

Annual Report 2020

AKOBO MINERALS AB (publ)





While the story of Akobo Minerals in Ethiopia is a little over a decade old, the history of gold mining in the region stretches back over more than three millennia.

Content



4

Company introduction

6

Company history & facts

8

CEO's letter

10

Ethiopia – Geography, climate and population

12

Management report

16

Management

18

Akobo – Geology, geography and exploration

22

Facts about gold
– Did you know?

24

Corporate Social
Responsibility

27

About the JORC Code
– a professional code of practice

28

Corporate Governance policy
and Annual review

30

Chairman's note

31

BOD members

32

Administration report

36

Financial statements

45

Notes to the Financial
statements

51

Responsibility statement

52

Auditor's report

All photos in this report:
© Morten Often



AKOBOMINERALS

Company introduction

Akobo Minerals AB (publ) owns 99.97% of the Akobo project through its Norwegian and Ethiopian subsidiaries. The exploration permit for the Akobo Minerals project is 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 situated in the far southwest of the country. It is located approximately 700 kilometres by road from the capital Addis Ababa and 20 kilometres from the border with South Sudan.

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 Akobo district to carry out extensive exploration work to develop gold deposits. However, the history of gold mining in the region stretches back over more than three millennia, 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 local individual artisans, numbering around 25,000, digging for gold using rudimentary tools.

Through intensive work over the past decade, Akobo Minerals has defined two areas of exploration focus - Segele and Joru. Though both are considered exciting prospects for gold, each is quite different. Segele is quite small, with high concentration of gold, while Joru covers a larger area, with a lower gold content.

All of the recent exploration on this project has been conducted by a local team of geologists and support staff, primarily comprising a group of former geologists from the Geological Survey of Ethiopia that were central in the exploration and discovery of Ethiopia's successfully operated Lega Dembi gold mine.

Covering the license area, exploration activity has outlined alluvial gold resources, and Akobo Minerals'

Vision statement

Akobo Minerals' vision is to be a leading gold exploration company in Ethiopia developing industry-leading gold reserves

Mission statement

Akobo Minerals' mission is to provide the highest level of gold exploration knowledge, which leads to successful future mining activities. We will achieve this whilst caring for the needs of our employees, managing the demands of our environment and creating value for our investors

team of geologists has worked extensively during the past ten years to identify several potential primary gold targets. Following this, the drill program began at the end of 2019 in Segele and has so far shown exceptional high-grade gold results, particularly following a new round of drilling which commenced in late 2020. The results have been confirmed by the international recognized analytical laboratory, ALS.

The company is run by a management team, based in Norway and Sweden, which has a strong track record of corporate management and minerals exploration competence. This team is supported by a workforce in Ethiopia which at the end of

2020 comprised 30 locals. It has always been the company's strategy to find, train and work with in-country employees, who will work with the small management team in Norway and Sweden, thereby ensuring a low operational cost for the company.

Akobo Minerals is presently registered at the Euronext NOTC exchange in Oslo, with a full listing on the Euronext Growth exchange expected during 2021. The company has more than 3,500 shareholders, of which 87 percent of the shares are held by Norwegian investors and 6 percent by Ethiopian management, while the final 7 percent are held by Swedish investors.

Company strategy

Akobo Minerals has a clear strategy that is aimed at building a portfolio of gold resources through high-impact exploration and monetizing, while adhering to a lean business operation. With a core management located in Norway and Sweden, we are committed to leveraging the skills and expertise of in-country personnel to build a successful Ethiopian exploration operation.

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.

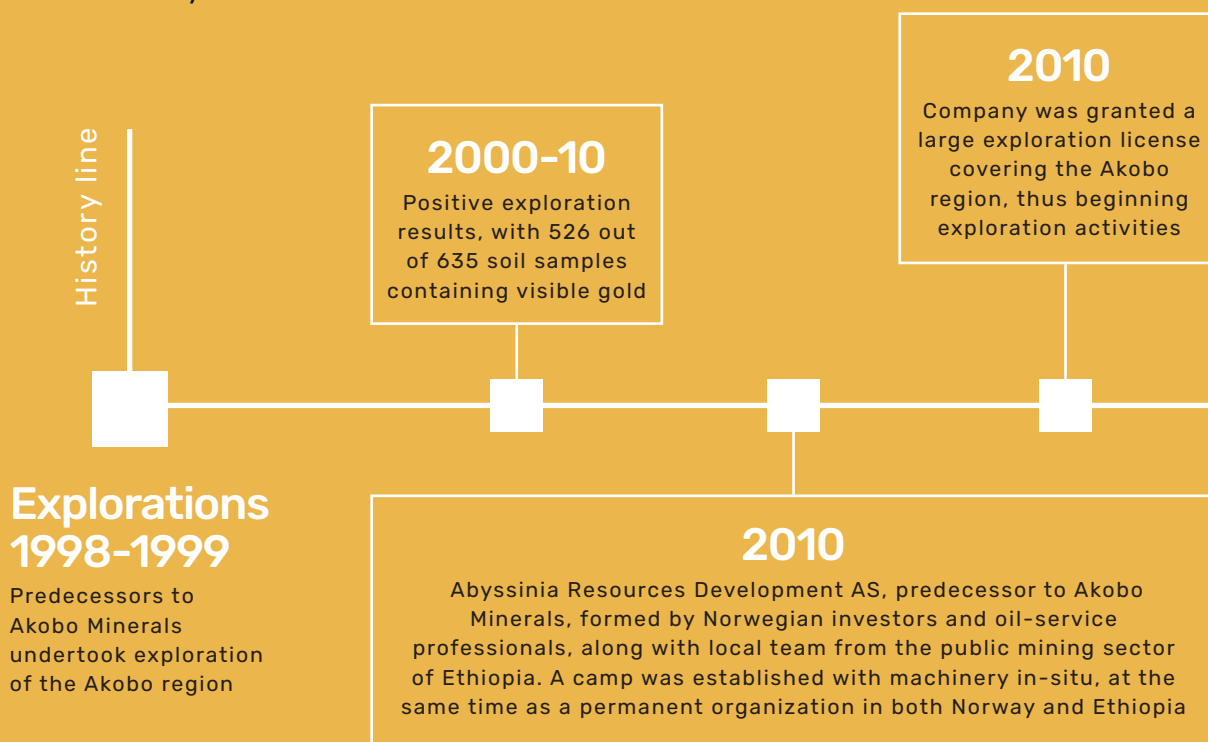
With JORC(2012)-compliant resources, Akobo will be able to attract the attention of the world's mining majors who have a strategic requirement to replace their dwindling reserves caused by years of mining rather than exploration.

Akobo Minerals will strive to collaborate with investors and partners with whom it can develop and expand its operations in order to create long-term profits or secure an exit plan at attractive terms.

Company history & facts

Gold mining has a legendary history in Ethiopia, with Ethiopian mines providing gold to the ancient Egyptian empire and possibly even King Solomon's Mines and the Queen of Sheba. Alluvial gold production has been ongoing ever since that time, and the Asosa zone of Ethiopia could contain the oldest known gold mine in the world at 6000 years old.

Predecessors to Akobo Minerals explored the Akobo area already back in 1998-1999. Regional soil sampling gathered 635 samples, 526 of these contained visible gold when panned. This first effort also identified several gold bearing quartz veins. However until 2010 the extensive Akobo district, until a few decades ago a very sparsely populated area, had not yet been systematically explored. First in 2010 when Akobo Minerals was granted a large exploration license covering the region did the extensive exploration work start. Since then Akobo Minerals has performed a lot of essential ground work:



2020

New funding was raised. New capital precipitated a new core drilling program of 3,000–5,000 metres, while the camp was upgraded, new personnel taken onboard and the exploration license was renewed for a further three years

2019

The first JORC(2012) compliant CPR was completed, covering both the Segele and Joru areas

2015

Performed reverse circulation (RC) drilling of 35 holes, approximately 3,600 metres in depth. Analysis of over 4,000 soil samples was performed

2012-17

Performed 21km² of ground magnetics and geological mapping of the license area

2011-13

Trenched, channel sampled and analyzed 7.5km of trenches over prospective area

The Ethiopian exploration license covers a 182-square kilometre area in the Akobo gold district, where we are seeking to achieve an industry-accredited discovery of **1.5–2 million ounces of gold.**

The license area covers a central part of the Akobo Basin, a juvenile gold area today teeming with government controlled artisanal, but until a few decades ago not known to be gold bearing. Geologically a part of the exciting Arabian-Nubian Shield, where the world's oldest gold mining took place

Across the license area, Akobo Minerals has to date completed 3000 metres of reverse circulation and 4800 metres of core drilling, undertaken 7,500 metres of trenching and analysed 4,000 mineral samples

Akobo Minerals is a long-established and respected exploration company in the region, having been present in the Akobo area since 2009

90% of Akobo Minerals' employees are Ethiopian nationals

The members of the executive management team have, between them, over 60 years of minerals and mining sector experience

The company has an ongoing corporate social responsibility program aiding the local community with infrastructure, education, sport and healthcare initiatives

CEO's letter

Dear shareholders,

As the CEO of Akobo Minerals, I welcome you to our annual report detailing what has clearly been a different year. From a company perspective, I would like to say that it has been a challenging yet successful year, but like so many individuals and businesses around the world, we have not been immune to the effects of the global pandemic. Covid-19 had an impact on Akobo Minerals during 2020, affecting us at an operational level due to general travel and work restrictions. However, with our local manpower on-site in Ethiopia we were able to keep our activities going with only a three-month delay in our drill program. Luckily, the results we achieved after resuming were better than we could have imagined.

I started as CEO in June 2020 with a mandate to prepare the company for increased activity, new fundraising and the listing of the company on the Euronext Growth market. Our goal to raise funds to be used to drive forward our exploration activities was successfully achieved through share issues in both April and November. In total we raised more than 30 million SEK in 2020. With the capital raised we were able to strengthen our management capacity, increase the number of local staff and also implement a new and improved quality assurance and quality control (QAQC) system. With regards to the stock listing, we had originally expected to be listed on the Euronext Growth exchange in 2020, but this did not happen, and as of 2021 we are presently registered on the Euronext NOTC list, prior to a full listing later in the year.



It is certainly true, that there is some disappointment in not reaching our goal within the timeframe we had set out at the beginning of 2020. However, in hindsight, the delay in the listing until 2021 has had a positive outcome. Most important for 2020 was to secure funding and we succeeded in doing that. In the meantime, we have taken the time to further build the competences we have within the company – to act like a fully-listed company before that listing takes place. There are significant corporate governance responsibilities we will have as a public company and having the extra time to put these in place has been particularly beneficial. I know that the company is in a stronger position for its listing in 2021 than we would have been in 2020 – and this can only be a good thing for us all long-term.

At an operational level, Covid-19 had some impact on the business. The drill program was interrupted for three months, with work resuming again in July. And with that resumption came our impressive high-grade and bonanza-grade results.

At the same time, we used parts of 2020 to increase the level of training in the country for all aspects of our operations – from drilling skills and health & safety, to reporting procedures and geological understanding. We always knew we needed to have local people that could successfully work independently and that has certainly been the case in Ethiopia during 2020.

Despite the funds we raised during 2020, we will continue to act cautiously and spend wisely. The market needs to understand that Akobo Minerals is a low-cost and low risk exploration company with an exploration license in a region where we are highly targeting our efforts - beginning in Segele and soon also commencing activities further south in Joru. As we proceed with our current operations and increase our understanding of the area, we will also be able to evaluate and be flexible in our way to move forward. We can already see the opening of new opportunities for the company, both from increasing the existing license area, and looking into other areas in Ethiopia, to including small-scale mining activities to support our exploration operations.

One thing that we realise is that it is important to keep strong relations with the government in the country, both at local, regional and national levels. Over 10 years of in-country activity has helped us to build strong ties to the communities and in Addis Ababa, as well as giving us an advantage over other companies in that we have great knowledge of the



area from extensive geological mapping during the life of the company. This will hold us in good stead for the development of Segele and Joru, as well as any future developments.

Though 2020 did not turn out exactly as planned, it did provide us with some amazing results and the financial and operational platform to push on in 2021. The results of the drilling in Segele look highly prospective, with bonanza and high-grade assay results - including 340 grams per tonne over 21 metres and 115 grams per tonne over five metres. We are also working hard from a management perspective for our full stock listing on the Euronext Growth exchange in the middle of the year. I can truly say that I've learned a great deal during 2020 about how we can run our company better, how the local workforce on the ground stepped up when we needed it and how we now have that foundation in place to move forward.

Finally, I would like to take this opportunity to thank our entire workforce for your efforts, to our partners and suppliers and, of course our investors. We could not have got to where we are now without your commitment and I am looking forward to working with you all as we take the next step in our exciting journey.

Yours sincerely,


Jørgen Evi
CEO, Akobo Minerals

Ethiopia

Geography, climate and population

Ethiopia occupies a large part of the Horn of Africa. The country covers approximately 1,221,900 square kilometres and is bordered by Somalia, Kenya, South Sudan, Sudan, Eritrea and Djibouti. The major physiographic features are a massive highland complex of mountains and plateaus divided by the Great Rift Valley and surrounded by lowlands along the periphery. The diversity of the terrain is fundamental to regional variations in climate, natural vegetation, soil composition, and settlement patterns.

The climate of Ethiopia varies mostly with altitude, from the hot and arid climate of the lowlands to the cool climate of the plateau. Lying just north of the Equator, the country experiences little variation in temperature throughout the year. Rainfall is caused by the southwest monsoon, which affects the country between June and September (the rainy season is called Kiremt), but it only affects the plateau and the mountain slopes exposed to the south-west. In the south-east of the country, however, there are two rainy periods, though less intense, usually from March to May and October-November.

Ethiopia is a highly diverse population of over 115 million people. Most people speak a Semitic or Cushitic language. The Tigray, Oromo, Somali and Amhara people make up more than three-quarters of Ethiopia's population, though there are more than 80 different ethnic groups in the country. English is the most widely spoken foreign language and is taught in all secondary schools.



Population in
Ethiopia 2020

115 

86

There are 86 individual languages indigenous to Ethiopia, while English is the most widely spoken foreign language and the medium of instruction in secondary schools and universities.

9.4%

The average annual growth of Ethiopia's economy between 2010 and 2020.

980 BC

Founded over 3,000 years ago, Ethiopia is one of the oldest nations in the world.

1994

The year in which the constitution of the Federal Democratic Republic of Ethiopia was adopted.

10


Regions constitute the Federal Democratic Republic.

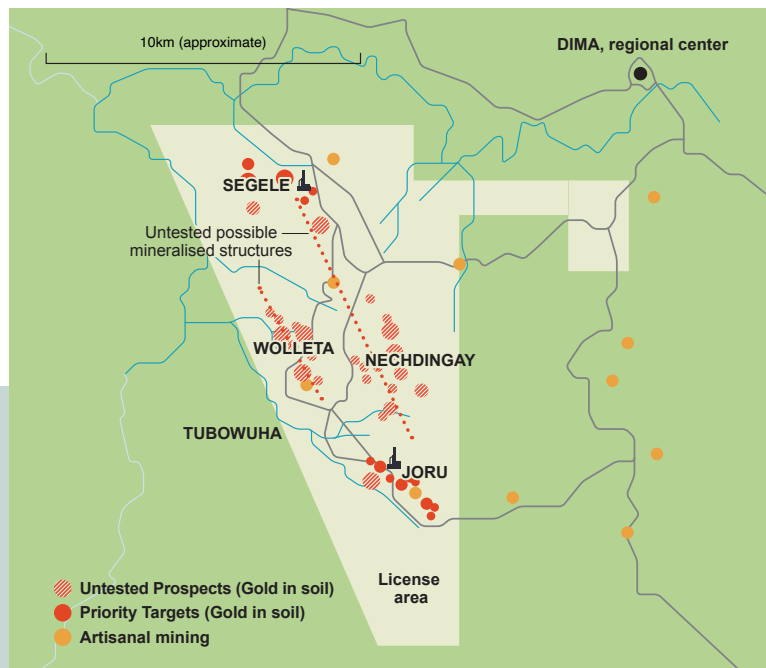
182 km²

Exploration
license
Area

Akobo area



 Akobo license area



Akobo license area with Priority Targets

2020 will go down as the year when Akobo Minerals put on a robust performance throughout every aspect of the business. We took great strides in consolidating our exploration activities in Ethiopia while at the same time secured funding and professionalizing our operations throughout the company.

Management Report

After a decade of exploration activity in Ethiopia, 2020 was the year in which the fruits of our experience began to bear significant reward. The primary reason for this is that Akobo Minerals is, to all intents and purposes, an Ethiopian business that understands how to operate in-country, how to work with the local community and how to nurture a workforce that is both knowledgeable and dedicated to building a best-in-class operation.

Akobo Minerals' exploration project is situated in a nascent but growing gold district in Southwestern Ethiopia. Until now, the only widespread mining in the region has been placer mining undertaken by local artisans – upwards of 25,000 – with significant success. The greatest risk for our business is the exploration and geological risk. This has been mitigated by diligent geological mapping over many years and working with artisan miners to learn from their local discoveries.

Akobo Minerals holds an exploration license over key targets in the area. For a number of years, we undertook placer production and exploration which outlined alluvial gold resources and identified several potential primary gold targets. Our exploration license was renewed for a further three years in November 2020.

The Segele Project

One of our two main targets is Segele, where we have been extensively exploring hard rock gold deposits in order to establish a resource base for future mining. The Segele area is a small but potentially very high-grade target hosted by sheared and altered mafic-to-ultramafic rocks. There has

been artisanal mining activity in Segele since 2008 when the first findings were made in bedrock, in what is called the Old Workings. This activity lasted a short period, and the area was left until early 2015, when what is now called Main Pit was discovered.

First core drilling - in conjunction with our partner, Arctic Drilling – began in February 2020. Since then we have been drilling and training our own staff. Following a three-month halt between April and June due to the corona virus, we purchased the rig from Arctic Drilling and have since successfully continued the operation with our own drillers.

The artisanal workings in the area - realised several hundred kilograms of gold in less than 18 months and we found grades in rock-chip samples of 61g/t. However, when we logged, sampled and assayed, the highest value in systematic trenching returned only 0.24g/t. Reverse circulation (RC) holes also did not discover gold concentrations above 1g/t. This large variation is expected when dealing with heterogenous gold distributions and structural complexity.

Throughout 2020, our drilling program in Segele showed exceptional high-grade gold results, peaking with the truly remarkable 40cm section of 16,850 g/t in hole 3. We are following a high-grade mineralisation down dip, which is 200 metres from surface outcrop, and while it continues, we are sure we have not seen the end of further positive results. The analyses have been performed by the ISO-certified, international recognized analytical laboratory, ALS. The next step will be to successfully apply for a small scale mining licenses.



The Joru Project

The gold deposit in Joru is geologically different from Segele in that we have a large system of gold-bearing quartz-veins hosted by a quartzofeldspathic body. The overall grade is lower than in Segele, but the system itself is several orders of magnitude larger, which will provide for a large tonnage, lower grade deposit.

Just like at Segele, the local artisans have mined significant quantities of gold. Our plan for Joru is larger in scope. We will focus on the central and highest-grade part of the mineralisation as we know it now, based on previous trenching and RC drilling. Once we have a full understanding of the deposit, we will move on to infill drilling, eventually leading to resource estimation.

The Joru target has the potential to deliver a large-low grade (1-2 g/t) mineral deposit, with additional high-grade cores (for example 5 g/t at Joru Central). Our previous trenching and RC drilling have confirmed that the size of the target has the potential to be over four kilometres in length and wider than 150 metres. Soil sampling has successfully outlined the target and suggests the mineralisation may extend in strike length.

In 2021 the Central Joru area will be subject to structural geology study, geophysics and additional soil sampling. The results will be used to increase our knowledge of the structure and location of mineralisation throughout the entire target. The large size of the Joru target underlines the need for increased drilling capacity. An additional drill rig with higher capacity - both in terms of drill speed and hole length - will be employed as soon as possible. The new rig will have the capacity to drill to depths beyond 750 metres.

Subject to successful completion of the drilling campaign at Segele and Joru, we will then advance to resource estimation. Given the size, geology and results of drilling campaigns, regional soil sampling and trenching, we believe the potential for additional gold targets is excellent.

Our three-year plan

In 2020 we formalised a three-year work plan with the aim of establishing JORC-compliant resource estimates for both the Segele and Joru deposits.

JORC is an internationally recognised standard for reporting of exploration results, mineral resources and ore reserves. (Further information on JORC can be found in our JORC report section.)

The Akobo Minerals work plan also calls for an application for additional licenses in 2021 and we have been investigating promising areas adjacent to our existing license. Our local expertise, alongside strong government understanding and relationships, means we hope to secure approval of any licenses in 2021.

Local experience

Making use of local competence proved not just a benefit but a necessity for Akobo Minerals during 2020. This was particularly true as travel to and from Europe proved difficult due to Covid-19 restrictions, meaning our Ethiopian staff were charged with managing and driving our operation, with virtual online support by the management team based in Scandinavia.

Local Akobo Minerals staff on the ground have built strong relationships with government officials at all levels to ensure that our operation runs smoothly. A further benefit of having Ethiopian employees – numbering 30 in 2020 and ranging from local trainees to experienced geologists – is that they have been able to build strong relations with both the local community and with regional and national government departments. Our support of the local community is something we feel very strongly about and our corporate social responsibility (CSR) initiatives were expanded during the year and included transport infrastructure, school and health projects (see the CSR section of this report for further details).

Being successful in business requires understanding of social and cultural norms and Ethiopian staff working with Ethiopian partners and government departments has made this process much simpler. Enjoying good relations with the Ministry of Mines and Petroleum has been vital. In recent years, the Ministry has implemented reforms to the exploration licensing application and approval processes, offering a more streamlined and rigorous approach to companies looking to explore Ethiopia's potential.

Cultural challenges and opportunities

The difference between Scandinavian and Ethiopian culture can sometimes be a challenge. However, we have learned to deal with this and take advantage of the local culture. For example, Ethiopian culture is very much about collaboration - sharing and working together for the benefit of the team. We make sure that we leverage this culture and on the ground the company has progressed as we have given responsibility to Ethiopian staff. We are delighted that they have successfully grasped this opportunity.

At the same time, it was important to bring European management practices to bear on the operation. For example, we undertook our first management day in mid-June in Addis Ababa - something that our local staff had never experienced before. At that event, the management presented on various business practices, including the need to be proactive and self-responsible. These philosophies have been embraced by all employees and will be essential as the company grows and develops.

Capital raised

2020 was expected to be the year in which Akobo Minerals listed on the Euronext Growth exchange. However, due to changes in the admission criteria at the stock exchange, it was decided to delay the listing on the Euronext Growth Oslo exchange until 2021. Towards the end of 2020, the company successfully raised 20 million Swedish kroner (SEK) in new equity from both existing and new shareholders. The share issue was significantly over-subscribed and the amount raised was a



Our Ethiopian employees build strong relations with both the local community and with regional and national government departments.

significant increase from the initial target of raising 10 million SEK.

The capital raised will be used to further fund the work program in 2021, which will see a step-change in activity from the level of 2020. This includes further resource drilling and exploration - which continues to gather momentum following encouraging drilling results in the recent drill program - and the provision of general working capital.

From our assessment work, we believe that there is a high probability of finding deeper extensions in the area than already discovered gold mineralizations. In addition, the funding will be used to start necessary studies in preparation for small-scale mining on one or more of the gold deposits in the Akobo area that are known to us.

A strong foundation

Due to our efforts in 2020, there has been a substantial transformation in the company - particularly in the structure of the business. The collaboration of a core team in Norway supporting our 30 local employees in Ethiopia means we can keep our overheads low.

While an IPO did not take place in 2020, the management team spent the year ensuring that the company is compliant with all the corporate governance demands of a listed company. Our successful exploration work and the capital will ensure we can complete the IPO process in 2021.

As a small and manageable company, we believe we have in place the skills and resources to grow the company. But it will only happen with the support and energy of every employee. In 2020 we carried out an extensive training program and we will continue this as we seek to allow all of our staff to reach their full potential.

We have worked hard in 2020 to create a strong financial and operational foundation which will be key as we increase the overall activity level in the company. We are making sure we do all we can to act as a responsible company that will be ready for an Euronext Growth listing in 2021.

Outlook

From our initial findings in Segele, we believe that Akobo Minerals has the potential to develop proven gold reserves under our license. The move to open up exploration activities in Joru will provide us with a second site which we believe will offer up further exceptional resources.

As a gold exploration company, our most important concern is to secure mineral resources. After acquiring our own drill rig during 2020, we are well placed to continue our drilling operation, underpinned by extensive training of our local workforce. And all that we have learned in Segele will stand us in good stead as we begin a successful second exploration operation in Joru.



Management



Morten Often
Chief Geologist

Often joined Akobo Minerals as geology adviser late 2015, and as Chief Geologist at the beginning of 2018. He has 44 years of mineral resource experience and worked with the Geological Survey of Norway for 33 years as Mineral Resource Geologist and head of the Mineral Resource Department. Previous roles include Head of EthioNor, a five-year development project in Ethiopia, CEO for the exploration and mineral resource development company, Store Norske Gull AS, and Exploration Manager for the coal mining company, Store Norske Spitsbergen Kulkompani.

Often has a Master of Science in geology, mineral resources and mining from the Norwegian University of Science and Technology, Trondheim. He is a competent person, a member of The Fennoscandian Association for Metals and Mineral Professionals, FAMMP.



Dr. Matt Jackson
Chief Operations Officer

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, Jackson has extensive commodity understanding and has worked for some of the world's largest companies, including BHP Billiton, and consultancies, including Golder Associates.

Jackson 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.

The license area belongs to the low land of the Akobo Basin characterized and dominated by savanna grass covered flat terrain.



Jørgen Evjen
Chief Executive Officer

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.

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

Geology, geography and exploration

The majority of Ethiopia is covered by Tertiary and Quaternary volcanic flood basalt deposits. The area of Western Ethiopia in which Akobo Minerals operates occurs within a large window of younger volcanic cover which exposes the underlying Precambrian metamorphic basement. This 600x200-kilometre inlier is a North-South trending belt hosting volcanosedimentary sequences, zones of gneiss and migmatite, and ultramafic complexes.



Local artisan work gives valuable input to geological mapping and modelling.





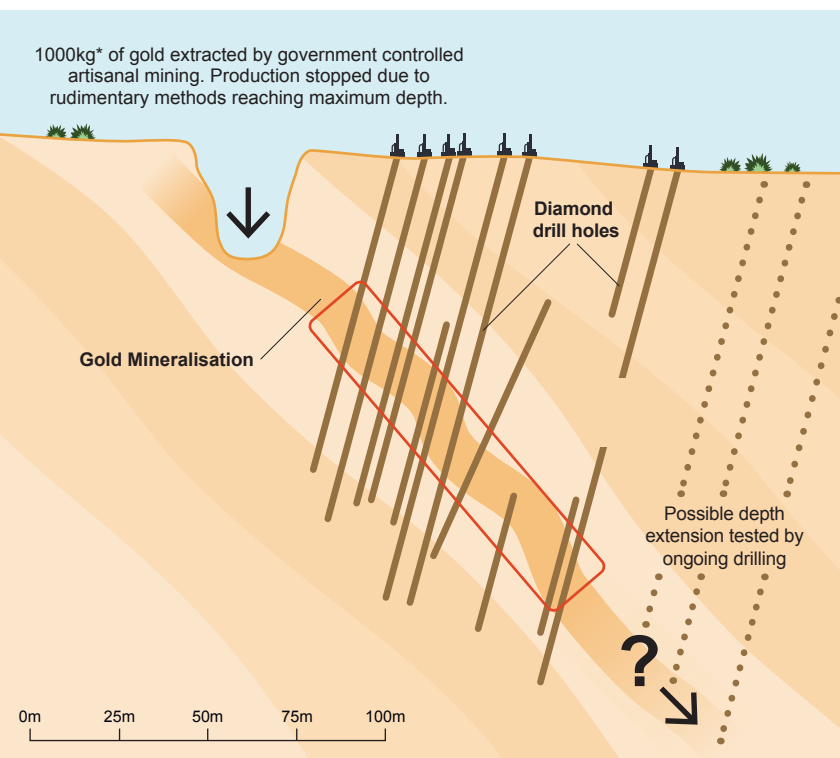
Trenching is a fundamental part of the exploration work

Akobo County

The region in which the Akobo Minerals license is situated is in the far southwest of Ethiopia. For thousands of years, western Ethiopia has been renowned for its placer gold – but it is only now that the potential in the southernmost part, The Akobo Basin, is starting to be realised.

Akobo is now known to be an extensive placer gold region characterized by a Neoproterozoic belt of metamorphic rocks. These rocks constitute the southernmost part of the Western Ethiopian Shield, a southern extension of the Arabian-Nubian Shield, known for many gold deposits, both ancient and modern. Large and small bodies of ultramafic rocks characterize the Akobo area. Similar rocks occur along the belt to the north, including at Yubdo, Tulu Kapi, Tulu Dimtu, Baruda and Asosa. Gold is broadly associated with these areas of higher concentrations of ultramafic bodies, having been produced from placer deposits in these western areas of the country since ancient times.

Until a few decades ago, the Akobo basin district was a very remote and sparsely populated area. Gold was not known to occur. Some exploration for base metals was undertaken during the country's occupation by Italy 1936-1941, but in recent years it is local artisans that have been responsible for gold extraction in the region. These artisan workings and anomalous gold concentrations in rock, soil and stream sediments now point to potentially sizeable untapped gold resources in this region of southwest Ethiopia.



In Ethiopian terms, Akobo is a lowland area. Made up of gently rolling, treed savannah landscape, it is semi-arid with a gentle rainy season between June and November, while temperatures can reach above 40 degrees centigrade during the hot, dry periods. Akobo Minerals' camp is located about 700 km by road from the capital, Addis Ababa, with all but the final 30 kilometres served by asphalt road.

Akobo license area

Akobo Minerals is presently pursuing two priority exploration targets within its license– Segele and Joru.

Segele

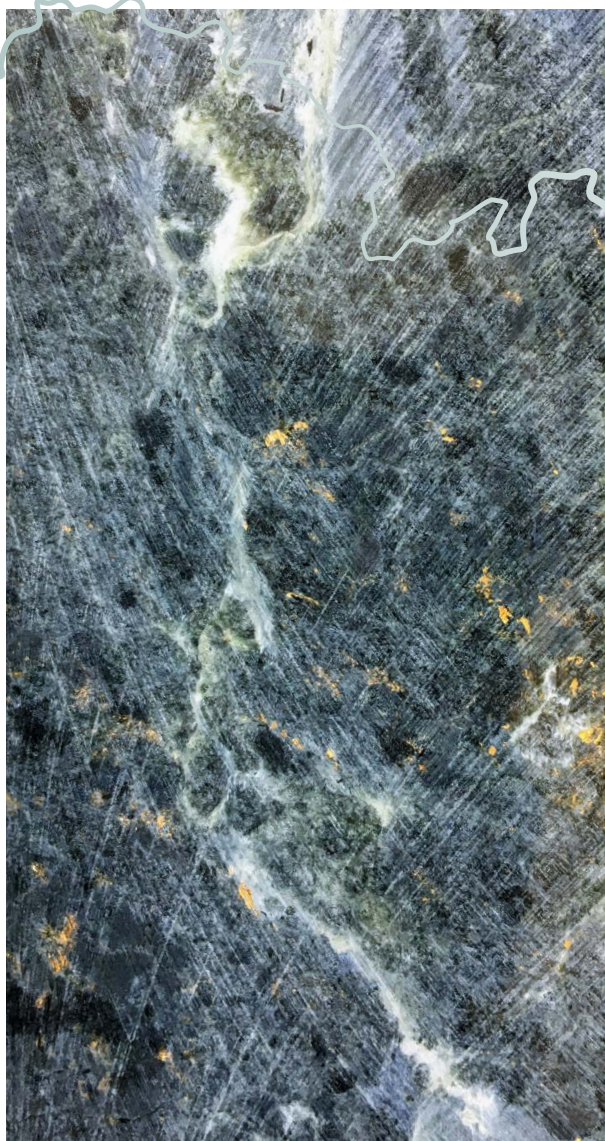
At Segele the company is targeting the downward continuation of a small, high grade system hosted in mafic-ultramafic rocks, that has seen extensive surface- and near-surface working by artisanal miners - the kofaris - since its discovery in 2015. The gold grades excavated by the kofaris have been consistently high. Government records confirm that the hand-dug pits at Segele have produced over 600 kg of gold from the so-called Main pit, alone.

This pit has a surface dimension in the order of 15 by 20 metres and extends to a depth of 10 metres, with some underground workings extending down to ground water level. In addition to this, there are many smaller shafts and pits in the vicinity. Akobo's sampling of these pits, geological mapping, and core drilling provide an image of a somewhat irregular ruler shaped, high-grade system roughly 30 metres wide and 20 metres thick, dipping to the north.

Akobo Minerals' drilling activity at Segele has so far shown outstanding high-grade gold results. Akobo Minerals is working with ALS Global - a leading full-service and ISO certified provider of analytical geochemistry services - which undertakes sample preparation and analyses performed to the highest international quality standards.

Extensive geological work has been conducted with a strong emphasis on the quality of drilling and sampling (QAQC). To date, more than 4,500 metres of diamond drilling has been completed. 41 holes have so far been drilled, 31 of these have been assayed, and the last 10 are now being prepared for analyses. 22 of the holes contain visible gold, in places in remarkable quantities. These initial results from the current exploration drilling have proven that Segele is particularly gold-rich, with several bonanza-grade sections. The gold zone is about 190





metres from the outcrop at surface to the deepest drill-intersection, and open towards depth. All indications point towards the potential to establish successful, targeted mining operations in the area.

Joru

In Joru, the gold deposit is quite different from the Segele, both in geology, size, geometry and grade. Joru is a large system of gold bearing quartz veins hosted in a quartzo-feldspathic body. The overall grade of the deposit is much lower than in Segele, but the system itself is considerably larger, creating opportunities for much larger tonnage.

In the same way as they have done at Segele, the kofaris have mined significant quantities of gold over the last few years, after they largely had exhausted the placer deposits and started manually digging into bedrock. Until now, the artisan process has been to hand-sort the quartz-vein material and crushing it in steel mortars prior to panning by hand.

The plan for Joru is much greater in scope. Following positive initial findings based on trenching and RC drilling results, the company will now concentrate on the central and so far known highest-grade part of the mineralization, with a program of core drilling. From this, Akobo Minerals will then consider a resource estimation for this first part of the extensive Joru mineralized area.

It is our ambition, and we consider it realistic, to be able to establish a resource base of more than one million oz of gold in Joru. Thereby preparing the grounds for future large-scale mining in Joru.



Local artisans at work to find gold. Large amount of gold has been taken out with use of basic equipment and traditional panning methods.

Did you know?



The word 'gold' derives from Old English and Germanic origins. The German Gothic language expressed gold with the word *gulpa*, later evolving into *geolu* in the Old English language. *Geolu* is translated to mean 'yellow', thus naming the metal for its most dominant characteristic.

Best estimates suggest that around 197,576 tonnes of gold has been mined throughout history. Each year, global gold mining adds approximately 2,500-3,000 tonnes to the overall above-ground stock of gold. All this gold would comfortably fit into two Olympic-sized swimming pools.

Ethiopia may well be the location of the oldest gold mine in the world. Dating back some 6,000 years, it provided a key source of gold to the ancient Egyptian empire, whose great wealth was famous throughout the known world.



The melting point of gold is 1,064.18°C, while it boils at 2,850°C.



The Incan civilization was known for worshipping the sun and they referred to gold as the "tears of the sun."



Gold is so rare that more steel is poured in an hour than all of the gold poured since the beginning of recorded history.



The world's largest gold nugget, dubbed the *Welcome Stranger*, was found by two Cornish miners while prospecting in the gold fields of Victoria, Australia, in 1869. The nugget weighed 72 kilograms and was 61cm long when it was found buried just below the surface.



1.8m

Welcome Stranger
Date: 5 February 1869
Place: Moliagul, VIC
Weight: 72kg
Length: 60cm

Facts about gold

Resistance

Gold is considered to be a 'noble' metal as it is relatively unreactive and resists degradation by air, moisture, or acidic conditions. While acids dissolve most metals, a special mixture of acids called aqua regia is necessary to dissolve gold.

Au {Aurum}

The element symbol for gold—*Au*—comes from the Latin name for gold, aurum, which means 'shining dawn' or 'glow of sunrise'.

Gold value

The value of gold is based on the karat system (or carats, in English), which is a 24-point scale signifying the percentage of gold a piece of metal contains. So, if gold jewelry is 14K, it is 14 out of 24 parts gold, or 58.33 percent gold – if it is 24K, it is pure gold.



The world's greatest gift?

It is believed the gift of 9,000 pounds (4,000 kilograms) of gold which the Queen of Sheba gave to King Solomon of Israel almost 3,000 years ago came from gold mines Ethiopia.

The Queen of Sheba visiting Solomon.
Illustration: Gustave Doré

Due to its high value, the majority of gold discovered throughout history is still in circulation. However, it is estimated that 80 percent of the earth's gold is still to be mined.



Estimated remaining
gold to be mined

Corporate Social Responsibility

Akobo Minerals is working hard to develop a best-in-class mining exploration business. As such, we recognise the importance of the role that corporate social responsibility (CSR) has to play in meeting this goal. That means understanding, reporting on and improving the CSR metrics that will take our operation forward – both for the benefit of our employees and the wider community.

We also recognise that while we are a European-based business operating in Africa, we are committed to upholding the CSR standards of a European organisation. As such, in 2020 we spent considerable time and resources in setting up a robust CSR program that covers our health & safety and environmental (HSE) responsibilities, our work in the community and training of our staff.

HSE

Mining exploration carries with it inherent risks, but it is our responsibility to mitigate as much as we can these risks. And health & safety is the method by which we will achieve this. During 2020, Akobo Minerals spent considerable time improving and expanding our health & safety initiatives, particularly through the training of staff. This begins with learning about and understanding the importance of using personal protective equipment, such as boots and goggles, through to safety considerations when using heavy plant equipment.

All our Ethiopian employees have worked very well in ensuring that health & safety considerations

have been top of their agendas. This is helped by the cultural norm in Ethiopia which is very much geared towards looking out for each other. At the same time, the company is working hard to develop formalised training systems and a strong reporting procedure, so we can see areas for improvement right across our operations. Though, historically, there have been differences between European and Ethiopian safety standards, we will never compromise the need to look after our employees in the workplace.

Towards the end of 2020, we undertook a root and branch process to look out how we can mitigate risk across the business. On completion of this, we have now rolled out our program to benefit all staff. At its most basic level, health & safety is about protecting our investment and with our employees being our greatest resource, we are impressing upon them how we will support them in their work and their attitude to understanding and learning what is required of them has been exemplary.

During the year there were no loss-time incidents among our 30 on-site personnel in Ethiopia, although there was one incident during operational activities which resulted in a minor injury to one employee. Because the company is operating in such a remote location, it has been stressed to all employees how important health & safety is and how any injuries could have a significant impact as we are very much self-reliant.

2020 was a significant year in further professionalising our health & safety program and protecting and empowering our staff. This initiative will continue through 2021.

Environment

Akobo Minerals recognises that, though we are a reasonably small exploration business, our activities still impact the environment. Therefore, we strive to minimize the environmental footprint of our



**In all of our activities
and operations we
will strive to minimize
the environmental
footprint.**

operations and implement strict environmental management systems in our community. A baseline ESG study is planned for 2021.

Community initiatives

We consider ourselves to be a caring employer that recognises the importance of supporting the community in which we operate. The company has a history of local contributions and in 2020, we extended our community program with a number of new initiatives.

With the region being so remote, maintaining good transport infrastructure is important. We have helped to ensure the only road locally is of sound quality by making general repairs to its surface. Also during 2020, we made a significant upgrade to a landing strip near to our camp, so light aircraft are now able to land and take-off.

A program of local community initiatives in 2020 included buying tables and chairs for local schools and football clothing for local junior soccer teams.

With our operation based in Ethiopia, we are keen to wherever possible employ Ethiopian nationals so we can benefit the local community. There are presently 30 Ethiopians working at all levels of the company, from security and administration through to geologists and drillers. Many local employees have a university education and we ensure that we can nurture that talent with our training programs to further develop their capabilities and help them to realise their potential.

Quality

In 2020, we set out to assess and create a quality assurance (QA) and quality control (QC) program for all aspects of our business. Our training & development program for staff is characterised by our commitment to best practice and continuous improvement processes to ensure that we are constantly refining our operational performance. We are always looking for excellence in our operations and, importantly, we abide by the JORC Code, for the reporting of our mineral resources. To do this, we have developed an online training program, which

is being initiated for our geologists, so we have complete transparency of our mineral exploration activities.

Akobo Minerals is committed to achieving the highest standards of corporate governance and strives to maintain the utmost levels of best practice as defined by Scandinavian corporate governance procedures. We conform to the most stringent ethical and anti-corruption standards through transparent reporting on every aspect of the company's operational and financial activities - all of which are audited by highly respected international firms.



All of our successes will be a result of our commitment to our staff and to supporting the local community.

Akobo Minerals is committed to building a company that looks after their needs of our employees and the needs of the community in which they live and work. As we operate in such a remote part of the world, we have a continuous focus on the most up-to-date safety equipment, systems and modern conveniences at site, ensuring a safe workplace for our staff. We have a program of employee training & development so they can meet their potential. We will also act to make the local community a part of our wider business, so we can have a positive impact on their lives.

All of our successes will be a result of our commitment to our staff and to supporting the local community. This is why corporate social responsibility underpins our business – today and tomorrow.



What is the JORC Code?

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.

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 Policy

Akobo Minerals works continuously to maintain a high standard of corporate governance. The board of directors recognizes 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 to ready the company for our anticipated listing during 2021, particularly by having an effective board and management team to successfully take the company forward.

BOARD RESPONSIBILITY AND COMPANY ACTIVITY

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.

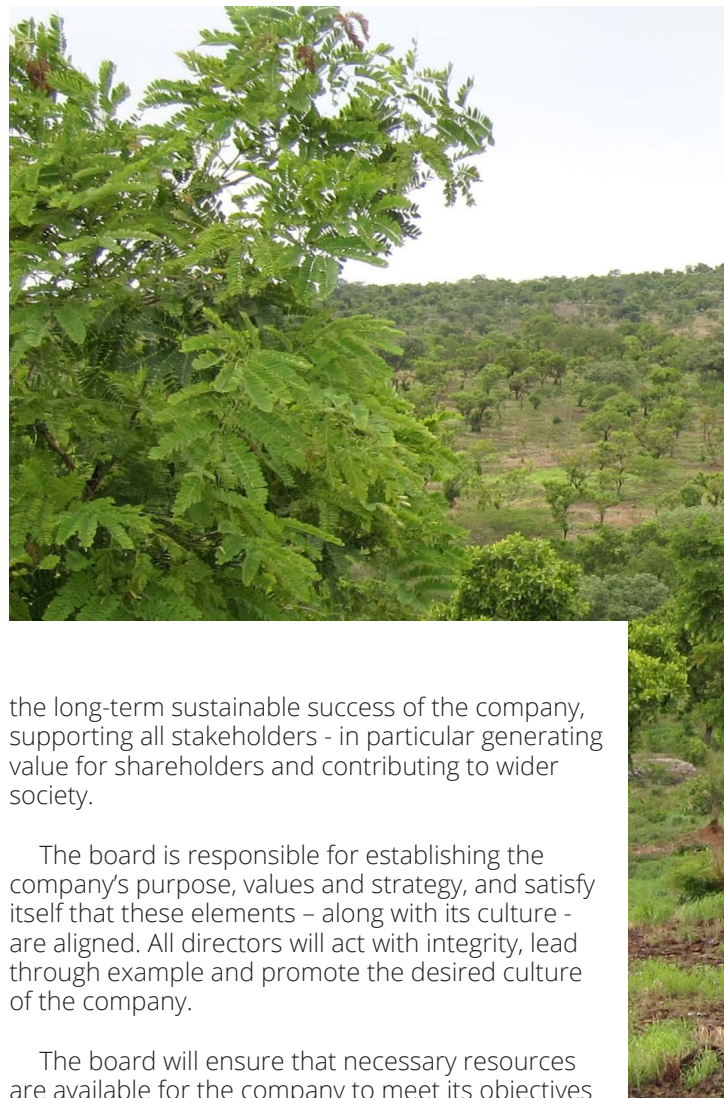
The board is responsible for establishing the company's purpose, values and strategy, and satisfy itself that these elements – along with its culture – are aligned. All directors will act with integrity, lead through example and promote the desired culture of the company.

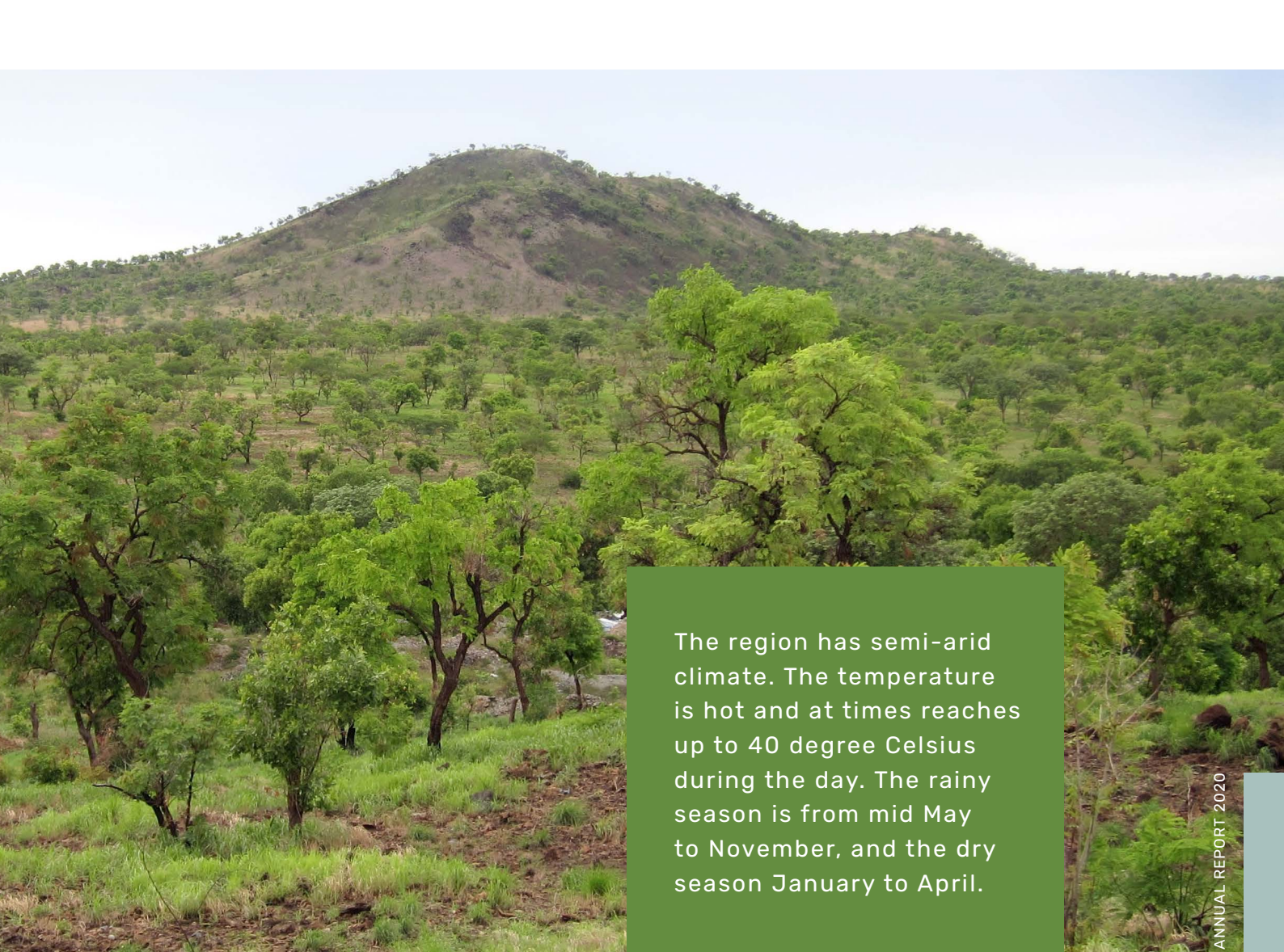
The board will ensure that necessary resources are available for the company to meet its objectives and measure ongoing performance against them. The board will also establish a foundation of sensible and effective controls to enable the company's risk to be evaluated and managed.

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.





The region has semi-arid climate. The temperature is hot and at times reaches up to 40 degree Celsius during the day. The rainy season is from mid May to November, and the dry season January to April.

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 first report published will be the half year 2021 report. 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.

Chairman's note

Dear Shareholders,

2020 was a challenging year for the entire world. But despite these tough global conditions, for Akobo Minerals it turned out to be the breakthrough year.

After 10 years of exploration activities with many ups and downs, finally we were able to initiate a core drilling program and started to spin the drill bit on the promising Segele structure in February. And Segele certainly delivered on its promise as in hole number three we hit the “golden goose”. The core retrieved from the ground was literally shining with solid gold. We then knew that we had hit the prolongation of the ultra-rich gold discovery the local gold diggers had found previously - and where they had mined gold using the most primitive of methods. The start of 2020 could not have been better.

To date, we have drilled 41 holes in Segele, with visible gold in the majority of them. We have discovered very high grades in most of the holes. And the gold zone is open at depth.

We have recently received the company's maiden resource estimate, covering parts of the Segele structure, which indicates 52410 oz of gold based on a 78000-tonne weight, amounting to an average grade of 20.9 g/t.

The Board considers this to be a conservative estimate, with a significant upside based on further drilling on the Segele structure, both laterally and at depth.

Given the high grade and limited tonnage, the Board will commence a scoping study to explore the possibility of profitable small-scale mining of the Segele structure. If deemed feasible, small-scale mining will generate early cash flow to help fund the extensive exploration and drilling program we foresee, allowing us to fully map and calculate the total gold resource of our Akobo license.

Last autumn we succeeded in negotiating with the Ministry of Mines an extension of our exploration license by three additional years.

In July 2020 Jørgen Evjen joined the company as our new Chief Executive Officer (CEO). Jørgen has been associated with Akobo for a number of years on an ad hoc basis, but as a full-time CEO he has taken on the role to transform the company from an enthusiasm-driven operation to a highly professional exploration and mining company. The aim is to list Akobo Minerals on the Oslo Stock Exchange, though we are mindful of the requirements and implications this entails.

A stock listing will provide the company with access to capital, as well as giving liquidity to shareholders. The preparations are well underway and the Board hope to complete the listing within the next few months. It will represent an important milestone for all involved. The Board would like to express its satisfaction with the results already achieved with Jørgen at the helm.

Our Managing Director in our operating daughter company in Ethiopia, Befekadu Balcha - alias mister Akobo - has decided to retire after more than 20 years of tenure. While Exploration Director in the Ministry of Mines back in the 1990s, he ranked the Akobo area as having the biggest gold potential in the country, and, when he later left the Ministry, he was instrumental in securing and retaining the exploration license which we operate today. The Board expresses its sincere gratitude to 'mister Akobo' for his relentless efforts during all these years to make Akobo the success story it is now becoming.

**Hans
Olav
Torsen**
Chairman

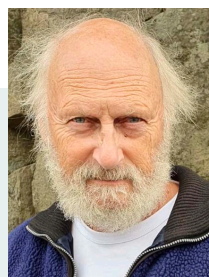


As well as occupying the position of Chairman at Akobo Minerals AB(AM), he also holds the similar position at PirlInvest Holding AS which is the largest shareholder in AM. Hans Olav Torsen also currently is on the Board of 10 other companies mostly tech and energy related companies. Earlier he also held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

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.
- 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.

**Jørn Berle
Christiansen**
Board
member



Jørn has more than 40 years' experience in applied geophysics, working for companies in the oil & gas and mineral industry both in exploration as well as in the service industry.

Christiansen started his career as explorationist at Norsk Hydro AS, followed by 27 years at TGS-NOPEC ASA/PGS ASA, where he was part of the management team. In 2012 he took a position as Chief Technical Officer in Spectrum ASA. He retired in 2019.

Since 2009 Christiansen has worked part time as geoscientist in Akobo Minerals AB and Kimberlitt AS.

Christiansen has been elected to the board of several companies and is currently holding the following board positions:

- Akobo Minerals AB,
- Kimberlitt AS and
- PSS Geo AS

Christiansen graduated with a Dipl. Geoph. degree from Technische Universität Clausthal in Germany.

**Tore
Ingemar
Hallberg**
Board
member



A trained geologist, Tore Ingemar Hallberg has been on the board of Akobo Minerals AB since 2018. Presently, he also holds the position of Chief Executive Officer and Director at Archelon AB and is Managing Director and Director at Geokraft Tore Hallberg AB.

Previously, he held the position of Managing Director at Wermland Guldbrytning AB and Chief Executive Officer at IFOX Investments AB.

He received a Bachelor's degree in 1975 from the University of Gothenburg.

As I write, we are busy drilling the next big target, the Joru structure, with a mineralized area much bigger than Segele. The area has a different geology and mineralization to Segele, and with assumed lower grades. So far, four holes have been drilled down to a maximum depth of 150m, and early indications look promising. However, we will know considerably more once the cores have been analyzed.

As a closing remark I would like thank both our old and new shareholders for your continued support during 2020 through financing the operation. The

Board and the Management of Akobo Minerals 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 2021.

Yours sincerely,

Hans Olav Torsen
Chairman of the Board

Administration report

Corporate structure

Akobo Minerals (org.no 559148-1253) is head-quartered 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 99.97% of the Ethiopian subsidiary Etno Mining Plc. Etno Mining Plc is the sole holder of an exploration permit in the Akobo region of Ethiopia for gold on a 182 km² area.

Our business

Akobo Minerals is a gold exploration company focusing on projects along the Akobo river in southwestern Ethiopia, a prolific area with extensive alluvial gold production. Activities commenced in 2009 with the launch of alluvial production - alongside exploration - in the Akobo area. Since 2013 Akobo Minerals has been a pure exploration company and our team has gathered extensive data from the area. Extensive and successful drill programs have now been planned and started.

Akobo Minerals' exploration project is situated in a nascent but growing gold district in Southwestern Ethiopia and the company holds an exploration license over key targets in the area. An exploration license was renewed for a further three years in November 2020.

2020 key milestones

During the year, new funding was raised by the company. The additional capital was used to further develop our core operational activities, including undertaking a new core drilling program of 3,000–5,000 metres, an upgrade to the camp and new personnel joined the company. Significantly, our Ethiopian exploration license was extended for a further three years.

The core drill program was initially outsourced to the Norwegian drilling company Arctic Drilling. During

their stay and operation in Akobo our employees got training in operating the rig on their own. As part of our strategy to focus on hiring and developing local employees, the rig was bought from Arctic Drilling and the operations were taken over with great success.

Events after the end of the reporting period

- Registration at the Euronext NOTC platform.
- Started ESG base line study with Sazani Associates.
- Release of first maiden resource estimate. The estimate was performed by SRK Consulting (Australasia) Pty Ltd, showing an inferred Mineral Resource of 78 Kilotons at 20,9g/t gold above a cut-off of 0,5g/t gold, equal to 52.410 oz of gold.
- After the latest drilling at Segele, and receiving a successful maiden resource estimate, the drill rig was moved to the next exciting target at Joru for some initial drilling.
- Communicated intention to carry out an equity private placement and apply for a listing of the Company's shares on Euronext Growth Oslo during 2021.

Shares and shareholders

As of December 31, 2020, there were a little over 3,500 issued Akobo Minerals shares, of which 87% of shares are held by Norwegian investors, 6% by Ethiopian management and 7% held by Swedish investors. As of December 31, 2020, there were 34,432,940 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 2,235,000 new shares. The strike price for the warrants are in the range SEK 0.86 to SEK 2.5, reflecting the current market price of the shares at the time of issuance.

There were no major changes in the ownership structure in 2020. Pir Invest Holding AS, a company controlled by the Chairman, is the only company owning more than 10% of Akobo Minerals. Their ownership at 31.12.2020 was 15,27%.

Employees

Akobo Minerals had a total 34 employees as of December 31, 2020. 31 of these are based in our exploration in the Ethiopia and 3 in Scandinavia. Despite the challenges of Covid-19 restrictions, the management team made regular visits to Ethiopia during 2020 to support our operational workforce at our exploration sites.

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 raise capital in NOK, transfer funds into Ethiopia in USD and has its operating expenses in Ethiopian birr. In addition there might not be US dollars available in Ethiopia for the exchange of Ethiopian birr 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.

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

Liquidity and financial risk

The Group may require additional financing to achieve its goals, and a failure to obtain necessary capital when needed could force the Group to delay, limit, reduce or terminate its current projects.

The Group does not generate income to finance its operations and if additional financing is necessary to continue the Group's operations, the Group will have to rely on external financing, such as bank loans, bonds or issuance of shares. Adequate sources of funding may not be available to the Group on favorable terms or at all. The Group's ability to obtain funding will in part depend on the general market conditions as well as the market perception of the Group and its business. If the Group 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 the Groups' business and operation and prospects.

Employee engagement

Akobo Minerals recognizes the importance of engaging with its workforce. We undertake engagement in order to maintain strong business provision as we develop and grow the business. We always work to maintain meaningful dialogue between management and our employees – through frequent and meaningful communications. This is particularly important when management and our exploration operations are at times on different

continents. Management regularly engages with the workforce via formal and informal channels, including via webcasts and emails from the Chief Executive Officer and other senior executives, along with webcasts, team meetings, and face-to-face company gatherings.

The Board of Akobo Minerals deems that regular, informative and clear engagement with our workforce is a key element in the company's ability to create value as it understands that our people are our greatest asset. Creating a two-way communication channel can help inform the Board on matters that can improve our operational effectiveness, improve our culture, identify risk and support our approach to long-term strategic development and implementation.

Corporate social responsibility

Akobo Minerals recognizes the importance of the role that corporate social responsibility (CSR) has to play in meeting its strategic and operational goals. As such, we have set up robust CSR program to meet the demands of all our stakeholders through HSE and environmental initiatives to ensure we protect both our employees and the environment in which we operate. The company also has an ongoing program aiding the local community with infrastructure, education, sport and healthcare initiatives.





Financial statement

2020

Group & Parent company

Development of the company's operations, results and position

Amount in SEK '000	2020	2019	2018
Group of companies			
Net turnover	-	83	
Result after financial items	-10,971	-1,047	
Equity ratio	88	82	
Parent company			
Net turnover	-	20	2
Result after financial items	-28,727	-1,054	-682
Equity ratio	84	83	97

Changes in equity

Group of companies	Share capital	Share premium reserve	Balanced result incl. result for the year	Total
Opening balance 2020-01-01	619,195	47,266,497	-19,692,779	28,192,913
New shares issue	660,330	34,005,969		
Translation difference		-2,797,721	-4,212,724	
Results for the year			-10,971,632	
Closing balance 2020-12-31	1,279,525	78,474,745	-34,877,135	44,877,135

Parent company	Share capital	Share premium reserve	Balanced result	Result for the year	Total equity
At the beginning of the year	619,195	21,404,375	-656,599	-1,053,589	20,313,382
New shares issue	660,330	34,005,969			34,666,299
Previous year's result			-1,053,589	1,053,589	-
Result for the year				-28,726,617	-28,726,617
At the end of the year	1,279,525	55,410,344	-1,710,188	-28,726,617	26,253,064

Appropriation of profit/loss

Proposed treatment of the company's profit	
Proposed treatment of the company's result	
Balance brought forward	-1,710,188
Result for the year	-28,726,617
	-30,436,805
The board of directors proposes the following:	
to be carried forward	-30,436,805
	- 30,436,805

Regarding the company's results and financial position in other respects, please refer to the income statements, balance sheets and accompanying supplementary disclosures set out below.

Cash flow

Amount in SEK	Group of companies	Parent company
Cash flow from operations	-11,743,373	-30,930,081
Cash flow from investments	4,642,498	16,079,320
Cash flow from financing	24,842,383	31,852,828
Total cash flow for the year	17,741,418	17,002,067

INCOME STATEMENT – group of companies

01.01 – 31.12

Amount in SEK	Notes	2020	2019
Operating income			
Net turnover		-	83,588
Other operating income		-	7,955
		-	91,543
Operating expenses			
Raw materials and consumables		-3,218,529	-270,524
Other external expenses		- 4,972,955	-735,783
Personnel costs	2	-1,451,689	-339,852
Total operating expenses		-9,643,173	-1,254,616
Result from financial items			
Other interest income and similar profit/loss items	4	203,638	287,911
Interest expense and similar profit/loss items		-1 532,097	-80,430
Result after financial items		-10,971,632	-1,047,135
Result for the year before tax		-10,971,632	-1,047,135
Result for the year		-10,971,632	-1,047,135
Attributable to the parent company's shareholders		-10,971,632	-1,047,135

BALANCE SHEET – group of companies

01.01 – 31.12

Amount in SEK	Notes	2020-12-31	2019-12-31
ASSETS			
Fixed assets			
Intangible assets			
Capitalised expenditure for development and similar work	5	26,539,058	31,032,254
		26,539,058	31,032,254
Tangible assets			
Plant and machinery	6	304,465	426,641
Equipment, tools, fixtures and fittings	7	21,254	48,290
		325,719	474,931
Total fixed assets		26,864,777	31,507,185
CURRENT ASSETS			
Current receivables			
Trade receivables		369,913	-
Current tax asset		552,513	309,985
Other receivables		172,016	1,058,937
Prepaid expenses and accrued income		124,246	12,873
		1,218,688	1,381,795
Cash and bank		19,302,549	1,561,131
Total current assets		20,521,237	2,942,926
TOTAL ASSETS		47,386,014	34,450,111

BALANCE SHEET – group of companies

01.01 – 31.12

Amount in SEK	Notes	2020-12-31	2019-12-31
EQUITY AND LIABILITIES			
Equity			
Share capital		1,279,525	619,195
Share premium reserve		78,474,745	47,266,497
Balanced result incl. result for the year		-34,877,135	-19,692,779
Equity attributable to the parent company's shareholders		44,877,135	28,192,913
Total equity		44,877,135	28,192,913
Long-term liabilities			
Convertible loans		-	2,813,471
		-	2,813,471
Current liabilities			
Trade payables		897,394	392,993
Current tax liability		38,223	-
Other liabilities		850,398	129,450
Accrued expenses and deferred income		722,864	2,921,284
		2,508,879	3,443,727
TOTAL EQUITY AND LIABILITIES		47,386,014	34,450,111

Gothenburg, 17.06.2021



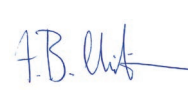
Hans Olav Torsen
Chairman of the Board



Jørgen Evjen
CEO



Tore Hallberg



Jørn Christiansen

INCOME STATEMENT – parent company

01.01 – 31.12

Amount in SEK	Notes	2020	2019
Operating income			
Net turnover		-	20,115
Other operating income		-	7,955
		-	28,070
Operating expenses			
Raw materials and consumables		-3,218,529	-266,121
Other external expenses		-2,638,618	-475,057
Personnel costs		-84,197	-339,852
		-5,941,341	-1,052,960
Result from financial items			
Profit/loss from participations in group companies	3	-25,053,243	-
Other interest income and similar profit/loss items	4	2,290,976	-
Interest expense and similar profit/loss items		-23,009	-629
Result after financial items		-28,726,617	-1,053,589
Result for the year before tax		-28,726,617	-1,053,589
Result for the year		-28,726,617	-1,053,589

BALANCE SHEET – parent company

01.01 – 31.12

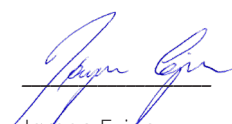
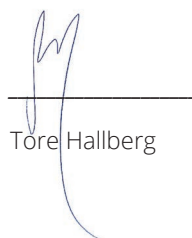
Amount in SEK	Notes	2020-12-31	2019-12-31
ASSETS			
Fixed assets			
Financial assets			
Participations in group companies	8	5,994,250	22,073,570
		5,994,250	22,073,570
Total fixed assets		5,994,250	22,073,570
CURRENT ASSETS			
Current receivables			
Receivables from group companies		3,440,976	686,168
Other receivables		-	325,364
Prepaid expenses and accrued income		4,295	12,873
		3,445,271	1,024,405
Cash and bank		18,314,248	1,312,181
Total current assets		21,759,519	2,336,586
TOTAL ASSETS		27,753,769	24,410,156

BALANCE SHEET – parent company


01.01 – 31.12

Amount in SEK	Notes	2020-12-31	2019-12-31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		1,279,525	619,195
		1,279,525	619,195
Non-restricted equity			
Share premium reserve		55,410,344	21,404,375
Profit or loss carried forward		-1,710,188	25,000
Profit/loss from previous year		-	-681,599
Profit/loss for the year		-28,726,617	-1,053,589
		24,973,539	19,694,187
Total equity		26,253,064	20,313,382
Long-term liabilities			
Convertible loans		-	2,813,471
		-	2,813,471
Current liabilities			
Trade payables		883,742	74,108
Liabilities to group companies		-	1,014,745
Other liabilities		386,963	129,450
Accrued expenses and deferred income		230,000	65,000
		1,500,705	1,283,303
TOTAL EQUITY AND LIABILITIES		27,753,769	24,410,156

Gothenburg, 17.06.2021


Hans Olav Torsen
Chairman of the Board

Jørgen Evjen
CEO


Tore Hallberg



Jørn Christiansen

A decorative wavy line in a light teal color starts from the left edge of the page and extends horizontally across the middle section, partially overlapping the orange box.

Notes

to the Financial Statement

2020

Notes

TO THE FINANCIAL STATEMENT. ALL AMOUNTS IN SEK 1,000 UNLESS OTHERWISE SPECIFIED

NOTE 1 / ACCOUNTING POLICIES

ACCOUNTING POLICIES

The annual report has been 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 with the previous year.

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 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.

2020

Group of companies

The following depreciation periods are applied:

Capitalized expenses for development and similar work

5

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:

2020	Group of companies	Parent company
Tangible fixed assets:		
Inventory, tools and installations	5	5

The difference between the above-mentioned depreciation and depreciation made for tax purposes is reported in the individual companies as accumulated overdepreciation, 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

Assets and liabilities, including goodwill and other consolidated surplus and deficit values, are translated into the reporting currency at the closing day rate. Income and expenses are translated at the spot 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 receivable are reported at the amount that is expected to be received, ie. after deductions for doubtful receivables.

Other financial liabilities

Loans and other financial liabilities, e.g. 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.

NOTE 2 / EMPLOYEES AND STAFF COSTS

Group of companies	2020	of which men	2019	of which men
Sweden	-		1	1
Ethiopia	31	16	17	15
Norway	3	3	1	1

Akobo Minerals had a total 34 employees as of December 31 2020. 31 of these are based in our exploration in Ethiopia and 3 i Scandinavia.

NOTE 3 / RESULT FROM SHARES IN GROUP COMPANIES

	2020	2019
Impairment of receivables- Etno Mining	1,965,795	-
Impairment of receivables- ARD	7,008,128	-
Impairment of shares in ARD	16,079,320	-
Total	25,053,243	-

NOTE 4 / INTEREST INCOME AND SIMILAR INCOME ITEMS

	2020	2019
Group of companies		
Interest income, group companies	-	-
Interest income, others	203,638	287,911
	203,638	287,911
Parent company		
Interest income, group companies	-	-
Interest income, others	-	-
	-	-

5

6

7

NOTE 5 / CAPITALIZED EXPENSES FOR DEVELOPMENT WORK

Group of companies	2020	2019
Accumulated acquisition values:		
- At the beginning of the year	20,595,087	28,614,345
- Internally developed assets	7,515,136	4,980,830
	28,110,223	33,595,175
Accumulated depreciation:		
- At the beginning of the year	-1,571,165	-2,562,970
	-1,571,165	-2,562,970
Reported value at the end of the year	26,539,058	31,032,205

NOTE 6 / MACHINERY AND OTHER TECHNICAL FACILITIES

Group of companies	2020	2019
Accumulated acquisition values:		
- At the beginning of the year	1,981,338	3,231,048
- New acquisitions	96,502	956
	2,077,840	3,232,004
Accumulated depreciation:		
- At the beginning of the year	-1,719,792	-2,698,582
- Depreciation for the year	-53,583	-106,781
	-1,773,375	-2,805,363
Reported value at the end of the year	304,465	426,641

NOTE 7 / INVENTORY AND TOOLS

Group of companies	2020	2019
Inventory and tools	21,254	48,290
Reported value at the end of the year	21,254	48,290

NOTE 8 / SHARES IN GROUP COMPANIES

- At the beginning of the year	22,073,570
- Write-down	-16,079,320
Reported value at the end of the year	5,994,250

Spec of 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	Quantity shares	in %	Reported value 2020	Reported value 2019
Abyssinia Resources Development AS	100	%	5,994,250	22,073,750
			5,994,250	22,073,750

8



Trenches in relation to exploration ground work.

Responsibility Statement

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2020 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 Board of Directors' 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, 17.06.2021



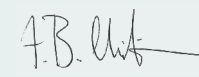
Hans Olav Torsen
Chairman of the Board



Jørgen Evjen
CEO



Tore Hallberg



Jørn Christiansen

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

I have audited the annual accounts and consolidated accounts of Akobo Minerals AB (publ) for the year 2020. The annual accounts and consolidated accounts of the company are included on pages 32-50 in this document.

In my 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 2020 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.

I 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

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

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

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-31. The Board of Directors and the Managing Director are responsible for this other information.

My opinion on the annual accounts and consolidated accounts does not cover this other information and I do not express any form of assurance conclusion regarding this other information.

In connection with my audit of the annual accounts and consolidated accounts, my responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure I also take into account my knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If I, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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 intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

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

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

Report on other legal and regulatory requirements

Opinions

In addition to my audit of the annual accounts and consolidated accounts, I have also audited the administration of the Board of Directors and the Managing Director of Akobo Minerals AB (publ) for the year 2020 and the proposed appropriations of the company's profit or loss.

I 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

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

I believe that the audit evidence I 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

My objective concerning the audit of the administration, and thereby my 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.

My objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby my 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, I exercise professional judgment and maintain professional scepticism 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 my professional judgment with starting point in risk and materiality. This means that I 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. I examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to my opinion concerning discharge from liability. As a basis for my opinion on the Board of Directors' proposed appropriations of the company's profit or loss I 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.

Gothenburg on 17th of June, 2021



Johan Erickson

Authorized Public Accountant



Annual Report 2020

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