



INTERIM REPORT

JULY - SEPTEMBER 2022

THE QUARTER IN SHORT

HIGHLIGHTS OF THIRD QUARTER 2022

- Finished the quarter with a cash balance of SEK 19.7 million on 30 September 2022, down SEK 8.6 million from a prior balance of SEK 28.3 million at the end of the previous quarter, after incurring administrative costs and exploration costs related to the Company's 2022 exploration program, including a diamond drilling ("DD") program.
- Completed 8.8km of Induced Polarization ("IP") geophysical surveys at our early-stage prospect, Pirttineva, at our Kiimala Trend project. Results were incorporated to a 3D model to help guide DD.
- Completed 17 DD holes totalling 2,474m across both our Kopsa and Kiimala Trend projects aimed at growing gold and copper resources and making new gold discoveries. The 2022 DD program was completed safely, with drilling concluding in late September and assay reporting anticipated to continue through the end of the year, with an interim resource update anticipated in early 2023.



Northgold board member and expert local geologist, Timo Mäki, viewing the first-ever drill core from our Pirttineva prospect, for which assays are pending.

FINANCIAL INDICATORS AND SHARE DATA (GROUP, CONSOLIDATED)

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep (1)	2021 Jan-Dec (1)
Average equity for the period (KSEK)	39,898	2,910	24,702	1,344	5,359
Average total capital for the period (KSEK)	42,950	2,928	28,756	1,358	6,716
Return on equity (%)	-4.3	-49.9	-29.1	-173	-83.1
Return on total capital (%)	-5.1	-49.6	-25.8	-177	-67.0
Equity/assets ratio (%)	87.8	99.4	87.8	99.2	79.8
Earnings per share (SEK) (before dilution)	-0.16	-0.49	-0.7	-0.8	-0.60
Earnings per share (SEK) (after dilution)	-0.16	-0.49	-0.7	-0.8	-0.6
Equity per share (SEK)	3.7	0.89	3.7	0.9	1.5
Quick ratio (%)	681	1,269	681	1,269	350
Total number of shares (before dilution)	10,520,674	2,953,340	10,516,020	2,975,007	7,100,020
Total number of shares (after dilution)	10,844,8728	2,975,007	10,840,174	2,975,007	7,100,020
Average number of shares	10,518,347	2,964,174	10,678,097	1,750,004	3,812,510

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

FINANCIAL HIGHLIGHTS OF THIRD QUARTER 2022 (GROUP, CONSOLIDATED)

- Net sales amounted to KSEK 0 (Q3 2021: KSEK 0).
- Operating profit/loss after financial items totalled KSEK -2,202 (Q3 2021: KSEK -1,452).
- Earnings per share after financial items amounted to SEK -0.2 (Q3 2021: SEK -0.5).
- Cash flow from operating activities was KSEK -1,422 (Q3 2021: KSEK -2,179).

FINANCIAL HIGHLIGHTS OF FIRST NINE MONTHS 2022 (GROUP, CONSOLIDATED)

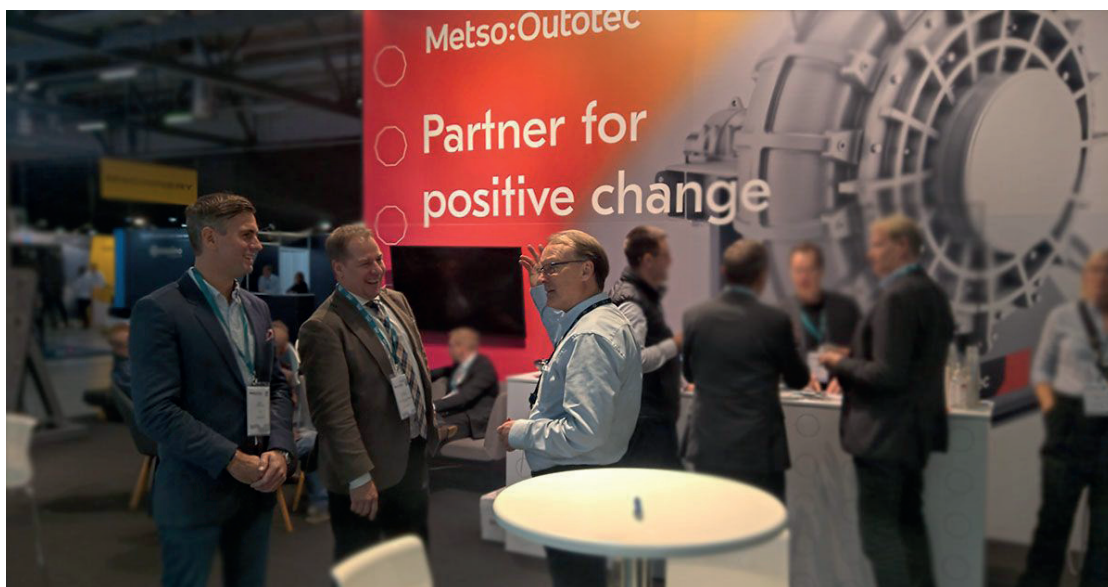
- Net sales amounted to KSEK 0 (9M 2021: KSEK 0).
- Operating profit/loss after financial items totalled KSEK -7,435 (9M 2021: KSEK -2,405).
- Earnings per share after financial items amounted to SEK -0.7 (9M 2021: SEK -0.8).
- Cash flow from operating activities was KSEK -5,379 (9M 2021: KSEK -3,104).

SIGNIFICANT EVENTS IN THE THIRD QUARTER:

- Northgold announces initial drill results confirming shallow, high-grade gold at Kopsa, within a broad interval of 3.90 g/t gold over 98.7m (2 August 2022).
- Northgold expands gold mineralisation at flagship Kopsa project (23 August 2022).
- Northgold completes 2022 diamond drilling at Kopsa and moves the drill rig to Kiimala Trend to test new geophysical anomalies (12 September 2022).

SIGNIFICANT EVENTS AFTER THE PERIOD

- Northgold announces additional resource expansion drill results from its flagship Kopsa gold-copper project, including high-grade intervals at depth (10 November 2022).
- Additional drill results from Kopsa extend the previously reported down-dip expansion eastward and include high-grade intercept 12.51 g/t gold over 1.8m at depth (24 November 2022).



Northgold VP of Investor Relations in Finland, Petri Nousiainen, and CEO, Mitch Vanderydt, catching up with fellow mining industry professionals at the FinnMateria conference in Central Finland, including with technical experts on topics such as ore sorting.

MESSAGE FROM THE CEO

During the third quarter of 2022 following the Company's listing earlier in the year on 24 March, Northgold continued executing its business objective of conducting early and advanced stage exploration on its gold projects in its region of focus, the under-explored Middle Ostrobothnia Gold Belt (MOGB) of central Finland, with a goal of growing mineral resources and making new discoveries. During the quarter, the company safely completed its 2022 DD program, which included 30 DD holes totalling 4,936m across its Kopsa and Kiimala Trend projects, and which was aimed at expanding gold resources and making new discoveries, thereby advancing the Company closer to its previously stated exploration target of 1 million ounces (oz) of gold equivalent (AuEq) resources by end of 2023, from its current level of historic resources totalling 725,000 oz AuEq.

Market conditions for gold companies weakened slightly during Q3 as the United States ("US") federal reserve continued to aggressively raise interest rates to combat persisting inflation, before recovering somewhat since the end of the quarter as the persisting high inflation began to peak. During the quarter, the gold price fell 7.9% to \$1,662/oz (before rising 6.3% to \$1,766 through 11 November 2022) which coincided with the GDX VanEck Junior Gold Miner index falling 7.9% to \$29.46 per share (before recovering 18% to 34.68 per share through 11 November 2022, and Northgold's share price falling 23% to SEK 16,06 per share (before recovering 5.7% to 16.98 through 11 November 2022), as shown in the chart below. Northgold maintains its positive near-term outlook on the gold price amid the currently continuing geopolitical tensions, and persisting high inflation and risk of recession. Meanwhile, Northgold continues to release assay results from our recent DD program, aiming for an interim resource update early in 2023 when another 3,000m of DD is being planned to begin.



Sincerely,

Mitchell J. Vanderydt,
P.Eng, MBA
 CEO, Northgold AB



Source: World Gold Council, Yahoo Finance

COMMENTS ON THE THIRD QUARTER, 1 JULY–30 SEPTEMBER 2022 (GROUP, CONSOLIDATED)

EARNINGS AND SALES

The company's net sales for the third quarter totalled KSEK 0 (Q3 2021: KSEK 0), and earnings after financial items totalled KSEK -1,706 (Q3 2021: KSEK -1,452). Operating costs amounted to KSEK -2,202 (Q3 2021: KSEK -1,452). EBITDA for the third quarter was KSEK -2,202 (Q3 2021: KSEK -1,452) Financial items for the quarter amounted to KSEK 496 (Q2 2021: KSEK 0).

INVESTMENTS

Investments in property, plant, and equipment in the third quarter totalled KSEK 0 (Q3 2021: KSEK 0). Investments in intangible assets amounted to KSEK 7,299 (Q3 2021: KSEK 0). Investments in non-current financial assets amounted to KSEK 0 (Q3 2021: KSEK 0).

FINANCIAL POSITION

Cash and cash equivalents amounted to KSEK 19,658 (Q3 2021: KSEK 1,864) on 30 September. Equity was KSEK 38,729 (30 September 2021: KSEK 2,645).

CASH FLOW AND FINANCING

Cash flow from operating activities in the third quarter was KSEK -1,422 (Q3 2021: KSEK -2,179). Cash flow from investing activities was KSEK -7,299 (Q3 2021: KSEK 0), while cash flow from financing activities was KSEK 0 (Q3 2021: KSEK 922).

COMMENTS ON THE FIRST NINE MONTHS OF THE YEAR 1 JANUARY–30 SEPTEMBER 2022 (GROUP, CONSOLIDATED)

EARNINGS AND SALES

The company's net sales for the first nine months of the year totalled KSEK 0 (9M 2021: KSEK 0), and earnings after financial items totalled KSEK -7,198 (9M 2021: KSEK -2,323). Operating costs amounted to KSEK -7,435 (9M 2021: KSEK -2,405). EBITDA for the first half year was KSEK -7,435 (9M 2021: KSEK -2,405). Financial items for the first nine months of the year amounted to KSEK 237 (9M 2021: KSEK 82).

INVESTMENTS

Investments in property, plant, and equipment in the first nine months of the year totalled KSEK 0 (9M 2021: KSEK 0). Investments in intangible assets amounted to KSEK 10,963 (9M 2021: KSEK 0). Investments in non-current financial assets amounted to KSEK 192 (9M: KSEK 0).

FINANCIAL POSITION

Cash and cash equivalents amounted to KSEK 19,658 (9M 2021: KSEK 1,864) on 30 September. Equity was KSEK 38,729 (9M 2021: KSEK 2,645).

CASH FLOW AND FINANCING

Cash flow from operating activities in the first nine months of the year was KSEK -5,379 (9M 2021: KSEK -3,104). Cash flow from investing activities was KSEK -11,155 (9M 2021: KSEK -0), while cash flow from financing activities was KSEK 35,063 (9M 2021: KSEK 4,922).

COMMENTS ON THE THIRD QUARTER, 1 JULY– 30 SEPTEMBER 2022 (PARENT COMPANY)

EARNINGS AND SALES

The company's net sales for the third quarter totalled KSEK 0 (Q3 2021: KSEK 0), and earnings after financial items totalled KSEK -2,002 (Q3 2021: KSEK -1,134). Operating costs amounted to KSEK -2,001 (Q3 2021: KSEK -1,129). EBITDA for the third quarter was KSEK -2,001 (Q3 2021: KSEK -1,129) Financial items for the quarter amounted to KSEK -1 (Q3 2021: KSEK -5).

INVESTMENTS

Investments in property, plant, and equipment in the third quarter totalled KSEK 0 (Q3 2021: KSEK 0). Investments in intangible assets amounted to KSEK 0 (Q3 2021: KSEK 0). Investments in non-current financial assets amounted to KSEK 10,672 (Q3 2021: KSEK 0).

FINANCIAL POSITION

Cash and cash equivalents amounted to KSEK 18,804 (Q3 2021: KSEK 1,754) on 30 September. Equity was KSEK 39,064 (Q3 2021: KSEK 2,875).

CASH FLOW AND FINANCING

Cash flow from operating activities in the third quarter was KSEK 2,857 (Q3 2021: KSEK -1,262). Cash flow from investing activities was KSEK -10,672 (Q3 2021: KSEK 0), while cash flow from financing activities was KSEK 0 (Q3 2021: KSEK 922).

COMMENTS ON THE FIRST NINE MONTHS OF THE YEAR 1 JANUARY – 30 SEPTEMBER 2022 (PARENT COMPANY)

EARNINGS AND SALES

The company's net sales for the first nine months of the year totalled KSEK 0 (9M 2021: KSEK 0), and earnings after financial items totalled KSEK -6,878 (9M 2021: KSEK -2,097). Operating costs amounted to KSEK -4,788 (9M 2021: KSEK -2,175). EBITDA for the first nine months of the year was KSEK -4,788 (9M 2021: KSEK -2,175). Financial items for the quarter amounted to KSEK -2,090 (9M 2021: KSEK 78).

INVESTMENTS

Investments in property, plant, and equipment in the first nine months of the year totalled KSEK 0 (9M 2021: KSEK 0). Investments in intangible assets amounted to KSEK 0 (9M 2021: KSEK 0). Investments in non-current financial assets amounted to KSEK 10,571 (9M 2021: KSEK 0).

FINANCIAL POSITION

Cash and cash equivalents amounted to KSEK 18,804 (9M 2021: KSEK 1,754) on 30 September. Equity was KSEK 39,064 (30 September 2021: KSEK 2,875).

CASH FLOW AND FINANCING

Cash flow from operating activities in the first nine months of the year was KSEK -6,277 (9M 2021: KSEK -3,193). Cash flow from investing activities was KSEK -10,571 (9M 2021: KSEK 0), while cash flow from financing activities was KSEK 35,126 (9M 2021: KSEK 4,922).

THE SHARE

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

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

RELATED-PARTY TRANSACTIONS

The first nine months of the year 2022, earnings were charged with fees of KSEK 246 paid to Board member Roberto García Martínez's company Nazgero Consulting Service LTD for work carried out.

Finally, earnings were impacted during the first nine months of 2022 by fees of KSEK 66 paid to Board member Timo Mäki's company SLP Group OY for work carried out.

LIST OF SHAREHOLDERS AT 30 SEPTEMBER 2022

Shareholder	Number of Shares	Percentage (%)
Magnus Minerals Oy	2,904,080	27.62 %
Richard Gazal	1,177,524	11.19 %
Andrew Randall	817,117	7.77 %
Kimberly Wrixon	640,000	6.09 %
Aurora Exploration Oy	603,400	5.74 %
Other shareholders	4,375,88	41.91 %

FINANCIALS

INCOME STATEMENT (GROUP, CONSOLIDATED)

KSEK	2022 Jan-Sep	2021 Jan-Sep (1)	2022 Jul-Sep	2021 Jul-Sep (1)	2021 Jan-Dec (1)
Operating income					
Net sales	0	0	0	0	0
Other operating income	0	0	0	0	46
Total operating income	0	0	0	0	46
Operating costs					
Other external costs	-5,059	-1,615	-812	-662	-2,686
Staff costs	-2,250	-790	-1,390	-790	-1,135
Depreciation of tangible assets	-126	0	0	0	-122
Operating profit/loss	-7,435	-2,405	-2,202	-1,452	-3,897
Net financial items	237	82	496	0	-1
Profit/loss before tax	-7,198	-2,323	-1,706	-1,452	-3,898
Tax on profit/loss for the year	0		0	0	0
PROFIT/LOSS FOR THE PERIOD	-7,198	-2,323	-1,706	-1,452	-3,898

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

BALANCE SHEET (GROUP, CONSOLIDATED)

KSEK	30 Sep 2022	30 Sep 2021 (1)	31 Dec 2021 (1)
ASSETS			
Intangible assets	22,970	0	12,007
Tangible assets	54	0	54
Financial assets	192	0	0
Other current assets	1,256	802	255
Cash and bank balances	19,658	1,864	1,066
TOTAL ASSETS	44,130	2,666	13,382
EQUITY AND LIABILITIES			
Equity	38,729	2,645	10,675
Deferred tax	2,330	0	2,330
Current liabilities	3,071	21	377
TOTAL EQUITY AND LIABILITIES	44,130	2,666	13,382

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

CHANGES IN EQUITY (GROUP, CONSOLIDATED)

KSEK	2022 Jan-Sep	2021 Jan-Sep (1)	2022 Jul-Sep	2021 Jul-Sep (1)	2021 Jan-Dec (1)
Equity at the beginning of the period	10,675	44	40,372	3,175	44
New share issue	39,626	4,922	0	922	15,077
Costs for new share issue	-4,500	0	0	0	-558
Translation differences	126	2	63	0	10
Profit/loss for the period	-7,198	-2,323	-1,706	-1,452	-3,898
Equity at the end of the period	38,729	2,645	38,729	2,645	10,675

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

STATEMENT OF CASH FLOW (GROUP, CONSOLIDATED)

KSEK	2022 Jan-Sep	2021 Jan-Sep (1)	2022 Jul-Sep	2021 Jul-Sep (1)	2021 Jan-Dec (1)
Operating profit/loss for the period	-7,435	-2,405	-2,202	-1,452	-3,898
Amortisation and depreciation	126	0	0	0	122
Financial items, etc.	237	82	496	0	-1
Cash flow from operating activities before change in working capital	-7,072	-2,323	-1,706	-1,452	-3,777
Change in operating receivables	-1,001	-802	58	-734	-243
Change in operating liabilities	2,694	21	226	7	363
Cash flow from operating activities	-5,379	-3,104	-1,422	-2,179	-3,657
Cash flow from investing activities	-11,155	-0	-7,299	-0	-9,842
Cash flow from financing activities	35,063	4,922	0	922	14,519
Cash flow for the period	18,529	1,818	-8,721	-1,257	1,020
Translation differences	63	-4	63		-4
Cash and cash equivalents at the beginning of the period	1,066	50	28,316	3,121	50
Cash and cash equivalents at the end of the period	19,658	1,864	19,658	1,864	1,066

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

INCOME STATEMENT (PARENT COMPANY)

KSEK	2022 Jan-Sep	2021 Jan-Sep	2022 Jul-Sep	2021 Jul-Sep	2021 Jan-Dec
Operating income					
Net sales	0	0	0	0	0
Other operating income	967	0	207	0	45
Total operating income	967		207		45
Operating costs					
Other external costs	-3,505	-1,385	-818	-625	-1,695
Staff costs	-2,250	-790	-1,390	-504	-1,135
Depreciation of tangible assets	0	0	0	0	0
Operating profit/loss	-4,788	-2,175	-2,001	-1,129	-2,785
Net financial items	-2,090	78	-1	-5	-968
Profit/loss before tax	-6,878	-2,097	-2,002	-1,134	-3,753
Tax on profit/loss for the year	0	0	0	0	0
PROFIT/LOSS FOR THE PERIOD	-6,878	-2,097	-2,002	-1,134	-3,753

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

BALANCE SHEET (PARENT COMPANY)

KSEK	30 Sep 2022	30 Sep 2021 (1)	31 Dec 2021 (1)
ASSETS			
Financial assets	21,008	25	10,437
Other current assets	213	1,096	201
Cash and bank balances	18,804	1,754	526
TOTAL ASSETS	40,025	2,875	11,164
EQUITY AND LIABILITIES			
Equity	39,064	2,875	10,816
Current liabilities	961	0	348
TOTAL EQUITY AND LIABILITIES	40,025	2,875	11,164

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

CHANGES IN EQUITY (PARENT COMPANY)

KSEK	2022 Jan-Sep	2021 Jan-Sep	2022 Jul-Sep	2021 Jul-Sep	2021 Jan-Dec
Equity at the beginning of the period	10,816	50	41,066	3,087	50
New share issue	39,626	4,922	0	922	15,077
Changes in deferred tax	-4,500	0	0	0	-558
Translation differences	0	0	0	0	0
Profit/loss for the period	-6,878	-2,097	-2,002	-1,134	-3,753
Equity at the end of the period	39,064	2,875	39,064	2,875	10,816

STATEMENT OF CASH FLOW (PARENT COMPANY)

KSEK	2022 Jan-Sep	2021 Jan-Sep	2022 Jul-Sep	2021 Jul-Sep	2021 Jan-Dec
Operating profit/loss for the period	-4,788	-2,175	-2,001	-1,129	-2,785
Amortisation and depreciation	0	0	0	0	0
Financial items, etc.	-2,090	78	-1	-5	0
Cash flow from operating activities before change in working capital	-6,878	-2,097	-2,002	-1,134	-2,785
Change in operating receivables	-12	-1,096	4,601	-128	-201
Change in operating liabilities	613	0	258	0	348
Cash flow from operating activities	-6,277	-3,193	2,857	-1,262	-2,638
Cash flow from investing activities	-10,571	-0	-10,672	0	-11,405
Cash flow from financing activities	35,126	4,922	0	922	14,544
Cash flow for the period	18,278	1,729	-7,815	-340	501
Cash and cash equivalents at the beginning of the period	526	25	26,619	2,094	25
Cash and cash equivalents at the end of the period	18,804	1,754	18,804	1,754	526

OTHER INFORMATION

ACCOUNTING PRINCIPLES

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

AUDITOR'S REPORT

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

CERTIFIED ADVISER

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UPCOMING REPORTING DATES

The interim report for Q4 2022 will be published on March 24, 2023.

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

NOVEMBER 2022

Northgold AB
Board of Directors

For further information, please contact CEO Mitch Vanderydt
 Email: ir@northgoldab.com

DEFINITIONS OF KEY PERFORMANCE INDICATORS

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



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

northgoldab.com