

Press release May 24, 2012

Arctic Gold AB (ARCT): Arctic Gold has changed the Planprogram and resubmits application

Arctic Gold has made some important changes and has thereby brought about the changes in the Planprogram needed for the municipalities of Kautokeino and Nordreise to re-evaluate and arrive at a decision regarding the establishment of the Planprogram according to Plan og Byggloven. Important changes are that the community impact study gets higher status by being carried out as an impact study of its own. Arctic Gold additionally decided to withdraw the application for utvinningsrett ("exploitation concession") at Departementet for Mineralforvaltning (the Mining Inspectorate) for the southern field, due to the fact that drilling and possible future production in this area was considered to result in major impact on the reindeer farming's production of reindeer meat. The program also was changed to accommodate viewpoints from the authorities, private persons and organizations with an interest in the area.

Consequently the company has requested that the case be re-processed.

When the Municipal Government of Kautokeino rejected Arctic Gold's Planprogram, they simultaneously said no to all the knowledge regarding their local community and their nature and other business activities which would have resulted from the environmental impact study which Arctic Gold was ready to carry out and finance. According to the Norwegian Plan og Byggloven (planning and building law) the municipalities were supposed to decide on the factual contents of the proposed Planprogram.

As Arctic Gold now has modified its application in accordance with several of the wishes voiced by the reviewing authorities the company has requested that the municipality re-processes the case.

The next municipal government meeting will be held on June 6, and the company hopes to receive a positive ruling so that the work can be started again with both the permit questions and additional drilling and exploration to assure a viable mining project. The Nordreise municipality has not yet decided whether they need to make a new ruling as they have already approved the first version of the Planprogram.

For further information, please contact the company's CEO.

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