



INTERIM REPORT

APRIL - JUNE 2022



THE QUARTER IN SHORT

HIGHLIGHTS OF SECOND QUARTER 2022

- Finished the quarter with a cash balance of SEK 28.3 million on 30 June 2022, down SEK 8.7 million from a prior balance of SEK 37.0 million at the end of the previous quarter, after incurring administrative costs and exploration costs related to the Company's ongoing 2022 exploration program.
- Completed 6.4km of Induced Polarization ("IP") geophysical surveys at our flagship Kopsa project. Results were incorporated to our 3D model which is being used to help guide core drilling.
- Completed 13 diamond drill ("DD") holes totalling 2,461m at Kopsa project, aimed at confirming and growing historic gold and copper resources.



Health and safety training for drilling crew member at the Kopsa project

FINANCIAL INDICATORS AND SHARE DATA (GROUP, CONSOLIDATED)

	2022 Jan-Jun	2021 Jan-Jun (1)	2021 Jan-Dec (1)
Average equity for the period (KSEK)	25,524	1,738	5,359
Average total capital for the period (KSEK)	29,465	1,950	6,716
Return on equity (%)	-21.5	-35.3	-83.1
Return on total capital (%)	-17.8	-35.0	-67.0
Equity/assets ratio (%)	88.6	89.2	79.8
Earnings per share (SEK) (before dilution)	-0.52	-0.2	-0.6
Earnings per share (SEK) (after dilution)	-0.51	-0.2	-0.6
Equity per share (SEK)	3.8	1.2	1.5
Quick ratio (%)	1,041	925	350
Total number of shares (before dilution)	10,516,020	2,975,007	7,100,020
Total number of shares (after dilution)	10,835,520	2,975,007	7,100,020
Average number of shares	8,808,020	1,750,004	3,812,510

(1) Fennia Gold Oy was acquired by Northgold AB during the second half of 2021.

FINANCIAL HIGHLIGHTS OF SECOND QUARTER 2022 (GROUP, CONSOLIDATED)

- Net sales amounted to KSEK 0 (Q2 2021: KSEK 0).
- Operating profit/loss after financial items totalled KSEK -2,477 (Q2 2021: KSEK -258).
- Earnings per share after financial items amounted to SEK -0.2 (Q2 2021: SEK -0.2).
- Cash flow from operating activities was KSEK -3,675 (Q2 2021: KSEK -696).

FINANCIAL HIGHLIGHTS OF FIRST HALF YEAR 2022 (GROUP, CONSOLIDATED)

- Net sales amounted to KSEK 0 (Q2 2021: KSEK 0).
- Operating profit/loss after financial items totalled KSEK -5,492 (2021: KSEK -871).
- Earnings per share after financial items amounted to SEK -0.5 (2021: SEK -0.4).
- Cash flow from operating activities was KSEK -3,957 (2021: KSEK -929).

SIGNIFICANT EVENTS IN THE SECOND QUARTER

- Northgold Outlines Details of 2022 Exploration Plans at Kopsa and Kiimala Trend Projects: 5,000 Metre Drill Program is Set to Commence in Early May (27 April 2022).
- Northgold Completes First 1,500 Metres of Previously Announced and Ongoing 5,000 Metre Core Drilling Program (7 June 2022).

SIGNIFICANT EVENTS AFTER THE PERIOD

- Northgold announces initial drill results confirming shallow, high-grade gold at Kopsa, within a broad interval of 3.90 g/t gold over 98.7m (2 August 2022).



Fresh Kopsa core on route to the core shack for logging

COMMENTS ON THE SECOND QUARTER, 1 APRIL–30 JUNE 2022 (GROUP, CONSOLIDATED)

EARNINGS AND SALES

The company's net sales for the second quarter totalled KSEK 0 (Q2 2021: KSEK 0), and earnings after financial items totalled KSEK -2,477 (Q2 2021: KSEK -258). Operating costs amounted to KSEK -2,207 (Q2 2021: KSEK -270). EBITDA for the second quarter was KSEK -2,207 (Q2 2021: KSEK -270). Financial items for the quarter amounted to KSEK -270 (Q2 2021: KSEK 12).

INVESTMENTS

Investments in property, plant, and equipment in the second quarter totalled KSEK 0 (Q2 2021: KSEK 0). Investments in intangible assets amounted to KSEK 3,870 (Q2 2021: KSEK 0). Investments in non-current financial assets amounted to KSEK 99 (Q2 2021: KSEK 0).

FINANCIAL POSITION

Cash and cash equivalents amounted to KSEK 28,316 (Q2 2021: KSEK 3,121) on 30 June. Equity was KSEK 40,372 (30 June 2021: KSEK 3,175).

CASH FLOW AND FINANCING

Cash flow from operating activities in the second quarter was KSEK -3,675 (Q2 2021: KSEK -696). Cash flow from investing activities was KSEK -3,879 (Q2 2021: KSEK 0), while cash flow from financing activities was KSEK -1,175 (Q2 2021: KSEK 0).

COMMENTS ON THE FIRST HALF YEAR, 1 JANUARY – 30 JUNE 2022 (GROUP, CONSOLIDATED)

EARNINGS AND SALES

The company's net sales for the first half year totalled KSEK 0 (6M 2021: KSEK 0), and earnings after financial items totalled KSEK -5,492 (6M 2021: KSEK -871). Operating costs amounted to KSEK -5,233 (6M 2021: KSEK -953). EBITDA for the first half year was KSEK -5,233 (6M 2021: KSEK -953). Financial items for the first half year amounted to KSEK -259 (6M 2021: KSEK 82).

INVESTMENTS

Investments in property, plant, and equipment in the first half year totalled KSEK 0 (6M 2021: KSEK 0). Investments in intangible assets amounted to KSEK 3,870 (6M 2021: KSEK 0). Investments in non-current financial assets amounted to KSEK 192 (6M: KSEK 0).

FINANCIAL POSITION

Cash and cash equivalents amounted to KSEK 28,316 (6M 2021: KSEK 3,121) on 30 June. Equity was KSEK 40,372 (6M 2021: KSEK 3,175).

CASH FLOW AND FINANCING

Cash flow from operating activities in the first half year was KSEK -3,957 (6M 2021: KSEK -929). Cash flow from investing activities was KSEK -3,856 (6M 2021: KSEK -0), while cash flow from financing activities was KSEK 35,063 (6M 2021: KSEK 4,000).

COMMENTS ON THE SECOND QUARTER, 1 APRIL–30 JUNE 2022 (PARENT COMPANY)

EARNINGS AND SALES

The company's net sales for the second quarter totalled KSEK 0 (Q2 2021: KSEK 0), and earnings after financial items totalled KSEK -574 (Q2 2021: KSEK -547). Operating costs amounted to KSEK -1,333 (Q2 2021: KSEK -547). EBITDA for the second quarter was KSEK -573 (Q2 2021: KSEK -547). Financial items for the quarter amounted to KSEK -1 (Q2 2021: KSEK 0).

INVESTMENTS

Investments in property, plant, and equipment in the second quarter totalled KSEK 0 (Q2 2021: KSEK 0). Investments in intangible assets amounted to KSEK 0 (Q2 2021: KSEK 0). Investments in non-current financial assets amounted to KSEK 0 (Q2 2021: KSEK 0).

FINANCIAL POSITION

Cash and cash equivalents amounted to KSEK 26,619 (Q2 2021: KSEK 2,094) on 30 June. Equity was KSEK 41,066 (Q2 2021: KSEK 3,087).

CASH FLOW AND FINANCING

Cash flow from operating activities in the second quarter was KSEK -7,111 (Q2 2021: KSEK -971). Cash flow from investing activities was KSEK 101 (Q2 2021: KSEK 0), while cash flow from financing activities was KSEK -1,325 (Q2 2021: KSEK 0).

COMMENTS ON THE FIRST HALF YEAR, 1 JANUARY – 30 JUNE 2022 (PARENT COMPANY)

EARNINGS AND SALES

The company's net sales for the first half year totalled KSEK 0 (6M 2021: KSEK 0), and earnings after financial items totalled KSEK -1,161 (6M 2021: KSEK -677). Operating costs amounted to KSEK -1,075 (6M 2021: KSEK -716). EBITDA for the first half year was KSEK -1,072 (6M 2021: KSEK -693). Financial items for the quarter amounted to KSEK -89 (6M 2021: KSEK 16).

INVESTMENTS

Investments in property, plant, and equipment in the first half year totalled KSEK 0 (6M 2021: KSEK 0.5). Investments in intangible assets amounted to KSEK 252 (6M 2021: KSEK 1,235). Investments in non-current financial assets amounted to KSEK 97 (6M 2021: KSEK 1,040).

FINANCIAL POSITION

Cash and cash equivalents amounted to KSEK 499 (6M 2021: KSEK 2,406) on 30 June. Equity was KSEK 5,553 (30 June 2021: KSEK 8,461).

CASH FLOW AND FINANCING

Cash flow from operating activities in the first half year was KSEK -9,134 (6M 2021: KSEK -1,931). Cash flow from investing activities was KSEK 101 (6M 2021: KSEK 0), while cash flow from financing activities was KSEK 35,126 (6M 2021: KSEK 4,000).

THE SHARE

The share capital of Northgold AB (publ) on 30 June 2022 amounted to SEK 740,890.46. The total number of shares outstanding was 10,520,674.

The company was listed on Nasdaq First North on 24 March 2022. The share's ticker symbol is NG and its ISIN is SE0017131071.

RELATED-PARTY TRANSACTIONS

The second quarter 2022, earnings were charged with fees of KSEK 31 paid to Board member Roberto García Martínez's company Nazgero Consulting Service LTD for work carried out.

LIST OF SHAREHOLDERS AT 30 JUNE 2022

Shareholder	Number of Shares	Percentage (%)
Magnus Minerals Oy	2,904,080	27.62 %
Richard Gazal	1,175,524	11.18 %
Andrew Randall	817,117	7.77 %
Kimberly Wrixon	640,000	6.09 %
Aurora Exploration Oy	603,400	5.74 %
Other shareholders	4,375,889	41.6 %

FINANCIALS

INCOME STATEMENT (GROUP, CONSOLIDATED)

KSEK	2022 Jan-Jun	2021 Jan-Jun (1)	2022 Apr-Jun (1)	2021 Apr-Jun (1)	2021 Jan-Dec (1)
Operating income					
Net sales	0	0	0	0	0
Other operating income	0	0	0	0	46
Total operating income	0	0	0	0	46
Operating costs					
Other external costs	-4,247	-953	-1,592	-270	-2,686
Staff costs	-860	0	-615	0	-1,135
Depreciation of tangible assets	-126	0	0	0	-122
Operating profit/loss	-5,233	-953	-2,207	-270	-3,897
Net financial items	-259	82	-270	12	-1
Profit/loss before tax	-5,492	-871	-2,477	-258	-3,898
Tax on profit/loss for the year	0		0	0	0
PROFIT/LOSS FOR THE PERIOD	-5,492	-871	-2,477	-258	-3,898

(1) Fennia Gold Oy was acquired by Northgold AB during the second half of 2021.

BALANCE SHEET (GROUP, CONSOLIDATED)

KSEK	30 Jun 2022	30 Jun 2021 (1)	31 Dec 2021 (1)
ASSETS			
Intangible assets	15,671	0	12,007
Tangible assets	54	0	54
Financial assets	192	0	0
Other current assets	1,314	68	255
Cash and bank balances	28,316	3,121	1,066
TOTAL ASSETS	45,547	3,189	13,382
EQUITY AND LIABILITIES			
Equity	40,372	3,175	10,675
Deferred tax	2,330	0	2,330
Current liabilities	2,845	14	377
TOTAL EQUITY AND LIABILITIES	45,547	3,189	13,382

(1) Fennia Gold Oy was acquired by Northgold AB during the second half of 2021.

CHANGES IN EQUITY (GROUP, CONSOLIDATED)

KSEK	2022 Jan-Jun	2021 Jan-Jun (1)	2022 Apr-Jun (1)	2021 Apr-Jun (1)	2021 Jan-Dec (1)
Equity at the beginning of the period	10,675	44	44,024	3,433	44
New share issue	39,626	4,000	1	0	15,077
Costs for new share issue	-4,500	0	-1,255	0	-558
Translation differences	63	2	79	0	10
Profit/loss for the period	-5,492	-871	-2,477	-258	-3,898
Equity at the end of the period	40,372	3,175	40,372	3,175	10,675

(1) Fennia Gold Oy was acquired by Northgold AB during the second half of 2021.

STATEMENT OF CASH FLOW (GROUP, CONSOLIDATED)

KSEK	2022 Jan-Jun	2021 Jan-Jun (1)	2022 Apr-Jun (1)	2021 Apr-Jun (1)	2021 Jan-Dec (1)
Operating profit/loss for the period	-5,233	-953	-2,207	-270	-3,898
Amortisation and depreciation	126	0	0	0	122
Financial items, etc.	-259	78	-270	8	-1
Cash flow from operating activities before change in working capital	-5,366	-875	-2,477	-262	-3,777
Change in operating receivables	-1,059	-68	-841	-38	-243
Change in operating liabilities	2,468	14	-357	-396	363
Cash flow from operating activities	-3,957	-929	-3,675	-696	-3,657
Cash flow from investing activities	-3,856	-0	-3,879	-0	-9,842
Cash flow from financing activities	35,063	4,000	-1,175	0	14,519
Cash flow for the period	27,250	3,071	-8,729	-696	1,020
Translation differences					-4
Cash and cash equivalents at the beginning of the period	1,066	50	37,045	3,817	50
Cash and cash equivalents at the end of the period	28,316	3,121	28,316	3,121	1,066

(1) Fennia Gold Oy was acquired by Northgold AB during the second half of 2021.

INCOME STATEMENT (PARENT COMPANY)

KSEK	2022 Jan-Jun	2021 Jan-Jun	2022 Apr-Jun	2021 Apr-Jun	2021 Jan-Dec
Operating income					
Net sales	0	0	0	0	0
Other operating income	760	0	760	0	45
Total operating income					45
Operating costs					
Other external costs	-2,687	-760	-718	-261	-1,695
Staff costs	-860	-286	-615	-286	-1,135
Depreciation of tangible assets	0	0	0	0	0
Operating profit/loss	-2,787	-1,046	-573	-547	-2,785
Net financial items	-2,089	83	-1	0	-968
Profit/loss before tax	-4,876	-963	-574	-547	-3,753
Tax on profit/loss for the year	0	0	0	0	0
PROFIT/LOSS FOR THE PERIOD	-4,876	-963	-574	-547	-3,753

(1) Fennia Gold Oy was acquired by Northgold AB during the second half of 2021.

BALANCE SHEET (PARENT COMPANY)

KSEK	30 Jun 2022	30 Jun 2021 (1)	31 Dec 2021 (1)
ASSETS			
Financial assets	10,336	25	10,437
Other current assets	4,814	968	201
Cash and bank balances	26,619	2,094	526
TOTAL ASSETS	41,769	3,087	11,164
EQUITY AND LIABILITIES			
Equity	41,066	3,087	10,816
Current liabilities	703	0	348
TOTAL EQUITY AND LIABILITIES	41,769	4,033	11,164

(1) Fennia Gold Oy was acquired by Northgold AB during the second half of 2021.

CHANGES IN EQUITY (PARENT COMPANY)

KSEK	2022 Jan-Jun	2021 Jan-Jun	2022 Apr-Jun	2021 Apr-Jun	2021 Jan-Dec
Equity at the beginning of the period	10,816	50	42,894	3,634	50
New share issue	39,626	4,000	1	0	15,077
Changes in deferred tax	-4,500	0	-1,255	0	-558
Translation differences	0	0	0	0	0
Profit/loss for the period	-4,876	-963	-574	-547	-3,753
Equity at the end of the period	41,066	3,087	41,066	3,087	10,816

STATEMENT OF CASH FLOW (PARENT COMPANY)

KSEK	2022 Jan-Jun	2021 Jan-Jun	2022 Apr-Jun	2021 Apr-Jun	2021 Jan-Dec
Operating profit/loss for the period	-2,787	-1,046	-573	-547	-2,785
Amortisation and depreciation	0	0	0	0	0
Financial items, etc.	-2,089	83	-1	3	0
Cash flow from operating activities before change in working capital	-4,876	-963	-574	-547	-2,785
Change in operating receivables	-4,613	-968	-4,034	-25	-201
Change in operating liabilities	355	0	-2,503	-399	348
Cash flow from operating activities	-9,134	-1,931	-7,111	-971	-2,638
Cash flow from investing activities	101	-0	101	0	-11,405
Cash flow from financing activities	35,126	4,000	-1,325	0	14,544
Cash flow for the period	26,093	2,069	-8,335	-971	501
Cash and cash equivalents at the beginning of the period	526	25	34,954	3,065	25
Cash and cash equivalents at the end of the period	26,619	2,094	26,619	2,094	526

OTHER INFORMATION

ACCOUNTING PRINCIPLES

Since 2020, Northgold AB has applied the Swedish Annual Accounts Act and Swedish Accounting Standards Board's general recommendation 2012:1 (K3) to the preparation of financial statements.

AUDITOR'S REPORT

This interim report has not been subject to review by an auditor.

CERTIFIED ADVISER

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UPCOMING REPORTING DATES

The interim report for the July to September period will be published on 25 November 2022.

Reports and press releases, etc., are published on Nasdaq First North's website www.nasdaqomxnordic.com and on www.northgoldab.com.

AUGUST 2022

Northgold AB
 Board of Directors

For further information, please contact CEO Mitch Vanderydt
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DEFINITIONS OF KEY PERFORMANCE INDICATORS

Return on total capital:	Earnings after financial items plus financial expenses as a percentage of average total capital.
Return on equity:	Net profit according to the income statement as a percentage of average equity.
Equity/assets ratio:	Equity as a percentage of total assets.
Earnings per share:	Earnings after tax in relation to the average number of shares.
Equity per share:	Equity in relation to the number of shares on the balance sheet date.
Quick ratio:	Current assets excluding stock in relation to current liabilities.



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

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