

Northgold announces mineral resource estimate for flagship Kopsa project

Stockholm, 9 August 2023. Northgold AB (Nasdaq First North Growth Market: “NG”, or “Northgold” or the “Company”) announces its first Mineral Resource Estimate (“MRE”) for the 100%-owned Kopsa gold and copper project in Central Finland.

Highlights

- **Kopsa MRE totals 16.6 million tonnes (“Mt”) of in-situ resources grading 0.79 grams per tonne (“g/t”) gold (“Au”) and 0.16% copper (“Cu”), for combined grade of 1.03 g/t gold-equivalent (“AuEq”), containing 424,000 ounces (“oz”) Au and 56.8 million pounds (“Mlbs”) Cu, for combined metal of 547,000 oz AuEq (90% in the Measured and Indicated categories).**
 - Includes a pit-constrained resource, containing over 81% of the in-situ AuEq metal content, confirming a low strip ratio of 1.7.
 - Also includes a higher-grade 1Mt starter pit grading 1.40 g/t Au and 0.17% Cu (1.65g/t AuEq), for 45,200 oz Au and 3.8 Mlbs Cu (53,500 oz AuEq), with an ultra-low strip ratio of 0.36, to provide high margin initial cash flow for the project.
- **The Kopsa MRE was prepared in accordance with standards set out in 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC code).**
- **Kopsa’s combination of average gold mine grade with low strip ratio places it near the top third of known deposits based on the combination of these two metrics, and should result in reasonably high margins once critical mass of resources are attained.**
- **The Kopsa MRE’s combined Measured, Indicated, and Inferred gold-equivalent resource ounces exceeds that of the historic 2012 resource estimate by 66%.**
 - **This is an incredibly strong result given that this increase is largely due to the 4,200m drilled by the Company at Kopsa in 2022 (and partly due to a lower cutoff grade), which bodes well for substantial future resource growth with further drilling, including from the additional 2,000m already completed by the Company in 2023, with assays pending.**

Mitch Vanderydt, CEO, comments: “Today’s resource estimate marks a significant, de-risking step forward, and snapshot in time, along Kopsa’s path towards commercial gold and copper production. The estimate combines gold and copper assay results from the drilling undertaken at Kopsa last year, with those results we inherited from historic resource drilling. This updated resource estimate greatly increases our confidence in the validity and accuracy of our inherited historic drill hole data, and reaffirms our conviction in Kopsa’s positive resource growth trajectory.”

About the Kopsa mineral resource estimate

The Kopsa 2023 MRE is based on the 4,200m of drilling completed by Northgold in 2022, and also incorporates 14,300m of historic drilling (that was also used in the historic 2012 and 2013 resource estimates). The MRE was prepared by Pekka Lovén and Markku Meriläinen (who also prepared the historic 2012 estimate), under the supervision of Hannu Makkonen, PhD, who is an Independent Qualified Person in compliance with JORC code. A Technical Report supporting the MRE is also being prepared in accordance with JORC code, and will become available on the Company’s website at www.northgoldab.com, during the fourth quarter of 2023. The MRE excludes significant additional exploration potential at depth, some of which was already drilled with another 2,000m completed in 2023, with assays pending for release in the coming weeks to months, and with results to be included in the next interim resource update anticipated for release in the first half of 2024 (pending the assay results).

A summary of the Kopsa MRE is shown in Table 1, and is illustrated visually in Figures 1 through 4. Figures 1 and 2 show the resource block model of the in-situ resource and the unoptimized, pit-constrained resource respectively.

Figures 3 and 4 highlight the previous and updated pit outlines at Kopsa, illustrating the recent growth extension and future growth potential in the S-SW direction, particularly at depth. The growth potential further to the S-SW has been tested by holes NGKOP23032 and NGKOP23034 (shown as dashed lines in Figure 4) that were drilled recently and with results pending. The historic 2012 and (unverified) 2013 resource estimates are summarized in Table 2.

Figure 5 compares the grade and strip ratio of select global open pit project peers to the pit-constrained portion of the Kopsa MRE, **highlighting Kopsa's relatively high ranking** near the top third of project peers in terms of both strip ratio, and combination of strip ratio and grade.

Finally, Figure 6 compares the Kopsa MRE to that of Finland's largest gold deposits, highlighting the minimal amount of drilling completed at Kopsa thus far relative to Finnish peer gold projects, resulting in overall mineral resources of 30 oz AuEq per m drilled. **This bodes well for significant, low-cost resource growth still to come.**

Comparison of Kopsa 2023 MRE to historic 2012 and 2013 mineral resource estimates

The Kopsa MRE was prepared by the same individuals as the historic 2012 resource estimate ([web link](#)) of 8.5Mt grading 0.98 g/t Au and 0.16% Cu (Pekka Lovén and Markku Meriläinen), using similar conservative assumptions, but at a lower cutoff grade of 0.3 g/t AuEq (versus cutoff grade of 0.4 g/t Au used in 2012). The Company was unable to verify the historic 2013 resource estimate ([web link](#)) of 16.3Mt grading 0.81 g/t Au and 0.16% Cu, which was prepared by others, and used less conservative assumptions, therefore the 2012 estimate has been used for a more appropriate "like-for-like" comparison in terms of progress. Northgold's strong drill results from 2022 helped the combined Measured, Indicated, and Inferred tonnes to exceed the combined 2012 resource tonnes by factor of nearly double (96% increase), with the lower cutoff grade leading to the combined gold-equivalent grade being 15% lower. The resulting combined contained gold-equivalent ounces exceeded the combined 2012 gold-equivalent ounces by a substantial 66%.

Competent/qualified person statement

The technical information in this press release has been reviewed by Hannu Makkonen, PhD, from Suomen Malmitutkimus Oy. He has over 40 years of experience in mineral exploration in Finland, he is a European Geologist (EurGeol) and a Competent/Qualified Person as defined by the PERC Reporting Standard 2021, JORC Code, 2012 Edition, and by National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Dr. Makkonen owns no shares in Northgold AB, or its wholly-owned subsidiaries, Fennia Gold Oy, Lakeuden Malmi Oy, or Northern Aspect Resources Oy.

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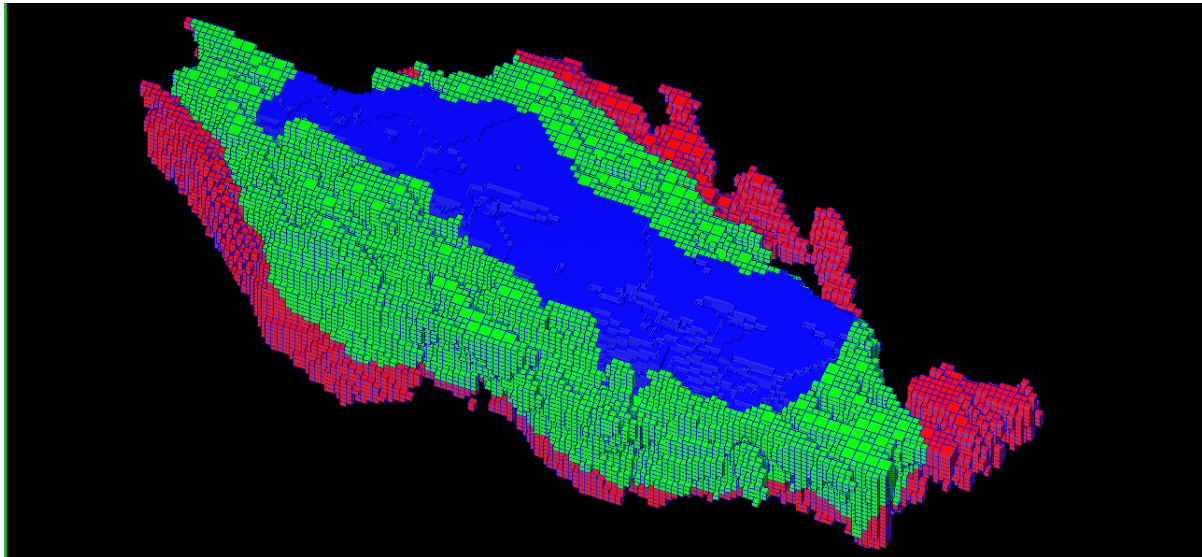
Table 1: Kopsa 2023 mineral resource estimate (0.3 g/t AuEq cutoff)

Resource Category	Tonnes (t)	Grade			Contained gold		Contained copper		Contained gold-equivalent	
		g/t Au	% Cu	g/t AuEq	oz Au	kg Au	Lbs Cu	t Cu	oz AuEq	kg AuEq
Measured	6,060,000	0.91	0.16	1.15	178,100	5,540	21,430,000	9,720	224,600	6,990
Indicated	8,700,000	0.74	0.15	0.96	205,800	6,400	28,880,000	13,100	268,500	8,350
M&I	14,760,000	0.81	0.15	1.04	383,800	11,940	50,310,000	22,820	493,200	15,340
Inferred	1,830,000	0.68	0.16	0.92	40,100	1,250	6,510,000	2,950	54,300	1,690
Total	16,590,000	0.79	0.16	1.03	424,000	13,190	56,810,000	25,770	547,400	17,030

Notes:

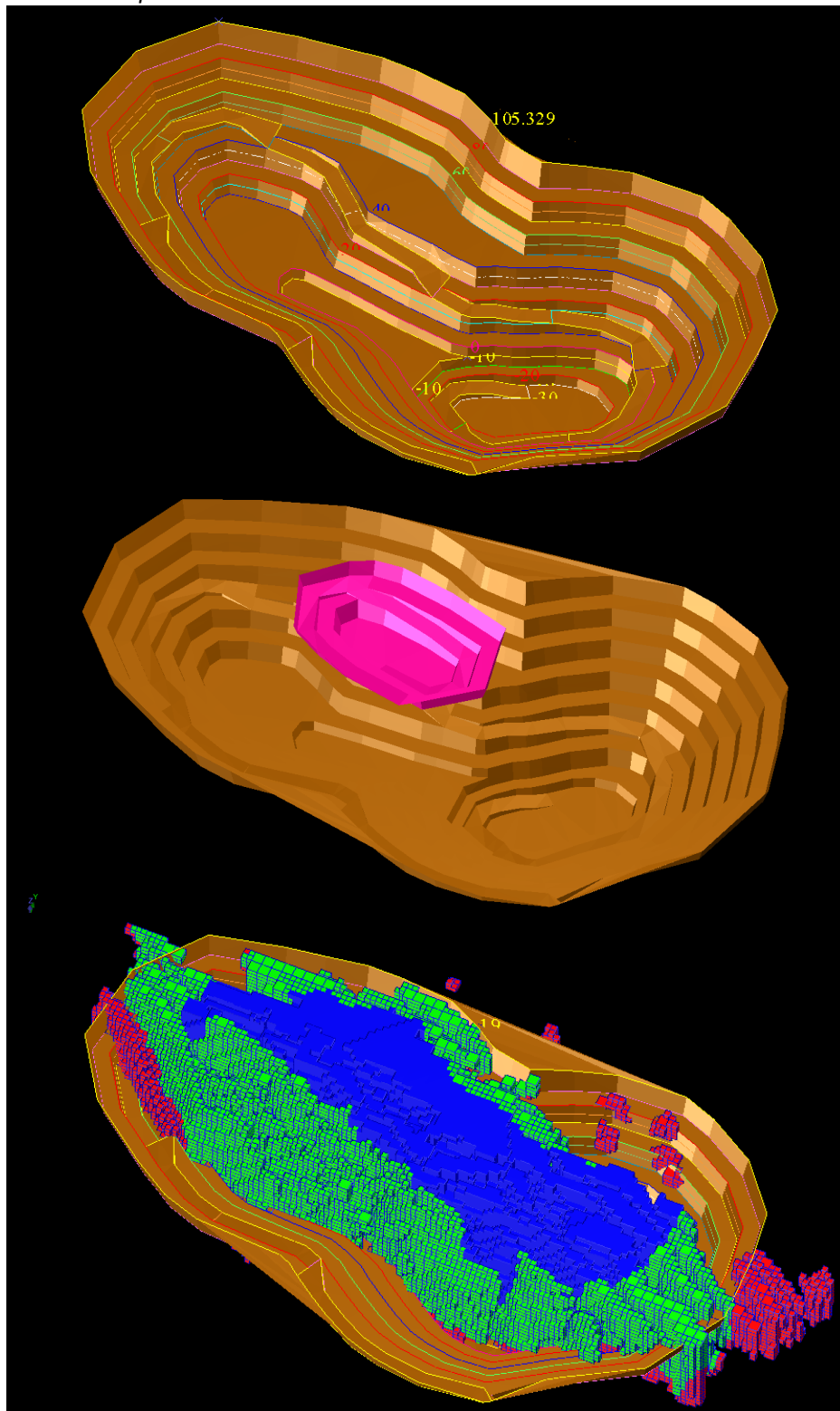
1. The Mineral Resource Estimate has an effective date of 9 August 2023, and was estimated in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)
2. The Mineral Resource Estimate was prepared by Pekka Lovén and Markku Meriläinen, under the supervision of Hannu Makkonen, PhD, who is an Independent Competent Person in compliance with JORC Code.
3. Estimates were based on a lower cutoff grade of 0.3 g/t AuEq for the for combined gold and copper mineralisation deemed potentially mineable by open pit methods, and were top-cut to 20 g/t Au in the high grade gold domains. Both the cut-off grade and gold-equivalency conversions are based on a gold price of US\$1,500/oz Au and copper price of US\$3.25/lb Cu. No recoveries or dilution factors have been considered in this estimate and the results should be considered strictly *in situ*, in accordance with JORC Code’s reporting guidelines for resources.
4. The Technical Report supporting the mineral resource estimate is being prepared in accordance with JORC Code and will become available on the Company’s website at www.northgoldab.com during the fourth quarter of 2023.
5. All values are rounded to reflect the relative accuracy of the estimate.
6. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

Figure 1: Block model for Kopsa project in situ mineral resource estimate



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Figure 2: Kopsa 2023 MRE's un-optimized open pit shell, starter-pit shell, and block model for pit-constrained portion.



Notes:

1. Blue=measured category resources; green=indicated category; red=inferred category
2. Maximum depth of un-optimized pit shell is 135m

Figure 3: Plan view map showing Kopsa 2023 MRE and un-optimized pit outlines versus historic resource and pit outlines, showing drill hole locations.

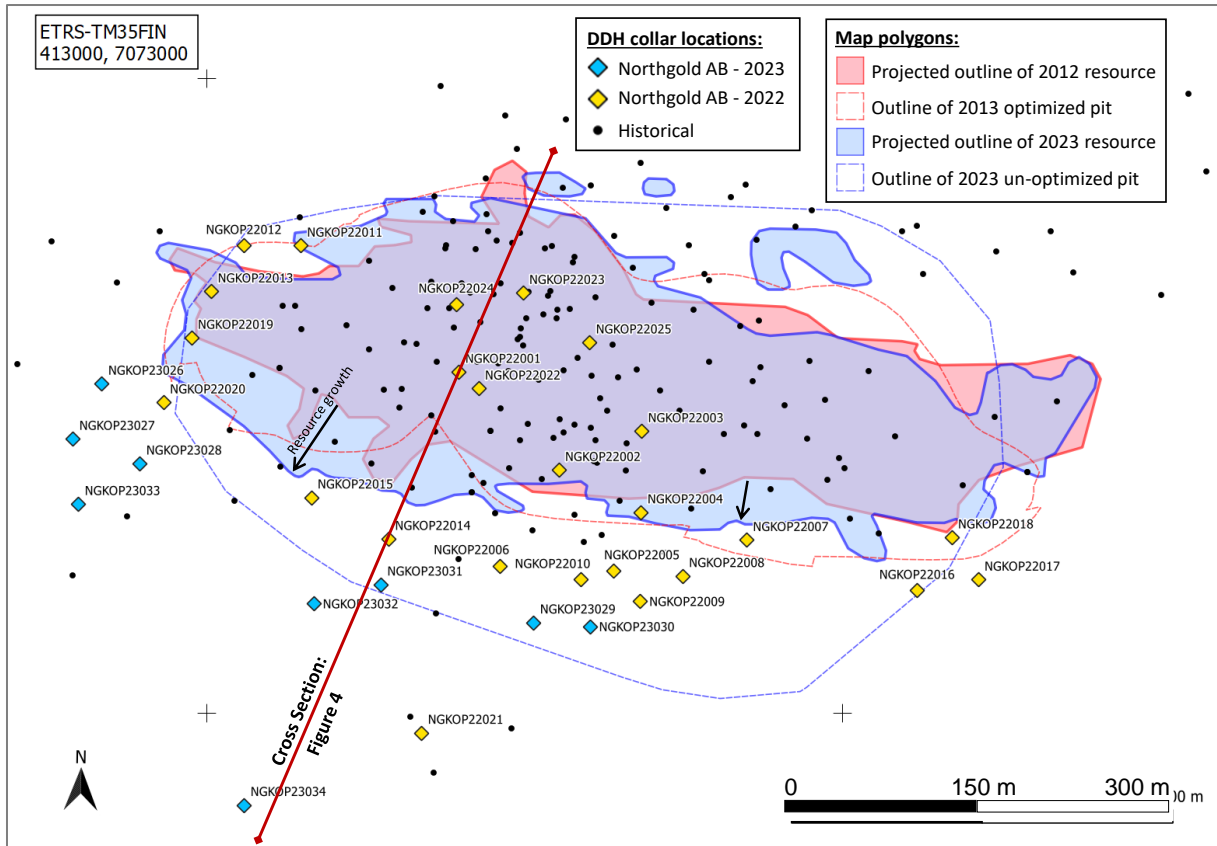
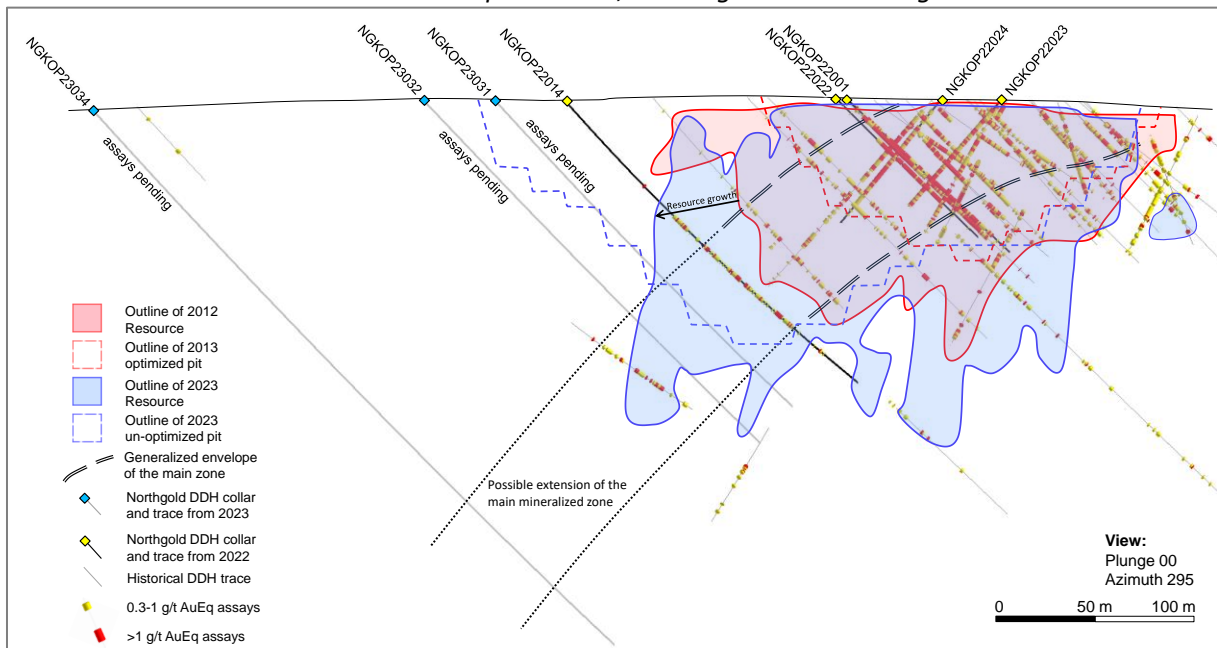
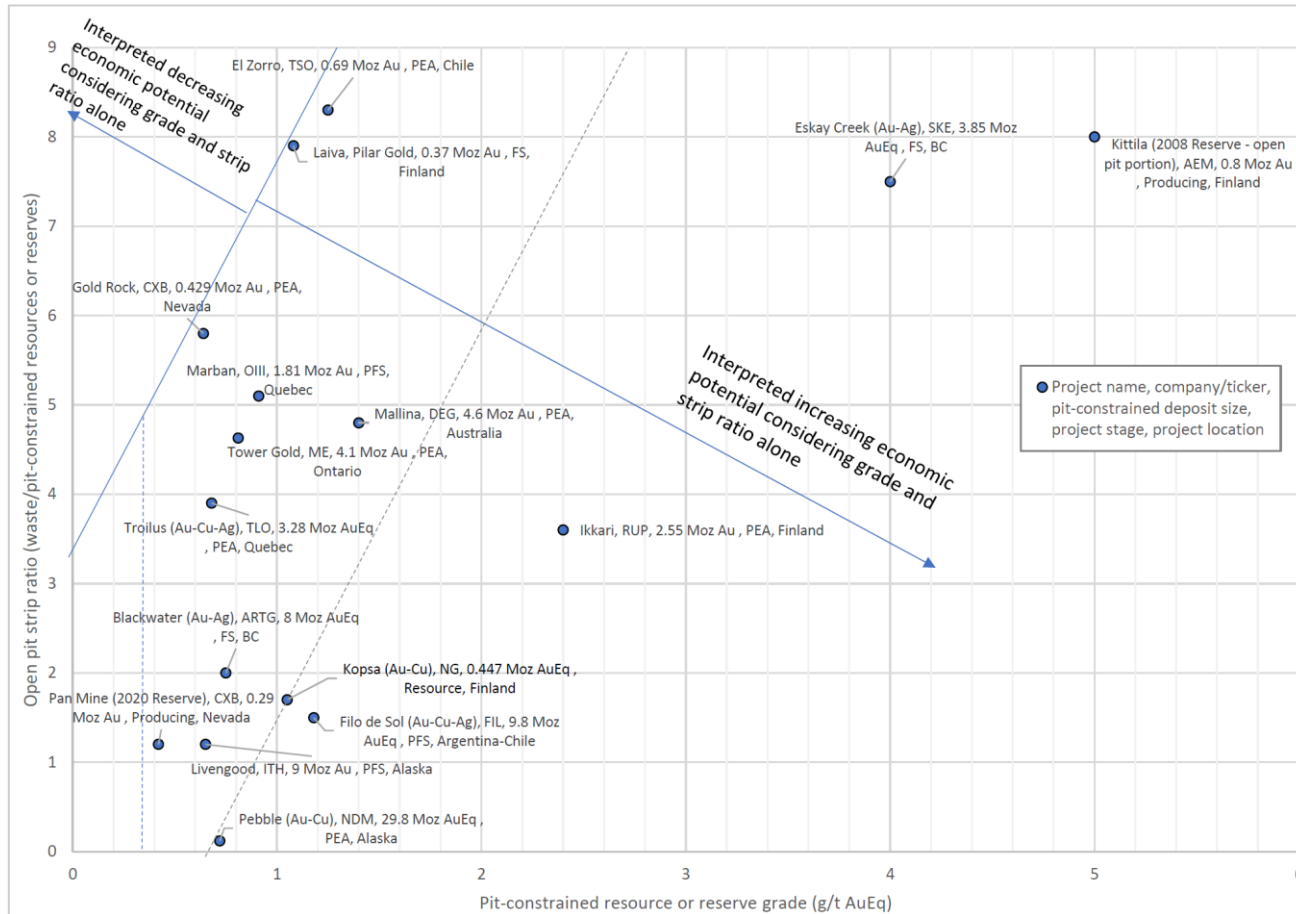


Figure 4: Cross section (60m wide) looking W-NW showing Kopsa 2023 MRE and un-optimized pit outlines relative to historic resource and pit outlines, showing drill hole tracings.



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Figure 5: Kopsa vs. select global open pit project peers by pit-constrained deposit grade and strip ratio.



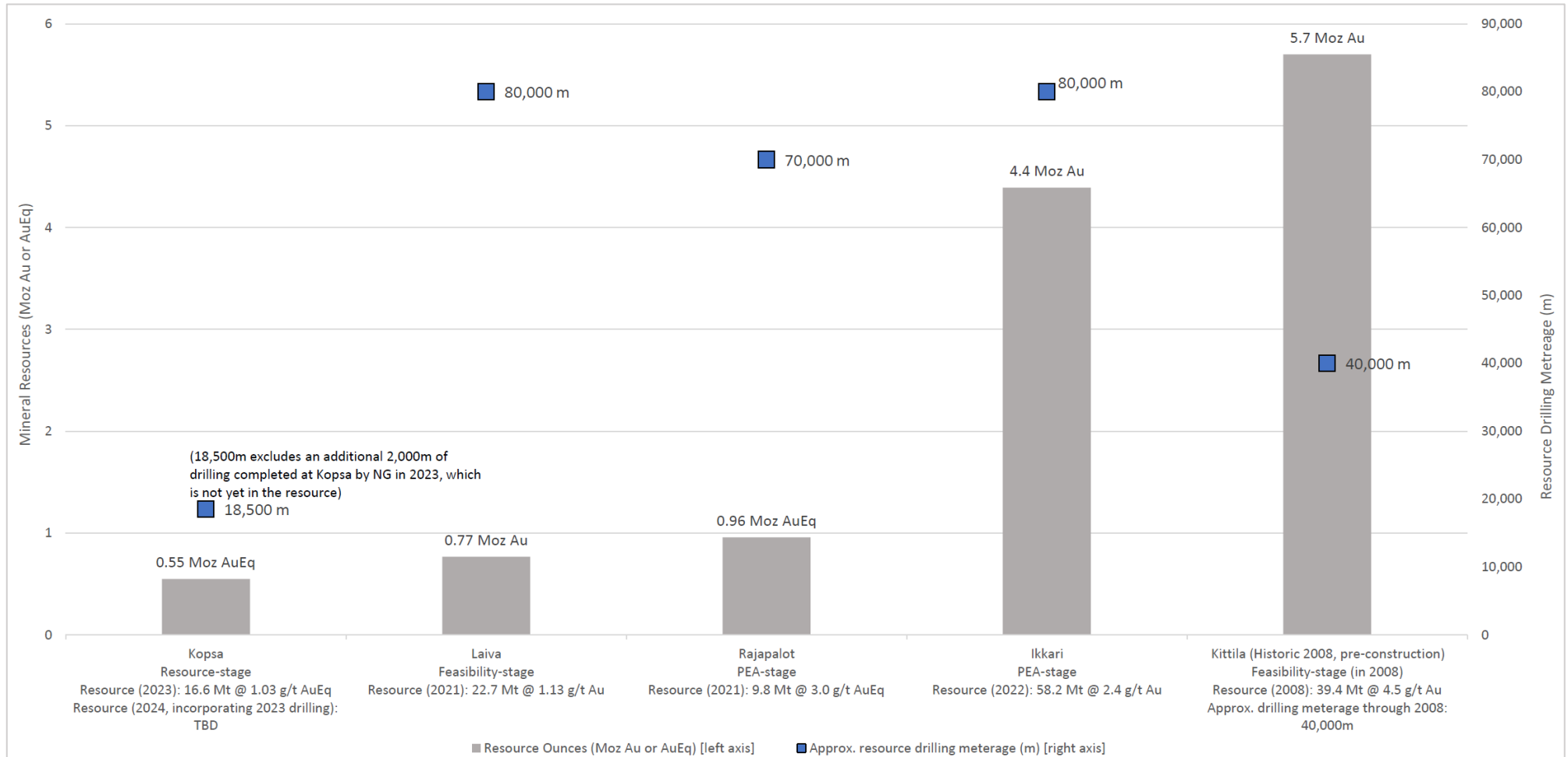
Source: Company reports

Notes:

1. The pit-constrained deposit sizes for the resource-stage project (Kopsa) and PEA-stage projects refer to JORC or Canada's National Instrument ("NI") 43-101 compliant mineral resources that include measured, indicated, and inferred category resources, whereas the pit-constrained deposit sizes for the PFS- and FS-stage projects refer to JORC or NI 43-101 compliant proven and probable mineral reserve that include only measured and indicated category resources.
2. The pit-constrained deposit sizes for the resource-stage project (Kopsa) does not account for dilution or metallurgical recovery, whereas the PEA-, PFS- and FS-stage projects do account for dilution and metallurgical recovery.

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Figure 6: Finland's largest gold deposits by resource size and drilling metrage



Source: Company reports

Notes:

1. Referenced mineral resources include JORC or NI 43-101 compliant measured, indicated, and inferred category resources.

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For additional information, please contact the CEO:

“Mitch Vanderydt”

Mitchell J. Vanderydt, P.Eng, MBA

Email: ir@northgoldab.com

Website: www.northgoldab.com

Follow us: www.linkedin.com/company/northgold

About Northgold

Northgold is a Swedish-listed gold exploration and development Company focused on advancing multiple, co-located, resource-stage projects in the Middle Ostrobothnia Gold Belt (MOGB) of Central Finland, including the Kopsa Gold-Copper project, the Kiimala Trend Gold project, and the Hirsikangas Gold project. The Company strives to grow its gold mineral resources, make new gold discoveries, and ultimately extract gold from these under-explored areas in Central Finland. Visit www.northgoldab.com for more information. Augment Partners AB, tel. +46 8-604 22 55 info@augment.se, is acting as the Company's Certified Adviser.

Forward-looking statements

This announcement may contain certain forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intends”, “estimate”, “will”, “may”, “continue”, “should” and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies, and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies, and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this communication speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.

The information, estimates, and forward-looking statements contained in this announcement are valid only as of the date of this announcement and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm, or publish any adjustments regarding any forward-looking statements to reflect events that occur or circumstances that arise regarding the content of this notice.

This information is such information as 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 8:30 CET on 9 August 2023.