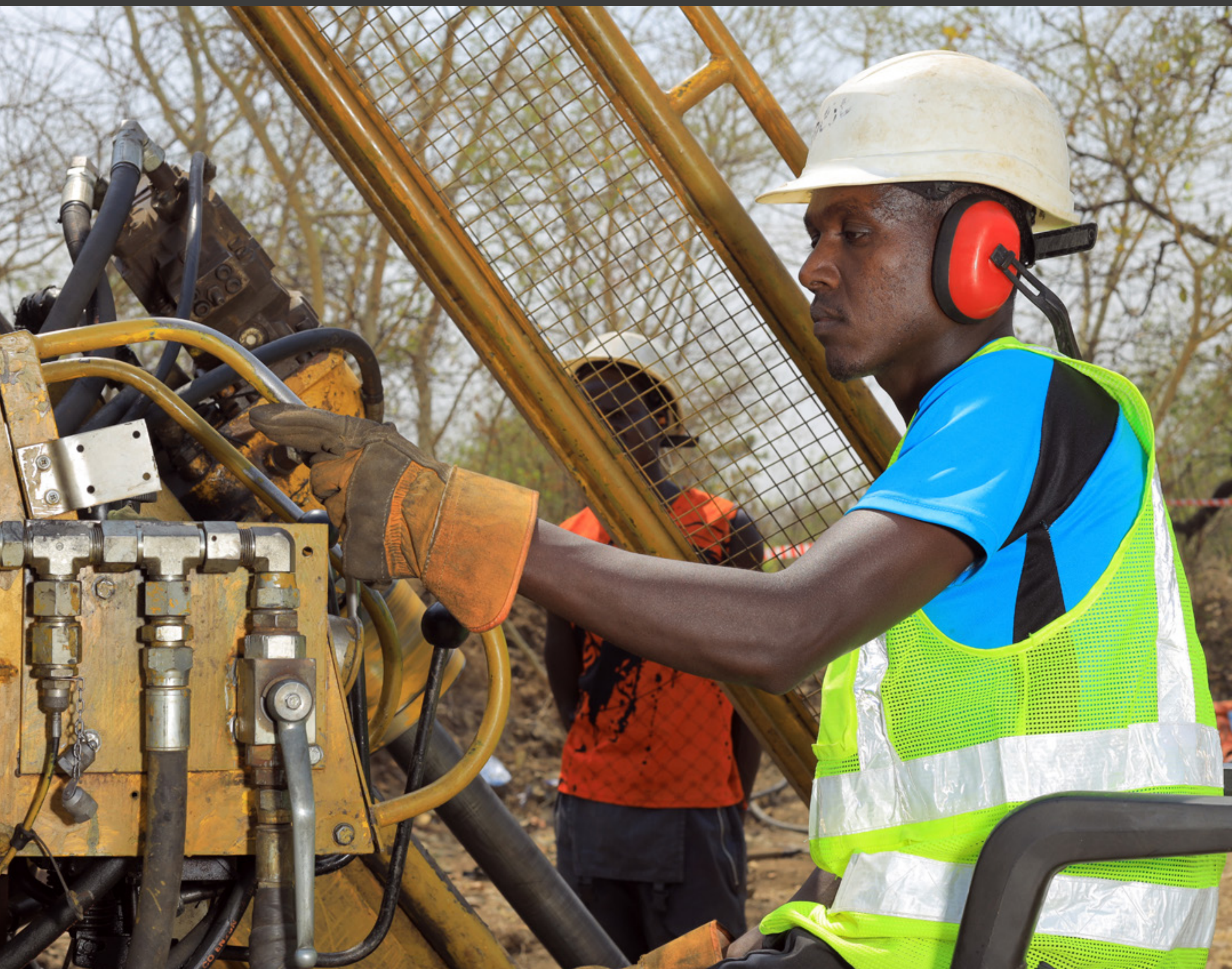
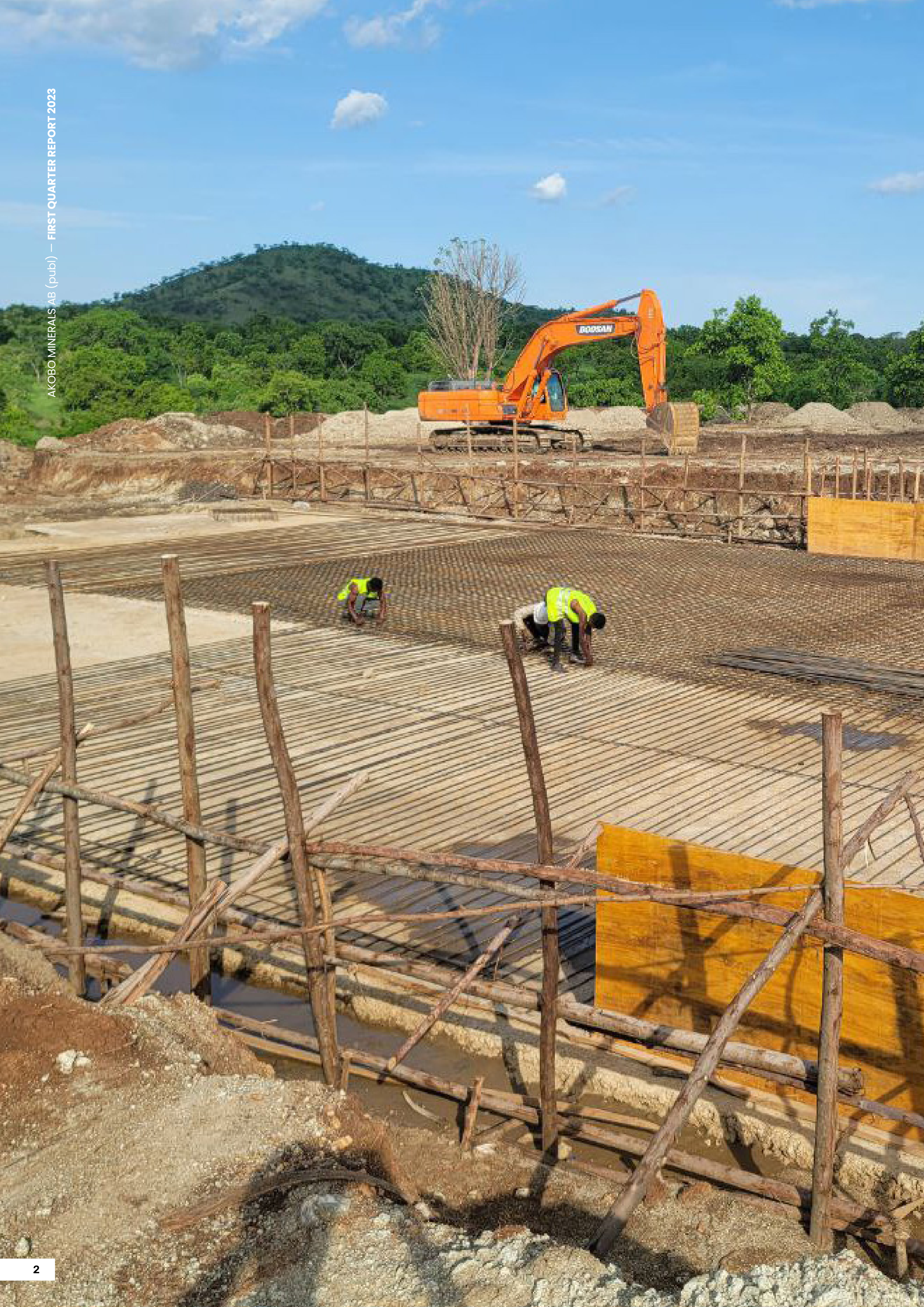
Q1 REPORT 2023

ending 31 March

AKOBO MINERALS AB (publ)

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AKOBOMINERALS

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ABOUT AKOBO MINERALS

Akobo Minerals is a Scandinavian-based gold exploration and boutique mining company, currently holding an exploration license covering 182 km^2 and a mining license covering 16 km^2 in the Gambela region and Dima Woreda, Ethiopia. The company has established itself as the leading gold exploration company in Ethiopia through more than 13 years of on-the-ground activity, which has now been enhanced further with the development of its Segele mine.

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 on the principles of sound ethics, transparency and communication, and is ready to take on new opportunities and ventures as they arise. The company is uniquely positioned to become a major player in the future development of the very promising Ethiopian mining industry.

Akobo Minerals has a clear strategy aimed at building a portfolio of gold resources through high-impact exploration and mining, whilst adhering to a lean business operation. 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.

IMPORTANT EVENTS IN THE FIRST QUARTER 2023

- Fabrication and shipping of the main processing plant was completed
- The two ton/hour ultra-small processing plant arrived in Ethiopia
- The Segele underground mine main boxcut was completed
- Two smaller entries into the upper part of the ore body commenced
- Gold was confirmed in the first drill hole at the third Segele mineralised zone
- Core drilling started on the Gingibil target a few kilometres southeast of Segele
- Secured NOK 22.475 million in funding through a convertible loan
- Engagement with gold refineries began to establish refinery agreements
- Company awarded the Indaba ESG Nature award in Cape Town, South Africa
- Several ESG community-facing initiatives began

EVENTS AFTER THE PERIOD

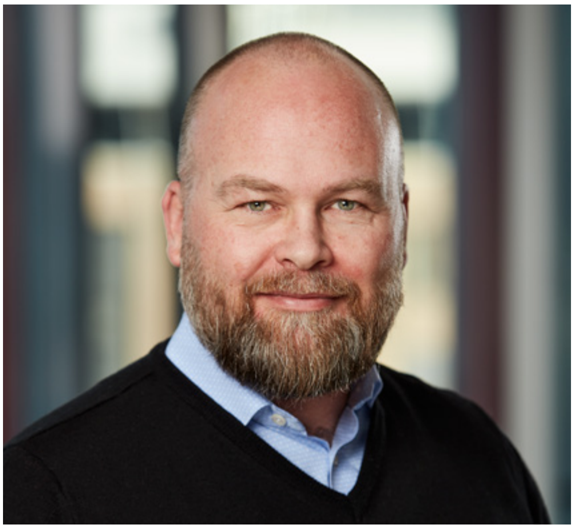
- First gold produced from the Gingibil quartz vein system by way of bulk sampling
- Construction of the main processing plant began
- The two ton/hour ultra-small plant was made fully operational
- The largest underground accessway – the incline shaft – has advanced 37m in length
- The two smaller entries into the upper part of the ore body – the Eastern and Western winzes – are well advanced and are both 26m in length
- Challenging weather conditions – historically heavy rain and flooding – impacted progress
- Overall progress was somewhat slower than planned
- Agreement in progress to be signed with LBMA approved refinery

FINANCIAL PERFORMANCE OVERVIEW

- The result for the period: **SEK -37.8 million**
- The result for the year-to-date: **SEK -37.8 million**
- Cash flow for the period: **SEK -7.7 million**
- Cash at the end of the period: **SEK 48.6 million**
- Total equity at the end of the period: **SEK 0.4 million**
- Total external long-term debt at the end of the period: **SEK 124.7 million**
- Convertible loan of **SEK 53 million** will be converted to equity at the beginning of July 2023

COMMENTS FROM THE CEO

The journey to get the company to where we are at today – on the cusp of full-scale gold production – has been a long and winding road. But we can now see the light – or, more accurately, gold – at the end of the tunnel and this has made every employee determined to make a further push to bring success.



We entered the new year in high spirits, following a positive final quarter which laid the foundations for us to get all aspects of our operations in place as we built towards the milestone of first gold pouring from our Segele mine. There were difficulties, particularly concerning the deliveries of equipment and materials and for the processing plant and mine, but thought and efforts by our team and partners helped to reduce delays. Some challenges, however, continued into 2023… but we remain optimistic.

We recognise that doing something that many believed to be impossible – creating from scratch the first new gold mine in Ethiopia in many years – was going to be a tough task and it has been a steep learning curve for the whole company. Ethiopia is not a mining country and, therefore, there is no associated mining service industry. Infrastructure did not exist to any extent and the airstrip we built is still the most effective way to get in and out of the license area, particularly when poor weather makes the roads difficult to navigate. Working conditions were also heavily affected for a period due to four rainfall events that occurred during late March and early May. These are classified as extreme weather events and are likely related to El Niño. We had the highest known water level in the Akobo River in living memory. In addition to infrastructure issues and weather, headline inflation in the country was over 32 percent in the first quarter, almost three times the Government's annual average inflation target of 11.9 percent. This makes budgeting and planning a difficult task.

The good news is that whenever we come up against issues, we manage to find solutions. This has meant that we have all components and parts under control, and no parts of our operations were damaged due to the bad weather conditions. The ultra-small processing plant that we installed while the large-scale unit was being delivered from South Africa and commissioned, achieved what we wanted it to in the first quarter. This was a historic achievement, and I cannot thank all the employees enough for their hard work and dedication at meeting this milestone.

Despite this success, there was no chance that anybody could bask in the glory of the moment. Running the ultra-small plant, setting up the large-scale plant, creating the foundations for equipment and ancillary buildings and work on new mine entrances and shafts were all being undertaken in parallel.

Our intention to start up the second drill rig during the first quarter did not materialise due to the number of other projects in progress – particularly with all hands on-deck for the mining development. However, the highly promising targets that has been identified will be explored further as soon as we have additional capacity. We are still an exploration company, and the new targets will surely take us into the next level.

As a step to creating additional capacity across our operation, there was a particular drive to bring new employees into the company. By the end of the quarter, we actually had a total of 71 full-time, seven temporary and 19 contract employees – a significant increase on the level of six months ago. And with new employees comes new training programs – both for those joining the company and employees already with us that are, for example, taking on new roles or requiring additional support as the business expands. We are trying everything to maintain our operational progress – with additional staff, more day shifts and new night shifts. Things will take time to bed in, but we are determined to keep up the momentum of the past year.

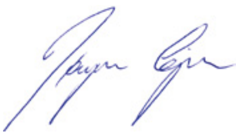
The first quarter of 2023 saw particular progress across all aspects of our ESG program – with activities moving forward from plans on the drawing board to actual projects. The ESG team has worked extremely hard to create positive step towards the local communities in which we operate, including a project to purchase a grain mill, a biodiversity survey and start-up of the tree nursery, to name but a few.

Aside from operational work, we secured further financing during the quarter for additional working capital. NOK 22.475 million in funding, mainly existing shareholders, was secured through a convertible loan.

We have also received excellent support from all government departments and personnel, including from the minister of mines, the minister of finance and the prime minister, as well as from local government. This is heartening as we build our operation and move toward positive cash flow.

Though it is difficult to say exactly when the main plant will be operational, I can say we are getting closer every day. In the meantime, I am happy to see the ultra-small plant up and running and commissioned. What I will say, however, is that I am very proud of our employees and the progress they have helped us make. It has been a tough journey, but we are getting there. The future is bright.

Yours sincerely,



Jørgen Evjen
CEO, Akobo Minerals

KEY METRICS

	2020				2021				2022				2023
SEGELE	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**
Meters drilled (RC+DDH)	906	69	1,244	1,577	670	-	1,292	5,420	4,410	1,662	768	941	422
Accumulated	1,501	1,570	2,814	4,391	5,061	5,061	6,353	11,773	16,183	17,844	18,612	19,553	19,975
Assays samples generated (incl QAQC)	497	29	439	476	132	-	283	2,051	2,274	1,016	631	824	485
Accumulated	1,092	1,121	1,560	2,036	2,168	2,168	2,451	4,502	6,776	7,792	8,423	9,247	9,732
Indicated Resources ounces	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	41,000	41,000	41,000	41,000
Avg grams per ton Indicated	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	40.6	40.6	40.6	40.6
Inferred Resources ounces	n.a	n.a	n.a	n.a	52,410	52,410	52,410	52,410	52,410	27,000	27,000	27,000	27,000
Total Resources ounces					52,410	52,410	52,410	52,410	52,410	68,000	68,000	68,000	68,000
Avg grams per ton total	n.a	n.a	n.a	n.a	20.9	20.9	20.9	20.9	20.9	22.7	22.7	22.7	22.7
GINGIBIL	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**
Meters drilled (RC+DDH)													183
Accumulated													183
Assays samples generated (incl QAQC)													
Accumulated													-
JORU	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**
Meters drilled (RC+DDH)	-	-	-	-	260	597	856	545	-	-	-	-	
Accumulated	1,327	1,327	1,327	1,327	1,587	2,184	3,041	3,586	3,586	3,586	3,586	3,586	3,586
Assays samples generated (incl QAQC)	-	-	-	-	559	452	805	765	-	-	-	-	
Accumulated	1,327	1,327	1,327	1,327	1,886	2,338	3,143	3,908	3,908	3,908	3,908	3,908	3,908
TRENCHING	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**
Meters trenched							876	126	-	-	-	100	270
Accumulated	7,500	7,500	7,500	7,500	7,500	7,500	8,376	8,502	8,502	8,502	8,502	8,602	8,872
CORPORATE	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**
Cash balance SEK	7,320,440	6,801,543	5,782,420	19,302,549	11,779,672	6,160,930	47,027,416	33,367,571	19,968,338	5,819,157	15,642,398	56,304,870	48,591,104
Share issue SEK	8,331,517	1,869,233		20,000,000			48,945,840						
Convertible loan SEK											52,588,514		22,475,000
Long term loan SEK												84,154,886	
Change cash SEK	-2,572,208	-2,388,130	-1,019,123	-6,479,871	-7,522,877	-5,618,742	-8,079,354	-13,659,845	-13,399,233	-14,149,181	-42,765,273	-43,492,414	-30,188,766
Employees in total end quarter	17	23	23	32	33	39	41	38	69	87	85	84	97
Ethiopian fixed	16	22	22	30	31	36	38	34	41	46	55	51	67
Ethiopian temporary and consultants	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	23	36	25	28	26
Scandinavian and other	1	1	1	2	2	3	3	4	5	5	5	5	4
Gold price end quarter	1,578	1,780	1,885	1,897	1,707	1,770	1,728	1,829	1,932	1,817	1,661	1,824	1,969

SEGELE MINE

By the end of 2022, the mining work at Segele was underway and the process plant fabrication was close to completion with many parts at sea en route to Ethiopia. The first quarter of 2023 saw much activity and steady progress of both the mine and processing plant.

The benefits of choosing an experienced contractor were proven during the first quarter when many of the teething problems of a new mine we successfully overcome. Akobo's mining partner, IW Mining, has successfully delivered a wide range of services, such as conveyor belt installations, drop raise training, face advance improvements, equipment reclamation and underground mining stoping and development to a number of major mining houses in South Africa over the past seven years and have brought that experience to bear on the Segele mine. IW Mining and the ETNO team were assisted by consulting engineer, Professor Steven Ruprecht. Steven has over 30 years' experience in mining engineering for major mining companies, and he was pivotal in the design of the Segele underground mining concept. In the first quarter, the team navigated challenges including recruiting and training local staff in modern mining and safety techniques, effectively managing earthmoving equipment and unexpectedly soft rock formations. With intelligence and determination these hurdles were overcome and the incline shaft advanced to 30 metres in length and both winzes were ready for underground mining, with performance continually improving.

As noted previously, the process plant contractor, Solo Resources, suffered difficulties with respect to the completion of the fabrication of the processing plant. These occurred primarily due to electricity shortages in South Africa delaying manufacturing. During the first quarter these delays were successfully overcome and all parts were shipped. By the time of writing all process plant components had been safely delivered to site.

The company achieved a major milestone at the very end of the quarter when the first gold was produced from the ultra-small plant. The decision had been taken to have an ultra-small plant delivered from Solo Resources as a stop-gap measure while the main plant was en route from South Africa. With a desire to ensure that first gold production took place on schedule, the small plant acquisition demonstrated the flexibility needed to meet the challenge of operating in a developing nation with only one operational mine. Although the gold produced has limited economic value, this was an important proof of concept. A number of hurdles were successfully overcome, placing the company in an excellent position to make the main plant operational.

During the first quarter, a major activity was the design and construction of the process plant foundations – including the supply of the materials needed. The process plant foundations design process advanced considerably and the foundations began construction. At the time of writing, sufficient progress had been made to allow construction to begin on the most complicated section of the processing plant. Considerable difficulty was experienced in the supply of cement and reinforcement bars for this, but with the support of the H.E. Habtamu, the Minister for Mines and Petroleum, the materials needed were received.

While the processing plant manager was the sole employee in his department in January, by the end of the quarter his team had grown to 16. He had swiftly recruited talented and experienced staff, including a metallurgist, an engineering clerk and a shift supervisor. This tight knit team has been hard at work making a success of the ultra-small plant. At the time of writing, this team has grown to 27 in total and the company is confident that they will make a success of running the main processing plant. Once construction ramps up further, Solo Resources will send several experienced supervisors to work alongside the ETNO processing plant team.

While the largest components of gold production are the mine and the processing plant, there are a number of minor projects which are critical to continued success. The tailings storage facility design is nearing completion by the well-respected, Epoch Resources. Also, Solo Resources has successfully completed the designs needed for the various water and slurry pumping and purification systems. The additional generators needed for the process plant were at sea at the end of the quarter and had arrived in Ethiopia at the time of writing.

EXPLORATION ACTIVITIES

The exploration team have been managing a portfolio of exciting exploration targets for some time and Q1 saw one of the most exciting developments in the company's history. While we remain excited about the expansion of the mineralisation near Segele, we are even more excited about what Gingibil will bring. Our objective for many months has been to investigate many targets in order to the one that has the highest likelihood to define more resources.

As outlined in previous reports, the regional soil sampling campaigns have been concluded in the Gindibab area and during this process we were delighted to find several outcropping gold bearing quartz veins. We conducted immediate follow-up field work and identified a swarm of gold bearing quartz veins extending for more than 900 metres, with individual veins up to 100 meters in length. This target is called Gingibil which is Amharic for Ginger and may be as or more significant than Segele.

We immediately prioritised this discovery and the core drill rig was moved from Segele to Gingibil and drill testing of the first major quartz vein commenced. In the meantime, further geological mapping, including structural mapping was undertaken and the added knowledge has been used to update the drill program to ensure the best possible drill intersections of the system. After the end of Q1, the drilling successfully intersected the mineralisation at depth, we intend to continue drilling and advance this project to resources definition.

In additional to the exciting Gingibil developments, drilling concluded at the Hill Top target and the drill cores were submitted to ALS for gold and lithogeo-chemical analysis. Including this work, the total meters of drilling at Segele now stands at 19,900 metres.

The Hill Top target – the high-grade gold mineralisation, with coarse visible gold hosted by an ultramafic chlorite schist, located about 130 metres west of the main Segele – has now been tested with five drill holes that outline a series of ultramafic stacked lenses, with shearing and chlorite alteration in the contacts between the lenses. Akobo Minerals is expecting the assays from the drill program at the Hill Top target at Segele to be released soon.

During the second quarter of 2023, the drilling campaign at Gingibil will continue and a ground magnetic survey will be conducted over the target area. No start-up of the second drill rig commenced due to the focus on mine operations, which several of the company's geologists are supporting.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As we entered the new year, the ESG team met for a review meeting to discuss the achievements of 2022, the challenges faced, the lessons learned and the changes we should make.

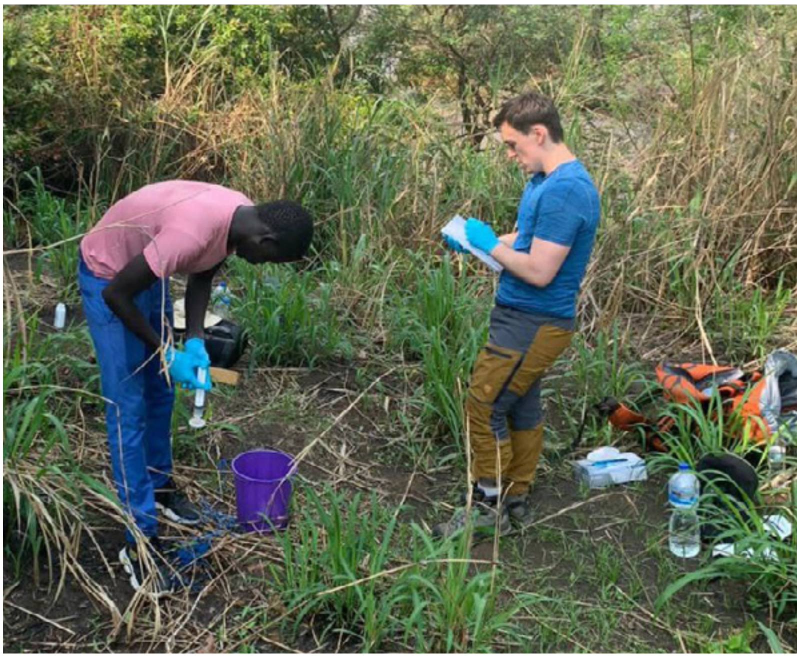
Working within two different calendars – western and Ethiopian – is a perennial challenge, especially at the end and start of the year with two Christmases, a New Year celebration and two Epiphanies. For the team at site, while these celebrations provided an excellent opportunity to strengthen and realise the positivity of our relationships with the community, they also created some challenges in relation to finalising processes and procedures with both government and academic bodies.

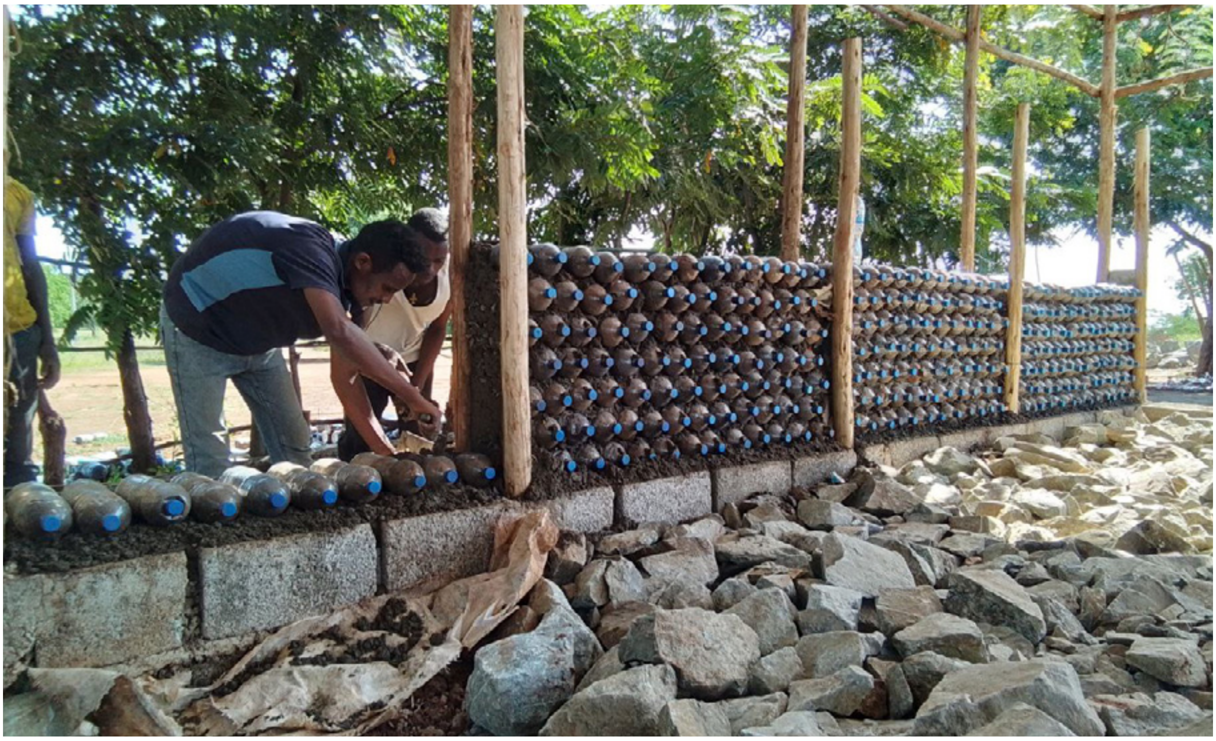
However, it has been a very busy quarter, with the results of discussions and planning undertaken over the last 12 months starting to be realised.

During the first quarter, the company finalised the planned Environmental and Social Management Plan and associated monitoring procedures, along with the first report to the Ethiopian Environmental Protection Authority, summarising Akobo's environmental monitoring programme over the last 12 months. The company has also rolled out its digital environmental and social monitoring system, enabling the team to have constant oversight of stakeholder engagements and environmental data collection.

In relation to environmental monitoring, Akobo Minerals now regularly tests surface water, air quality and noise levels that may have an impact across its operations. Through a collaboration with Jimma University, the company hosted a team of post-graduate researchers who carried out a scoping study of the area's biodiversity. Noteworthy feedback from the team included the announcement from them that they "are operating in a biodiversity hot spot". Of particular interest are the variety of birds, the White Eared Kob (a gazelle) and some monkey species, primarily White Colobus and Gedes monkeys. While the operation does not present direct impacts on these species, there are a number of indirect impacts that Jimma University will be supporting the company to manage.

The collaboration between the Oslo and Addis Ababa Universities also continued as the company hosted a Norwegian post-graduate for a month. He undertook water sampling of the Akobo River and will be using cutting edge DNA testing to assess its biodiversity. The hope is that this will be a long-term collaboration, with further students being hosted in the future to maintain this study.





Team-wise, there were some major personnel changes, with the company's ESG manager being reappointed as camp manager. While not the easiest of transitions, a quarter without a manager provided the ESG team with a great opportunity to demonstrate their respective competencies and ability to work autonomously. It also provided an opportunity to identify any gaps and the important skills and attributes a new ESG manager should bring. In March, a candidate from the procurement team was identified. Girum Abebe has extensive experience of working with sustainability initiatives in Ethiopia with a number of international and bilateral agencies, as well as having two master's degrees. It was agreed that Girum would transition to ESG gradually over the second quarter and there is excitement over what he will bring to the team.

Through Akobo's relationship with Dima polytechnic, the partnership commenced construction of a community training space in the form of an 'Eco Room' in the Chamo school grounds, presenting a great example of how waste products, in the form of plastic bottles can be reused as ecobricks.

The recently established woman's association, supported by the company, has completed its registration process and has decided that it wants to establish a grain milling enterprise. Akobo Minerals has been working with the association to help source a suitable solar powered grain mill, as well as working with the local kebele to secure suitable land for the enterprise. The next step is to discuss and agree project financing and terms, led by Girum who can draw on his financial background.

In a further initiative, the company has mobilised a youth environmental association, which is spearheading a 'Clean-up Chamo' campaign and is very keen to be trained in land rehabilitation of the areas damaged by historic artisanal mining.

The Akobo Minerals Green Gold initiative for payments for ecosystem services is proceeding slowly, but again it is anticipated that this will change under the new ESG manager's leadership.

The ESG team has also built a closer relationship with the company's exploration team, supporting them to gain permission to access and manage interactions with artisanal mining activity in their new target areas, including profiling of these miners.

Moving into the second quarter of the year, the company is looking forward to:

- Enabling the woman's association to receive enterprise training from Dima Polytechnic, in the EcoRoom, securing microfinance from Akobo and starting its enterprise
- The Green Gold initiative being registered and the tree nursery and associated community bore hole becoming operational
- The youth association running the Clean-up Chamo campaign and receiving training from Dima polytechnic in frugal land rehabilitation, and help Akobo make safe abandoned artisanal mining activity.

CORPORATE STRUCTURE AND RISK FACTORS

Akobo Minerals (org.no 559148-1253) is headquartered in the municipality of Gothenburg in Västra Götaland County. The company has a wholly owned Norwegian subsidiary, Abyssinia Resources Development AS ("ARD"). ARD, in turn, owns 99.94 percent of the Ethiopian subsidiary, Etno Mining Plc. Etno Mining Plc is the sole holder of a gold exploration permit in the Gambella region of Ethiopia covering a 182 km^2 area, as well as a large-scale gold and associated minerals mining license covering 16 km^2 within the exploration license area.

SHARES AND SHAREHOLDERS

As of 31 March 2023, there were 42,889,606 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 4,980,328 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.

There were no changes in the ownership structure in the first quarter of 2023. Pir Invest Holding AS, a company controlled by the chairman, is the only entity owning more than 10 percent of Akobo Minerals.

EMPLOYEES

Akobo Minerals had a total 71 full-time, seven temporary and 19 contract employees as of 31 March 2023. 67 of the full-time employees are based in our exploration activity in Ethiopia, three in Scandinavia and one in the UK.

RISKS RELATED TO THE BUSINESS AND INDUSTRY

Akobo Minerals operates in Ethiopia. This exposes Akobo Minerals to various political and economic risks and uncertainties. Such risks and uncertainties include government policies and legislation, governmental interventions, potential inflation and deflation, potential political, social, religious and economic instability.

Ethiopia is an emerging market, and its economy differs in many respects from economies in more developed countries, including economic structure, government, level of development, growth rates and foreign exchange controls. These factors may limit Akobo Minerals' ability to conduct its operations and obtain necessary financing, and therefore have a material negative impact on the company's financial position, results and prospects.

RISKS RELATED TO HEALTH, SAFETY AND SECURITY

Certain of Akobo Minerals' operations are carried out under potentially hazardous conditions, which may cause the company to be responsible for severe injuries or death by employees, contractors and the general population.

The company operates in a remote environment and operates heavy machinery, and weather conditions may be extreme. Akobo Minerals is subject to and intends to operate in accordance with applicable health and safety regulations.

However, Akobo Minerals' operations may cause accidents or other misfortunes which inflict severe injuries or death on the Akobo Minerals' employees, contractors or the general population due to negligence or factors beyond Akobo Minerals' control. Such situations may lead to prosecution and loss of social acceptance. This may, in turn, lead to a reduction in exploration activity or mine production.

CURRENCY EXPOSURE

The company is exposed to risk associated with foreign exchange risk and risk related to repatriation of capital.

The company's accounts are held in SEK, the company raises capital in NOK, transfers funds into Ethiopia in USD and has its operating expenses in Ethiopian birr (ETB). It should be considered that there might not be US dollars available in Ethiopia for the exchange of ETB to USD for transferring funds out of Ethiopia. This foreign exchange exposure may have an adverse effect on the company's results, liquidity and financial position.

Akobo Minerals conducts its operation though its subsidiary in Ethiopia and is subject to exchange controls on injections and withdrawal of capital to and from Ethiopia. If foreign currency restriction were to be imposed on and enforced against Akobo Minerals, this could restrict Akobo Minerals' ability to repatriate future earnings from its operating subsidiary, payment on dividends and repayment on any future loan facilities. The imposition of foreign currency restrictions or restrictions related to repatriation of capital may have a materially adverse effect on Akobo Minerals' business, operations, cash flows and financial condition.

There is also a potential risk of devaluation of local ETB currency.

LIQUIDITY AND FINANCIAL RISK

Akobo Minerals may require additional financing to achieve its goals, and a failure to obtain necessary capital when needed could force Akobo Minerals to delay, limit, reduce or terminate its current projects. Akobo Minerals does not presently generate income to finance its operations and if additional financing is necessary to continue its operations the company will have to rely on external financing, such as bank loans, bonds or the issuance of shares.

Adequate sources of funding may not be available to Akobo Minerals on favourable terms or at all. The company's ability to obtain funding will in part depend on the general market conditions, as well as the market perception of Akobo Minerals and its business.

If Akobo Minerals is unable to obtain adequate financing when needed, it may have to delay, limit or abandon one or more of its projects, which may have an adverse effect of its business and operation and prospects.

ACCOUNTING POLICIES

The company's accounts are prepared in accordance with the Annual Accounts Act and general advice from the Swedish Accounting Standards Board BFNAR 2012:1 Annual accounts and consolidated accounts.

The policies are unchanged compared to the previous year.

CLASSIFICATION

Fixed assets and long-term liabilities 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 current liabilities essentially consist only of amounts that are expected to be recovered or paid within twelve months from the balance sheet date.

VALUATION PRINCIPLES

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

INTANGIBLE ASSETS

OTHER INTANGIBLE ASSETS

Other intangible assets acquired by the company are reported at acquisition value less accumulated depreciation and write-downs. Expenses for internally generated goodwill and brands are reported in the income statement as an expense when they arise.

The company reports internally generated intangible fixed assets according to the capitalization model. All expenses relating to the development of an internally generated intangible fixed asset are capitalized and amortized during the asset's estimated useful life.

DEPRECIATION

Depreciation takes place on a straight-line basis over the asset's estimated useful life. Depreciation is reported as an expense in the income statement.

The following depreciation periods are applied:

	Group of companies
Capitalized expenses for development and similar work	Five years

TANGIBLE FIXED ASSETS

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

DEPRECIATION

Depreciation takes place on a straight-line basis over the asset's estimated useful life, as it reflects the expected consumption of the asset's future economic benefits. Depreciation is reported as an expense in the income statement.

The following depreciation periods are applied:

	Group of companies	Parent company
Tangible fixed assets:		
Tools and installations	Five years	Five years

The difference between the above-mentioned depreciation and depreciation made for tax purposes is reported in the individual companies as accumulated over depreciation, which is included in untaxed reserves.

IMPAIRMENT – TANGIBLE AND INTANGIBLE FIXED ASSETS AND PARTICIPATIONS 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 carrying amount. If such an indication exists, the asset's recoverable amount is calculated.

FOREIGN CURRENCY

ITEMS IN FOREIGN CURRENCY

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

NET INVESTMENTS IN FOREIGN OPERATIONS

An exchange rate difference that refers to a monetary item that forms part of a net investment in a foreign operation and that is valued on the basis of acquisition value is reported in the consolidated accounts as a separate component directly in equity.

TRANSLATION OF FOREIGN OPERATIONS

Monetary assets and liabilities are translated into the reporting currency at the closing day rate. Non-monetary assets & liabilities are translated at historical rate. Income and expenses are translated at the transaction rate (historical rate) per day for the business events unless a rate that is an approximation of the actual rate is used. Exchange rate differences that arise on translation are reported directly against equity.

FINANCIAL ASSETS AND LIABILITIES

FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are reported in accordance with Chapter 12 (Financial instruments valued in accordance with Chapter 4, Sections 14 a14 e of the Annual Accounts Act) in BFNAR 2012: 1.

ACCOUNTING IN AND REMOVAL FROM THE BALANCE SHEET

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

A financial asset is removed from the balance sheet when the contractual right to cash flow from the asset has ceased or been settled. The same applies when the risks and rewards associated with the holding are essentially 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 agreed 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 into different valuation categories in accordance with Chapter 12 of BFNAR 2012: 1. The classification into different valuation categories is the basis for how the financial instruments are to be valued and how changes in value are to be reported.

LOAN RECEIVABLES AND ACCOUNTS RECEIVABLE

Loan receivables and accounts receivable are financial assets that have fixed or determinable payments, but which are not derivatives. These assets are valued at amortized cost. Accrued acquisition value is determined on the basis of the effective interest rate calculated at the time of acquisition. Accounts receivables are reported at the amount that is expected to be received after deductions for doubtful receivables.

OTHER FINANCIAL LIABILITIES

Loans and other financial liabilities, such as accounts payable, are included in this category. Liabilities are valued at accrued acquisition value.

RECEIVABLES AND LIABILITIES IN FOREIGN CURRENCY

Currency futures are used to hedge receivables or liabilities against exchange rate risk. For hedging against currency risk, hedge accounting is not applied because a financial hedge is reflected in the accounts in that both the underlying receivable or the liability and the hedging instrument are reported at the balance sheet date's exchange rate and the exchange rate changes are reported in profit for the year. Exchange rate changes regarding operating receivables and liabilities are reported in operating profit, while exchange rate changes regarding financial receivables and liabilities are reported in net financial items.

INCOME STATEMENT – group of companies

	Q1-2023	Q1-2022	YTD Q1-2023	YTD Q1-2022
Cost of goods		-3,327		-3,327
Operating Income		**-3,327**		**-3,327**
Other external expenses	-17,497,973	-3,569,991	-17,497,973	-3,569,991
Personnel costs	-2,846,843	-1,439,951	-2,846,843	-1,439,951
Total operating expenses	**-20,344,817**	**-5,009,942**	**-20,344,817**	**-5,009,942**
Other interest income and similar profit/loss items	642,233	5,941,332	642,233	5,941,332
Interest expense and similar profit/loss items	-18,060,566	-1,300,862	-18,060,566	-1,300,862
Result after financial items	**-37,763,149**	**-372,799**	**-37,763,149**	**-372,799**
Result for the year	**-37,763,149**	**-372,799**	**-37,763,149**	**-372,799**

BALANCE SHEET – group of companies

	Q1-2023	OB 2023
Capitalised expenditure for development and similar work	62,499,015	62,499,003
Plant and machinery	56,803,956	54,962,325
Equipment, tools, fixtures and fittings	2,296,002	2,197,256
Total Fixed Assets	**121,598,973**	**119,658,584**
Trade receivables	469,032	469,032
Other Receivables	7,797,656	2,200,688
Prepaid expenses and accrued income	604,830	632,505
Cash and Bank	48,591,104	56,304,870
Total Current Assets	**57,462,622**	**59,607,096**
Total Assets	**179,061,595**	**179,265,680**
Share capital	1,593,775	1,579,765
Share premium reserve	101,303,949	100,403,584
Balanced result	-64,720,370	-77,231,954
Result of the year	-37,763,149	
Total Equity	**414,205**	**24,751,395**
Long term debt	101,446,991	98,115,988
Total Long Term Debt	**101,446,991**	**98,115,988**
Trade payables	696,316	2,301,365
Current tax liability	216,524	311,650
Other liabilities	-606,911	-931,052
Convertible loans	75,664,357	53,300,782
Accrued expenses and deferred income	1,230,113	1,415,551
Current liabilities	**77,200,399**	**56,398,297**
Total Debt	**178,647,390**	**154,514,284**
Total Equity and Debt	**179,061,595**	**179,265,680**

CHANGES IN EQUITY – group of companies

	Share capital	Share premium reserve	Translation Difference	Balanced result	Result of the year	Total
IB/2023	1,579,765	100,403,584	-3,300,096	-73,931,858		24,751,395
Q1-2023	14,009	900,366	11,534,095	977,490	-37,763,149	-24,337,189
Total	**1,593,775**	**101,303,949**	**8,233,999**	**-72,954,368**	**-37,763,149**	**414,205**

CASH FLOW – group of companies

	Q1-2023	Q1-2022	YTD Q1-2023	YTD Q1-2022
Before changes in working capital	-20,344,817	-5,013,269	-20,344,817	-5,013,269
Changes in accounts receivables and other receivables	-5,569,292	-84,899	-5,569,292	-84,899
Changes in accounts payable and other liabilities	-13,199,244	124,448	-13,199,244	124,448
Cashflow from operating activities	**-39,113,353**	**-4,973,720**	**-39,113,353**	**-4,973,720**
Investment in intangible non-current assets	-12	-7,866,920	-12	-7,866,920
Investment in tangible non-current assets	-1,940,378	-282,542	-1,940,378	-282,542
Cashflow from investing activities	**-1,940,390**	**-8,149,462**	**-1,940,390**	**-8,149,462**
Proceeds from short-term debt	21,736,583		21,736,583	
Proceeds from long-term debt	-845,077		-845,077	
Expenses related to share issue	914,375	1,847,615	914,375	1,847,615
Change in provisions		-825,113		-825,113
Cashflow from financing activities	**21,805,881**	**1,022,502**	**21,805,881**	**1,022,502**
Cashflow net	**-19,247,862**	**-12,100,680**	**-19,247,862**	**-12,100,680**
Translation difference in cash and cash equivalents	11,534,095	-905,748	11,534,095	-905,748
Cash flow for the period	**-7,713,767**	**-13,006,427**	**-7,713,767**	**-13,006,427**

INCOME STATEMENT – parent company

	Q1-2023	Q1-2022	YTD Q1-2023	YTD Q1-2022
Other external expenses	-1,412,875	-1,349,367	-1,412,875	-1,349,367
Total operating expenses	**-1,412,875**	**-1,349,367**	**-1,412,875**	**-1,349,367**
Other interest income and similar profit/loss items	1,652,530	3,740,412	1,652,530	3,740,412
Interest expense and similar profit/loss items	-8,599,419	-429,336	-8,599,419	-429,336
Result after financial items	**-8,359,764**	**1,961,709**	**-8,359,764**	**1,961,709**
Result for the year	**-8,359,764**	**1,961,709**	**-8,359,764**	**1,961,709**

BALANCE SHEET – parent company

	Q1-2023	OB 2023
Participation in group companies	22,073,570	22,073,570
Receivables from group companies	144,818,570	129,827,158
Total Fixed Assets	**166,892,140**	**151,900,728**
Other Receivables	1,290	26,240
Prepaid expenses and accrued income	142,201	130,631
Total Current Assets	**143,491**	**156,871**
Total Assets	**167,035,631**	**152,057,599**
Share capital	1,593,775	1,579,765
Share premium reserve	101,303,949	100,403,584
Balanced result	-5,486,264	-5,486,264
Result of the year	-8,359,764	
Total Equity	**89,051,696**	**96,497,085**
Trade payables	1,765,300	1,565,508
Other liabilities	554,278	694,224
Convertible loans	75,664,357	53,300,782
Current liabilities	**77,983,936**	**55,560,514**
Total Debt	**77,983,936**	**55,560,514**
Total Equity and Debt	**167,035,631**	**152,057,599**

CHANGES IN EQUITY – parent company

	Share capital	Share premium reserve	Balanced result	Result of the year	Total
IB/2023	1,579,765	100,403,584	-5,486,264		96,497,085
Q1-2023	14,009	900,366	0	-8,359,764	-7,445,389
Total	**1,593,775**	**101,303,949**	**-5,486,264**	**-8,359,764**	**89,051,696**

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Q1 REPORT 2023

FIRST QUARTER RESULTS

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