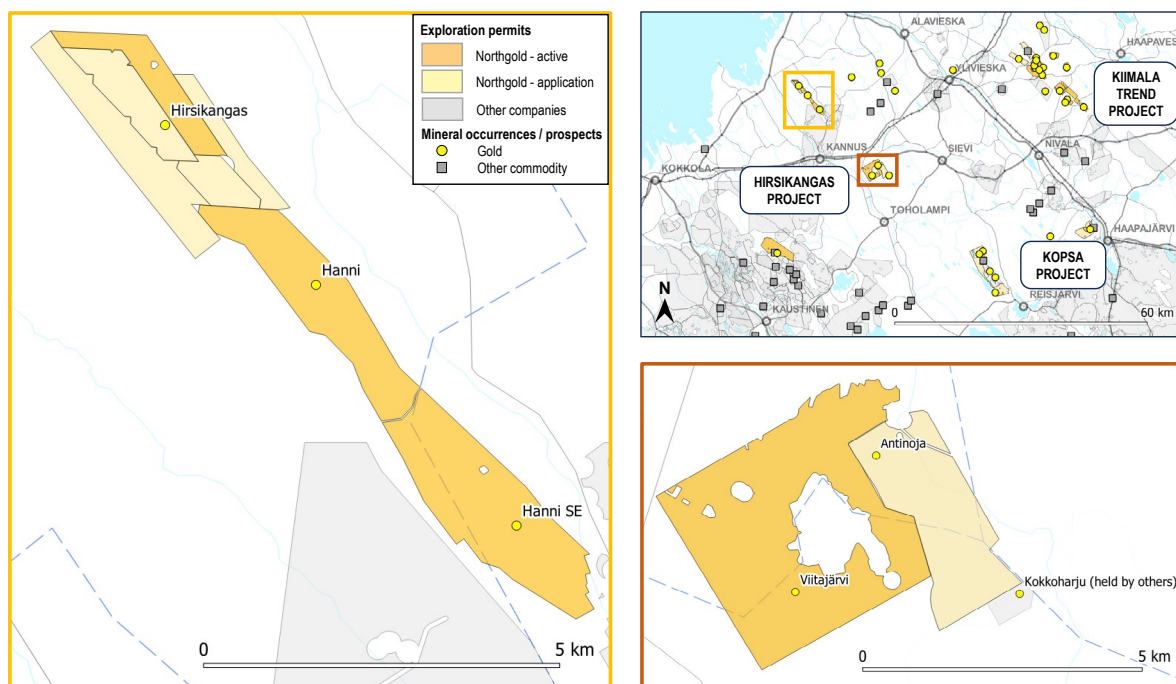


Figure 11 - Maps from the Hirsikangas gold project area showing the locations of the Hanni Southeast and Antinoja prospects, along with their associated license areas and applications.

Hirsikangas hosts compliant pit-constrained resources of 89,000 oz from 2.27 million tonnes grading 1.2 g/t Au (at 0.5 g/t cut-off), according to a historic 2018 NI 43-101 compliant estimate, that was based on 73 diamond drill holes completed at Hirsikangas totalling 9,156.15m. Southeast along strike, nine historic diamond drill holes (1,287m) were completed at Hanni with gold interceptions including 3.23 g/t Au over 5.5m, 2.65 g/t Au over 6.25m, and 1.14 g/t Au over 7.55m. Further along strike to the southeast, another seven historic diamond drill holes (610m) were completed, with notable intercepts including 0.54 g/t Au over 8m.

During 2023, Northgold conducted early-stage exploration work with notable results. An anomalous gold trend was discovered through soil geochemistry at the Hanni Southeast (SE) prospect, located just 6km away from Hirsikangas, in the same volcanic belt. Additionally, the historically drilled Antinoja prospect was shown to extend well outside the drilled area, based on strong and widespread gold anomalism in the soil intertwined with geophysical anomalies and confirmed by high-grade grab samples from bed-rock and boulders.

Project	Exploration permit status	Deposit	Resource type	Resource category	M tonnes	Au (g/t)	Cu (%)	AuEq (g/t)	Au (oz)	AuEq (oz)
Hirsi-kangas	Granted, subject to a permit renewal process	Hirsikan-gas	NI 43-101 compliant	Inferred	2.27	1.2	-	1.20	89,000	89,000
Project total					2.27	1.2	-	1.20	89,000	89,000

Table 4 - Hirsikangas mineral resources.

Infrastructure

Northgold's gold deposits are located approximately 400km north of Helsinki and between 100-140km south of Oulu. The Kopsa deposit is about 8km from the town of Haapajärvi, with road access available. It can be reached via 2 to 3km of gravel forest road from the paved Tiitonranta road, which branches off from the Haapajärvi-Reisjärvi Highway 58. The Kiimala Trend gold project area is situated 20-30km from smaller towns in Ostrobothnia, including Ylivieska, Haapavesi, Nivala, and Oulainen. The properties are easily accessible via gravel roads connected to paved roads linking Haapavesi with Ylivieska and Nivala. A network of gravel roads provides convenient access to most exploration sites. The Hirsikangas gold project is located approximately 7km east northeast of the town of Hamanka, with access to the site along sealed highway 7730 from Hamanka centre and subsequently by 4km of gravel road. A network of gravel forest roads provides easy access to most of the property.

The service infrastructure in the MOGB is excellent. An existing railway line runs through Nivala and Ylivieska, providing good connections to Oulu and Kokkola, two port cities in Finland. The nearest commercial airports are in Kokkola and Oulu, with regular daily flights to Helsinki.

Mineral licenses

The Kopsa project area is secured by two exploration claims, two exploration permits under application, one mining concession and one auxiliary mining area permit under application. The Hirsikangas project area comprises four exploration permits and four exploration permits under application. The Kiimala Trend project is secured by eight granted exploration permits and two exploration permits under application.

There are no Natura 2000 sites within the exploration permit areas or the reservation areas. The Vitajärvi exploration permit area is situated around a Natura 2000 site. One Natura 2000 site is also located just west of the area for the Aittoneva exploration permit application, and a small Natura 2000 site is situated between the Haapavesi 3 and Haapavesi 4 exploration permit areas. Additionally, several small nature conservation areas are located close to active exploration areas. All existing and new nature conservation areas on private or national land are systematically excluded from permit areas during application process and during later updates to the permit areas. No exploration work is conducted on any nature conservation areas.

Kopsa project (held by Fennia Gold Oy)					
Tenement Type	Area Code	Name	Company	Date Granted	Size
Exploration claims (old law)	7405/1	Kopsankangas	Fennia Gold Oy	7.5.2002	97.0
	7686/1	Kopsankangas 2	Fennia Gold Oy	2.2.2004	96.5
Exploration permits under application	ML2022:0062-01	Kopsa S ML2022:0062	Fennia Gold Oy	Arrival date 4.10.2022	826.6
	ML2022:0061-01	Pitkäjärvi ML2022:0061	Fennia Gold Oy	Arrival date 4.10.2022	2,046.9
Mining Concession (old law)	K7405	KOPSA	Fennia Gold Oy	n/a	109.6
Auxiliary mining area permit under application	KL2022:0005-01	Kopsa KL2022:0005	Fennia Gold Oy	Arrival date 19.12.2022	4.7
Total exploration licence areas held, including licenses under application					3,067.0
Total mining licence areas held, including auxiliary mining licence under application					114.3

Hirsikangas project (held by Lakeuden Malmi Oy after its merger with Northern Aspect Resources Oy)					
Tenement Type	Area Code	Name	Company	Date Granted	Size
Exploration permits	ML2020:0046-01	Kettuharju ML2020:0046	Lakeuden Malmi Oy	23.3.2022	1,983.5
	ML2022:0068-01	Viitajärvi ML2022:0068	Lakeuden Malmi Oy	21.12.2023	1,138.2
	ML2016:0077-02	Hirsi 13 ML2016:0077	Lakeuden Malmi Oy	2.5.2024	98.7
	ML2018:0004-02	Hanni ML2018:0004	Lakeuden Malmi Oy	8.5.2024	631.4
Exploration permits under application	ML2024:0028-01	Hirsi 1 ML2024:0028	Lakeuden Malmi Oy	Arrival date 6.5.2024**	100.4
	ML2024:0029-01	Hirsi 2 ML2024:0029	Lakeuden Malmi Oy	Arrival date 6.5.2024**	52.1
	ML2017:0132-02	Hirsi 10 ML2017:0132	Lakeuden Malmi Oy	Arrival date 29.9.2023	233.2
	ML2022:0066-01	Antinoja ML2022:0066	Lakeuden Malmi Oy	Arrival date 14.10.2022	492.9
Total exploration licence areas held, including licenses under application and subject to appeal					4,730.4

Kiimala Trend project (held by Lakeuden Malmi Oy)					
Tenement Type	Area Code	Name	Company	Date Granted	Size
Exploration permits	ML2019:0027-01	Haapavesi 1 ML2019:0027	Lakeuden Malmi Oy	22.11.2021	390.1
	ML2019:0028-01	Haapavesi 2 ML2019:0028	Lakeuden Malmi Oy	22.11.2021	193.8
	ML2019:0029-01	Haapavesi 3 ML2019:0029	Lakeuden Malmi Oy	22.11.2021	387.1
	ML2019:0030-01	Haapavesi 4 ML2019:0030	Lakeuden Malmi Oy	27.9.2021	716.5
	ML2019:0031-01	Haapavesi 5 ML2019:0031	Lakeuden Malmi Oy	27.9.2021	301.0
	ML2020:0016-01	Haapavesi 7 ML2020:0016	Lakeuden Malmi Oy	27.9.2021	117.6
	ML2020:0017-01	Haapavesi 8 ML2020:0017	Lakeuden Malmi Oy	16.2.2024*	769.3
	ML2020:0057-01	Teerineva 1 ML2020:0057	Lakeuden Malmi Oy	8.9.2022	174.5
Exploration permits under application	ML2020:0095-01	Aittoneva ML2020:0095	Lakeuden Malmi Oy	Arrival date 11.12.2022	529.9
	ML2024:0025-01	Pökkylä ML2024:0025	Lakeuden Malmi Oy	Arrival date 12.4.2024	516.8
Total exploration licence areas held, including licenses under application					4,096.6

* Haapavesi 8 became legally valid on 16.2.2024 by a court ruling.

** Exploration permits Hirsi 1 and Hirsi 2 are in renewal process via obtained landowner permissions.

Table 5 - Mineral licenses held by Northgold.

Financial overview

The Company's fiscal year runs from January 1 to December 31. The following section provides a summary of Northgold's financial performance for the fiscal years 2023 and 2022, as well as the second quarter of 2024 compared to the same period in the previous year, covering the period from 1 April to 30 June. The information for the fiscal years 2023 and 2022 has been sourced from the Company's audited annual reports for each respective fiscal year. The figures for the second quarters of 2024 and 2023 have been sourced from the Company's interim reports for the period of 1 April to 30 June, which have not been subject to review by an auditor.

The annual reports have been prepared in accordance with the Swedish Annual Accounts Act and Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Reporting and Consolidated Financial Statements (K3). Except as expressly stated herein, no financial information in this Memorandum has been audited or reviewed

by the Company's auditor unless otherwise indicated.

The summary of the Company's financial statements provided below should be read alongside the audited annual reports for fiscal years 2023 and 2022, including the accompanying notes and audit reports, as well as the interim reports for the periods from 1 April to 30 June, 2024 and 2023. The annual reports for the fiscal years 2023 and 2022, including audit reports, and the interim reports for the periods 1 April to 30 June, 2024 and 2023, have been incorporated by reference and form a part of the Memorandum and should be read as part thereof.

The annual reports, including the accompanying notes and audit reports, and interim reports incorporated by reference are available on the Company's website: <https://northgoldab.com/financial-reports/>.

Income Statement

Group, consolidated (KSEK)	2024 Apr-Jun	2023 Apr-Jun	2023 Jan-Dec	2022 Jan-Dec
Operating income				
Net sales	0	0	0	0
Other operating income	0	0	1,419	0
Total operating income	0	0	1,419	0
Operating costs				
Other external costs	-3,008	-3,085	-8,505	-9,706
Staff costs	-797	-1,121	-4,180	-3,074
Depreciation of tangible assets	-12	0	-210	128
Operating profit/loss	-3,817	-4,206	-11,477	-12,907
Net financial items	-48	-113	7	480
Profit/loss before tax	-3,865	-4,319	-11,469	-12,427
Tax on profit/loss for the year	0	0	0	0
Profit/loss for the year	-3,865	-4,319	-11,469	-12,427

Balance Sheet

Group, consolidated (KSEK)	30 Jun 2024	30 Jun 2023	31 Dec 2023	31 Dec 2022
ASSETS				
Non-current assets				
Intangible assets	52,111	47,001	52,356	23,504
Tangible assets	141	218	290	55
Financial assets	443	203	666	200
Total non-current assets	52,695	47,422	53,312	23,759
Current assets				
Other current assets	659	1,626	1,503	965
Cash and bank balances	1,058	7,952	4,089	13,962
Total current assets	1,717	9,578	4,089	13,962
Total assets	54,412	57,000	57,401	37,721

Group, consolidated (KSEK)	30 Jun 2024	30 Jun 2023	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES				
Equity				
Share capital			946	741
Fund for development costs			24,491	11,302
Other contributed capital			76,639	48,958
Other equity including profit for the year			-52,963	-27,710
Total equity	46,987	48,853	49,113	33,290
Liabilities				
Deferred tax	5,309	5,309	5,309	2,330
Long-term liabilities	0	0	304	0
Current liabilities	2,116	2,838	2,675	2,100
Total liabilities	7,425	8,147	8,288	4,430
Total equity and liabilities	54,412	57,000	57,401	37,721

Changes in Equity

Group, consolidated (KSEK)	2024	2023	2023	2022
	Apr-Jun	Apr-Jun	Jan-Dec	Jan-Dec
Equity at the beginning of the period	46,318	52,335	33,290	10,675
New share issue	5,893	2	29,094	39,625
Costs for new share issue	-933	0	-1,208	-4,500
Translation differences	-426	835	-594	-82
Profit/loss for the period	-3,865	-4,319	-11,469	12,427
Equity at the end of the period	46,987	48,853	49,113	33,291

Cash Flow Statement

Group, consolidated (KSEK)	2024 Apr-Jun	2023 Apr-Jun	2023 Jan-Dec	2022 Jan-Dec
Operating activities				
Operating profit/loss for the period	-3,817	-4,206	-11,477	-12,907
Amortisation and depreciation	12	0	210	128
Financial items, etc.	-48	-113	7	480
Cash flow from operating activities before change in working capital	-3,853	-4,319	-11,259	-12,300
Change in working capital				
Change in current receivables	230	-855	-506	-709
Change in current liabilities	-697	149	352	1,723
Change in working capital	-467	-706	-154	1,014
Cash flow from operating activities	-4,320	-5,025	-11,413	-11,286
Investing activities	0	-6,120	-13,917	-11,697
Cash flow from investing activities	0	-6,120	-13,917	-11,697
Financing activities	4,960	2	15,158	35,125
Cash flow from financing activities	4,960	2	15,158	35,125
Cash flow for the period	640	-11,143	-10,712	12,143
Translation differences	-223	835	-239	-211
Cash and cash equivalents at the beginning of the period	641	18,260	12,997	1,066
Cash and cash equivalents at the end of the period	1,058	7,952	2,586	12,997

Financial Indicators

Group, consolidated	2024	2023	2023	2022
	Apr-Jun	Apr-Jun	Jan-Dec	Jan-Dec
Average equity for the period (KSEK)	41,072	41,072	41,116	21,983
Average total capital for the period (KSEK)	47,360	47,360	47,558	25,551
Return on equity (%)	-19.2	-19.2	-28.1	-56.5
Return on total capital (%)	-16.7	-16.7	-24.3	-50.5
Equity ratio (%)	85.7	85.7	85.4	88.3
Basic earnings per share (SEK)	-0.25	-0.35	-1.09	-1.75
Diluted earnings per share (SEK)	-0.23	-0.34	-0.85	-1.18
Equity per share (SEK)	3.98	3.98	3.6	3.2
Quick ratio (%)	3,375	3,375	134	665

Definitions of Financial Indicators

Return on equity (%)

Earnings after financial items plus financial expenses as a percentage of average total capital.

Return on capital (%)

Net profit according to the income statement as a percentage of average equity.

Equity ratio (%)

Equity as a percentage of total assets.

Earnings per share (SEK)

Earnings after tax in relation to the average numbers of shares.

Equity per share (SEK)

Equity in relation to the number of shares on the balance sheet date.

Quick ratio (%)

Current assets excluding stock in relation to current liabilities.

Board of directors, management and auditor

According to Northgold's Articles of Association, the board of directors shall comprise 3-8 members with a maximum of 5 deputy members. The Company's board currently consists of 3 board members, including the chairman of the board. The board members were elected by the Annual General Meeting in 2024 for the period until the end of the Annual General Meeting in 2025.

Board

Name	Position	Member since	Independent of the Company	Independent of the shareholders	Holdings*
Roberto Garcia Martinez	Chairman	2021	Yes	Yes	112,931 shares
Henrik Löfberg	Board member	2021	Yes	Yes	434,756 shares**
Benny Mattsson	Board member	2023	Yes	Yes	0 shares

* Refers to own holdings and related natural and legal persons holdings of shares in the Company.

** Löfberg owns approximately 5.7 per cent of Magnus Minerals, which owns 2,904,080 shares in the Company.

Roberto Garcia Martinez

Chairman since 2023, board member since 2021.



Born 1970.

Overview Roberto has over 25 years' experience in the international mining industry. He has been the President and CEO of major gold mining groups in Africa (2006-2018) and is currently the CEO of Eurobattery Minerals AB. Roberto has experience in corporate strategy, marketing, mining and exploration management. Roberto is a Doctor of Law and holds a bachelor's degree in economics and industrial psychology.

Holdings 112,931 shares.

Henrik Löfberg

Board member since 2021.



Born 1977.

Overview Henrik is a Finnish born, Tampere based academic, educator and entrepreneur serving as operations manager for Magnus Minerals Oy, Chairman for MagStar Mining Oy, Fennia Gold Oy, board member for Lakeuden Malmi Oy, Suomen Akkuminaaalit Oy, Magnus Minerals Oy, and Functional Fitness Academy Oy, and deputy board member for FlowBrainer Oy.

Holdings 434,756 shares.

Benny Mattsson

Board member since 2023.



Born 1950.

Overview Benny has a B.Sc. Department of Mineralogy and Petrology from Uppsala University and has over 40 years of experience in mineral exploration and geology. Benny has an extensive background as a leader of teams within exploration programs. He has focused a large part of his career in the productive Skellefteå district in Sweden, where he held various exploration management positions in the mining company Boliden. Benny continues his career today as an exploration and geology consultant and acts as an advisor to mining companies.

Holdings 0 shares.

Management

Name	Position	Since	Holdings*
Seppo Tuovinen	CEO	2024	0 shares
Mattias Modén	CFO	2021	10,775 shares

* Refers to own holdings and related natural and legal persons holdings of shares in the Company.

Seppo Tuovinen



CEO since 2024.

Born 1971.

Seppo has years of experience in various leadership roles. He previously held the position as CEO for Endomines and has expertise in business management, mining operations, team leadership, and strategy development, as well as international mining experience. He has an MBA from Henley Management College, UK, and a M.Sc. in mining from the Helsinki University of Technology.

Holdings 0 shares.

Mattias Modén



CFO since 2021.

Born 1976.

Mattias has 25 years of experience within corporate taxation, company administration and accounting and has previously worked as CEO of a leading management firm and consulting company for the development of railway facilities. Mattias holds a degree in business administration from Örebro University.

Holdings 10,775 shares.

Other information regarding the board and management

None of the board members or senior executives has any family ties to another board member or senior executive.

Apart from the related party transactions and conflicts of interest that are disclosed for in the section "Legal issues and additional information" there are no conflicts of interest or potential conflicts of interest between a board member's or senior executive's commitments towards the Company and their private interests and/or other commitments.

Several board members and senior executives have financial interests in the Company in terms of holding shares in the Company. None of the board members or management members has been elected or appointed as a special agreement with

major shareholders, customers, suppliers or other parties.

None of the board members or senior executives has, in the past five years, (i) been convicted in fraud-related court proceedings, (ii) represented a company that has been declared bankrupt or involuntarily placed into liquidation, (iii) been officially tied to and/or sanctioned for violations by regulatory authorities (including recognised professional organisations), or (iv) been prohibited by a governmental or judicial body from serving as a member of a company's administrative, management or supervisory bodies or from executive or supervisory functions within a company.

All of the Company's board members and senior executives can be reached via the Company's address provided at the end of this Memorandum.

Remuneration and benefits to the board and senior executives

Decisions on fees and other compensation for board members, including the chairman, are made at the general meeting. The Annual General Meeting in 2024 resolved that each board member elected by the meeting shall receive a remuneration of SEK 120 thousand for the period until the Annual General Meeting in 2025. The Chairman of the board will receive a remuneration of SEK 240 thousand for the same period.

Furthermore, the Company has not allocated or accrued any amounts for pensions or similar benefits following the departure of any board member or senior executive. The Company's board members are not entitled to any benefits after leaving the board.

Compensation for the CEO and other senior executives shall be determined at market-competitive levels and shall consist of a fixed salary, potential variable compensation, pension, and any other benefits.

For more information about the compensation to the board and senior executives, please see the Company's annual reports of 2023 and 2022.

Auditors

The Annual General Meeting held on 18 June 2024 re-elected auditing firm Baker Tilly MLT Kommanditbolag as the Company's auditor, with Stein Karlsen, Authorised Public Accountant, as the principal auditor. The term of the auditor will end at the closing of the Annual General Meeting in the year 2025.

Remuneration to auditors

The Annual General Meeting held on 18 June 2024 resolved, in accordance with the proposal from the shareholder Magnus Minerals Oy, that the auditor's fee shall be paid in accordance with approved invoice.

Share, share capital and ownership

Shares and share capital

According to the Company's Articles of Association, the share capital must be a minimum of SEK 1,000,000 and a maximum of SEK 4,000,000, distributed over a minimum of 15,000,000 and a maximum of 60,000,000 shares. As of the date of the Memorandum, the Company's share capital amounts to SEK 1,071,164.18, distributed over 15,210,574 shares. Each share has a nominal value of approximately SEK 0.070422. The Company has only one series of shares with the ISIN code SE0017131071. The shares have been issued according to Swedish Law and are denominated in SEK. The shares are fully paid and freely transferable.

Certain rights attached to shares

The shares in Northgold have been issued in accordance with the Swedish Companies Act (2005:551). The rights attached to the shares issued by the Company, including those set forth in the Company's Articles of Association, may only be modified in accordance with the procedures outlined in the aforementioned Act.

Each share entitles the holder to one (1) vote at the general meeting. Each shareholder may vote for the full number of shares that they own and represent at the general meeting. All shares confer equal rights to the Company's assets and profits. In the event of liquidation, shareholders are entitled to a share of any surplus in proportion to the number of shares held. There are no restrictions on the transfer of shares. The shares are not subject to any public mandatory bid, redemption rights, or buy-back obligations. There have been no public takeover bids for the Company's shares.

As a general rule, shareholders have preferential rights to subscribe for new shares, warrants, and convertible instruments in accordance with the Companies Act, unless the general meeting or the board, with the authorisation from or approval by the general meeting, decides otherwise. The Articles of Association contain no specific provisions regarding redemption or conversion.

Share capital development

The table below shows the historical development of the Company's share capital up to the date of the Memorandum's publication.

Year	Event	Change in the number of shares	Total number of shares	Change in share capital (SEK)	Total share capital (SEK)	Nominal value (SEK)	Subscription price (SEK)
2020	Formation	50,000	50,000	25,000.00	25,000.00	0.50	-
2020	New share issue	50,000	100,000	25,000.00	50,000.00	0.50	-
2021	New share issue	66,667	166,667	33,333.50	83,333.50	0.50	-
2021	New share issue	15,000	181,667	7,500.00	90,833.50	0.50	-
2021	New share issue	6,667	188,334	3,333.50	94,167.00	0.50	-
2021	New share issue	166,667	355,001	83,333.50	177,500.50	0.50	-
2021	Bonus issue	0	355,001	322,499.50	500,000.00	0.00	-
2021	Share split 1/20	6,745,019	7,100,020	0.00	500,000.00	0.00	-
2022	New share issue	3,416,000	10,516,020	240,562.71	740,562.71	0.07	11.60
2022	New share issue	4,654	10,520,674	327.75	740,890.46	0.07	-
2023	New share issue	890,000	11,410,674	62,675.88	803,556.34	0.07	14.30
2023	New share issue	559,120	11,969,794	39,374.54	842,940.87	0.07	12.50
2023	New share issue	272,000	12,241,794	19,154.88	862,095.75	0.07	12.50
2023	New share issue	22,693	12,264,487	1,598.10	863,693.85	0.07	-
2023	New share issue	1,174,100	13,438,587	82,682.87	946,376.72	0.07	5.09
2024	New share issue	1,585,155	15,023,742	111,630.32	1,058,007.04	0.07	3.60
2024	New share issue	186,832	15,210,574	13,157.15	1,071,164.18	0.07	3.60

Authorisations

The annual general meeting held on 18 June 2024 resolved, in accordance with the board of directors' proposal, to authorise the board of directors to, on one or several occasions until the next annual general meeting, with or without deviation from the shareholders' pre-emptive rights, against payment in cash, non-cash consideration or through set-off, resolve on new issues of shares, convertibles and/or warrants.

Ownership

As of the date of the Memorandum's publication, the Company had a total of 15,210,574 shares outstanding. All shares carry equal voting rights. Below is a list of the Company's shareholders with notifiable holdings (individuals or entities owning five (5) per cent or more of the total shares or voting rights in Northgold), based on information from Holdings as of 26 June 2024, including any known subsequent changes. There is no controlling shareholder, and the Company is not directly or indirectly controlled by any single entity.

Shareholder	Number of shares	Ownership
Magnus Minerals Oy	3,008,800	19.8%
Gazal Richard	1,315,692	8.6%
Rupert Resources Ltd	1,116,000	7.3%
Andrew Randall	978,931	6.4%
Other shareholders	8,791,148	57.8%
Total	15,210,574	100.0%

Shareholder agreements

As far as the Company is aware, no shareholder agreements or similar agreements exist between the shareholders of the Company that aim to create a joint influence over the Company, or that may result in a change in control over the Company.

Stock option programs

At the annual general meeting held on 18 June 2024, Northgold resolved to implement an employee stock option program for Seppo Tuovinen, the CEO of the Company. The employee stock option program involves a directed issue of up to 450,000 warrants, corresponding to a maximum share capital increase of SEK 31,690.05 upon full exercise. Issued employee stock options do not constitute securities and may not be transferred, pledged or otherwise disposed of by the holder.

100,000 of the warrants may be exercised to subscribe for new shares during the period 1 July 2026 – 31 December 2028 to a subscription price of SEK 5.00 per share, 150,000 of the warrants may be exercised to subscribe for new shares during the period 1 July 2027 – 31 December 2029 to a subscription price of SEK 8.00 per share, and 200,000 of the warrants may be exercised to subscribe for new shares during the period 1 July 2028 – 31 December 2030 to a subscription price of SEK 12.00 per share.

The holder shall be entitled to exercise the warrants during the periods set out above, provided that the holder concerned at the time of exercise (i) is still employed by the Company or by any company within the group and (ii) has not received notice of dismissal or termination from his or her employment in the Company or in any company within the group for reasons other than scarcity of work.

Each warrant shall entitle the holder to subscribe for one new share in the Company. The subscription price and the number of shares for which each warrant entitles the holder to subscribe may be subject to recalculation pursuant to a bonus issue, share split, new issue with preferential rights and similar measures, whereby conventional terms and conditions for recalculation shall be applied.

Dividend policy

The Company has not paid dividends based on the financial statements as of 31 December 2023, 31 December 2022 or otherwise prior to the date of this Memorandum. Northgold is a growth company where generated funds are planned to be reinvested into further development of the Company's business. The board does not anticipate issuing any dividends in the coming years, but if the financial situation permits, dividends may be considered at a later stage. Northgold's board has not established a dividend policy.

Resolutions on dividends are resolved by the general meeting of shareholders and payment is taken care of by Euroclear Sweden. According to the Swedish Companies Act (2005:551), a dividend may only be made with such an amount that after the dividend there is full coverage for the company's equity and only if the dividend appears to be justifiable with regard to (i) the requirements that the nature, scope and risks of the business place on the equity, and (ii) the company's consolidation needs, liquidity and position in general. As a general rule, shareholders may not resolve on a larger dividend than what the board has proposed or approved.

The right to a dividend accrues to anyone who is registered as a holder of shares in the share register maintained by Euroclear on the record date for the dividend determined by the general meeting. If the shareholder cannot be reached for receipt of dividends, the shareholder's claim on the Company remains and is limited only by general rules for prescription. In the case of prescription, the entire amounts accrues to the Company. The Company does not apply any restrictions or special procedures regarding cash dividends to shareholders residing outside Sweden, with the exception of any restrictions resulting from banking and clearing systems, payment is made in the same way as for shareholders residing in Sweden. For shareholders who are not domiciled in Sweden for tax purposes, however, Swedish withholding tax is normally payable.

Trading in the share

The Company's shares have been traded on Nasdaq First North Growth Market Sweden since 24 March 2022. The ISIN code for the shares is SE0017131071 and the trading symbol is NG. The warrants of series TO2 will have the ISIN code SE0022759197.

Central Securities Depository

The shares of the Company are registered in the electronic book-entry system maintained by Euroclear Sweden in accordance with the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479). The shareholder register is maintained by Euroclear Sweden AB, Box 191, 101 23 Stockholm. No physical share certificates are issued for the Company's shares.

Corporate governance

General

Northgold is a Swedish public limited company governed by Swedish law, primarily the Swedish Companies Act (2005:551). The Company's shares are admitted to trading on First North, whereby the Company applies the First North Rulebook for issuers. The Swedish Corporate Governance code (the "Code") shall be applied by companies whose shares are admitted to trading on a regulated market. The Code does not currently need to be applied by companies whose shares are listed on First North, and therefore it is not binding for Northgold. However, if the Code becomes binding for Northgold, the Company will comply with it accordingly.

Annual general meeting

According to the Swedish Companies Act (2005:551), the general meeting of shareholders is the Company's highest decision-making body. At the general meeting, shareholders exercise their voting rights on key matters such as the adoption of the income statement and balance sheet, the appropriation of the Company's profit or loss, the discharge of the board of directors and the CEO from liability, the appointment of board members and auditors, the remuneration of board members and auditors, and decisions on certain other matters in accordance with the law and the Articles of Association.

Notice of annual general meetings

The annual general meeting must be held within six months of the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened. As stipulated in the Articles of Association, notice of a general meeting shall be issued in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and on the Company's website. A announcement that the notice has been issued shall be announced in Dagens Industri at the same time.

Right to participate in the meeting

Shareholders who wish to attend the shareholders' meeting must be entered in the share register maintained by Euroclear on the record date for the general meeting and notify the Company of their participation no later than the date specified in the notice convening the meeting. This day may

not be Sunday, another public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not fall earlier than the fifth weekday before the meeting. Shareholders whose shares are registered with a bank or other nominee must, in addition to informing the Company, request that their shares be temporarily registered in their own name in the share register maintained by Euroclear, to be entitled to participate in the general meeting. Shareholders should inform their nominees well in advance of the record date. Usually, shareholders can register for the general meeting in several different ways, which are specified in the notice of the meeting.

The board of directors

The board of directors is the Company's highest decision-making body after the general meeting. According to the Swedish Companies Act, the board of directors is responsible for the Company's organisation and management of the Company's affairs, which means that the board of directors is responsible for, among other things, establishing goals and strategies, ensuring procedures and systems for evaluating established goals, continuously evaluating the Company's results and financial position and evaluating the operational management. The board of directors is also responsible for ensuring that the annual accounts, consolidated accounts and interim reports are prepared in a timely manner and for appointing the CEO.

The board members are normally elected at the annual general meeting of the Company for the period until the next annual general meeting. According to the Company's Articles of Association, the board of directors shall comprise of 3-8 members with a maximum of 5 deputy members.

In addition to the Swedish Companies Act, the work of the board is regulated by rules of procedure adopted by the board. The rules of procedure must be revised annually and are adopted at the inaugural board meeting each year. The rules of procedure regulate, inter alia, the board's working methods, duties, decision-making procedures within the Company, the board's meeting procedures, the chairman's duties and the division of labour between the board and the CEO. The board

of directors shall also issue instructions for the CEO and instructions for financial reporting to the board.

The board of directors meets according to an annual schedule and according to a program set out in the rules of procedure, which includes fixed decision points and items as required.

The Company's board of directors currently comprise of three board members, including the chairman. The board members are presented in more detail under the section "Board of directors, management and auditor".

The CEO and management

The CEO is appointed by the board of directors. The CEO manages the day-to-day administration of the Company in accordance with the instructions and regulations issued by the board of directors. The CEO is responsible for ensuring that the Company's accounting is in accordance with the law and that financial management is arranged in a reliable manner. The CEO shall provide the board of directors and its members with information necessary for the performance of the board's duties.

The Company's CEO and other members of management are presented in more detail under the section "Board of directors, management and auditor".

Internal control

The board of directors is responsible for the overall supervision and control of the Company and its management. In particular, the board of directors monitors compliance with applicable laws and regulations. The CEO and the management team are supervised by the board of directors. The CEO regularly informs the board of directors, as well as at each meeting, about the general development of the Company and about notable transactions and decisions he or she has taken.

Auditing

As a public company, Northgold is required to have at least one auditor to review the Company's annual report and accounting records and the administration of the board of directors and the CEO. The Company's auditors are elected by the general meeting in accordance with the Swedish Companies Act. An auditor in a Swedish limited company thus receives its assignment from, and reports to, the general meeting and may not be guided in its work by the board of directors or any senior executive. After each financial year, the auditor shall submit an audit report to the annual general meeting.

In the auditor's reports for the financial years 2023 and 2022, there is a remark that the Company has not paid the deducted tax and social security contributions on time during the financial year 2022.

According to the Company's Articles of Association, the Company shall have 1-2 auditors, with no more than 2 deputy auditors, or a registered auditing company. The Company's auditor is Baker Tilly MLT Kommanditbolag, with Stein Karlsen, authorised public accountant, as the principal auditor. The Company's auditor is presented in more detail under the section "Board of directors, management and auditor".

Articles of Association

§1 Name of company

The name of the company is Northgold AB. The company is public (publ).

§2 Registered office of the company

The registered office of the company is situated in Stockholm.

§3 Objects of the company

The purpose of the company is business activity in relation to ore and mineral prospecting and mining activity and related consultation and development. In addition, the company shall run investment activity in relation to owning and possessing of real estate, shares, minerals and precious metals, warrants and other kind of shares as well as trading of such. The company shall also run trading of shares in market exchange as well as financing activity. The company can run its activities directly or by using subsidiaries, partner companies or joint ventures. The company can also run businesses related to any of the above activities in the areas of consulting, coaching, and publishing as well as any supporting business activities including marketing, trading and managing of licenses and other rights.

§4 Share capital and number of shares

The share capital shall be not less than SEK 1,000,000 and not more than SEK 4,000,000. The number of shares shall be not less than 15,000,000 and not more than 60,000,000.

§5 Board of directors

The board of directors shall comprise 3–8 members with a maximum of 5 deputy members.

§6 Auditor

The company shall have 1-2 auditors, with not more than 2 deputy auditors, or a registered auditing company.

§7 Notice to attend general meetings

Notice of a shareholders' meeting shall be issued in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and on the company's website. That a notice has been issued shall be announced in Dagens Industri.

Shareholders who wish to attend the shareholders' meeting must notify the company no later

than the date specified in the notice convening the meeting. This day may not be Sunday, another public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not fall earlier than the fifth weekday before the meeting.

§8 Annual general meeting

The annual general meeting is held each year within six months of the end of the financial year.

The following matters shall be addressed at the annual general meeting:

1. Election of a chairman of the meeting.
2. Preparation and approval of the voting register.
3. Approval of the agenda.
4. Election of one or two persons to attest the minutes.
5. Determination of whether the meeting was duly convened.
6. Presentation of the annual report and the auditor's report and, where applicable, the consolidated financial statements for the group.
7. Resolutions regarding
 - a) adoption of the income statement and balance sheet and, where applicable, the consolidated income statement and consolidated balance sheet.
 - b) allocation of the company's profit or loss according to the adopted balance sheet.
 - c) discharge from liability for board members and the managing director.
8. Determination of fees for the board of directors and the auditors.
9. Election of the board of directors and accounting firm or auditors.
10. Any other business incumbent on the meeting according to the Companies Act or the articles of association.

§9 Financial year

The company's financial year shall comprise the period commencing 1 January up to and including 31 December.

§10 Central securities depository clause

The company's shares shall be registered in a central securities depository register pursuant to the Central Securities Depositories and Financial Instruments (Accounts) Act (SFS 1998:1479).

Legal issues and additional information

General information about the Company

The business name of the Company is Northgold AB. The Company's registration number is 559273-9626, and its registered office is located in Stockholm. The Company was incorporated in Sweden on September 28, 2020, and registered with the Swedish Companies Registration Office on 29 September 2020. The Company is a public limited company governed by the Swedish Companies Act (2005:551). The Company's website is <https://northgoldab.com/>. Northgold is the parent company of a group that includes the wholly-owned subsidiaries Fennia Gold Oy (registration number 2839848-7) and Lakeuden Malmi Oy (registration number 3155439-9), both based in Tampere, Finland.

According to the Company's Articles of Association, the Company shall engage in the exploration and extraction of ore, minerals, and other natural resources, as well as related consulting and development activities. The Company shall also own and manage real estate, shares, minerals, precious metals, warrants, and other financial instruments, and conduct trading in these assets.

As of the date of this Memorandum, the Company's share capital amounts to SEK 1,071,164.183692 distributed across 15,210,574 outstanding shares in the Company.

Material agreements

Below is a summary of key agreements that Northgold has entered into since the start of operations, as well as other agreements that contain rights or obligations of material importance to the Company (excluding those made in ordinary course of business).

NSR agreement

Northgold's subsidiary, Lakeuden Malmi Oy, has entered into a Net Smelter Return ("NSR") agreement concerning the exploration permits Haapavesi 1-5 and 7-8, as well as the exploration permit applications Teerineva 1-2, with Northgold's largest shareholder, Magnus Minerals Oy, and Northgold AB. Under the terms of the NSR agreement, Northgold AB and Lakeuden Malmi Oy have agreed to grant Magnus Minerals Oy a 1.0 per cent royalty on all minerals mined, produced, and otherwise

extracted from Haapavesi 1-5 and 7-8, as well as Teerineva 1-2. The responsibilities and obligations of the parties under the NSR agreement are individual, and no party is entitled to assume or transfer any responsibilities or obligations to Magnus Minerals Oy concerning the scope or timing of the intended activities within the project framework. The NSR agreement is perpetual and may not be terminated or amended without the consent of all parties involved.

Apart from the agreement mentioned above, the Company has not entered into any agreements of material significance still in effect, other than those conducted in the ordinary course of business, since 1 January 2022 up to the date of this Memorandum.

Customer and supplier agreements

The Company currently has no customers. Northgold utilises multiple suppliers in its operations, and the board of directors has determined that no individual supplier agreement is materially significant to the Company's business. These agreements have been established under terms standard for the industry.

Environmental issues

Northgold complies with all applicable environmental regulations and legal requirements set by authorities and possesses the necessary permits for its operations. To the best of the board's knowledge, no environmental issues have arisen or are expected to arise that would materially affect the Company's business, performance, or financial position.

Insurances

The board of directors has determined that the Company's insurance coverage is adequate, given its size, financial position, the nature of its operations, and the risks encountered to date. The insurance coverage is regularly reviewed and will be enhanced as the business grows. No aspect of the operations is of such a nature that insurance coverage cannot be obtained on market terms. As of the date of this Memorandum, there are no significant insurance claims at Northgold.

Intellectual property rights

The Company has no intellectual property rights of material significance to its operations, except for the domain name northgoldab.com.

Exploration permit and exploitation concessions

Northgold's operations rely on obtaining various permits, including environmental permits for exploration and mining. These permits are crucial for conducting and advancing exploration and exploitation activities within the Company's operations. Additionally, the Company depends on securing new permits for future areas and deposits. For a detailed overview of the Company's permits, please refer to the "Mineral licenses" subsection in the "Business overview" section.

Legal and arbitration proceedings

The Company has not during the past 12 months been a party to governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which Northgold is aware), which may have, or have had in the past 12 months, a significant effect on the financial position or profitability of the Company.

Transactions with related parties

The following transactions between the Company and related parties occurred during the period covered by the historical financial information in the Memorandum. For details on compensation for the board of directors and senior executives, please refer to the section "Board of directors, management, and auditor".

Board member Roberto Garcia Martinez received compensation for business consulting services amounting to SEK 277 thousand in the fiscal year 2022, SEK 99 thousand in the fiscal year 2023, and SEK 540 thousand during the period January 1 to June 30, 2024.

In addition to the transactions mentioned above, no further transactions with related parties have been carried out that fall within the scope of the historical financial information from 1 January 2022 to the publication date of the Memorandum. According to the board's assessment, all the aforementioned transactions were conducted according to market-terms.

Certain tax issues

Investors are advised that the tax legislation in their country of connection or tax residence may influence the taxation of income derived from securities. Transactions involving the Company's securities may result in tax implications for the holder. It is recommended that each shareholder seek personalised advice to fully understand the potential tax consequences and the effects of foreign regulations and agreements. The Company does not assume responsibility for withholding taxes.

Documents incorporated by reference

The audited annual reports for Northgold for the fiscal years 2023 and 2022, including the accompanying notes and audit reports, along with the unaudited interim reports for the period from 1 January to 30 June, 2024 and 2023, have been incorporated by reference and form a part of the Memorandum and should be read as part thereof.

Available documents

The Company's Articles of Association, this Memorandum, the annual reports for the fiscal years 2024 and 2023, the interim reports for the period from 1 January to 30 June, 2024, and 2023, and other information published by Northgold referenced in this Memorandum are available electronically on the Company's website, <https://northgoldab.com/investors/>.

Industry and market information

This Memorandum contains information from third parties, including industry and market data, statistics, and calculations sourced from industry reports and studies, market research, publicly available information, and commercial publications, as well as historical information in some cases. Certain details regarding market shares and other statements in the Memorandum about the industry in which the Company operates, and the Company's position relative to its competitors, are not based on published statistics or independent third-party information. Instead, such information and statements reflect the Company's best estimates based on information obtained from industry and business organisations, other contacts within the industry, and information published by its competitors. The Company believes this information is valuable for investors to understand the industry in which the Company operates

and the Company's position within it. However, the Company does not have access to the facts and assumptions underlying the figures, market information, and other data sourced from publicly available sources. The Company has not independently verified the market information provided by third parties, the industry, or general publications. The Company has accurately reproduced information published by the relevant third parties. No information has been omitted that would render the reproduced information inaccurate or misleading. Although the Company believes its internal analyses are reliable, they have not been verified by any independent source, and the Company cannot guarantee their accuracy.

Addresses

The Company

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Financial advisor

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114 30 Stockholm
www.augment.se

Legal advisor

Advokatfirman Schjødt AS
Hamngatan 27
111 47 Stockholm
www.schjodt.com

Auditor

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221 19 Malmö
www.bakertilly.se

Central securities depository

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