



## Financial Report Second Quarter 2019

### Second Quarter 2019 (April – June)

- Exploration and evaluation costs for second quarter amounts to MSEK 2.0 (5.4)
- After-tax profit for second quarter amounts to MSEK -2.0 (-5.6)
- Profit per share for second quarter amounts to SEK -0.12 (-0.45)

### First Six Months 2019 (January – June)

- Exploration and evaluation costs for first six months amounts to MSEK 4.1 (6.4)
- After-tax profit for first six months amounts to MSEK -4.2 (-6.7)
- Profit per share for first six months amounts to SEK -0.25 (0.54)

### Significant events in the reporting period

- Permitting work for Stekenjokk and Levi has continued. In the hearing process the municipalities of Strömsund and Vilhelmina and the county of Jämtland have recommended approval of exploitation concession. The county of Västerbotten has asked for additional information from the Company
- The annual general meeting has approved new articles of association and authorized the board to issue new shares or other financial instruments

### Significant events after the reporting period

- Permitting work for Joma and Stekenjokk and Levi has continued. Additional information in shall be provided by the Company to the Swedish Mining Inspectorate before end of September 2019,

# Operations

## Vilhelmina Mineral in short

Vilhelmina Mineral AB (publ), ("the Company"), is a Swedish company active in exploration and mining in the Nordic region, focusing on base metals, mainly copper and zinc. The company's goal is to develop the current deposits and start mining operations in the next few years. The company's main projects consist of the Swedish projects Stekenjokk and Levi in Västerbotten and the Norwegian project Joma located in Trøndelag. For Stekenjokk and Levi, an application for exploitation concession is submitted to the Swedish authorities. In the case of the Joma, the first step in the Norwegian equivalent of exploitation concession has been obtained ("utvinningsrett"). In addition to the main projects, there are a number of smaller satellite projects in the form of Swedish Jormlien and Ankarvattnet, as well as Norwegian Gjersvik. The operations are organized in the Swedish parent company Vilhelmina Mineral AB (publ) and in the half-owned Norwegian subsidiary Joma Gruver AS. More information about the Company is available at [www.vilhelminamineral.com](http://www.vilhelminamineral.com).

## Development of operations

### Stekenjokk and Levi

After the reporting period, Vilhelmina Mineral has continued to work on the development of the Swedish main projects Stekenjokk and Levi. The work has consisted of meetings with various authorities and other stakeholders in relation to the application for an exploitation concession in which the Company suggest seasonal mining during winter and transportation of ore to other location for processing and waste handling (Joma in Norway). The hearing process has lasted all of spring 2019 in which all stakeholders in the hearing process have provided their input. The municipalities of Strömsund and Vilhelmina, as well as the county administrative board of Jämtland have recommended that exploitation should be approved based on the revised application from the Company. The county administrative board of Västerbotten has asked Vilhelmina Mineral to provide supplementary information which should be handed in no later than end of September.

### Decisions by the annual general meeting

After the reporting period Vilhelmina Mineral AB (publ) has held annual general meeting on May 3 in which the current members of the board, Scott Moore, Neil Said, Les Kwasik, Jonas Dahllöf and Peter Hjorth, were re-elected. Further, for the period until the end of next annual general meeting, it was resolved to re-elect the registered audit company Öhrlings PricewaterhouseCoopers AB with the main responsible auditor Henrik Boman. More over the annual general meeting decided to adopt new articles of association in which the share capital of the Company shall amount to not less than SEK 1,650,000 and not more than SEK 6,600,000. Also, the number of shares shall not be less than 16,500,000 shares and not more than 66,000,000 shares. The annual general meeting authorized the Board of Directors to decide on issue of new shares and/or issue of convertibles and/or warrant with cash payment and/or, payment in kind or by set-off on a single or several occasions until the next annual general meeting and with the right in relation thereto deviate from the shareholders' preferential rights. By decision based on the authorization, the share capital may be increased by maximum SEK 3,300,000 through the issue of a maximum of 33,000,000 shares. If this authorization is fully used dilution will amount to 67%. The main purpose of this authorization is to establish ability to finance new business opportunities within existing operations or for expanded operations in the form of, for example, acquisitions.

## Events after the reporting period

### Joma

After the reporting period, the Company's Norwegian subsidiary Joma Gruver AS has continued to work on the development of the Joma project. The Company is evaluating the next phase of the zoning plan (reguleringsplan) in collaboration with external consultant Multiconsult Norge AS. Further, procurement of external consultants has commenced for an updated mineral resource estimate in line with international standard (National Instruments 43-101 or JORC) and a Preliminary Economic Assessment. The work entails both Joma and the Swedish projects Stekenjokk and Levi.

### Stekenjokk and Levi

After the reporting period, the Company has continued work related to permitting and provision of requested additional information to the Swedish Mining Inspectorate. This information should be provided to the Swedish Mining Inspectorate no later than the end of September 2019.

## Financial and other information

### Net revenue and profit

The Group has not had any revenues during the reporting period. Profit after tax for the second quarter was MSEK -2.0 (-5.6) and for the first half of the year MSEK -4.2 (-6.7).

### Cash position and cash flow

The Group's shareholders' equity attributable to the parent company's shareholders amounted to MSEK 1.8 (5.7) as at June 30. It gives a solidity of 68 (74) %. Cash amounted to MSEK 1.4 (6.0) at the end of the period. Cash flow from operating activities after changes in working capital for the second quarter amounted to MSEK -1.9 (-2.7) and for the first six months MSEK -2.2 (-4.8). Cash flow from investing activities for the second quarter amounted to MSEK 0.0 (-0.0) and for the first six months MSEK 0.0 (0.0). Cash flow from financing activities for the second quarter amounted to MSEK 0.0 (7.6) and for the first six months MSEK 0.0 (7.5). Total cash flow for the second quarter amounted to MSEK -1.9 (4.9) and for the first six months MSEK -2.2 (2.7).

### Investments

During the reporting period no investments have been made. All costs associated with drilling and other development of projects have been expensed.

### Financing

No external financing was carried out during the second quarter. The Company's current plans require additional funding in 2019. The Board of Directors believes that the market situation and the processes that have been initiated provide good opportunities to solve the need for financing in a satisfactory manner.

## Outstanding shares

The number of outstanding shares in the company at the end of the period was 16,572,919.

## Incentive programs

An option program of 1 million warrants has been issued to the Company's key persons consisting of members of the Board and additional persons working in conjunction with the Company. Full conversion of the warrants at the end of the period amounts to approximately 6.4% dilution. Each warrant entitled the holder to subscribe for a new share in the Company at a subscription price of SEK 6. Notification of subscription of shares shall be made no later than 02 August, 2018.

## Staff

There are no employees in the Group. All staff, including management, are hired on a consultancy basis.

## Transactions with related parties

During the period April-June, transactions with related parties have taken place as follows. The company's CEO and Board member Peter Hjorth have received compensation of kSEK 360 via own company. Board member and Vice President, Jonas Dahllöf, has received compensation of kSEK 360 via own company. Board member, Neil Said, has received compensation of kSEK 105 via own company. Agreements covering related services have been made on market based terms.

## Parent company

The activities of Vilhelmina Mineral AB (publ) focus on the development of the Swedish projects, the provision of group management function, and group-wide financing including both the Swedish and Norwegian operations and the Group Management function. Costs of MSEK 1.9 (1.2) were reported for the second quarter, and earnings after tax amounted to MSEK -1.9 (-1.2). Costs of MSEK 3.7 (2.3) were reported for the first six months, and earnings after tax amounted to MSEK -3.7 (-2.3). The number of employees in the parent company is 0 (0). Staff is hired on a consulting basis.

## Accounting Principles

This interim report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Boards' general advice BFNAR 2012: 1 Annual Report and Consolidated Financial Statements (K3). The Company has, during 2018, increased its holding in Joma Gruver AS to 50%. Furthermore, the Company has an option to increase ownership to 100%. With increased ownership and an assessed opportunity to call for the option, it is the Board's assessment that a controlling influence has been achieved and that Joma is consolidated in the Group since January 1, 2018. The Company prepares consolidated accounts. Companies in which the Company holds the majority of the votes at the general meeting and companies in which the Company through an agreement has a controlling influence are classified as subsidiaries and are consolidated in the consolidated accounts. Subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the Group. They are excluded from the financial statements from the date on which the controlling influence ceases. Otherwise, the accounting principles are unchanged compared with previous year.

## Risks

Significant risk and uncertainty factors include, but not limited to, results of prospecting, obtaining environmental, land, operating licenses and continued financing within the Group. The various risks associated with the Group's operations are discussed in more detail on the Company's website.

## Financial reporting calendar

- Financial reporting for the period January – September 2019 will be published on November 8, 2019
- Financial reporting for the period January – December 2019 will be published on February 11, 2020
- Annual report for 2019 will be published on March 13, 2020
- Annual general meeting will be held on April 24, 2020
- Financial reporting for the period January – March 2020 will be published on May 9, 2020

This financial report has not been audited by the Company's auditor.

Stockholm, August 9, 2019

**Scott Moore**  
Chairman

**Peter Hjorth**  
CEO and director

**Jonas Dahllöf**  
COO and director

**Leslaw Kwasik**  
Director

**Neil Said**  
Director

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# Group Profit and Loss Statement

Consolidated Income Statement	the Group	the Group	the Group	the Group	the Group
	3 months	3 months	6 months	6 months	12 months
(Amount in kSEK)	2019-04-01	2018-04-01	2019-01-01	2018-01-01	2018-01-01
	2019-06-30	2018-06-30	2019-06-30	2018-06-30	2018-12-31
<b>Operating income</b>					
Net revenue	0	0	0	0	0
<b>Total income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating expenses</b>					
Exploration and evaluation expenditures	-1 969	-5 408	-4 093	-6 445	-11 028
Other external expenses	-47	-220	-79	-227	-252
Personnel expenses	0	0	0	0	0
Depreciation and amortization of tangible and intangible fixed assets	0	0	0	0	0
<b>Total operating expenses</b>	<b>-2 016</b>	<b>-5 628</b>	<b>-4 172</b>	<b>-6 672</b>	<b>-11 279</b>
<b>Operating results</b>	<b>-2 016</b>	<b>-5 628</b>	<b>-4 172</b>	<b>-6 672</b>	<b>-11 279</b>
<b>Results from financial items</b>					
Financial income	0	0	0	0	1
Financial expenses	0	0	0	0	0
<b>Results after financial items</b>	<b>-2 016</b>	<b>-5 628</b>	<b>-4 172</b>	<b>-6 673</b>	<b>-11 279</b>
Income tax	0	0	0	0	0
<b>RESULTS FOR THE PERIOD</b>	<b>-2 016</b>	<b>-5 628</b>	<b>-4 172</b>	<b>-6 673</b>	<b>-11 279</b>
Attributable to:					
Owners of the Parent Company	-1 955	-3 462	-3 951	-4 469	-9 100
Non-controlling interests	-61	-2 166	-221	-2 203	-2 178
Earnings per share before dilution, SEK	-0,12	-0,45	-0,25	-0,54	-0,84
Average number of shares, pcs	16 572 916	12 449 913	16 572 916	12 449 913	13 472 135
Earnings per share after dilution, SEK	-0,12	-0,45	-0,25	-0,07	-0,78
Average number of shares after dilution, pcs	17 572 916	12 499 913	17 572 916	12 499 913	14 472 135

# Group Balance Sheet Statement

<b>Consolidated Balance sheets</b>	the Group	the Group	the Group
<b>(Amount in kSEK)</b>	2019-06-30	2018-06-30	2018-12-31
<b>Assets</b>			
Signed but not paid up capital	0	0	2 044
Intangible fixed assets	9 478	9 489	9 414
Tangible fixed assets	0	0	0
Shares in group companies	0	0	0
Current assets	448	253	345
Cash and bank	1 418	6 001	3 645
<b>Total assets</b>	<b>11 344</b>	<b>15 743</b>	<b>15 448</b>
<b>Shareholders equity and liabilities</b>			
Equity attributable to:			
Owners of the Parent Company	1 835	5 742	5 930
Non-controlling interests	5 858	5 858	5 858
Total shareholders equity	7 693	11 600	11 788
Defered tax liability	1 757	1 757	1 757
Accounts payable	757	2 232	578
Current liabilities	1 137	154	1 324
<b>Total shareholders equity and liabilities</b>	<b>11 344</b>	<b>15 743</b>	<b>15 448</b>

## Changes in Equity

<b>Changes in shareholders equity</b>	the Group	the Group	the Group	the Group	the Group
<b>(Amount in kSEK)</b>	3 months	3 months	6 months	6 months	12 months
	2019-04-01	2018-04-01	2019-01-01	2018-01-01	2018-01-01
	2019-06-30	2018-06-30	2019-06-30	2018-06-30	2018-12-31
Opening balance	9 701	3 788	11 788	4 880	4 880
New share issues	0	7 570	0	7 570	10 840
Subscription through warrants	0	0	0	0	203
Share issue expenses	-10	0	-10	-48	-1 379
Not registered new share issue	0	0	0	0	3 067
Non-controlling interests	0	5 858	0	5 858	5 858
Dividend	0	0	0	0	-156
Translation difference	18	12	87	12	-42
Results for the period	-2 016	-5 628	-4 172	-6 673	-11 279
<b>Closing balance</b>	<b>7 693</b>	<b>11 600</b>	<b>7 693</b>	<b>11 600</b>	<b>11 788</b>

# Cash Flow Statement

Cash flow statement	the Group	the Group	the Group	the Group	the Group
	3 months	3 months	6 months	6 months	12 months
	2019-04-01	2018-04-01	2019-01-01	2018-01-01	2018-01-01
(Amount in kSEK)	2019-06-30	2018-06-30	2019-06-30	2018-06-30	2018-12-31
Cash flow from operating activities after changes in working capital	-1 877	-2 685	-2 217	-4 831	-12 036
Cash flow from investment activities	0	0	0	0	0
Cash flow from financing activities	-10	7 570	-10	7 523	12 371
Cash flow for the period	-1 887	4 885	-2 227	2 692	335
Opening liquid assets	3 305	1 116	3 645	3 310	3 310
Closing liquid assets	1 418	6 001	1 418	6 001	3 645
Changes in cash flow for the period	-1 887	4 885	-2 227	2 692	335

## Key Ratios

Key ratios	the Group	the Group	the Group	the Group	the Group
	3 months	3 months	6 months	6 months	12 months
	2019-04-01	2018-04-01	2019-01-01	2018-01-01	2018-01-01
	2019-06-30	2018-06-30	2019-06-30	2018-06-30	2018-12-31
<b>Margins</b>					
Operating income, kSEK	0	0	0	0	0
Operating margin, %	neg	neg	neg	neg	neg
Profit margin, %	neg	neg	neg	neg	neg
<b>Profitability</b>					
Return on total capital, %	neg	neg	neg	neg	neg
Return on shareholders equity, %	neg	neg	neg	neg	neg
<b>Capital structure</b>					
Shareholders equity, kSEK	7 693	11 600	7 693	11 600	11 788
Balance sheet total, kSEK	11 344	15 743	11 344	15 743	15 448
Solidity, %	67,8%	73,7%	67,8%	73,7%	76,3%
<b>Investments</b>					
Net investments in intangible fixed assets, kSEK	0	3 900	0	4 825	0
Net investments in tangible fixed assets, kSEK	0	0	0	0	0
<b>Personnel</b>					
Number of employees at the end of the period, pcs	0	0	0	0	0
<b>Per share data</b>					
Shares at the end of the period, pcs	16 572 916	14 528 472	16 572 916	14 528 472	16 572 916
Average number of shares, pcs	16 572 916	12 449 913	16 572 916	12 449 913	13 472 135
Earnings per share, SEK	-0,12	-0,45	-0,25	-0,54	-0,84
Shareholders equity per share, SEK	0,46	0,80	0,46	0,80	0,71
Share quota value / face value, SEK	0,10	0,10	0,10	0,10	0,10
Total share capital, SEK	1 657 292	1 452 847	1 657 292	1 452 847	1 657 292



## Parent Company's Profit and Loss Statement

Income statement - parent company	3 months	3 months	6 months	6 months	12 months
	2019-04-01	2018-04-01	2019-01-01	2018-01-01	2018-01-01
(Amount in kSEK)	2019-06-30	2018-06-30	2019-06-30	2018-06-30	2018-12-31
<b>Operating income</b>					
Net revenue	0	0	0	0	0
<b>Total income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating expenses</b>					
Exploration and evaluation expenditures	-1 847	-1 005	-3 652	-2 042	-6 670
Other external expenses	-47	-217	-79	-224	-252
Personnel expenses	0	0	0	0	0
<b>Total operating expenses</b>	<b>-1 894</b>	<b>-1 222</b>	<b>-3 730</b>	<b>-2 266</b>	<b>-6 922</b>
<b>Operating results</b>	<b>-1 894</b>	<b>-1 222</b>	<b>-3 730</b>	<b>-2 266</b>	<b>-6 922</b>
<b>Results from financial items</b>					
Financial income	0	0	0	0	0
Financial expenses	0	0	0	0	0
<b>Results after financial items</b>	<b>-1 894</b>	<b>-1 222</b>	<b>-3 730</b>	<b>-2 266</b>	<b>-6 922</b>
Income tax	0	0	0	0	0
<b>RESULTS FOR THE PERIOD</b>	<b>-1 894</b>	<b>-1 222</b>	<b>-3 730</b>	<b>-2 266</b>	<b>-6 922</b>

## Parent Company's Balance Sheet Statement

Balance sheets - parent company	2019-06-30	2018-06-30	2018-12-31
(Amount in kSEK)	2019-06-30	2018-06-30	2018-12-31
<b>Assets</b>			
Signed but not paid up capital	0	0	2 044
Intangible fixed assets	750	750	750
Shares in group companies	5 858	5 858	5 858
Receivable from group companies	0	0	0
Current assets	423	253	209
Cash and bank	1 295	3 963	3 294
<b>Total assets</b>	<b>8 326</b>	<b>10 824</b>	<b>12 157</b>
<b>Shareholders equity and liabilities</b>			
Shareholders equity	6 589	10 136	10 329
Accounts payable	600	534	503
Payable to group companies	0	0	0
Current liabilities	1 137	154	1 324
<b>Total shareholders equity and liabilities</b>	<b>8 326</b>	<b>10 824</b>	<b>12 157</b>

# Definitions of Key Ratios for Group

## Definitions

### Margin

*Operating margin, %*

Operating profit as a percentage of total income.

*Profit margin, %*

Profit after net financial items as a percentage of total income.

### Profitability

*Return on shareholders equity, %*

Net profit as a percentage of average shareholders equity.

Average shareholders equity is calculated as opening plus closing shareholders equity divided by two.

*Return on total capital, %*

Operating profit plus financial income as a percentage of average balance sheet total. The average balance sheet total has been calculated as the total plus opening plus closing balance sheet totals divided by two.

### Capital structure

*Shareholders equity, kSEK*

Shareholders equity at the end of the period.

*Solidity, %*

Shareholders equity and minority interest as a percentage of balance sheet total.

### Investments

*Net investments in intangible and tangible fixed assets, kSEK*

Investments in the intangible and tangible fixed assets decreased by the period's sales and disposals.

### Personnel

*Number of employees, pcs*

Number of employees calculated based on full-time employed at the end of the period.

### Per share data

*Number of shares, pcs*

Number of outstanding shares at the end of the period.

*Average number of shares, pcs*

Average number of shares during the period.

*Earnings per share, SEK*

Profit after tax divided by average number of shares for the period.

*Shareholders equity per share, SEK*

Shareholders equity at the end of the period divided by number of shares at the end of the period.