
ANNUAL REPORT **2022**

AKOBO MINERALS AB (publ)





AKOBOMINERALS

AKOBO MINERALS AB (publ)
Södra Allégatan 13
413 01 Gothenburg Sweden

PHONE: **+47 92 80 40 14**
EMAIL: info@akobominerals.com
Org.no 559148-1253

Photos in this report: @ Biruk Fisseha

Design by: Seven Six Design



CONTENTS

COMPANY OVERVIEW

Company overview	6
Key figures	8
Letter from the CEO	10
Corporate strategy	12
Vision and mission	13
History and future	14
Outlook for 2023	15
Management report	16
Management team	20
Exploring and mining	22

ENVIRONMENTAL, SOCIAL & GOVERNANCE

Environmental, social & governance	26
Introduction by the head of ESG strategy	28
ESG report 2022	30
Responsibility statement	35
JORC Code report	36
Corporate governance	38

SHAREHOLDER INFORMATION

Shareholder information	40
Chairmans note	42
Board of Directors	44

FINANCIAL STATEMENT

Financial statement	46
Notes	56
Auditor's report	67



A YEAR OF STRATEGIC AND OPERATIONAL SUCCESS

During the 12 months of 2022, Akobo demonstrated its ability to successfully secure new exploration finds as well as undertake the necessary measures to put it on the verge of commencing gold production at its Segele mining operation. When combined with its award-winning ESG program, Akobo Minerals is now recognized as a standout boutique mining company in the nascent Ethiopian gold mining industry.

COMPANY OVERVIEW

Akobo Minerals AB (publ) holds the Akobo project through its Norwegian and Ethiopian subsidiaries. The exploration and mining permits for the Akobo Minerals project are held by ETNO Mining Ltd, a 99.97%-owned subsidiary of Akobo Minerals AB (publ).

The project itself comprises an Ethiopian exploration license covering 182 km² and a mining license covering 16 km², both situated in the far west of the country in the Gambella region. It is located approximately 700 kilometres by road from the capital, Addis Ababa, and 20 kilometres from the border with South Sudan.

All of the recent exploration on this project has been conducted by a team of Ethiopian geologists and support staff. Many of the exploration team joined Akobo from the Geological Survey of Ethiopia, following their discovery of the Lega Dembi deposit. Exploration activity initially outlined alluvial gold resources, and Akobo Minerals' team of geologists has worked extensively during the past 12 years to identify several potential primary gold targets. The drill program began at the end of 2019 in Segele and has so far shown exceptional high-grade gold results. In total, nine exploration sites had been identified and were under exploration by the end of 2022. The results from drilling activity in the Segele main deposit have been confirmed by the internationally recognized analytical laboratory, ALS, and are some of the highest-grade gold discoveries in the world. By the end of 2022, over 23,000 metres accumulated drilling had been undertaken.

During 2021, the company successfully applied for and received a mining license. Following an environmental and social impact assessment (ESIA) in 2022, mining and processing partners were chosen and work commenced with them to create a 'boutique' mining operation.

Akobo Minerals is run by a small management team which has a strong track record of corporate management and mining industry competence. Combining international experience and local expertise, the company's European (mostly Scandinavian) and Ethiopian management team is forging a business approach that values talent and competence. At the end of 2022, over 90 percent of its work force was Ethiopian. The strategy to adopt a small management team interconnected with its operations is proving to be both efficient and cost-effective. This is being achieved by building local capacity and benefiting from Ethiopia's wealth of geoscientists, engineers and environmentalists. Akobo Minerals was listed on the Euronext Growth exchange in July 2021 and on the Frankfurt DAX exchange in February 2023. The company has more than 3,500 shareholders, with majority of shares owned by Norwegian investors.





KEY FIGURES 2022

54

Number of European
and Ethiopian employees

USD 2,043.30

Highest price of gold per ounce
reached during 2022

16km²

Secured 16km² mining
and production license

182km²

Total area of
exploration license

42,512,606

Number of issued shares
in Akobo

USD 13.5mill

Successful capital raising
in 2022

23,000m

Completed metres of accumulated
drilling at Segele and Joru

3,500

Number of shareholders
in Akobo Minerals

KEY ACTIVITIES IN 2022

- Hiring of Dr Cathryn McCallum as head of ESG strategy
- Solo Resources contracted for delivery of a processing plant for production of gold
- Mineral Resource Estimate update by SRK, demonstrating an increased grade and tonnage
- Gold confirmed in a new mineralised zone, west of the main Segele mineralisation as part of nine exploration targets across exploration license area
- Successful core drilling at the Joru project, including estimated 12.5g/t of gold over 0.5m
- Contract signed with IW Mining to provide underground mining services
- Secured USD 5m convertible loan for the Segele mine development
- The first parts of the processing plant arrived at the site
- The contract miner, IW Mining, deployed to the site and broke ground at the Segele mine
- The company secured a 5,000-ounce gold loan, equal to USD 8.5 million
- Agreement was reached to cease all artisanal activity in the mining concession
- World leading ESG program continued, including a memorandum of understanding agreed with Dima Polytechnic to improve local access to technical and vocational training and community indigenous tree nursery began
- The company was shortlisted for a Mines and Money ESG Award and was nominated for the Mining Indaba ESG Nature Award



Akobo Minerals' license area is located in the Gambella region situated in the west of Ethiopia, close to the South Sudan border.

LETTER FROM THE CEO

Dear shareholders,

Welcome to our 2022 annual report, providing a review of our business and financial highlights. To achieve a year of positive development, it was necessary for every element of our strategic, operational and financial activities to work together. With a team of hardworking dedicated employees, I'm pleased to report we had very good progress on all major processes.

Over the course of the coming pages, we will set out in more detail the activities and milestones that we have undertaken and achieved during a busy 2022. However, I would like to touch upon some of the most significant elements that we concluded that have set us up for an exciting 2023.

It is said that for every effective company the next year is the important one. Though true, without a year creating a firm foundation for success, we would not now be in a position to take the company forward and meet our goal of developing a unique gold exploration and boutique mining operation. Though we had many challenges along the way, with a singular focus on meeting our strategic targets, aligned with a world class ESG program and financial propriety, we ended the year ready, fit and able for the next chapter in our Ethiopian story.

In 2021 we announced our intention to expand our business from an exploration-only operation to one that also included a boutique mining operation. To achieve this, we spent the year building additional competence in our workforce and finding outstanding partners to assist us in setting up the necessary elements to create a long-term mining practice. The journey began when we contracted Solo Resources to deliver the processing plant for production of gold, the first parts of which arrived on-site before the end of the year. We also selected the South African specialist, IW Mining, as our contract miner, and deployed them to the site and broke ground at the Segele mine in the fourth quarter.



The second part of the equation proved more of a challenge, as certain delays impacted our operational timeline. Shortages of cement and spare parts, as well as a lack of access to capable heavy machinery, and difficulties with access to containers for shipping and dealing with the impact of the rolling blackouts in South Africa delaying manufacturing of the processing plant, all meant we had to modify our approach to keeping the business on-track.

The result was that we ordered an ultra-small-scale processing plant from Solo which would arrive early into 2023. This was part of our ambition to keep the business operating to schedule and making sure we could begin producing our first gold in the first half of 2023. Once the main plant is in place, we will be able to upscale our production facility, while the smaller unit will be available for use elsewhere as we expand our mining operation.

Following the completion of design plans, agreement on the necessary personnel and equipment and clearing of the site, by the end of the year, with the support of IW mining underground, development of the Segele mine was underway. This included blasting to create the two smaller entries to the gold ore, as well as the main incline shaft.

Whilst continuing efforts to get the mining operation up and running, it was still necessary to put our energies into the exploration side of the business. Following work early in the year to gather mineral samples, in the second quarter we issued an updated mineral resource estimate for the Segele deposit. The findings, provided by our resource partner SRK, revealed a remarkable 31 percent rise in gold ounces and an exceptional gold grade of 40.6 grams per ton for indicated mineral resources, positioning it as a world-class deposit. These figures indicate a heightened potential for profitable gold production, particularly during the initial processing stages. The increase in ounces is attributed to an expansion in tonnage and a higher-than-anticipated average gold grade than previously indicated.

The last quarter saw good indicators on more exploration targets around Segele, which could translate into new tonnage volumes to feed the plant in the years to come. We are also receiving highly encouraging findings from our regional exploration activities, which is part of our long-term plan to build out our operations from Segele and be recognised as a significant player in the Ethiopian mining sector.

From the outset of our Ethiopian project, we hoped and believed our original Segele find - and the initial successful exploration work in Joru - would not be the only gold discoveries. By the end of the year, we saw positive indicators on new exploration targets, which could convert into increased mineral resources - hopefully, realizing our desire to extract one million ounces of gold from our license area. This is part of our long-term plan to build out our operations from Segele as we seek to increase the scope of our work.

As well as putting in place all the elements necessary to build out our exploration, mining and processing operations, we also successfully secured two rounds of funding during 2022. The first funding round was secured through a convertible loan of NOK 49.175 million (around USD five million equivalent), which matures and converts to shares after 12 months. In a highly innovative move, in November we successfully closed a 5,000-ounce gold loan, equal to USD 8.5 million, with US-based investor, Monetary Metals. With a maturity date of two years, the loan can be repaid in gold or the equivalent US dollar cash amount using the gold price at the time of repayment. As well as the funding providing the company with the financial strength to progress the final phase of the mine development, the deals demonstrated a strong international endorsement of our gold exploration and mining project in Ethiopia.

Despite operational and financial activities being front and centre during 2022, ESG didn't take a back seat. In fact, our efforts to prove that ESG is truly at the heart of Akobo Minerals resulted in significant activities across the year. Most important for us was to build valuable relationships with the local communities in which we operate, understanding their wishes and explaining our plans to create benefits for both. Initiatives ranged from closer relationships with universities in both Ethiopia and Europe, job opportunities for Ethiopian locals, environmental projects to encourage local flora and fauna diversity and the creation of carbon credit schemes.

We know that these and other ESG initiatives are really resonating with our peers in the mining sector as we were recognised by two leading industry organisations for our work during the year.

2022 certainly created the firm foundation we will need to commence our gold production and begin generating revenues. What's more, I am sure that as a result of the knowledge we have built up, we will also be able to expand our operations further in 2023.

It just remains for me to thank all of our stakeholders - from staff and the local community to shareholders and partner suppliers - for your unwavering support during the year. We will continue to work hard in 2023 to repay the faith you have shown in us during our dozen-plus years in Ethiopia.

Yours sincerely,

Jørgen Evjen



CEO, Akobo Minerals

CORPORATE STRATEGY

Akobo Minerals is a Scandinavian-based gold exploration and boutique mining company, currently holding an exploration license covering 182 km² and a mining license covering 16 km² in the Gambela region and Dima Woreda, Ethiopia. The company has established itself as the leading gold exploration company in Ethiopia through more than 12 years of on-the-ground activity. Akobo Minerals has a clear strategy that is aimed at building a portfolio of gold resources through high-impact exploration and mining, while adhering to a lean business operation.

Akobo Minerals' Segele mine has an Inferred and Indicated Mineral Resource of 68,000 ounces, yielding a world-class gold grade of 22.7 g/ton, combined with an estimated all-in sustaining cost (AISC) of USD 243 per ounce. Still open to depth, the gold mineralised zone continues to expand and will have a positive impact on future resource estimates and the life expectancy of the mine. The exploration license holds numerous promising exploration resource-building prospects in both the vicinity of Segele and in the wider license area.

Akobo Minerals has an excellent relationship with local communities all the way up to national authorities and the company places environment and social governance (ESG) at the heart of its activities – as demonstrated by a planned, industry-leading, extended shared value program. Akobo Minerals has built a strong local foothold based upon the principles of sound ethics, transparency and communication, and is ready to take on new opportunities and ventures as they arise.

The company will work with partners to develop mining activities in Segele - along with increasing the resource locally - and will continue its exploration work in the vicinity of Segele until it is ready to scale-up its operation to also encompass mining activities elsewhere. Akobo Minerals will continue to develop the Akobo site assets and knowledge base through high quality geology, structural geology, geophysics, geochemistry and core drilling. These skills will be underpinned by the company's drive to establishing JORC-compliant resources and reserves.

The company is uniquely positioned to become a major player in the future development of the very promising Ethiopian mining industry. The company is committed to leveraging the skills and expertise of in-country personnel to build a successful Ethiopian exploration and mining operation. While Akobo Minerals recognizes exciting opportunities in its exploration sites, the company has a strategy of cautious development so as not to stretch its resources.

As it continues exploration work in both Segele, the company is excited about the significant numerous other targets in its license area, in addition to the current operations sites.

The company is headquartered in Oslo and is listed on the Euronext Growth Oslo Exchange and the Frankfurt Stock Exchange – both under the ticker symbol, AKOBO.



VISION AND MISSION

Akobo Minerals' vision is to be the leading responsible gold exploration and mining company in Ethiopia, developing industry leading mineral resources in its license areas.

Akobo Minerals' mission is to provide the highest level of mineral exploration knowledge, which leads to successful future mining activities, as well as contributing to the sustainable natural resource management of the areas that host its operations.



HISTORY AND FUTURE

The history of Akobo Minerals in Ethiopia is a little over a decade old, beginning when the company was granted its first exploration license – which has since been renewed yearly – covering the Dimma Woreda, to carry out extensive exploration work to develop gold deposits.

However, the history of gold mining in Western Ethiopia stretches back over more than three thousand years, when gold was excavated and transported to Egypt for the benefit of the pharaohs. Since that time gold mining activity in Ethiopia has waxed and waned, but until Akobo Minerals arrived, mining in the region was only undertaken by artisanal miners, panning for alluvial gold as a livelihood activity. Between 2000 and 2010, the predecessor to Akobo Minerals gained positive exploration results in the area. Then, in 2010, the company was granted a large exploration licence in the Dimma Woreda, thus beginning exploration activities.

From 2011 to 2013 Akobo Minerals excavated, sampled and analysed 7.5 kilometres of trenches over prospective area and between 2012 and 2017 performed 21km² of ground magnetics and geological mapping of the license area. In 2015, the company undertook reverse circulation (RC) drilling of 32 holes, 3015 metres in total length, while collecting and analysing of over 4,000 soil samples.

In 2019, The first JORC (2012)-compliant competent person's report (CPR) - comprehensive technical documents detailing all geological work performed on the project - was completed, covering both the Segele and Joru areas.

In 2020, new funding was raised, which led to a new core drilling program of 36 holes and a combined figure 3,735 metres, while the camp was upgraded, new personnel were taken onboard, and the exploration license was renewed for a further three years.

In 2021, a major milestone was taken at the company, with the decision to expand the scope of the business by applying for and receiving a mining license. This meant we were able to set out to develop ourselves as a boutique-size gold mining and production operation, rather than just running as a pure exploration company.

As part of the company's strategic plan, Akobo Minerals resolved to employ an operating philosophy of using contract underground mining and a turnkey design and engineering contract to source and build the processing plant at Segele.

The company acquired three second-hand drill rigs towards the end of 2021 to increase in-house low-cost regional exploration.

During 2022, all elements were put in place to commence mining operations in 2023, with the processing plant arriving at the site, while the contract miner, IW Mining, was also deployed and broke ground at the Segele mine.



OUTLOOK FOR 2023

There is no doubt that 2022 was the year that truly changed the outlook of the company and set it on the path to becoming both a significant exploration and mining concern in East Africa.

Due to the groundwork undertaken across all areas of our operation, the company is seen by both the local community and the national government as a knowledgeable and trusted partner in the way it is developing its activities. In 2023, we will continue to prove our value to the community in which we hold our exploration and mining licenses and to the country as a whole, as we further developing the trust we have striven so hard to earn.

2023 will finally be the year in which we will begin to see cash flow-generating revenues for our stakeholders with the start of processing and pouring of gold from our mining operations

following a dozen years of work in Ethiopia. Akobo Minerals has an exceptional pipeline of exploration targets in and around the Segele main site which will provide the raw materials for further extraction and processing during the coming 12 months and beyond, in concert with our trusted partners.

Alongside our award-winning ESG program that is set to continue to bring about life-changing benefits to the local community, our staff on the ground, supported by a considered and innovative management team, look set to take the company forward to further success in 2023.



MANAGEMENT REPORT

2022 kicked off on a positive footing with the award of an extension of the company's exploration license. This was in addition to its 16km² mining and production license secured in 2021, following its decision to develop a mining as well as exploration concern. On the back of this, the company undertook a successful and well-attended ceremony in the first quarter to lay down the foundation stone for the Segele mine.

This was a historic moment in the Gambella region as it confirmed that Akobo Minerals became the first gold mine in the region. Present at the ceremony was the then Minister of Mining, Takele Uma; President of the Gambella region, Omod Ojulu; members of parliament and other representatives from the Gambella regions; as well as staff and friends. The attendance by senior political representatives showed solid local and national support for the project and, as Akobo Minerals does, they have high expectations for its success.

Much of the year was focused on evaluating and agreeing mining and processing partners for the project. Though the company had already shown its ability to develop an exploration operation from scratch in a remote part of southwest Ethiopia, taking that success forward into a well-functioning and profitable mining concern would be a new challenge, requiring the support of experienced industry players. Following a rigorous and detailed process, Solo Resources was contracted for delivery of the necessary processing plant for the production of gold, while an agreement was

signed with IW Mining to provide the required underground mining services.

Based in Johannesburg, South Africa, Solo Resources boasts of over 30 years of experience in the sales, design, installation and commissioning of metallurgical processing equipment into a variety of applications, primarily in the mining and metals industry.

From the outset, the Segele plant was designed to process 10 tons of solids per hour, with the possibility of upgrading to 20 tons per hour. The plant incorporates crushing, milling, gravity gold recovery and treatment, followed by a carbon-in-leach (CIL) plant and cyanide destruction. In addition to cooperation with and training, Solo's responsibilities include design, procurement and delivery, as well as site installation and commissioning supervision. In line with Akobo's ESG responsibilities, Solo Resources also agreed to recruit and train a significant number of Ethiopian personnel who will work at the Segele mine.





Meanwhile, Akobo Minerals also reached an agreement with the South Africa-based contract miner, IW Mining, which will be responsible for operating the underground mine at Segele. IW mining is a highly experienced mining contractor with years of hard-won underground mining experience in the South African mining sector. This agreement secures Akobo Minerals' access to highly capable personnel and competence for mining of the Segele gold ore.

Unfortunately, events outside the company's control meant that there were some delays to the set-up of operations by the end of the year. An inability to secure cement, spare parts and access to good heavy machinery in a timely manner were just some of the challenges. There were also difficulties with access to containers for shipping and the rolling blackouts in South Africa impacted the fabrication activities of both Solo Resources and IM Mining.

While mining work was up and running at the site - with IW mining, blasting and preparing the site - work also commenced on the two smaller entries to the gold ore and main incline shaft by the end of the year. However, it was recognized that there would be some delay with delivery of the main processing plant. To mitigate some of the delay, it was decided to acquire an ultra-small processing plant from Solo - to be delivered in early 2023 - in order to start production on schedule. This plant will be able to perform processing at two tons/hour, adding 20 percent of the capacity of the main plant, though without carbon in leach (CIL). Akobo is aiming for an expected recovery of around 40 percent – with the waste going into the main plant at a later date.

Despite some issues, by the close of 2022 the processing plant was complete and ready for installation in the new year, there were no issues with import or customs, no outstanding licenses were needed, and ongoing mining work was up and running at the site. 2023 looks set to be focused on managing the timing and logistics for the start-up of both the mine and plant.

EXPLORATION

The Akobo Minerals team continued a full program of exploration work across the year - full details of which can be found on pages 22-25 - resulting in new gold discoveries and a better understanding of the geological structure of the Segele area.

A second gold mineralization - coarse-grained with a very high nugget effect - was discovered in the second quarter, found about 100 meters west of the original Segele deposit. In the fourth quarter, a third promising new gold occurrence is located 140 m due west of the main Segele Mineralization and mine and represents a third distinct seam of gold Mineralization to be identified.

Towards the end of the year, the exploration team worked to build an understanding of the host structures in the license area by mapping and sampling in advance of drill testing new targets. The company considers the outlook to be highly encouraging as it seeks to secure further gold ore to feed through the processing plant which should considerably extend the license area's lifetime horizon.

In addition to targeting the new mineralization, the company will start drilling out previously identified areas closer to the Segele main ore body. Artisanal miners had previously exposed gold mineralization in this area and grab-samples from pits have shown very high gold content. This area will now be available for further exploration in 2023.

Also undertaken was a new core drilling program at the Joru project, the results from which showed gold in all but one hole and high-grade gold in one intersection (12.5g/t over 0.5m). While the company is still fully evaluating all results before planning the next steps in the exploration program, these results provide the optimism to continue exploration and core drilling at this site from early 2023.





FINANCIAL ACTIVITY

Following the release of its mineral resource estimate and a demonstration of positive cost management of its operations, during the second quarter the company announced its first ever cash flow forecast for the first two years of production. The model showed a highly profitable mine operation with an estimated free cash flow of USD 50 million based upon an average gold price of USD 1,800 per ounce for the period.

In the third quarter, the company secured a convertible loan of USD five million, to be used to fund the first phase of the Segele mining operation. Additionally, during the quarter the company sought a financing partner to allow it to fund the final phase of the processing and mining operation. The result of these efforts was that it successfully secured a USD 8.5 million gold loan facility from US-based Monetary Metals. The loan facility – employing a highly innovative solution - was structured as a gold loan, whereby Akobo Minerals borrows the principal amount of 5,000 ounces of gold, paid out in US dollars. Akobo Minerals will be able to repay the loan either in gold from its mine production or the equivalent US dollar cash amount using the applicable gold price at the time of repayment.

ESG

Details of ESG activities and initiatives during 2022 are set out in a separate section of this report - see pages 26-39 - but it is worth pointing out some highlights that demonstrate the commitment - as well as recognition by the industry – of the company to this discipline. Early in 2022, Akobo Minerals confirmed the hiring of Dr Cathryn McCallum as head of ESG strategy. Though Cathryn had worked for the company as a consultant through her company, Sazani, her appointment provided considerable impetus to Akobo Minerals' ESG efforts as it geared up its exploration and mining operation.

The company also received approval for an airstrip, which was constructed and completed in the first quarter of 2022. As well as helping to support Akobo's operational activities, this airstrip will bring significant benefits to the local community - from making it more convenient to bring in goods, to providing easier access to emergency healthcare.

Also noteworthy on the ESG front was the company's nomination - for the second successive year - by Mines & Money Conference London, which recognized outstanding achievement by mining companies around the world in the field of ESG. At the end of the year, the company was also nominated for the Mining Indaba ESG Nature Award. At a ceremony in Cape Town in February 2023, Akobo Minerals was announced as the recipient, with Jørgen Evjen there to collect the award on behalf of the company.

GOLD PRICE PERFORMANCE

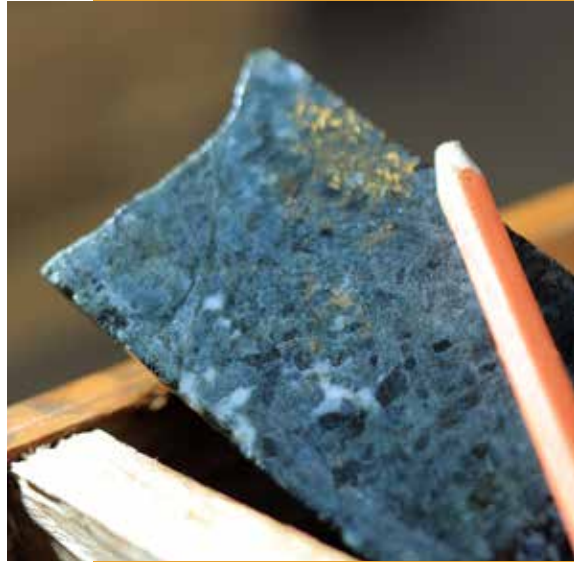
Gold bullion ended 2022 at a final London benchmark price of around USD 1814 per ounce, down just 0.3 percent from New Year's Eve 2021, despite the US Dollar enjoying its strongest year-on-year jump versus the world's other currencies since 2015. But with the Russian invasion of Ukraine and a steep drop in both bond and stock-market prices worldwide, the average gold price across 2022 came in at USD 1800 per ounce, which is the third annual record in a row, albeit just USD 1.40 above the 2021 level - with non-dollar investors seeing a year of particularly strong gains. For example, the gold price rose 5.8 percent in Euros and 11.8 percent in UK Pound terms.

ETHIOPIAN PEACE DEAL

Though not having a direct impact on Akobo Minerals' business as it is well away from the unrest in the north of the country, the company welcomed hearing that a peace agreement was signed at the end of the year between the Ethiopian government and the Tigray People's Liberation Front. While the conflict certainly damaged Addis Ababa's regional and global standing, now that a deal has been signed it is hoped that Ethiopian Prime Minister Abiy Ahmed can press ahead with his ambitious reform agenda and bring economic stability to the country.

CONCLUSION

2023 looks set to be another year of major milestones for Akobo Minerals – particularly as it will officially become the first gold producer in the country since the early 1990s. The groundwork for this positive year, however, was laid by a busy and productive 12 months that encompassed successful operational, financial and ESG-related work that will culminate in the first pouring of Ethiopian gold and the commencement of positive cashflow for the company.



MANAGEMENT TEAM



JØRGEN EVJEN

CHIEF EXECUTIVE OFFICER

Jørgen Evjen has been Chief Executive Officer at Akobo Minerals since July 2020. As a co-founder and investor, he has been following the company closely since 2009. Prior to joining Akobo Minerals, he held senior management positions in Piano Software/Cxense, Norsk Gjenvinning and Enfo Energy. He has a background as corporate finance advisor at the Nordic investment bank Carnegie AB, and compliance officer at Norden Investment Banking.

Jørgen holds a Master of Science in Economics and Business Administration from Toulouse 1 Capitole university.



DR. MATT JACKSON

CHIEF OPERATIONS OFFICER

Matt Jackson has been Chief Operations Officer at Akobo Minerals since December 2020. Prior to this he was Director, Mining and Exploration at BluestoneGEO for six years, where his role included Africa-wide investment analysis and working as a consultant to Akobo. A geologist and investment analyst with 15 years' experience mining and exploration, Matt Jackson has extensive commodity understanding and has worked for some of the world's largest companies, including BHP Billiton, and consultancies, including Golder Associates.

Matt received his PhD in exploration and ore genesis geochemistry from Cardiff University in 2005. He is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy.



JOHAN SJÖBERG

CHIEF EXPLORATION MANAGER

Johan Sjöberg re-joined the company as Chief Exploration Manager in May 2021. He previously served as CEO of Akobo Minerals between 2018 and 2020. He has over 15 years' experience in exploration and gold mining, most recently as geology consultant at EMX Royalty Corp. Previously held positions include chief geologist at Nickel Mountain Resources and geologist and near mine exploration geologist at the Svartliden gold mine in the northern Sweden.

Johan Sjöberg holds a bachelor's degree from Uppsala University in Sweden and studied exploration geology at Rhodes University in Grahamstown, South Africa.

DR CATHRYN MACCALLUM

HEAD OF ESG STRATEGY

For more than 25 years Dr Cathryn MacCallum has developed integrated approaches to diversifying sustainable livelihoods and has provided extensive technical support and advice to poverty reduction and education projects across Europe, sub-Saharan Africa and MENA. This has involved facilitation of multi-sectoral partnerships, managing and co-ordinating DFID, EU, UNDP, UNESCO and FAO-supported initiatives, as well as corporate social development initiatives. She has demonstrated abilities in all aspects of social analysis, engagement, curriculum planning and management, together with critical application of international finance corporation standards and equator principles to social risk governance economic resettlement, livelihoods restoration and indigenous peoples plans.

Cathryn has Master's degree in social development planning and management from Swansea University and a PhD in global learning and sustainable livelihoods from the University of London.



TESFAYE MEDHANE

GENERAL MANAGER

Tesfaye Medhane joined Akobo Minerals' Ethiopian company, Etno Mining, as General Manager in May 2021. He has extensive operational, technical and management experience from more than 14 years of working in the international exploration and mining community, including managing large contracts for Canadian mining companies in Ethiopia and Mali.

Tesfaye has an MSc in Mining Geology from Addis Ababa University and has received various management and leadership training certificates.



EXPLORING AND MINING

Akobo Minerals' exploration and mining license area is situated just over 700 km from the Ethiopian capital, Addis Ababa, with good connections via a modern highway, as well as by an airstrip built by Akobo Minerals.





THE LICENSE AREA

Sited in the Dimma Woreda, Gambella region of Ethiopia, the total area of the exploration license covers 182 km² and was granted by the Ethiopian Ministry of Mines and Petroleum. The present license was renewed in the first half of 2022. Within the exploration license area is the mining license, covering 16 km² and granted for the Segele deposit and surrounding targets. The license covers a time period of a minimum of five years and is extendable in 10-year increments. As and when necessary, any new mineralization found during exploration of the mine license area can be included in the mining license itself. Renewal of licenses is made in a simple and timely manner due to the strong relationships we have developed with both local and national governments, built by having honest and open lines communication.



SEGELE MINE

2022 was the year that the Segele mine became a reality. By the fourth quarter all the necessary major contracts were in place for the mine, which placed the project in a good position for acceleration. Solo Resources had already completed a great deal of the process plant design and fabrication work and IW Mining arrived and were already digging up the ground.

The first major milestone for the mine took place in the spring of with the formal laying of the foundation stone by Minister of Mines, Takele Uma. This event was a major step forward in the development of not only Akobo Minerals, but the Gambela region and the local area.

As the project gained momentum over the summer, the company signed an agreement with the South African contractor, IW Mining, to run our mine in Segele. This followed considerable preparatory work with them over previous months to start sourcing necessary equipment and gather together a highly experienced team that will be working hard to carry our mining operation forward to production phase. We also finalised a deal with the South African company, Solo Resources, for delivery of the gold processing plant at Segele.

In October, the first team from IW Mining arrived at the site and broke ground on the operation. Under the supervision of company engineers, they began excavating the incline shaft, which is where the ore will eventually be extracted from the deeper parts of the mine. Towards the end of the quarter, the mining team received the first set of underground mining equipment, while the rest scheduled to arrive in early 2023.

Regarding the process plant, Solo Resources had completed almost all of the design work by the end of the fourth quarter. Fabrication was nearly finished before the Christmas break. Unfortunately, South Africa experienced an increase in power outages, which affected the completion of the final parts, delaying the completion by some months. Meanwhile, Solo placed over 50 orders with suppliers from China, Australia, Canada, and South Africa in the fourth quarter in order to maintain momentum moving into the new year. The first parts of the processing plant arrived at the site in December, and more were received afterward.

An important development for the company in 2022 was the hiring of Manie Nienaber, an experienced processing plant specialist from South Africa. He will train and lead a team of Ethiopian employees as the operation moves towards first production in 2023. Manie will also recruit and train a team to operate the process plant with the support of partner companies, consultants, and contractors.

In addition to the progress on the processing plant, other important activities towards the end of the year focused on ensuring safe mining practices and proper handling of mine waste. This included completing a geotechnical study for the incline shaft excavation to ensure its stability, as well as conducting rock strength tests to support a high rate of production starting in mid-2023. The geotechnical work was carried out by company geologists and Middindi Consulting to ensure safety and optimize production. Design work for the tailings storage facility was mostly finished, and a contractor was hired to perform geotechnical testing, further supporting safe mining operations.



EXPLORATION

A major milestone was achieved in the first few months of 2022 with the completion of the updated resource estimation for Segele. Following this, at Segele several near mine targets identified during trenching were tested. In addition, a cross section of holes was drilled west of the deposit to improve the geological understanding of the mine area. While drilling the geological section several holes intersected a small fault system and in one of these intersections visible gold was identified. The scale and grade of this mineralisation was unknown, but additional drilling was planned for late in 2022 to follow up and evaluate the mineralisation.

In regional exploration, both a soil sampling program and a ground magnetic survey were conducted around Segele in the second quarter. The program awaited results in the fourth quarter of 2022. A ground magnetic survey was undertaken during the second and third quarters of the year, covering the entire 16 km² Segele mining license with high quality magnetic data. At the same time a Magnetoteluric survey was conducted on the Segele mineralisation to detect the structures around the mineralisation and hence be used to improve targeting of future exploration.

Drilling continued to be focused on the Segele mining license area with two new targets tested in close proximity to the original Segele exploration site. In addition, geotechnical drilling and sterilisation drilling of the plant site was conducted. The pace of drilling was slow during the last period due to difficult ground conditions and spare parts issues, but the total drilling in Segele is now approaching 18,000m. During the first nine months of 2022, both a soil sampling program and a ground magnetic survey has been conducted around Segele. The soil sampling program collected 249 samples to the southwest of Segele and the results are expected to be received before the end of 2022. The ground magnetic survey was launched during the second

quarter of the year and has secured data across the entire Segele mining license area. The results of the survey have been combined with previous magnetic survey data acquired by the company in 2016 and is now being interpreted by the exploration team. Early results of the survey indicate a much larger extent of ultramafic rocks within the mining license area than previously known – which is a positive development. There are also indications of several large alteration zones within these ultramafics that warrant further investigation. The drilling around Segele has lately focused on the eastern side of the deposit where four holes have targeted both the upper and lower shear zones. The drill program was a technical success where the predicted locations of the shear zones were hit in all holes.

Drilling continued to be focused on the Segele mining license area in the second half of the year - with total drilling standing at 19,000 metres by the end of the year. In the fourth quarter, a new gold discovery was made at Segele - a high grade gold mineralisation with coarse visible gold hosted by an ultramafic chlorite schist. The mineralisation was located about 130 metres west of the main Segele mineralisation and, although the style of mineralisation had been known for several years from hand samples, the discovery of the source brought significant grounds for optimism. Trenching in the area then started, with a view to drilling commencing early in 2023.

It was determined that the first few months of 2023 will continue to see a diversification of the company's exploration efforts and with field programs at Joru, Gindibab and Wolleta – though maintaining a continued focus on Segele. The goal of our near-mine exploration in the shorter-term will be investigate both extent and viability of the newly identified mineralisation to the west of the Segele main deposit. If possible, the exploration will provide us with enough data to perform 3D modelling of the mineralised envelope.





ESG IS PART OF THE COMPANY'S DNA

This is why Akobo Minerals has placed environmental social and governance (ESG) issues front and centre of its business strategy and planning. A highly experienced European – primarily Scandinavian – management team is working closely with the Ethiopian team every day to support the values that make Akobo Minerals a standout success in the delivery of ESG principles for the benefit each and every company stakeholder.



ENVIRONMENTAL, SOCIAL & GOVERNANCE

INTRODUCTION BY THE HEAD OF ESG STRATEGY

Welcome to the 2022 ESG report, outlining the work we undertook during a busy, exciting and significant year for our environment, social and governance (ESG) program. I am delighted that we were able to build on the solid foundation that we created since I joined in 2021. I am particularly proud that towards the end of the year we were recognized by our peers of creating a world-class ESG strategy as we picked up a prestigious industry ESG award.

Our wide-ranging ESG (Environmental, Social, and Governance) strategy has been developed to support a range of initiatives to ensure that the company operates sustainably and responsibly, taking into account the impacts of our operations on the environment, local communities, and its stakeholders.

As you would expect, this comprehensive ESG strategy for Akobo Minerals consists of the three ESG pillars, namely:

- **Environmental:** Minimizing the environmental impact of mining operations through responsible water management, waste reduction, energy efficiency, and carbon emissions reduction.
- **Social:** Ensuring that our mining operations respect the rights of local communities and stakeholders, including the provision of safe working conditions, fair wages, and benefits, as well as community engagement and development initiatives.
- **Governance:** Safeguarding the company's operations with transparency and accountability, with strong governance structures, risk management policies, and ethical business practices.

The most important factor about the work we do in the ESG arena is that it is not undertaken as a box-ticking exercise to meet our regulatory obligations. Akobo Minerals, from its outset, has put ESG at the heart of our mining development in Akobo. We take the best of our Scandinavian-style principles and adapt them to our Ethiopian operations to ensure that we are taking account of the needs of the whole community in our license area. We do this through regular and continuous communication and interaction with locals to explain how our operations are developing and to gain their feedback. We want to always be a positive force on the population, from providing employment and community services, to improving the environment to bring about long-term benefits.

However, successful ESG initiatives do not operate in isolation. We also understand that a strong ESG strategy can impact the wider business strategy of our organization by improving our reputation, mitigating risks, driving innovation, achieving cost savings, and ensuring regulatory compliance. Get it right and ESG has the power to positively impact all of our stakeholders.



2022 saw the implementation of our program set out during 2021 – specifically, conducting an Environmental and Social Impact Assessment (ESIA), which was then submitted to the Ethiopian government. As we progressed our mining exploration and production operation, the ESIA is used to predict the environmental and social consequences that the project might entail and proposes measures to mitigate potential negative impacts.

At the same time, we commenced the roll-out of our Sustainable Natural Resources Management Plan (SNRMP). Its purpose is to determine existing and planned natural resource use and opportunities to improve management of the natural resource base. We understand that we are custodians of the license area in which we operate and activities, such as those included in our SNRMP, are important in ensuring that we look after the local environment and inhabitants.

2022 also saw us expand our ESG team to accelerate our activities on the ground, planning for the future and reporting the work we do. I am pleased with the progress we made during the year, while recognising that our ESG program is a continually developing activity that will be honed as the needs of stakeholders develop.

The progress we made during 2022 to set our operations in place for the production of our first gold was an impressive feat for the company. Meanwhile, I believe the implementation of our ESG program was as important to our company in showing how a mining operation can work in harmony with the people and environment for the benefit of all. 2023 will continue this process.

Yours sincerely

Dr Cathryn MacCallum

Head of ESG Strategy, Akobo Minerals



ESG REPORT 2022

Akobo Minerals has always prided itself on making ESG not just a part of its business requirements, but at the very heart of its strategic and operational plans. The program that it successfully pursued in 2022 admirably demonstrated this commitment and is now making a positive difference to the lives of the inhabitants of the local community in the company's mining license area.

As the pace of its mining exploration and production gathered pace during 2022, so did the scope of its ESG initiatives in the country. To meet the expanding demands of the program, the company further increased the number of personnel in its ESG team and it set about implementing its stakeholder engagement plan to build positive relationships with all interested parties across its license area.

In 2021, ESG Technical services provider, Sazani Associates, developed a sustainable natural resources management plan (SNRMP) for Akobo Minerals, the implementation of which began in earnest at the beginning of 2022, with Sazani Associates also contracted to provide ongoing technical support. In February, consultants from the company visited the site in Ethiopia to conduct field work and support a Multi-Stakeholder Dialogue workshop in Dima town.

The Dialogue aimed to encourage open dialogue among the diverse range of stakeholders who may be interested in or affected by Akobo Minerals' activities in the project area as well as seeing feedback on the proposed SNRMP.

Through discussion with a wide range of stakeholders, representing men, women, youth, business, humanitarian and government sectors, a formal planning and decision-making process concerning the sustainable natural resource management of the Chamo Kabele area, was initiated. After the successful event, working groups were established to engage in a series of SNRMP actions.

Also during the first quarter of 2022, Akobo Minerals presented the Environmental and Social Impact Assessment (ESIA) for the Segele project - prepared by an Ethiopian Consultancy - to the Government of Ethiopia for approval.

Akobo Minerals identified several other projects in Ethiopia with similar or complementary objectives and held meetings with these potential collaborating partners to agree on shared priorities. The company's combined efforts, from corporate to community level, and its desire to build cooperation with potential partners, are an important element in its mission to place ESG as a key performance indicator across the company.





During the second quarter of 2022, Akobo Minerals prepared a gap analysis of the ESIA which had been approved by the Government of Ethiopia against Good International Industry Practice. The company's Head of ESG delivered a series of workshops to support the preparation of an Environmental and Social Management Plan that will guide the process of complying with national regulations governed by the Environmental Protection Agency (EPA) as well as international performance standards and principles.

The new ESG team received training to support its stakeholder engagement work, environmental monitoring, and the implementation of the Sustainable Natural Resources Management Plan (SNRMP). Sazani Associates continued to provide technical support for the SNRMP implementation and developed a series of guides and training materials for the different elements, focusing on education, community awareness, livelihoods, and the 'Green Gold' payment for ecosystem services initiative.

A 'Sustainable Chamo' working group was established and supported to identify environmental health priorities using a research method called Photovoice. Collaborating community representatives captured images of their priorities using simple digital cameras, accompanied by a narrative describing their respective images. Once analyzed, the findings from the project were set to guide future environmental awareness and activities throughout the community. The priority issues identified was how waste is managed and environmental damage by artisanal mining activity.

As strategic collaborations are a key element of Akobo Minerals' ESG program, discussions began with the Dimma Polytechnic, Jimma University, and a number of International Non-Governmental Organizations (INGOs) to further support our SNRMP implementation.



As the second half of 2022 began, Akobo Minerals focussed on the unlicensed artisanal mining activity within the Segele Mining Licence area. Based on initial discussions with unlicensed artisanal gold miners that were formerly operating within the company's license area, a letter of intent was prepared, paving the way for a principled negotiated settlement to compensate them for their loss of livelihoods. This process was completed by the end of the year, with the active support of the Gambella Government and Dima Woreda.

Following earlier discussions, collaborations were secured with Dima Polytechnic, Jimma University, and an existing partnership between Addis Ababa University, and Oslo University. Akobo is working with Dima Polytechnic to develop and deliver community based technical and vocational training linked to employability and sustainable enterprise skills.

Jima University, following an initial visit to the area is keen to develop a collaboration to map and monitor terrestrial wildlife and the Oslo Addis partnership is interested in mapping and monitoring aquatic biodiversity in the Akobo River. Hosting these collaborations will enable Akobo to support and benefit from leading specialists and innovative techniques such as using DNA from river samples to map the ecology.

Sazani Associates ongoing support facilitated start up of a tree nursery to raise indigenous trees as part of the 'Green Gold' payment for ecosystem services and carbon credit scheme, as well as finalizing the procedure for the carbon baseline.

Additionally, Akobo Minerals took steps to establish our Akobo Foundation in Norway and to register a branch office in Ethiopia. Once achieved, formal registration of the Green Gold Initiative with the Gold Standard Carbon Credit Scheme can begin.

Continuing the education theme, Sazani adapted their award winning Healthy and Sustainable Schools Programme(HSSP) for a Gambella context and curriculum. This was presented to the Woreda and Gambella Education Bureaux for endorsement before the end of the year.

A number of local environmental health priorities were identified following community involvement in the Photovoice project, demonstrating the value of this qualitative photography method used in community-based participatory research to gather information. Most significantly, waste management was agreed upon as the community priority focus for the second half of the year.

An innovative new project was set up to produce corporate desk calendars based on images secured following a photography competition among company staff. This was particularly well received, with winning entrants receiving wide acknowledgement for the use of their pictures, in the Akobo calendar. The initiative looks sets to become an annual competition.

The fourth quarter built on earlier discussions with training and academic institutions. Memorandums of Understanding were prepared with Dima Polytechnic, Jimma, Addis Abeba and Oslo Universities which will contribute to the skills and academic development of Ethiopia's next generation of talent to institutional support the country's future ESG programs and environmental monitoring. Through the company's relationship with Dima polytechnic, in addition to the planned technical and vocational training, the partnership has inspired a pilot project for community management of plastic waste through the use of ecobricks.

Furthermore, Sazani Associates' international award-winning education program, adapted for a Gambella context and presented to the regional government earlier in the year, was approved for roll-out in community schools the project area.

The company's 'Green Gold' payment for ecosystem services and carbon credit scheme progressed further, and the establishment of the Akobo Foundation was the last remaining piece in the jigsaw for the scheme's Gold Standard registration.

Final discussions with the unlicensed Kofari miners present at the Segele site, in conjunction with the Gambella Government and Dima Woreda, resulted in Akobo depositing agreed compensation into a designated account to support the artisanal miners vacating the area.

In addition to supporting local and national education initiatives, Akobo Minerals also wants to provide employment opportunities to the local population, particularly the younger generation. To this end, the company began a program in combination with the Kebele administration and Dima Polytechnic to enable Akobo Minerals to provide employment and skills development opportunities for local youths, many of whom were previously engaged in unlicensed activity.

2022 was an exceptional year for Akobo Minerals as its expanded ESG team began to make good on its extensive program of initiatives to support the local environment and community in its Ethiopian license area. In recognition of its efforts, the company was shortlisted in November - for a second successive year - for the Mines and Money London 2022 ESG award. As further demonstration of the industry's recognition of Akobo's industry leading ESG program, the company was awarded a Mining Indaba ESG Nature Award. Jørgen Evjen, the company's CEO collected the award at the Mining Indaba Conference in Cape Town in February 2023.

The industry awards that the company received at the end of 2022 were a fitting finale to the year and a boost to all the staff that have made the ESG program such a success. However, this is just the start. Akobo Minerals is committed to making its ESG initiatives a beacon of what a mining company can achieve through creativity, effort and long-term commitment - for the benefit of all stakeholders, but most importantly for the local community in which it operates.







RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the financial statements for 2022 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole. We also confirm that the Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Gothenburg, 31.05.2023

Hans Olav Torsen
Chairman of the Board

Jørgen Evjen
CEO

Helge Rushfeldt
Board Member

Carl Eide
Board Member

JORC CODE REPORT

The purpose of the JORC Code is to provide a minimum standard for reporting of exploration results, Mineral Resources and Ore Reserves in Australasia, and to ensure that public reports on these matters contain all the information which investors and their advisers would reasonably require for the purpose of making a balanced judgement regarding the results and estimates being reported.

As a best practice minerals exploration company, Akobo Minerals adheres to the globally recognized JORC Code (2012 edition). The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') is a professional code of practice that sets minimum standards for public reporting of minerals exploration results, mineral resources and ore reserves.

The Code establishes *what* information about the deposit needs to be included when reporting results/resources/reserves; *when* companies need to report results/resources/reserves; and *who* is qualified to prepare public reports.

Public reports prepared in accordance with the JORC Code are reports prepared for the purpose of informing investors or potential investors and their advisors through annual and quarterly company reports, press releases, information memoranda, technical papers, website postings and public presentations. The JORC Code is produced by the Australasian Joint Ore Reserves Committee ('the JORC Committee'). The JORC Committee is responsible for the development and ongoing update of the JORC Code.

The JORC Committee is a member of and works closely with CRIRSCO, the Committee for Mineral Reserves International Reporting Standards to ensure international consistency in the development of reporting standards and the promotion of best practice in implementation of the relevant standards and codes.





CORPORATE GOVERNANCE

Akobo Minerals works continuously to maintain a high standard of corporate governance.



The board of directors recognises the crucial importance of effective corporate governance and will take all necessary steps towards complying with corporate governance guidelines with an emphasis on integrity, ethical guidelines and respect for people and the environment. Akobo Minerals continually documents all its activities by working with highly respected international firms for consulting, verification and audit.

THE NORWEGIAN CODE OF PRACTICE

The Company intends to maintain a high level of corporate governance standards and will consider the implications of the Norwegian Code of Practice for Corporate Governance (the Code of Practice). The purpose of the Code of Practice is to clarify the respective roles of shareholders, board of directors and executive officers beyond the requirements of the legislation. As we develop as a company, we are in the process of developing our Corporate Governance framework in line with the Norwegian Code of Practice. Set out below are measures we are taking since the company completed its listing in 2021, particularly by having an effective board and management team to successfully take the company forward.

BOARD RESPONSIBILITY AND COMPANY

All successful companies are led by an effective and entrepreneurial board and this is no different at Akobo Minerals. The board's role is to promote the long-term sustainable success of the company, supporting all stakeholders - in particular generating value for shareholders and contributing to wider society. The board is responsible for establishing the company's purpose, values and strategy, and satisfy itself that these elements – along with its culture - are aligned. All directors will act with integrity, lead through example and promote the desired culture of the company.

The board will ensure that necessary resources are available for the company to meet its objectives and measure ongoing performance against them. The board will also establish a foundation of sensible and effective controls to enable the company's risk to be evaluated and managed. In order for Akobo Minerals to meet its future responsibilities to shareholders and stakeholders, the board will ensure effective engagement with, and encourage participation from, these parties. The board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The entire workforce should always feel that it is able to raise any matters of concern about the company.

RESPONSIBILITIES

The chair leads the board and is responsible for its overall effectiveness in supervising and guiding the company. Akobo Minerals ensures that there is a clear division of responsibilities between the leadership of the board and the executive leadership of the company's operations. The board ensures that it has the policies, processes, information, time and resources it needs in order to develop the business effectively and efficiently.

AUDIT, RISK AND INTERNAL CONTROL

The company is establishing formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and to satisfy the board and management team of the integrity of financial and narrative statements. Coupled with this, the board will be responsible for always present a fair, balanced and understandable assessment of the company's position and prospects. The board - supported by the skills and knowledge of the management team - will establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks that Akobo Minerals is prepared for to achieve its long-term strategic objectives.

REMUNERATION

A formal and transparent procedure is being developed to provide policy on executive remuneration for determining director and senior management remuneration. No director or management will be involved in deciding their own remuneration outcome. Directors and management of the company will exercise independent judgement and discretion when considering remuneration outcomes, taking account of company and individual performance, and wider circumstances.

PUBLICATION OF INFORMATION

Akobo Minerals will publish interim reports for the first and third quarters, in addition to the half-yearly and annual reports. The company will ensure that half-yearly reports and interim reports for the first and third quarters are published as soon as possible and no later than three months after the end of the accounting period in question. Annual reports will be published in a timely manner and no later than five months after the end of the accounting period in question. The accounting principles that the company applies will be in accordance with Swedish accounting standards.



TOP TEN INVESTORS

Rank	Holding	%	Name
1	5,430,512	12.80%	PIR INVEST HOLDING AS
2	3,343,398	7.90%	NAUTILUS INVEST AS
3	3,080,783	7.20%	BERNHD. BREKKE A/S
4	2,160,801	5.10%	ESMAR AS
5	1,887,662	3.90%	JØRN CHRISTIANSEN
6	1,606,666	3.80%	B FINANS AS
7	1,580,400	3.70%	ABYSSINIA RESOURCES DEVELOPMENT AS
8	1,035,806	2.40%	KANOKA INVEST AS
9	1,034,412	2.40%	GH HOLDING AS
10	1,000,000	2.40%	ATOLI AS

SHAREHOLDER INFORMATION

As of December 31, 2022, there were 42,512,606 issued Akobo Minerals shares. The shares are registered in a central securities depository register in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479). The register is managed by Euroclear Sweden AB, Box 191, SE-101 23 Stockholm. The company has also registered its share in the Norwegian VPS system. The company's register of shareholders in VPS is administrated by the VPS Registrar, DNB Bank ASA, Registrars Department, Norway.

All shares, including the VPS shares, are freely transferable, meaning that a transfer of shares is not subject to the consent of the board of directors or any other corporate consents or rights of first refusal. There are warrants outstanding in the company, entitling the holders thereof to acquire 5,357,328 new shares. The strike price for the warrants is in the range SEK 2.5 to SEK 8.0, reflecting the current market price of the shares at the time of issuance.

Pir Invest Holding AS, a company controlled by the chairman, is the only entity owning more than 10 percent of Akobo Minerals. Its ownership as of 31.12 was 12.8 percent.

CHAIRMAN'S NOTE

Dear Shareholder,

As noted in my address from last year, 2021 was a challenging year for the world, particularly due to the dramatic effects on everybody's lives from the Covid pandemic. This challenge continued in 2022. The pandemic ended, but the world still suffered from its shutdown consequences which still have not been fully rectified. On top of this, Russia started a full-scale war against Ukraine in February 2022, with all its devastating effects.

On the positive side the armed internal conflict in Ethiopia between the Tigray rebels and the Government came to an end, but not without significant human losses and massive destruction to infrastructure.

In early 2022, the drilling of the main gold structure in Segele was completed and a gold resource of 68,000 ounces and an average grade of 22.7 grams/ton was established. A feasibility study clearly indicated that even with a relatively small resource, stellar grades and the current gold price will mean that the Segele deposit can be mined with excellent economics. Indeed, the study showed that an investment of roughly USD 10 million should have a very short payback time. It was this calculation that formed the basis for the board's decision to start a small-scale mining operation of the Segele main gold deposit. I would say it was a bold decision given the financial and operational challenges we knew lay ahead of us, but the board is fully confident it was the right move.

To transform the company from a small exploration company with 20-30 employees to a full-fledged mining company growing towards 100 staff has certainly been challenging. It involves planning, engineering of the process plant and underground mine, ESG activities, contracting, subcontractor follow-up, assembly,



transport issues, camp extension, medical contingency, security, coordination with local and central authorities, to name but a few tasks. And all to be done in a remote part of the country, lacking the basic infrastructure needed to construct, build and operate a gold mine. The lack of good roads and a power grid are two examples of what we needed to factor into our plans and estimates to make this project a successful one.

By the end of 2022 all planning, contracting, subcontracting was completed and fabrication well under way. However, we soon realized that the aftermath of the pandemic was still causing supply chain disruptions, ranging from steel shortages to energy and power disruptions, shipping delays and price rises. Through a combination of hard work and innovative solutions, we succeeded in overcoming most hurdles, but delays were inevitable.

But the good news is that we are now close to the finishing line. We are confident that by the time you read this report the first substantial volumes of processed gold will be merely days away!

On the exploration side, we have drilled and found further gold close to the Segele deposit which we believe will be mineable and will prolong the lifetime of the Segele mine. We have also started to drill the Gindaba prospect, which our geologists believe will be our next big gold find, having the potential to be a game-changer for the company. We also have high expectation for the Joru field and will continue drilling operations later in 2023.

As has always been the case, ESG is high on the agenda for the company. I am pleased to say that we progressed remarkably well in 2022 and our efforts were recognized by the industry through nominations for ESG prizes at important mining conferences during the year.

Building a mine requires money, of course! To this end, we raised roughly USD 13.5 million through two loan arrangements - one from shareholders and the other through an international gold lender. This demonstrates the trust and commitment we have both from our owners and professional financiers.

Our main effort in 2023 will be to make the mine and processing plant fully operational, allowing us to begin generating cashflow from the sale of gold. Additionally, we plan to drill the promising prospects we have identified, which will increase our reserve base.

As a closing remark, I will thank all our old and new shareholders for your continued support during 2022 in financing the operation. The board and management will continue to work hard to build shareholder value and we look forward to communicating further positive news with you from our operation in Akobo during the rest of 2023.

Yours sincerely,

Hans Olav Torsen



Chairman of the Board



BOARD OF DIRECTORS



HANS OLAV TORSEN

CHAIRMAN

As well as occupying the position of Chairman at Akobo Minerals AB(AM), he also holds the similar position at PirlInvest Holding AS which is the largest shareholder in AM. Hans Olav Torsen also currently is on the Board of 10 other companies mostly tech and energy related companies. Earlier he also held the Chairman position in the publicly listed companies Roxar ASA and Corroocean ASA.

Hans Olav Torsen was the Founder and CEO of Seatex AS specializing in navigation, GPS positioning and instrumentation. Through mergers and acquisitions Seatex expanded, renamed to Navia ASA and successfully listed at the Oslo Stock Exchange and later acquired by The Kongsberg Group. Torsen held a position as Senior Vice President Business Development at Kongsberg Group ASA following the acquisition.

As Cofounder and Senior Partner, Torsen started Proventure Management AS, a Seed Capital Fund Manager. Torsen was a Scientist - and later Chief Scientist - at the Norwegian Continental Shelf Institute.

Hans Olav Torsen received a M.Sc. In Cybernetics from the Norwegian University of Science and Technology. He is an elected Member of NTVA - the Norwegian Academy of Science and Technology.



CARL EIDE

BOARD MEMBER

Carl has over 20 years of experience in multiple roles across a variety of industries, including as CFO and CEO. His focus is primarily in business development.

Carl joined Akobo Minerals as a board member in June 2022 and has a number of other board director positions, including at Esmar AS, Nanize AS and Vitalis Helse.

He is currently an active trader and investor in various businesses and financial concerns through his family company.



HELGE RUSHFELDT

BOARD MEMBER

Helge Rushfeldt is the owner and general manager of Promin AS, a Norwegian-based consultancy in the mining and minerals industry. Helge Rushfeldt has worked for many of Norway's major mines and mineral processing facilities, including Titania AS, Norwegian Talc and Hustadmarmor AS.

Helge Rushfeldt has worked on several exploration projects and many projects developing from exploration, via financing towards production.

Helge Rushfeldt holds a Master of Science in Mineral Processing from the Norwegian University of Science and Technology (NTNU) in Trondheim, Norway.



THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

The annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present the financial position of both the parent company and the group for the year ending 31 December 2022 – and their financial performance and cash flow for the year, in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

FINANCIAL STATEMENT

The board of directors and CEO of Akobo Minerals AB present the following financial statements and consolidated financial statements for the financial year 2022.

INCOME STATEMENT – group of companies

	Note	2022-01-01- 2022-12-31	2021-01-01- 2021-12-31
Other Operating income			
Cost of goods		-3,327	
Operating Income		-3,327	0
Other external expenses	2, 5	-35,888,221	-5,547,038
Personnel costs	3	-11,167,875	-5,021,913
Total operating expenses		-47,056,096	-10,568,951
Other interest income and similar profit/loss items	7	13,560,850	6,340,481
Interest expense and similar profit/loss items	8	-20,765,338	-5,632,027
Result after financial items		-54,263,910	-9,860,497
Result for the year before tax		-54,263,910	-9,860,497
Result for the year		-54,263,910	-9,860,497
Attributable to the parent company's shareholders		-54,263,910	-9,860,497

BALANCE SHEET – group of companies

	Note	2022-12-31	2021-12-31
Capitalised expenditure for development and similar work	9	62,499,003	48,992,177
Fixed assets under construction	10	57,159,581	
Plant and machinery	11		1,105,506
Equipment, tools, fixtures and fittings	12		601,636
Total Fixed Assets		119,658,584	50,699,319
Trade receivables		469,032	
Other Receivables		5,402,754	1,876,580
Prepaid expenses and accrued income		636,998	410,156
Cash and Bank		56,304,870	33,367,571
Total Current Assets		62,813,654	35,654,307
Total Assets		182,472,238	86,353,627
Share capital	15	1,579,765	1,579,765
Share premium reserve		100,403,584	122,243,897
Balanced result		-22,963,551	-44,009,568
Result of the year		-54,263,910	
Total Equity		24,755,888	79,814,094
Provisions			825,113
Total Provisions		0	825,113
Long term debt	16	98,115,988	
Total Long Term Debt		98,115,988	0
Trade payables		2,301,365	1,539,012
Current tax liability		311,650	
Other liabilities		2,271,014	2,815,555
Convertible loans	17	53,300,782	
Accrued expenses and deferred income		1,415,551	1,359,853
Current liabilities		59,600,363	5,714,421
Total Debt		157,716,350	5,714,421
Total Equity and Debt		182,472,238	86,353,627

EQUITY – group of companies

	Share capital	Share premium reserve	Balanced result	Result of the year	Total
2022-01-01	1,579,765	122,243,897	-44,009,568		79,814,094
Share premium adjustment		1,847,615			1,847,615
Translation difference			-3,300,264		-3,300,264
Reclassifications and adjustments		-23,687,928	24,346,281		658,353
Result of the year				-54,263,910	-54,263,910
2022-12-31	1,579,765	100,403,584	-22,963,551	-54,263,910	24,755,888

CASH FLOW – group of companies

	2022-01-01- 2022-12-31	2021-01-01- 2021-12-31
Profit before financial items	-47,059,423	-10,568,951
Adjustments for items not included in cash flow		
Interest received		
Interest paid		
Tax paid		
Cashflow from operating activities before changes in working capital	-47,059,423	-10,568,951
Changes in accounts receivables and other receivables	-1,038,718	62,255
Changes in accounts payable and other liabilities	-2,997,862	3,243,765
Cashflow from operating activities	-4,036,580	-7,262,931
Investment in intangible non-current assets	-13,524,792	-1,381,423
Investment in tangible non-current assets	-55,415,732	-22,453,059
Cashflow from investing activities	-68,940,524	-23,834,482
Proceeds from short-term debt	52,020,523	
Proceeds from long-term debt	95,078,680	
New issue		50,877,441
Issuance expenses		-7,431,577
Change in provisions	-825,113	825,113
Cashflow from financing activities	146,274,090	44,270,977
Cashflow net	26,237,563	13,173,564
Translation difference in cash and cash equivalents	-3,300,264	891,458
Cash flow for the period	22,937,299	14,065,022
Cash at the beginning of the period	33,367,571	19,302,549
Cash at the end of the period	56,304,870	33,367,571

BALANCE SHEET – parent company

	Note	2022-12-31	2021-12-31
Participation in group companies	13	22,073,570	22,073,570
Receivables from group companies	14	129,827,158	74,547,140
Total Fixed Assets		151,900,728	96,620,710
Other Receivables		38,147	34,646
Prepaid expenses and accrued income		135,123	107,405
Total Current Assets		173,270	142,051
Total Assets		152,062,091	96,762,761
Share capital	4, 15	1,579,765	1,579,765
Share premium reserve		100,403,584	98,555,968
Balanced result		-5,066,116	-30,436,806
Result of the year		-415,655	25,370,690
Total Equity		96,501,577	95,069,618
Provisions			825,113
Total Provisions		0	825,113
Liabilities to group companies		1,565,508	
Other liabilities		594,224	253,968
Accrued expenses and deferred income		100,000	614,063
Convertible loans	17	53,300,782	
Current liabilities		55,560,514	868,030
Total Debt		55,560,514	1,693,143
Total Equity and Debt		152,062,091	96,762,761

INCOME STATEMENT – parent company

	Note	2022-01-01- 2022-12-31	2021-01-01- 2021-12-31
Other external expenses	5	-5,712,595	-3,092,206
Total operating expenses		-5,712,595	-3,092,206
Profit/loss from participations in group companies	6	-471,042	25,053,243
Other interest income and similar profit/loss items	7	10,203,695	5,303,361
Interest expense and similar profit/loss items	8	-4,435,713	-1,893,709
Result after financial items		-415,655	25,370,690
Result for the year before tax		-415,655	25,370,690
Result for the year		-415,655	25,370,690
Attributable to the parent company's shareholders		-415,655	25,370,690

EQUITY – parent company

	Share capital	Share premium reserve	Balanced result	Result of the year	Total
2022-01-01	1,579,765	98,555,969	-5,066,116		95,069,618
Share premium adjustment		1,847,615			1,847,615
Result of the year				-415,655	-415,655
2022-12-31	1,579,765	100,403,584	-5,066,116	-415,655	96,501,577

CASH FLOW – parent company

	2022-01-01- 2022-12-31	2021-01-01- 2021-12-31
Before changes in working capital	-5,712,595	-3,092,206
Changes in accounts receivables and other receivables	5,282,121	4,037,499
Changes in accounts payable and other liabilities	5,053,302	-632,675
Cashflow from operating activities	4,622,828	312,619
Proceeds from inter company loans	-54,514,415	-62,897,844
Investment in intangible non-current assets		
Investment in tangible non-current assets		
Cashflow from investing activities	-54,514,415	-62,897,844
Proceeds from short-term debt		
Proceeds from long-term debt	52,020,523	
Expenses related to share issue	-1,303,823	43,445,864
Change in provisions	-825,113	825,113
Cashflow from financing activities	49,891,587	44,270,977
Cashflow net	0	-18,314,248
Translation difference in cash and cash equivalents		
Cash flow for the period	0	-18,314,248
Cash at the beginning of the period	0	18,314,248
Cash at the end of the period	0	0

NOTES

NOTE 1

ACCOUNTING PRINCIPLES

Amounts stated are in Swedish krona (SEK) unless otherwise stated.

GENERAL ACCOUNTING PRINCIPLES

The annual report has been prepared in accordance with the Annual Accounts Act and in accordance with the Accounting Board's General Advice BFAR 2012:1 Annual Report and Consolidated Accounts (K3).

The accounting principles are unchanged as compared to previous years.

Assets, provisions and liabilities have been valued at acquisition value unless otherwise stated below.

CLASSIFICATION

Fixed assets, long-term liabilities and provisions essentially consist only of amounts that are expected to be recovered or paid after more than twelve months from the balance sheet date. Current assets and short-term liabilities essentially consist only of amounts that are expected to be recovered or paid within twelve months of the balance sheet date.

VALUATION PRINCIPLES, ETC

Assets, provisions and liabilities have been valued at acquisition value unless otherwise stated below.

INTANGIBLE ASSETS

OTHER INTANGIBLE ASSETS

The company has internally generated intangible fixed assets. These are reported according to the activation model. All costs related to the development of internally generated intangible fixed assets are capitalized and amortized over the estimated useful life of the asset. The period of use is reviewed on each balance sheet date. Ongoing projects are not written off but are tested for impairment annually.

As the company's intangible assets have not been put into use, the depreciation period has not yet commenced.

TANGIBLE FIXED ASSETS

Tangible fixed assets are reported at acquisition value less accumulated depreciation and write-downs.

As the facility in the subsidiary had not been put into use at the end of the year but was still in an exploration phase, the company has decided to reclassify the account group's machinery and other technical facilities, as well as fixtures and tools, to the ongoing new facility.

Write-downs - tangible and intangible fixed assets and shares in group companies

At each balance sheet date, it is assessed whether there is any indication that an asset's value is lower than its reported value. If such an indication exists, the asset's recoverable amount is calculated.

FOREIGN CURRENCY

ITEMS IN FOREIGN CURRENCY

Monetary items in foreign currency are converted to the exchange rate on the balance sheet date. Non-monetary items are not recalculated but reported at the exchange rate at the time of acquisition.

RECALCULATION OF FOREIGN OPERATIONS

Assets and liabilities are converted to the accounting currency at the exchange rate on the balance sheet date. Income and expenses are converted to an average rate approximate to the actual rate on the business day. Exchange rate differences that arise during the conversion are reported directly against equity.

FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are reported in accordance with chapter 11 of BFNAR 2012:1.

ACCOUNTING IN AND REMOVAL FROM THE BALANCE SHEET

A financial asset or financial liability is included in the balance sheet when the company becomes a party to the contractual terms of the instrument.

A financial asset is removed from the balance sheet when the contractual right to the cash flow from the asset has ended or been settled. The same applies when the risks and benefits associated with the holding have essentially been transferred to another party and the company no longer has control over the financial asset. A financial liability is removed from the balance sheet when the contractual obligation has been fulfilled or terminated. Spot purchases and spot sales of financial assets are reported on the business day.

CLASSIFICATION AND VALUATION

Financial assets and liabilities have been classified in different valuation categories in accordance with chapter 11 of BFNAR 2012:1. The classification into different valuation categories is the basis for how the financial instruments should be valued and how changes in value should be reported.

LOAN RECEIVABLES AND ACCOUNTS RECEIVABLE

Loans and receivables are financial assets that have fixed or determinable payments but are not derivatives. These assets are valued at amortized cost. Accrued acquisition value is determined based on the effective interest rate that was calculated at the time of acquisition. Receivables are reported at the amount that is estimated to be effective, i.e. after deduction for bad debts.

OTHER FINANCIAL LIABILITIES

Loans and other financial liabilities, such as accounts payable, are included in this category. The liabilities are valued at amortized cost.

RECEIVABLES AND LIABILITIES IN FOREIGN CURRENCY

Exchange rate changes regarding operating receivables and liabilities are reported in the operating profit, while exchange rate changes regarding financial receivables and liabilities are reported in the financial net.

GROUP ACCOUNTS

The consolidated accounts include subsidiaries where the parent company has direct control

influence. Decisive influence normally exists when the parent company directly or indirectly holds more than 50% of the votes.

The consolidated accounts are prepared according to the acquisition method, which means that the subsidiaries' taxed and untaxed equity are included in the group's equity only to the extent that they earned after the acquisition.

The recalculation of foreign companies takes place according to the current rate method, which means that assets and liabilities are recalculated to current exchange rate at the time of closing the accounts, with profit effects of this conversion reported directly against equity. The income statement is converted to an average exchange rate for the year and the effect is reported in equity.

BUSINESS ACQUISITION

The parent company prepares an acquisition analysis at the time of acquisition to identify the group's acquisition value, partly for the shares and partly for the subsidiary's assets, liabilities and provisions.

Business acquisitions are reported in the group from the date of acquisition. The acquisition value of the acquired unit is calculated as the sum of the purchase price, i.e. fair value at the time of acquisition for assets paid for, incurred or taken over as debts and expenses that are directly attributable to the business combination. Examples of expenses are transaction costs.

TRANSACTIONS ELIMINATED ON CONSOLIDATION

All internal group transactions, transactions and unrealized internal profits have been eliminated in the group whole.

NOTE 2**LEASE AGREEMENT – OPERATING LEASE LESSEE**

	Group		Parent company	
	2022	2021	2022	2021
During the year, the company's leasing fees amounted to:	212,811	-	-	-
Future minimum lease payments for non-cancellable leases are due as follows:				
Within 1 year	363,283	-	-	-
Between 2 and 5 years	-	-	-	-
More than 5 years	-	-	-	-
Total	363,283	-	-	-

NOTE 3**PERSONNEL**

Average number of employees	2022		2021	
	Total	Of which men	Total	Of which men
Sweden	-	-	-	-
Ethiopia	51	37	34	19
Norway	3	2	4	3
Total	54	39	38	22

The group has a total of 54 employees as of 31 December 2022, none of whom are employed by the parent company.

SALARIES, ALLOWANCES, ETC.

Salaries, benefits, social costs and pension costs have been paid in the following amounts:

	Group		Parent company	
	2022	2021	2022	2021
Board members and CEO:				
Salaries and benefits	661,580	2,014,832	-	-
Bonuses	321,751	274,931	-	-
Pension costs	199,495	357,756	-	-
	1,182,826	2,647,519	-	-
Other employees:				
Salaries and benefits	7,641,152	3,596,800	-	-
Pension costs	513,408	155,255	-	-
	8,154,560	3,752,055	-	-
Social costs	844,942	148,215	-	-
Total	10,182,328	6,547,789	-	-

Gender distribution in the board and company management:

	Group		Parent company	
	2022	2021	2022	2021
Number of board members	4	4	3	3
Of which women	-	-	-	-
Of which men	4	4	3	3
Number of other executives	5	5	1	1
Of which women	1	1	-	-
Of which men	4	4	1	1
Pension obligations to the board	-	-	-	-

NOTE 4

SHARE-RELATED COMPENSATION

PARENT COMPANY

From 2018 up to 31 December 2022 Akobo Minerals issued four separate warrants to the board and senior executives, one of which expired in 2021. In 2020, it was decided to merge the company's shares 1:10, whereby the number of shares that each warrant entitled the holder to was changed accordingly: 10 warrants entitles the holder to 1 new share, and the redemption price for the previously issued warrants changed by a multiple of 10. The number of warrants issued is, however, unchanged. In addition, the company issued 1,080,328 warrants with a conversion rate of SEK 6.9 to Monetary Metals in connection with a loan by Monetary Metals in 2022. The total number of warrants issued and allocated during 2018-2022 amounts to 33,580,328 which, taking into account the aggregation of the company's shares in 2020, entitles the holders to a total of 7,480,328 shares.

CONDITIONS AND CHANGES IN THE OPTION PROGRAMS APPEAR BELOW.

The number of reported outstanding warrants as of 01/01/2021 differs from what was reported in the annual report for 2021 due to the fact that the number of previously reported warrants converted to shares in 2020 was incorrect. During 2020, 6,100,000 warrants were converted into 610,000 shares. Furthermore, the number of previously reported warrants due in 2021 was incorrect. All changes that took place during 2021 are reported below.

	2022			2021		
	Average redemption price, kr	Entitles to subscribe for shares*	Options	Average redemption price, kr	Entitles to subscribe for shares*	Options
Outstanding as of January 1	2.65	2,677,000	10,570,000	2.50	2,290,000	22,900,000
Newly issued and assigned	6.86	2,780,328	2,780,328	2.73	1,800,000	1,800,000
Forfeited	6.84	100,000	100,000	-	-	-
Converted to shares	-	-	-	0.86	1,413,000	14,130,000
Due that are not converted into shares	-	-	-	-	-	-
Outstanding as of December 31	4.76	5,357,328	13,250,328	2.65	2,677,000	10,570,000

*Taking into account the consolidation of shares 1:10 in 2020.

NOTE 5**REMUNERATION TO AUDITORS**

Remuneration to the auditor has been paid as follows:

	Group		Parent company	
	2022	2021	2022	2021
Audit activities	238,662	176,359	123,295	107,390
Other statutory audit tasks	-	-	-	-
Tax advice	-	-	-	-
Other services	41,490	43,417	-	-
Total	280,152	219,776	123,295	107,390

NOTE 6**RESULTS FROM SHARES IN GROUP COMPANIES**

	2022	2021
Impairment of receivables group companies - Etno Mining	-471,042	-
Reversal write-down of receivables - Etno Mining	-	1,965,795
Reversal write-down of receivables - ARD	-	7,008,128
Reversal write-down of shares - ARD	-	16,079,320
Total	-471,042	25,053,243

NOTE 7**INTEREST INCOME AND SIMILAR INCOME ITEMS**

	Group		Parent company	
	2022	2021	2022	2021
Interest income, group companies	-	-	4,703,601	2,337,287
Interest	209,479	-	29,109	-
Exchange rate difference	13,351,371	6,340,481	5,470,985	2,966,074
Total	13,560,850	6,340,481	10,203,695	5,303,361

NOTE 8**INTEREST COSTS AND SIMILAR INCOME ITEMS**

	Group		Parent company	
	2022	2021	2022	2021
Interest expenses, group companies	-	-	1,280,259	1,842,280
Interest expenses, other	3,011,030	527,403	2,820	23,382
Exchange rate difference	17,754,308	5,104,624	3,152,634	28,047
Total	20,765,338	5,632,027	4,435,713	1,893,709

NOTE 9**BALANCED EXPENSES FOR DEVELOPMENT WORK**

	Group		Parent company	
	2022	2021	2022	2021
Opening acquisition values	48,992,177	26,539,057	-	-
Internally developed assets	13,506,826	22,453,120	-	-
Closing accumulated acquisition values	62,499,003	48,992,177	-	-
Closing book value	62,499,003	48,992,177	-	-

NOTE 10**ONGOING NEW FACILITIES**

	Group		Parent company	
	2022	2021	2022	2021
Initial acquisition values	-	-	-	-
Reclassification	1,707,142	-	-	-
Purchases	55,452,439	-	-	-
Closing accumulated acquisition values	57,159,581	-	-	-
Closing book value	57,159,581	-	-	-

NOTE 11**MACHINERY AND OTHER TECHNICAL FACILITIES**

	Group		Parent company	
	2022	2021	2022	2021
Initial acquisition values	1,105,506	304,465	-	-
Reclassification	-1,105,506	-	-	-
Purchases	-	801,041	-	-
Closing accumulated acquisition values	-	1,105,506	-	-
Closing book value	-	1,105,506	-	-

NOTE 12**EQUIPMENT AND TOOLS**

	Group		Parent company	
	2022	2021	2022	2021
Initial acquisition values	601,636	21,254	-	-
Reclassification	-601,636	-	-	-
Purchases	-	580,382	-	-
Closing accumulated acquisition values	-	601,636	-	-
Closing book value	-	601,636	-	-

NOTE 13**SHARES IN GROUP COMPANIES**

	2022	2021
Initial acquisition values	22,073,570	22,073,570
Purchases	-	-
Closing accumulated acquisition values	22,073,570	22,073,570
Opening write-downs	-	-16,079,320
Reversal of impairment	-	16,079,320
Closing accumulated write-downs	-	-
Closing book value	22,073,570	22,073,570

The parent company's and the group's holdings of shares in group companies.

Akobo Minerals AB owns 100% of Abyssinia Resources Development AS, which in turn owns 99.97% of Etno Mining PLC in Ethiopia.

Subsidiary / Org nr / Seat	Number	Recorded value	
	Capital share %	2022	2021
Abyssinia Resources Development AS / 995 011 050 / Oslo	100%	22,073,570	22,073,570

NOTE 14**RECEIVABLES FROM GROUP COMPANIES**

	2022	2021
Initial reported value	74,547,140	3,440,976
Additional claims	55,751,060	71,106,164
Write-downs	-471,042	-
Closing reported value	129,827,158	74,547,140

The item has been reclassified from short-term to long-term receivable as settlement will not take place to any extent during 2023.

In connection with this and to increase comparability, the claim from 2021 has also been reclassified.

NOTE 15**EQUITY**

Share capital	Number of shares	Value per share
Number/value at the beginning of the year	42,512,606	0.037159931
Number/value at the end of the year	42,512,606	0.037159931

All shares are of the same type.

NOTE 16**LONG-TERM LIABILITIES**

	Group		Parent company	
	2022	2021	2022	2021
Other long-term liabilities	98,115,988	-	-	-
Amortization within 1 year	-	-	-	-
Amortization between 2 and 5 years	98,115,988	-	-	-
Amortization after 5 years	-	-	-	-

NOTE 17**CONVERTIBLE LOAN**

On July 2, 2022, Akobo Minerals AB issued a convertible loan with a nominal value of NOK 49,175,000. The loan was paid in two tranches: On July 15, 2022 (tranche 1) and July 31, 2022 (tranche 2). The loan matures one year after payment of the respective tranche if it has not been converted to shares before then at the request of the holder. The conversion rate is calculated based on different parameters depending on which of the three given occasions the conversion takes place. The loan runs at an interest rate of 5%.

NOTE 18**PLEDGED COLLATERAL**

For the loan of SEK 98 million, the Group has placed all these assets in Abyssinia Resource Development AS and its subsidiary, ETNO Mining Plc, as security. As of the balance sheet date, 31 December 2022, the total book value amounts to the assets in these two companies - equivalent to SEK 179 million after group eliminations.

NOTE 19**CONTINGENT LIABILITIES**

Etno Mining PLC has entered into a concession agreement with the Ethiopian government which gives the right to search for minerals in the Gambela region. The agreement includes that Etno Mining must restore land and natural areas in accordance with the Ethiopian state's restoration plan.

The financial effects of these commitments are difficult to estimate.

NOTE 20

CONTINGENT ASSETS

Through the subsidiary Etno Mining PLC, the group has the option of reimbursement of VAT expenses from the Ethiopian state if the operations in the future will generate revenue. The Ethiopian government also guarantees that expenses incurred before the business became profitable in the Ethiopian company can be used to offset future profits in the business for tax purposes ("loss carry forward"). This applies 10 years from the year the expense was incurred.

The value of VAT expenses per balance sheet date is approximately MSEK 4.0, which is included in the group's balance sheet as a receivable.

Financial effects in general are difficult to estimate.

SIGNATURES

Gothenburg on 31.05.2023



Hans Olav Torsen
Chairman of the Board
Managing Director



Jørgen Evjen
Managing Director



Helge Rushfeldt
Board Member



Carl Fredrik Eide
Board Member

Our audit report has been submitted on 31.05.2023

Frejs Revisorer AB



Sebastien Argillet
Chartered Accountant

AUDITOR'S REPORT

AUDITOR'S REPORT

To the general meeting of the shareholders of Akobo Minerals AB (publ), corporate identity number 559148-1253

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

OPINIONS

We have audited the annual accounts and consolidated accounts of Akobo Minerals AB (publ) for the year 2022.

In our 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 and cash flow 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.

We 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

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

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

OTHER INFORMATION

The audit of the annual accounts and consolidated accounts for the financial year 2021-01-01 - 2021-12-31 has been carried out by another auditor who submitted an audit report dated 2022-06-20 with a remark on late payment of deducted tax, social security contributions or VAT.

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

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 our 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.
- 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. We 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

OPINIONS

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

We 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

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

We believe that the audit evidence we 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

Our objective concerning the audit of the administration, and thereby our 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.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our 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, we exercise professional judgment and maintain professional skepticism 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 our professional judgment with starting point in risk and materiality. This means that we 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. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

REMARK

During the financial year, the company has paid deducted tax, social security contributions and VAT late. The Board of Directors and CEO have thus not fulfilled their obligations under Chapter 8, Section 4 of the Swedish Companies Act. 4 § aktiebolagslagen. The neglect has not resulted in any damage to the company other than penalty interest.

Gothenburg on 31.05.2023

Frejs Revisorer AB

Sebastien Argillet
Authorized Public Accountant



AKOBOMINERALS

ANNUAL REPORT 2022

AKOBO MINERALS AB (publ)
Södra Allégatan 13
413 01 Gothenburg Sweden

PHONE: +47 92 80 40 14
EMAIL: info@akobominerals.com
Org.no 559148-1253