

## Copperstone explores the conditions to carry out a directed share issue

**The Board of Directors of Copperstone Resources AB (publ) ("Copperstone" or the "Company") has mandated Skandinaviska Enskilda Banken AB ("SEB") to evaluate the conditions for carrying out a new share issue of approximately SEK 225 million (the "Share Issue") directed towards institutional investors by way of a bookbuilding procedure. The Company intends to use the proceeds from the issue to enable continued investments ahead of the re-opening of the Viscaria mine in Kiruna.**

Copperstone's intention is to carry out the Share Issue with deviation from the shareholders' preferential rights, based on the authorisation granted by the annual general meeting held on the 11th of May 2023. The subscription price and the total number of new shares in the Share Issue will be determined through an accelerated bookbuilding procedure, which will begin immediately following the announcement of this press release and is expected to end before trading commences on Nasdaq First North Growth Market on 21 June 2023. The bookbuilding procedure may close earlier or later and may be cancelled at any point in time without prior notification. Copperstone will announce the outcome of the Share Issue by way of a press release after the closing of the bookbuilding procedure.

As the Company aims to obtain an environmental permit for the Viscaria mine in early 2024, the need to secure financing for the restart of the Viscaria mine increases. As previously announced, the funding for the restart of the Viscaria mine is estimated to consist of 60 percent debt financing and 40 percent new equity, totalling SEK 4.5 - 5 billion.

In accordance with previous communication, it is Copperstone's intention to carry out a larger capital raise in connection with the Company obtaining an environmental permit for the Viscaria mine. The Board assesses that the future need for capital requires a broadening of the ownership base with additional well capitalised shareholders that can support the Company in the long-term. Through the Share Issue, the Company will receive more long-term, well capitalised institutional shareholders, that also are deemed to have financial capabilities to support the Company with capital in future capitalisations. Among these new institutional shareholders, there has been a preference for additional investments from certain existing shareholders, who therefore have been given the opportunity to increase their investments. In parallel with the capital raise through the issuance of new shares, the Company is also engaged in ongoing discussions with potential debt financiers. These financiers seek a larger share of long-term institutional ownership in the Company in order to enable the desired debt financing. Therefore, one of the goals of the Share Issue is to facilitate the debt financing process, which the Company will rely on to restart the Viscaria mine, and which process needs to be prepared well in advance of obtaining the environmental permit. The Board's overall assessment is that the reasons for carrying out a directed new share issue at this time, and in this way, and thereby ensuring a broadening of the ownership base and strengthened capitalisation even before the environmental permit is obtained, outweigh the reasons that justify the main rule of issuing shares with preferential rights for existing shareholders. Thus, the Board assesses that a new issue with a deviation from the shareholders' preferential rights is in the interest of the Company and all shareholders. As the subscription price in the Share Issue will be determined through a bookbuilding procedure, the Board of Directors assesses that the subscription price will be on market terms, such that it reflects prevailing market conditions and investor demand.

In connection with the Share Issue, the Company has undertaken, subject to customary exceptions, not to issue additional shares during a period of 90 calendar days from the settlement date. In addition, the Company's Chairman of the Board of Directors, the Board member Per Colleen, the Company's Chief Executive Officer and the Company's largest shareholder Thomas von Koch via holding company, have agreed, subject to customary exceptions, not to sell any shares in Copperstone during a period of 180 calendar days from the settlement date.

### **Advisors**

SEB is the financial advisor and Hannes Snellman Advokatbyrå AB is the legal advisor to the Company. Advokatfirman Cederquist KB is the legal advisor to SEB.

### **For more information, please contact:**

Chief Executive Officer Henrik Ager  
Cell: +46 (0) 706 – 804 142  
Email: [henrik.ager@copperstone.se](mailto:henrik.ager@copperstone.se)

Chairman of the Board of Directors Jörgen Olsson  
Cell: +46 (0) 703 – 420 570  
Email: [jorgen.olsson@copperstone.se](mailto:jorgen.olsson@copperstone.se)

[info@copperstone.se](mailto:info@copperstone.se) or [www.copperstone.se](http://www.copperstone.se)

### **About Copperstone**

Copperstone Resources AB is a company now scaling up to become a modern and responsibly producing mining company through the reopening of the Viscaria mine in Kiruna, Sweden. The deposit's high copper grade assessed mineral resources, geographical location and growing team of experts provides good opportunities to become a key supplier of quality and responsibly produced copper – a metal that plays a critical role in Sweden's and Europe's climate change towards an electrified society. In addition to the Viscaria mine, Copperstone holds a number of other exploitation concessions and exploration permits in Arvidsjaur (Eva, Svartliden, Granliden) and Smedjebacken (Tvistbogruvan), all in Sweden. The parent company's shares are traded on the Nasdaq First North Growth Market (ticker COPP B). Augment Partners is the company's Certified Adviser, [info@augment.se](mailto:info@augment.se), +46 8 604 22 55.

### **Important information**

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*This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of 14 June 2017 and its delegated and implemented regulations (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorised any offer to the public of securities in any member state of the EEA and no prospectus has been or will be prepared in connection with the Share Issue. In any EEA member state, this communication is only addressed to "qualified investors" in that member state within the meaning of the Prospectus Regulation.*

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*An investment decision in view of the Share Issue must be made on the basis of all publicly available information relating to the Company and the issued shares. The information contained in this press release is for background purposes only and does not purport to be full or complete. No reliance may thus be placed by an investor on the information in this press release or its accuracy or completeness. This press release does not intend to identify the risks (direct or indirect) associated with an investment in the Company or the issued new shares.*

*None of the Company, SEB or their related companies or their respective board members, officers, employees, advisers or agents undertake any responsibility to update, supplement, revise or keep the information in this press release current or to provide the recipient of this with additional information that may arise in connection therewith.*

## **FORWARD-LOOKING STATEMENTS**

*This press release contains forward-looking statements relating to the Company's intentions, assessments or expectations about the Company's future results, financial position, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that do not relate to historical facts and may be identified by the inclusion of words such as "consider", "expect", "intend", "estimate", "anticipate", "estimate", "will", "can", "presume", "should", "could" and, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, it cannot be guaranteed that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of the date of this press release and may be subject to change. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless this is required under law or Nasdaq Stockholm's rulebook for issuers.*

## **INFORMATION TO DISTRIBUTORS**

*In order to comply with the product governance requirements contained in: (a) Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as consolidated, ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593, which complements MiFID II; and (c) national implementing measures (together, the "**MiFID II Product Governance Requirements**") and to disclaim any extra-contractual, intra-contractual or other liability to which any "manufacturer" (within the meaning of the MiFID II Product Governance Requirements) may otherwise be subject, the shares of Copperstone have been subject to a product approval process, which has determined that those shares are: (i) suitable for a target market consisting of retail investors and investors meeting the criteria of professional clients and eligible counterparties, as defined in MiFID II); and (ii) suitable for distribution through all distribution channels permitted under MiFID II (the "**EU Positive Target Market**"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**").*

*Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Copperstone may decline and investors could lose all or part of their investment; the shares in Copperstone offer no guaranteed income and no capital protection; and an investment in the shares in Copperstone is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Share Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, SEB will only procure investors who meet the criteria of professional clients and eligible counterparties.*

*For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Copperstone.*

*Each distributor is responsible for undertaking its own target market assessment in respect of the shares in the Company and determining appropriate distribution channels.*

*This information is information that Copperstone Resources is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-06-20 17:31 CEST.*

#### **Attachments**

[Copperstone explores the conditions to carry out a directed share issue](#)