



# ANNUAL REPORT

and Consolidated Financial Statements

## 2022

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# LETTER TO SHAREHOLDERS

During fiscal year (FY) 2022, Northgold listed on the Nasdaq First North Growth Market exchange, and completed nearly 5,000m of core drilling focused largely on gold resource growth to get the Company closer to its 2023 exploration target of 1 million gold equivalent resource ounces (from 725,000 oz AuEq in 2022).

Following FY 2022, during the first quarter of 2023, the Company completed the acquisition of Northern Aspect Resources Oy from Canadian listed Rupert Resources Ltd., which holds the next largest undeveloped gold deposit (Hirsikangas) in our region of focus, after the two already held (Kopsa and Angeneva). The acquisition was connected with a directed issue share issue of MSEK 10.4 to help fund continued exploration and development activities through to 2024.

*» During fiscal year 2022, Northgold listed on the Nasdaq First North Growth Market exchange, and completed nearly 5,000m of core drilling. «*

Also notable during the first quarter of 2023 was the submission of the auxiliary mine area permit application covering flagship Kopsa project's proposed road alignment connecting the mine permit area to the main roads, to accommodate future off-site processing (also known as toll-milling) of gold and copper mineralized material to be mined from Kopsa. Also following FY 2022 during the second quarter of 2023, the Company initiated a planned 2,500m core drilling program, ranging in focus between both continued resource growth and new discovery targets across our flagship Kopsa and Kiimala Trend projects.

Market conditions for gold companies started the year of 2022 strong as the gold price rose after trading in the low to mid \$1,700s/oz throughout much of 2021, up to \$1,800/oz by January 2022 and then to \$1,950/oz by March 2022, which spurred a major uptick in investment and trading volume in both physical gold and gold company stocks during the early months of 2022, which had caused gold stocks to rise, pushing our estimated resource-stage gold explorer and gold developer peer group average enterprise values (EV) per ounce ("oz") resource up to €70/oz and €150/oz by April 2023, respectively, which coincided with Northgold's enterprise value reaching a peak of around €100/oz. →

But after April 2022, the gold price fell to a low of the mid-\$1,600s/oz by October, before rising to more than \$1,800/oz by yearend 2022, before continuing to rise back to the low-\$2,000s/oz by April 2023. But this time, gold stocks, particularly junior mining gold stocks (explorers and developers), appear to be lagging the rising gold price, with our estimated resource-stage gold explorer and gold developer peer group average EV/oz in April 2023 sitting around €32/oz and €80/oz, respectively, which coincided with Northgold's market valuation reaching lows around €9/oz (see Figure 1).

This vast difference in investor sentiment this year as the gold price sits above \$2000/oz, versus last year when the gold price was lower but investor sentiment was far better, is a strange phenomenon. But we would expect this sentiment to improve to the likes of a year ago and beyond, provided the current gold price sustains itself or continues to rise, which seems likely based on the persisting geopolitical, recessionary, and inflationary pressures, and with central banks having purchased record levels of gold of 1,136t in 2022 and 228t in Q1 2023. This change in sentiment may take some time, as the masses of retail investors still seem to be distracted with other non-gold investments as the overall global equity market and USD continue to retain significant investment, but once it occurs, it should offer major upside to the smaller-cap gold companies such as Northgold.



Sincerely,



**Mitchell Vanderydt**  
CEO, Northgold AB



Figure 1: Northgold's share performance over last year vs. select gold explorer and developer stocks, the gold price, and GDX and GDXJ indices (made up predominantly of gold producers)

# MANAGEMENT'S REPORT

The Board of Directors and the CEO of Northgold AB (publ), org.nr 559273-9626, will submit the following annual accounts and consolidated accounts for the business during the financial year 2022.

## GENERAL INFORMATION ABOUT THE BUSINESS

Northgold, founded in 2020 and listed in 2022, is a gold exploration and development company that holds exploration rights for a number of areas within the under-invested Middle Ostrobothnia Gold Belt ("MOGB") of central Finland, including the flagship Kopsa gold and copper project and the nearby Kiimala Trend and Hirsikangas gold projects (Figure 1), all of which contain mineral resources as well as earlier stage prospects.

## MISSION

Northgold's purpose is to move forward through the discovery and advancement of feasible gold mining projects. The Company's strategy is to bring capital and knowledge into mineral exploration projects that:

- Have low risk due to significant prior investment and discovery.
- Demonstrate potential for high-value mineralization on a district scale.
- Have the opportunity to create added value through further exploration and technical studies.

Northgold 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 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.

## STRATEGY

Northgold's strategy is three-fold:

- Grow gold resources and advance towards development,
- make new gold discoveries across
- continue to consolidate the Middle Ostrobothnia Gold Belt

## PROJECTS

Northgold currently has an existing informal combined resource of more than 814,000 ounces gold-equivalent (Table 1):

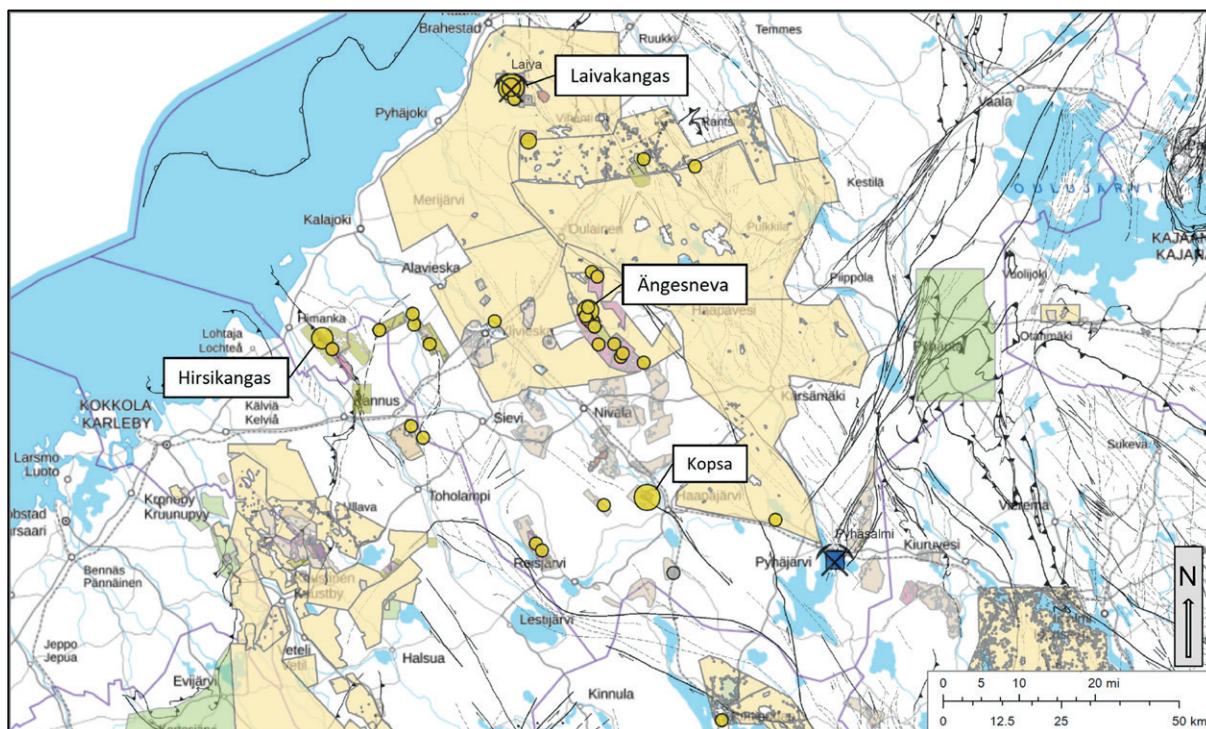
- Flagship Kopsa project hosts NI 43-101 compliant measured and indicated mineral resources of 13.6 million tonnes (Mt) at 0.81 part per million (ppm) gold and 0.15% copper for 354,200 ounces (oz) gold (Au) or 459,100 oz gold equivalent (AuEq) including copper content, plus inferred mineral resources of 2.7 Mt at 1.1 ppm gold and 0.2% copper for 69,400 oz Au or 95,500 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 mineralization 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.

Table 1: Summary of Company mineral resources

Company Mineral Resources <sup>1,2</sup> :	AuEq (oz)	Au (oz)	AuEq (g/t)	Au (g/t)	Cu (%)
NI 43-101 compliant Measured and Indicated Resources	606,400	501,500	1.08	0.89	0.12
NI 43-101 compliant Inferred Resources	184,500	158,400	1.23	1.1	0.09
Historic / Non-compliant Resources	23,500	23,500	2.52	2.52	--
<b>Total</b>	<b>814,400</b>	<b>683,400</b>	<b>1.11</b>	<b>0.93</b>	<b>0.11</b>

(1) One exploration license at Kiimala Trend project, currently containing 147,300oz of the M&I Resources and entirety of the non-compliant resources, is subject to an ongoing public appeals process.

(2) The exploration license containing the Hirsikangas project is nearing the end of its 15-year lifespan, and is therefore subject to a renewal process. If permission is not granted by landowners to forego the 3-year moratorium period, the licenses are subject to the normal Finnish Safety and Chemicals Agency (Tukes) permitting evaluation and appeals procedure.



## GROUP

The Group consists of the parent company and the wholly owned subsidiaries Fennia Gold Oy – 2839848-7 and Lakeuden Malmi Oy – 3155439-9 both subsidiaries based in Tampere Finland.

## HEAD OFFICE

The company's registered office is located in the Municipality of Stockholm.

## THE SHARE

The share capital in Northgold AB (publ) amounts to SEK 740,890.46 on 31 December 2022. The company was listed on Nasdaq First North on March 24, 2022. The ticker symbol for the share is NG and the ISIN code is SE0017131071.

FIGURE 1: MAP OF THE MOGB.

The main gold resources of the region are indicated: Laivakangas (Laiva Gold Mine), Kopsa (Fennia Gold Oy, subsidiary of Northgold AB), Ängesneva (Lakeuden Malmi Oy, subsidiary of Northgold AB) and Hirsikangas (Northern Aspect Resources Oy, subsidiary of Northgold AB). Gold deposits are denoted by yellow circles. Northgold's tenements surround portions of the Kopsa, Ängesneva, and Hirsikangas deposits. For reference, Map produced from the GTK MDaE map service on 25.01.2023.

Year	Event	Quota	Change in the number of shares	Change in share capital	Total number of shares	Total share capital
2020	Formation	0.50	50,000	25,000.00	50,000	25,000.00
2020	New share issue	0.50	50,000	25,000.00	100,000	50,000.00
2021	New share issue	0.50	66,667	33,333.50	166,667	83,333.50
2021	New share issue	0.50	6,667	3,333.50	173,334	86,667.00
2021	New share issue	0.50	15,000	7,500.00	188,334	94,167.00
2021	New share issue	0.50	166,667	83,333.50	355,001	177,500.50
2021	Bonus issue	0.00	0	322,499.50	355,001	500,000.00
2021	Share split 1/20	0.00	6,745,019	0.00	7,100,020	500,000.00
2022	New share issue	0.07	3,416,000	240,562.71	10,516,020	740,562.71
2022	New share issue	0.07	4,654	327.75	10,520,674	740,890.46



Base-of-till and top-of-rock drilling and geochemical sampling during May 2023 at the Pääneva prospect at Kiimala Trend project.

#### LIST OF OWNERS AS OF 31 DECEMBER 2022

Shareholders	Number of shares	Share (%)
Magnus Minerals Oy	2,904,080	27.62%
Richard, Gazal	1,177,524	11.19%
Andrew, Randall	817,117	7.77%
Kimberly, Wrixon	640,000	6.08%
Aurora, Exploration, Oy	603,400	5.74%
Other shareholders	4,378,553	41.62%
	<b>10,520,674</b>	<b>100.00 %</b>

#### RELATED PARTY TRANSACTIONS

During the period, the result was charged with fees for work performed of 277 KSEK to Board member Roberto Garcia Martinez's company Nazgero Consulting Service LTD.

#### INCUMBENT BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

##### Mitch Vanderydt, b 1986, CEO

Took over CEO 2021.  
Shareholding: 148,284 shares

##### Roberto Garcia Martinez, b 1970, Board member

Joined the Board of Directors 2021.  
Shareholding: 112,931 shares.  
Board fee 120 KSEK

##### Otto Persson, b1,970, Board member, Chairman

Entry to the Board 2021  
Shareholding: 21,551 shares  
Board fees: 240 KSEK

##### Henrik Löfberg, b 1977, Board member

Ending the Board of Directors 2021  
Shareholding: 331,340 shares  
Board fees: 120 KSEK

##### Timo Mäki, b 1953, Board member, VVD

Entry into the Board of Directors 2020 and as Vice CEO 2021  
Shareholding: 320,000 shares  
Board fee: 120 KSEK

# FINANCIAL OVERVIEW – GROUP, CONSOLIDATED

## PROFIT AND TURNOVER

The company's net sales for the full year 2022 amounted to 0 KSEK (0 KSEK) and profit after financial items to -12,427 KSEK (-3,899 KSEK). Operating expenses amounted to -12,907 KSEK (-3,943 KSEK). EBITDA for the full year 2022 amounted to -12,907 KSEK (-3,898 KSEK). Financial items for the period amounted to 480 KSEK (-1 KSEK).

## INVESTMENTS

Investments in property, plant and equipment during the full year 2022 amounted to 0 KSEK (53 KSEK). Investments in intangible fixed assets amounted to 11,497 KSEK (12,129 KSEK). Investments in Financial fixed assets amounted to 200 KSEK (0 KSEK).

## FINANCIAL POSITION

Cash and cash equivalents amounted to 12,997 KSEK (1,066 KSEK) as of December 31, 2022. Equity amounted to 33,290 KSEK (10,674 KSEK).

## CASH FLOW AND FINANCING

Cash flow from operating activities during the full year 2022 amounted to -11,286 KSEK (-3,657 KSEK). Cash flow from investing activities was -11,697 KSEK (-9,842 KSEK), cash flow from financing operations was 35,125 KSEK (14,519 KSEK).

## EQUITY

The Group's equity at year-end amounted to 33,290 KSEK (10,674 KSEK). During the year, two issues were carried out that raised SEK 39,626 thousand before issue costs. A total of 3,420,654 shares were issued. After completed issues, 10,520,674 shares were issued at the end of the financial year.

## EQUITY

Group, consolidated (KSEK)	Share capital	Development Costs Fund	Other contributed capital	Other equity including profit for the year	Total
Amount at the start of the year	500	0	14,073	-3,899	10,674
New share issues	241		39,385		39,626
Costs linked to new share issue			-4,500		-4,500
Provision for development costs		11,302	0	-11,302	0
Translation difference				-83	-83
Profit for the year				-12,427	-12,427
<b>Equity 31/12/2022</b>	<b>741</b>	<b>11,302</b>	<b>48,958</b>	<b>-27,711</b>	<b>33,290</b>

Parent Company (KSEK)	Share capital	Development Costs Fund	Share premium account	Profit for the year lnk balanced	Total
Amount at the start of the year	500	0	14,068	-3,752	10,816
New share issues	241		39,385		39,626
Costs linked to new share issue			-4,500		-4,500
Profit for the year				-12,267	-12,267
<b>Equity 31/12/2022</b>	<b>741</b>	<b>0</b>	<b>48,953</b>	<b>-16,019</b>	<b>33,675</b>

## MULTI-YEAR REVIEW

Group	2022	2021	2020
Net sales (KSEK)	0	0	0
Operating profit (KSEK)	-12,907	-3,898	-6
Profit before tax (KSEK)	-12,427	-3,899	-6
Balance sheet total (KSEK)	37,721	13,382	51
Intangible fixed assets (KSEK)	23,504	12,007	0
Equity ratio (%)	88	80	87
Number of employees (pcs)	1	1	0

Parent company	2022	2021	2020
Net sales (KSEK)	0	0	0
Operating profit (KSEK)	-6,536	-2,785	0
Profit before tax (KSEK)	-12,267	-3,753	0
Balance sheet total (KSEK)	34,971	11,164	50
Intangible fixed assets (KSEK)	0	0	0
Shares and receivables group companies (KSEK)	24,103	10,437	0
Visible equity ratio (%)	96	97	100
Number of employees (pcs)	1	1	0
Number of shares at the end of the period (pcs)	10,520,674	7,100,020	100,000

### Key figure definitions

*Equity ratio:* Equity and untaxed reserves (less deferred tax) in relation to the balance sheet total.

## SIGNIFICANT EVENTS IN 2022

In connection with the listing of the company's shares, a new issue of 3,416,000 shares was carried out at a price of SEK 11.60 per share. In total, the issue raised SEK 39.6 million before transaction costs.

Completed a 5,000m core drilling program focused largely on gold resource growth, to get the Company closer to its 2023 exploration target of 1 million gold equivalent resource ounces.



*Fresh core from 2023 resource expansion drilling at Kopsa being logged in the Northgold core shack in Nivala, Finland.*

## SIGNIFICANT EVENTS AFTER 2022

The Company submitted the auxiliary mine area permit application for the Company's flagship Kopsa gold and copper project.

In connection with the above acquisition, the Company also resolved on a directed share issue of MSEK 10.4 to fund continued exploration and development activities.

Completed the acquisition of Northern Aspect Resources Oy from Canadian listed Rupert Resources Ltd., which holds the next largest undeveloped gold deposit (Hirsikangas) in our region of focus, after the two already held by Northgold (Kopsa and Angesneva).



*Northgold CEO Mitch Vanderydt in attendance at the 2023 Sharjah Investment Forum in the United Arab Emirates, where he met with investors.*

# EXPECTED FUTURE DEVELOPMENTS AND RISKS AND UNCERTAINTIES

It is the assessment of the Board of Directors and the CEO that the new share issues carried out during the first quarter of 2023 are sufficient to secure the company's working capital needs and financing for at least the next 12 months.

## PROPOSAL FOR APPROPRIATION OF PROFITS

Proposal for appropriation of the company's results:

Share premium account	48,953,222
Balanced earnings	-3,752,611
Loss of the year	-12,266,777
	<b>32,933,834</b>

The Board of Directors proposes that a new amount be carried forward

<b>SEK</b>	<b>32,933,834</b>
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Regarding the company's results and position in general, reference is made to subsequent income statements and balance sheets and related notes. All amounts are in Swedish kronor where not otherwise stated.

# INCOME STATEMENT - GROUP AND PARENT COMPANY

Income statement	Note	Group		Parent Company	
		2022	2021	2022	2021
<b>Operating income</b>					
Net sales		0	0	0	0
Other operating income		0	45,653	1 126,001	45,270
<b>Total operating income</b>		<b>0</b>	<b>45,653</b>	<b>1 126,001</b>	<b>45,270</b>
<b>Operating costs</b>					
Other external costs	5,6	-9,705,820	-2,686,474	-4,588,102	-1,694,921
Staff costs	6	-3,074,009	-1,135,046	-3,074,009	-1,135,046
Depreciation of tangible assets	10	-127,560	-121,739	0	0
<b>Total operating costs</b>		<b>-12,907,389</b>	<b>-3,943,259</b>	<b>-7,662,111</b>	<b>-2,829,967</b>
<b>Operating profit/loss</b>		<b>-12,907,389</b>	<b>-3,897,606</b>	<b>-6,536,110</b>	<b>-2,784,697</b>
<b>Profit/loss from financial items</b>	7				
Interest income and similar items		488,536	0	488,536	0
Profit from shares in group companies		0	0	-6,218,140	-967,914
Interest expenses and similar items		-8,359	-964	-1,063	0
<b>Total profit/loss from financial items</b>		<b>480,177</b>	<b>-964</b>	<b>-5,730,667</b>	<b>-967,914</b>
<b>Profit/loss before tax</b>		<b>-12,427,212</b>	<b>-3,898,570</b>	<b>-12,266,777</b>	<b>-3,752,611</b>
Tax on profit/loss for the year		0	0	0	0
<b>Profit/loss for the year</b>		<b>-12,427,212</b>	<b>-3,898,570</b>	<b>-12,266,777</b>	<b>-3,752,611</b>
Basic earnings per share		-1.75	-38.99	-1.73	-37.53
Diluted earnings per share		-1.18	-0.55	-1.17	-0.53

Profit/loss is attributable in full to Parent Company shareholders

Number of shares at beginning of year	7 100 020	100 000
Number of shares at end of year	10 520 674	7 100 020
Number of shares on average	8 810 347	3 600 010

## BALANCE SHEET - GROUP AND PARENT COMPANY

		Group		Parent Company	
	Note	2022	2021	2022	2021
<b>ASSETS</b>					
<b>Non-current assets</b>					
<b>Intangible assets</b>					
Goodwill	8	611,520	695,429	0	0
Capitalised development costs	9	11,302,176	0	0	0
Licences and mining concessions	10	11,590,200	11,311,950	0	0
<b>Total intangible assets</b>		<b>23,503,896</b>	<b>12,007,379</b>	<b>0</b>	<b>0</b>
<b>Tangible assets</b>					
Land	10	54,784	53,180	0	0
<b>Total tangible assets</b>		<b>54,784</b>	<b>53,180</b>	<b>0</b>	<b>0</b>
<b>Financial assets</b>					
Participations in Group companies	11	0	0	10,335,559	10,335,559
Receivables from Group companies		0	0	13,767,810	101,886
Paid deposits		200,340	0	0	0
<b>Total financial assets</b>		<b>200,340</b>	<b>0</b>	<b>24,103,369</b>	<b>10,437,445</b>
<b>Total non-current assets</b>		<b>23,759,020</b>	<b>12,060,559</b>	<b>24,103,369</b>	<b>10,437,445</b>
<b>Current assets</b>					
<b>Current receivables</b>					
Other receivables		233,510	48,408	77,944	5,120
Prepaid expenses and accrued income	12	731,245	207,306	94,600	196,000
<b>Total current receivables</b>		<b>964,755</b>	<b>255,714</b>	<b>172,544</b>	<b>201,120</b>
<b>Cash and bank balances</b>		<b>12,996,907</b>	<b>1,065,548</b>	<b>10,694,903</b>	<b>525,925</b>
<b>Total current assets</b>		<b>13,961,662</b>	<b>1,321,262</b>	<b>10,867,447</b>	<b>727,045</b>
<b>Total assets</b>		<b>37,720,682</b>	<b>13,381,821</b>	<b>34,970,816</b>	<b>11,164,490</b>

## BALANCE SHEET - GROUP AND PARENT COMPANY

		Group		Parent Company	
	Note	2022	2021	2022	2021
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
<b>Share capital</b>		740,890	500,000		
<b>Fund for development costs</b>		11,302,176	0		
<b>Other contributed capital</b>		48,957,630	14,073,040		
<b>Other equity including profit for the year</b>		-27,710,239	-3,898,570		
<i>Restricted equity</i>					
Share capital		0	0	740,890	500,000
<b>Total restricted equity</b>		<b>0</b>	<b>0</b>	<b>740,890</b>	<b>500,000</b>
<i>Unrestricted equity</i>					
Share premium reserve		0	0	48,953,222	14,068,632
Retained earnings				-3,752,611	0
Profit/loss for the year		0	0	-12,266,777	-3,752,611
<b>Total unrestricted equity</b>		<b>0</b>	<b>0</b>	<b>32,933,834</b>	<b>10,316,021</b>
<b>Total equity</b>		<b>33,290,457</b>	<b>10,674,470</b>	<b>33,674,724</b>	<b>10,816,021</b>
<b>Deferred tax</b>	13	<b>2,330,262</b>	<b>2,330,262</b>	<b>0</b>	<b>0</b>
<b>Current liabilities</b>					
Liabilities to credit institutions		1,206,218	300,689	511,050	272,069
Other current liabilities		434,588	0	434,588	0
Accrued expenses and deferred income	14	459,157	76,400	350,454	76,400
<b>Total current liabilities</b>		<b>2,099,963</b>	<b>377,089</b>	<b>1 296,092</b>	<b>348,469</b>
<b>Total equity and liabilities</b>		<b>37,720,682</b>	<b>13,381,821</b>	<b>34,970,816</b>	<b>11,164,490</b>

## STATEMENT OF CASH FLOW – GROUP AND PARENT COMPANY

Statement of cash flow	Note	Group		Parent Company	
		2022	2021	2022	2021
<b>Operating activities</b>					
Profit/loss before financial items		-12,907,389	-3,897,606	-6,536,110	-2,784,697
Amortisation and depreciation		127,560	121,739	0	0
Interest received/paid, etc.		480,177	-962	487,473	0
<b>Cash flow from operating activities before change in working capital</b>		<b>-12,299,652</b>	<b>-3,776,829</b>	<b>-6,048,637</b>	<b>-2,784,697</b>
<b>Change in working capital</b>					
Change in current receivables		-709,041	-243,427	28,576	-201,120
Change in current liabilities		1,722,874	363,106	947,623	348,469
<b>Change in working capital</b>		<b>1,013,833</b>	<b>119,679</b>	<b>976,199</b>	<b>147,349</b>
<b>Cash flow from operating activities</b>		<b>-11,285,819</b>	<b>-3,657,150</b>	<b>-5,072,438</b>	<b>-2,637,348</b>
<b>Investing activities</b>					
Investments in intangible assets		-11,496,517	-9,842,038	0	0
Investments in tangible assets		0	0	0	0
Investments in non-current financial assets		-200,340	0	-19,884,064	-11,380,359
<b>Cash flow from investing activities</b>		<b>-11,696,857</b>	<b>-9,842,038</b>	<b>-19,884,064</b>	<b>-11,380,359</b>
<b>Financing activities</b>					
Share issues		39,625,927	15,076,954	39,625,927	15,101,954
Costs for share issue		-4,500,447	-558,322	-4,500,447	-558,322
<b>Cash flow from financing activities</b>		<b>35,125,480</b>	<b>14,518,632</b>	<b>35,125,480</b>	<b>14,543,632</b>
<b>Change to cash and cash equivalents</b>		<b>12,142,804</b>	<b>1,019,444</b>	<b>10,168,978</b>	<b>525,925</b>
Translation differences		-211,445	-3,704		
<b>Cash and cash equivalents at the beginning of the year</b>		<b>1,065,548</b>	<b>49,808</b>	<b>525,925</b>	<b>0</b>
<b>Cash and cash equivalents at end of year</b>		<b>12,996,907</b>	<b>1,065,548</b>	<b>10,694,903</b>	<b>525,925</b>

## NOTE 1 ACCOUNTING AND VALUATION PRINCIPLES

The company has prepared its annual report in accordance with the Annual Accounts Act and BFAR 2012:1 Annual and Consolidated Accounts (K3).

*Valuation principles, etc.*

Assets, provisions and liabilities have been valued at cost/nominal unless otherwise stated below.

*Consolidated accounting principles*

Northgold AB (publ) prepares consolidated financial statements. The company in which Northgold AB (publ) holds the majority of the votes at the Annual General Meeting and companies in which Northgold AB (publ) by agreement has a controlling interest is classified as a subsidiary and consolidated in the consolidated financial statements (see Note 2). Data on group companies can be found in the note on financial fixed assets. The subsidiaries are included in the consolidated financial statements as of the date on which control is transferred to the group. They are excluded from the consolidated financial statements as of the date on which control ceases.

The Consolidated financial statements are prepared in accordance with the acquisition method. The acquisition date is the time at which control is obtained. Identifiable assets and liabilities are initially measured at fair values at the acquisition date. Goodwill is the difference between the acquired identifiable net assets at the time of acquisition and cost, and is initially measured at cost.

Dealings between group companies are eliminated in full.

*Group relations*

Northgold AB (publ), org.nr 559273-9626, Stockholm, is the parent company of wholly owned subsidiaries Fennia Gold Oy, 2839848-7 and Lakeuden Malmi Oy, 3155439-9 both based in Tampere, Finland.

*Definition of average number of shares*

For the calculation of the average number of shares, the company starts from the ratio on the balance sheet date. If a split or merger of shares has been carried out during the year, the opening number of shares for the period is recalculated to reflect the ratio as of the balance sheet date.

*Intangible fixed assets*

Intangible fixed assets are reported at cost reduced by accumulated depreciation and amortization.

Depreciation is made on a straight-line line over the assessed useful life. The depreciation period for patents, licenses and internally generated intangible fixed assets amounts to five years. The Company's holdings consist of exploration permits, geological information and the cost of exploration. Since no extraction has begun, no depreciation is currently made.

*Material fixed assets*

Property, plant and equipment are reported at cost reduced by depreciation. Cost includes expenses directly attributable to the acquisition of the asset.

When a component of a fixed asset is replaced, any remaining part of the old component is disposed of and the cost of the new component is capitalized.

Additional expenses related to assets that are not broken down into components are added to cost if they are calculated to provide the entity with future economic benefits, to the extent that the asset's performance increases relative to the value of the asset at the acquisition date.

Expenses for ongoing repair and maintenance are recognized as expenses.

Capital gain and capital loss on the sale of a fixed asset are reported as Other operating income and Other operating expense, respectively.

Property, plant and equipment are systematically depreciating over the assessed useful life of the asset. When determining the depreciable amount of the assets, the residual value of the asset is taken into account, where appropriate. Linear depreciation method is used for other types of tangible assets. The following depreciation periods are applied:

Depreciation of property, plant and equipment:  
Fixtures, tools and installations      5 years

*Receivables*

Receivables have been raised at the amounts by which they are estimated to be based on deduction of individually assessed doubtful accounts receivable.

*Foreign currency*

Assets and liabilities in foreign currency are valued at the rate of the balance sheet date.

#### *Other long-term securities holdings*

Other long-term securities holdings are intended for long-term holdings and are accounted for at cost. If a long-term securities holding on the balance sheet date has a lower value than the book value, the asset is written down to this lower value if it can be assumed that the decline in value is permanent.

#### *Income taxes*

Recognized income taxes include tax payable or received in respect of the current year, adjustments to the current tax of previous years, and an interest in the tax of associated companies. Tax liabilities/receivables are valued at what according to the company's assessment should be paid to or received from the Swedish Tax Agency. The assessment is made according to the tax rules and rates that are decided or announced and will be determined with a high level of certainty. For items recognized in the income statement, related tax effects are also recognized in the income statement. Tax effects of items that are reported directly against equity are accounted for against equity.

#### *Cash flow statement*

The cash flow statement is drawn up according to the indirect method. The reported cash flow includes only transactions that involve Cash Receipts or Payments.

Cash and cash equivalents are classified as cash and cash equivalents, as well as short-term financial investments that are only exposed to insignificant risk of value fluctuations, are managed on an open market and have a shorter maturity than three months from the date of acquisition.

The accounting and valuation principles of the parent  
The same accounting and valuation principles are applied in the Parent Company as in the Group, except in the cases set out below.

#### *Shares and participations in subsidiaries*

Shares and interests in subsidiaries are reported at cost after deduction of any impairment losses. The acquisition value includes the purchase price paid for the shares. Any capital contributions and group contributions are added to the cost when they are made. Dividends from subsidiaries are recognized as income.

#### *Equity*

Equity is divided into tied and unrestricted capital, in accordance with the division of the Annual Accounts Act.

#### *Leasing*

The Company currently and historically has no lease.

## NOTE 2 ESTIMATES AND JUDGMENTS

The Company believes it is likely that the intangible and financial assets recognized will generate future economic benefits which will accrue to the Entity. No

new assumptions about the future have been made that resulted in a significant risk of adjusting the carrying amounts of assets and liabilities.

## NOTE 3 FINANCIAL RISKS IN THE GROUP

### Risks and uncertainties

Northgold AB (publ)'s operations, like all entrepreneurship, are associated with risk. Risks can generally be divided into operational risks related to business operations and risks related to financial operations. In addition, operations must be evaluated in the light of the risks, costs and difficulties that exploration companies often face.

The two biggest risks, according to the Board's assessment, are financing needs and access to capital, and exploration risk. The exploration industry is capital intensive and means that additional financing will be required for a favorable development of the company. The Board of Directors and management work continuously to secure the company's capital needs. In February 2023, a new share issue amounting to approximately SEK 10.4 million before issue costs was carried out. The Board of Directors and management believe that the measure will ensure the company's ongoing capital needs for the next 12 months.

### Operational risks

#### Exploration

The risks in an exploration company such as Northgold AB (publ) are primarily linked to the outcome of the exploration itself. Although the collected data is continuously analyzed and evaluated carefully, there is always the risk that positive results will not be delivered. Ore exploration is inherently a high-risk operation, where only a few areas surveyed lead to the expansion of producing mines and therefore involve a significant economic risk.

Northgold AB (publ) has found indications of occurrences of various metals in several places but has not yet been able to establish that the deposits have commercial potential. Even if careful reviews and assessments are made of deposits, the company cannot guarantee that commercial concentrations exist or that other obstacles arise.

Permit issues regarding exploration and obtaining the necessary permits and rights may also entail a risk.

### Environment

Operations must take utmost account of environmental impact. This means that some deposits may not be exploited. One possible consequence will be a deterioration in the possibility of disposing of these.

#### Staff

Northgold AB (publ) is dependent on both internal

and external qualified expertise. The organization of the company is currently limited. The ability to retain permanent or hired staff as well as the ability to recruit new ones is crucial for future development. The Board of Directors and management continuously evaluate alternative solutions to run the business optimally.

#### Competitors

Exploration companies may in some cases compete for the same object or area. Areas around existing ore fields and mines are usually most fiercely competitive. If Northgold AB (publ) is unable to find new deposits or mineralization due to competition, this may have a negative impact on the company's position in the exploration market.

#### Legal requirements

Mining activities are regulated by laws and regulations and are carefully controlled by various government agencies. A particularly far-reaching regulation of activities exists in the environmental field. Permits are required for a large part of the business. Authorities, organizations, land and property owners can thereby delay or stop a project through a long processing time, appeals or not granting applications for exploration permits. Changes in the law can also be detrimental to the business.

### Financial risks

#### Liquidity

Liquidity risk means that payment obligations cannot be met as a result of insufficient liquidity.

#### Commodity prices

In addition to the company's costs, the results of the mineral company are directly related to current mineral prices. Mineral prices are set on the international market and fluctuate over time depending on changes in the factors affecting supply and demand. Prolonged and sharp declines in relative mineral prices may result in losses for the Company and require restrictions or suspension of the Company's exploration and development activities.

#### Cyclical development

External factors such as supply and demand and recessions can have an impact on operating expenses, world market prices for metals and stock valuation. Future earnings and stock valuation may be affected by these factors, which are beyond the Company's control.

#### NOTE 4 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

The Company submitted the auxiliary mine area permit application for the Company's flagship Kopsa gold and copper project.

Completed the acquisition of Northern Aspect Resources Oy from Canadian listed Rupert Resources Ltd, which holds the next largest undeveloped gold deposit (Hirsikangas) in our region of focus,

after the two already held by Northgold (Kopsa and Angesneva).

In connection with the above acquisition, the Company also resolved on a directed share issue of MSEK 10.4 to fund continued exploration and development activities.

#### NOTE 5 REMUNERATION TO THE GROUP'S AUDITORS

(KSEK)	Group		Parent Company	
<b>Baker Tilly MLT KB</b>	2022	2021	2022	2021
Audit assignment	125	50	125	50
Auditing activities other than the auditing assignment	31	10	31	10
<b>Total</b>	<b>156</b>	<b>60</b>	<b>156</b>	<b>60</b>

#### NOTE 6 REMUNERATION TO THE GROUP'S AUDITORS

	Group		Parent Company	
<b>Number of employees at the end of the year</b>	2022	2021	2022	2021
Sweden	1	1	1	1
<i>Of which women %</i>	0%	0%	0%	0%
<b>Total number of employees at the end of the year</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Board and senior executives</b>				
Board	4	4	4	4
<i>Of which women %</i>	0%	0%	0%	0%
Senior executives	1	1	1	1
<i>Of which women %</i>	0%	0%	0%	0%
<b>Total, Board and senior executives</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Salaries, other benefits, social security contributions</b>	<b>Group</b>		<b>Parent Company</b>	
(KSEK)	2022	2021	2022	2021
Board and senior executives	2,435	996	2,435	996
Other employees	0	0	0	0
Social security contributions	639	139	639	139
Pension expenses	0	0	0	0
<b>Total salaries and benefits</b>	<b>3,074</b>	<b>1,135</b>	<b>3,074</b>	<b>1,135</b>
Invoiced consulting services from Board members	343	206	343	206
<b>Total staff costs</b>	<b>3,417</b>	<b>1,341</b>	<b>3,417</b>	<b>1,341</b>

No pensions or similar benefits were paid in 2022 or 2021.

## NOTE 7 PROFIT/LOSS FROM FINANCIAL ITEMS

	Group		Parent Company	
	2022	2021	2022	2021
Exchange rate profits	488,536	0	488,536	0
Interest expenses and similar items			-1,063	
Depreciation participations in Group companies	0	0	-6,218,140	-967,914
Exchange rate losses	-8,359	-964	0	0
<b>Total</b>	<b>480,177</b>	<b>-964</b>	<b>-5,730,667</b>	<b>-967,914</b>

## NOTE 8 GOODWILL

	Group		Parent Company	
	2022	2021	2022	2021
Opening cost	1,227,600	1,227,600	0	0
Translation differences	43,651	0	0	0
<b>Closing accumulated cost</b>	<b>1,271,251</b>	<b>1,227,600</b>	<b>0</b>	<b>0</b>
Opening cost	-532,171	-410,442		
Amortisation for the year	-127,560	-121,729	0	0
<b>Closing accumulated amortisation</b>	<b>-659,731</b>	<b>-532,171</b>	<b>0</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>611,520</b>	<b>695,429</b>	<b>0</b>	<b>0</b>

## NOTE 9 LICENCES AND MINING CONCESSIONS

	Group		Parent Company	
	2022	2021	2022	2021
Opening cost	11,311,950	0	0	0
Purchases for the year	278,250	11,311,950	0	0
<b>Closing accumulated cost</b>	<b>11,590,200</b>	<b>11,311,950</b>	<b>0</b>	<b>0</b>
Opening amortisation	0	0	0	0
Amortisation for the year	0	0	0	0
<b>Closing accumulated amortisation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>11,590,200</b>	<b>11,311,950</b>	<b>0</b>	<b>0</b>

Refers to acquired exploration permits and geological information. As no extraction has begun there is no amortisation at this time.

## NOTE 10 CAPITALISED DEVELOPMENT COSTS

	Group		Parent Company	
	2022	2021	2022	2021
Opening cost	0	0	0	0
Purchases for the year	11,302,176	0	0	0
<b>Closing accumulated cost</b>	<b>11,302,176</b>	<b>0</b>	<b>0</b>	<b>0</b>
Opening amortisation	0	0	0	0
Amortisation for the year	0	0	0	0
<b>Closing accumulated amortisation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>11,302,176</b>	<b>0</b>	<b>0</b>	<b>0</b>

Refers to work on the preparation of geological information and exploration costs. As no extraction has begun there is no amortisation at this time.

## NOTE 11 TANGIBLE ASSETS

	Group		Parent Company	
	2022	2021	2022	2021
Land				
Opening cost	53,180	53,180	0	0
Translation differences	1,604	0	0	0
<b>Closing accumulated cost</b>	<b>54,784</b>	<b>53,180</b>	<b>0</b>	<b>0</b>
Acquired opening cost through acquisition of subsidiaries	0	0	0	0
Depreciation for the year	0	0	0	0
<b>Closing accumulated depreciation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>54,784</b>	<b>53,180</b>	<b>0</b>	<b>0</b>

## NOTE 12 PARTICIPATIONS IN GROUP COMPANIES

Group	Corporate ID Number	Domicile	Share of capital (%)	Number of shares	Book value in Parent Company: 2022
Fennia Gold Oy	2839848-7	Tampere, Finland	100	281,000	10,310,559
Lakeuden Malmi Oy	3155439-9	Tampere, Finland	100	500	25,000
<b>Book value in Parent Company</b>					<b>10 335 559</b>

	Equity	Result
Fennia Gold Oy	8,050	-4,648,273
Lakeuden Malmi Oy	976,405	-1,730,303

Book value in Parent Company	2022	2021
<b>Opening cost</b>	11,303,473	25,000
Acquisition for the year	0	10,310,559
Shareholders' contribution for the year	6,218,140	967,914
<b>Closing cost</b>	17,521,613	11,303,473
<b>Opening impairment</b>	-967,914	0
Impairment for the year	-6,218,140	-967,914
<b>Closing impairment</b>	-7,186,054	-967,914
<b>Book value</b>	<b>10,335,559</b>	<b>10,335,559</b>

The acquisition value of shares in subsidiaries includes estimated surplus values of concessions and permits

## NOTE 13 PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
	2022	2021	2022	2021
Prepaid rents	0	0	0	0
Other prepaid expenses and accrued income	731,245	207,306	94,600	196,000
<b>Total prepaid expenses and accrued income</b>	<b>731,245</b>	<b>207,306</b>	<b>94,600</b>	<b>196,000</b>

## NOTE 14 DEFERRED TAX

	Group		Parent Company	
	2022	2021	2022	2021
Deferred tax on temporary differences, mining concessions	2,330,262	2,330,262	0	0
Tax losses	0	0		
<b>Total</b>	<b>2,330,262</b>	<b>2,330,262</b>	<b>0</b>	<b>0</b>

## NOTE 15 ACCRUED EXPENSES

	Group		Parent Company	
	2022	2021	2022	2021
Accrued salaries and social contributions	428,975	70,000	320,272	70,000
Other accrued expenses	30,182	6,400	30,182	6,400
<b>Total accrued expenses</b>	<b>459,157</b>	<b>76,400</b>	<b>350,454</b>	<b>76,400</b>

## NOTE 16 APPROPRIATIONS

The accumulated profit of SEK 32,933,834 is at the disposal of the AGM. The Board of Directors proposes that the amount be carried forward.

Stockholm on 22/5 2023

**Northgold AB (publ)**

DocuSigned by:

*Otto Persson*

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Otto Persson

*Chairman*

DocuSigned by:

*Mitchell Vanderydt*

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Mitch Vanderydt

*Chief Executive Officer*

DocuSigned by:

*Timo Mäki*

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Timo Mäki

*Member*

DocuSigned by:

*Henrik Löfberg*

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Henrik Löfberg

*Member*

DocuSigned by:

*Roberto Garcia Martinez*

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Roberto Garcia Martinez

*Member*

My audit report has been submitted on 22/5 2023

DocuSigned by:

*Stein Karlsen*

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Stein Karlsen

Chartered Accountant

**Direct Translation****AUDITOR'S REPORT**

To the general meeting of the shareholders of Northgold AB (publ)  
Corporate identity number 559273-9626

**Report on the annual accounts and consolidated accounts*****Opinions***

I have audited the annual accounts and consolidated accounts of Northgold AB (publ) for the year 2022. The annual accounts and consolidated accounts of the company are included on pages 4-24 in this document.

In my opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2022 and their financial performance for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

I therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

***Basis for Opinions***

I conducted my audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the "Auditor's Responsibilities" section. I am independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

***Other Information than the annual accounts and consolidated accounts***

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 3-4. The Board of Directors and the Managing Director are responsible for this other information.

My opinion on the annual accounts and consolidated accounts does not cover this other information and I do not express any form of assurance conclusion regarding this other information.

In connection with my audit of the annual accounts and consolidated accounts, my responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure I also take into account my knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If I, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

***Responsibilities of the Board of Directors and the Managing Director***

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

***Auditor's responsibility***

My objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to my audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

## Direct Translation

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. I also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify my opinion about the annual accounts and consolidated accounts. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my opinions.

I must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. I must also inform of significant audit findings during my audit, including any significant deficiencies in internal control that I identified.

### Report on other legal and regulatory requirements

#### *Opinions*

In addition to my audit of the annual accounts and consolidated accounts, I have also audited the administration of the Board of Directors and the Managing Director of Northgold AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

I recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

#### *Basis for Opinions*

I conducted the audit in accordance with generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the "Auditor's Responsibilities" section. I am independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

#### *Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

#### *Auditor's responsibility*

My objective concerning the audit of the administration, and thereby my opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

My objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby my opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, I exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on my professional judgment with starting point in risk and materiality. This means that I focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. I examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to my opinion concerning discharge from liability. As a basis for my opinion on the Board of Directors' proposed appropriations of the company's profit or loss I examined whether the proposal is in accordance with the Companies Act.

#### *Remarks*

The company has not paid the deducted tax and social security contributions on time during the financial year 2022.

Malmö on 22 May 2023

DocuSigned by:  
  
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 Stein Karlsson

Authorized Public Accountant Far



Northgold AB is a Swedish gold exploration and development company with multiple resource-stage projects in the Middle Ostrobothnia Gold Belt of Central Finland.

[northgoldab.com](http://northgoldab.com)