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Northgold announces outcome of the rights issue

Northgold AB (“Northgold” or the “Company”) announces the outcome of the rights issue of units, announced on 29 August 2024 (the “Rights Issue”). The subscription period in the Rights Issue ended on 24 September 2024. The outcome shows that the Rights Issue has been subscribed to 19.4 per cent with and without unit rights. Consequently, underwriting commitments of 1,550,692 units, corresponding to approximately 30.6 per cent of the Rights Issue, will be utilised. The Company will receive approximately SEK 7.6 million before the repayment of a bridge loan of SEK 1.3 million and issuing costs. Approximately SEK 0.3 million of the Rights Issue has been subscribed for through set-off.

The outcome of the Rights Issue shows that 747,981 units were subscribed for with unit rights, corresponding to approximately 14.8 per cent of the Rights Issue, of which 81,332 units have been subscribed for through offsetting an invoice relating to the Company's previous drilling campaign at Kopsa. Additionally, 236,423 units were subscribed for without unit rights, corresponding to approximately 4.7 per cent of the Rights Issue, of which 8,514 units have been subscribed for through offsetting an invoice relating to the Company's previous drilling campaign at Kopsa. Consequently, underwriting commitments of 1,550,692 units, corresponding to approximately 30.6 per cent of the Rights Issue, will be utilised. The Rights Issue is thereby subscribed to 50.0 per cent, and the Company will receive approximately SEK 7.6 million before the repayment of a bridge loan of SEK 1.3 million and issuing costs. Approximately SEK 0.3 million of the Rights Issue has been subscribed for through set-off.

Each (1) unit in the Rights Issue consists of three (3) shares and two (2) warrants of series TO2. Units subscribed for without the exercise of unit rights will be allocated according to the principles outlined in the information memorandum, which has been prepared in connection with the Rights Issue and was published on 4 September 2024. Notice of allocation to investors who have subscribed for units without the exercise of unit rights will be sent out tomorrow, 26 September 2024. Subscribed and allocated units must be paid in cash in accordance with the contract note, no later than 30 September 2024. Nominee-registered shareholders will receive a notification of allocation in accordance with the respective nominee's procedures.

Trading in BTU

The last day of trading in paid subscribed units ("**BTU**") is on 9 October 2024. After the Rights Issue is registered with the Swedish Companies Registration Office, the BTU will be converted to shares and warrants of series TO2.

Compensation for underwriting commitments

Approximately 38.5 per cent of the Rights Issue was covered by underwriting commitments. The underwriting commitments entitles a compensation of twelve (12) per cent of the underwritten amount in cash, or fifteen (15) per cent of the underwritten amount in the form of units. Compensation to underwriters who choose to receive the underwriting compensation in the form of units in the Company, will be paid in the form of a directed set-off issue. The subscription price in a directed set-off issue to underwriters is SEK 3.24 per unit, corresponding to the volume-weighted average price of the share (SEK 1.08) during the subscription period. One (1) unit consists of three (3) shares and two (2) warrants of series TO2, as in the Rights Issue.

If a directed set-off issue to underwriters will be carried out, a resolution will be announced through a separate press release.

Warrants of series TO2

5,070,192 warrants of series TO2 will be issued in the Rights Issue, implying gross proceeds of approximately SEK 6.1 million upon full exercise of warrants of series TO2. Each (1) warrant of series TO2 issued in the Rights Issue 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.

Change of share capital and number of shares

Through the Rights Issue, the number of shares in Northgold will increase by 7,605,288 to 22,815,862 shares and the share capital will increase by SEK 535,582.162268 to SEK 1,606,746.345960. This means that existing shareholders who have chosen not to participate in the Rights Issue will experience a dilution corresponding to approximately 33.3 per cent of the total number of shares and votes in the Company following the Rights Issue.

If all warrants of series TO2 are fully exercised, the Company's share capital will increase by an additional SEK 357,054.774846 to a total of SEK 1,963,801.120806. The number of shares in the Company will increase by an additional 5,070,192 shares to a total of 27,886,054. This entails an additional dilution effect of approximately 18.2 per cent and a total dilution effect of approximately 45.5 per cent.

Advisers

[Augment Partners AB](#) is acting as the financial advisor and Schjødt is acting as the legal advisor to the Company in connection with the Rights Issue.

Additional information

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This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**") and no prospectus has been or will be prepared in connection with the Rights Issue. The Company's information memorandum is available on the Company's website, <https://northgoldab.com/>.

This information is information that Northgold AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-09-25 18:40 CEST.

Attachments

[Northgold announces outcome of the rights issue](#)