

Copperstone project: general description

Introduction and summary-

The wholly owned Copperstone project was presented as an exploration target in the beginning of September 2014. The exploration target¹ was assessed to contain between 60 and 100 Mtonne at copper equivalents between 1,0 and 1,2 % Cu_{eq}. As a consequence, the Company has reorganised its operations and focused on developing the Copperstone project. In the beginning of 2015, the Company (earlier Kopparberg Mineral AB) assumed the name of Copperstone Resources AB..

Within the project, the amount of data available for interpretation is substantial, over several decades 245 drill holes comprising 33 600 m core. In the work leading up to the presentation of the exploration target, 747 samples analysed comprising both re-analysis of old samples and samples from hitherto unsampled core.

At the time of the presentation, core evaluation was only done on part of the available drill core and subsequent evaluation has indicated a large amount of previously unsampled core with visible mineralisation.

Project description

The Copperstone project is situated in the municipality of Arvidsjaur in the County of Norrbotten in immediate vicinity of the world class mining region, the Skellefte field, see [figure 1](#). The Skellefte field is one of the world's most mineral-rich areas with over 100 known zinc-copper-lead-gold-silver-mineralizations of which only 28 have been exploited so far. Over its life span, mines in the Skellefte-field has produced nearly 200 million tonnes of ore and presently there are a number of companies/mines active today, with concentrators in the area.

¹ The Technical report for the Copperstone project was evaluated and approved by Thomas Lindholm, Geovista, QP according to JORC

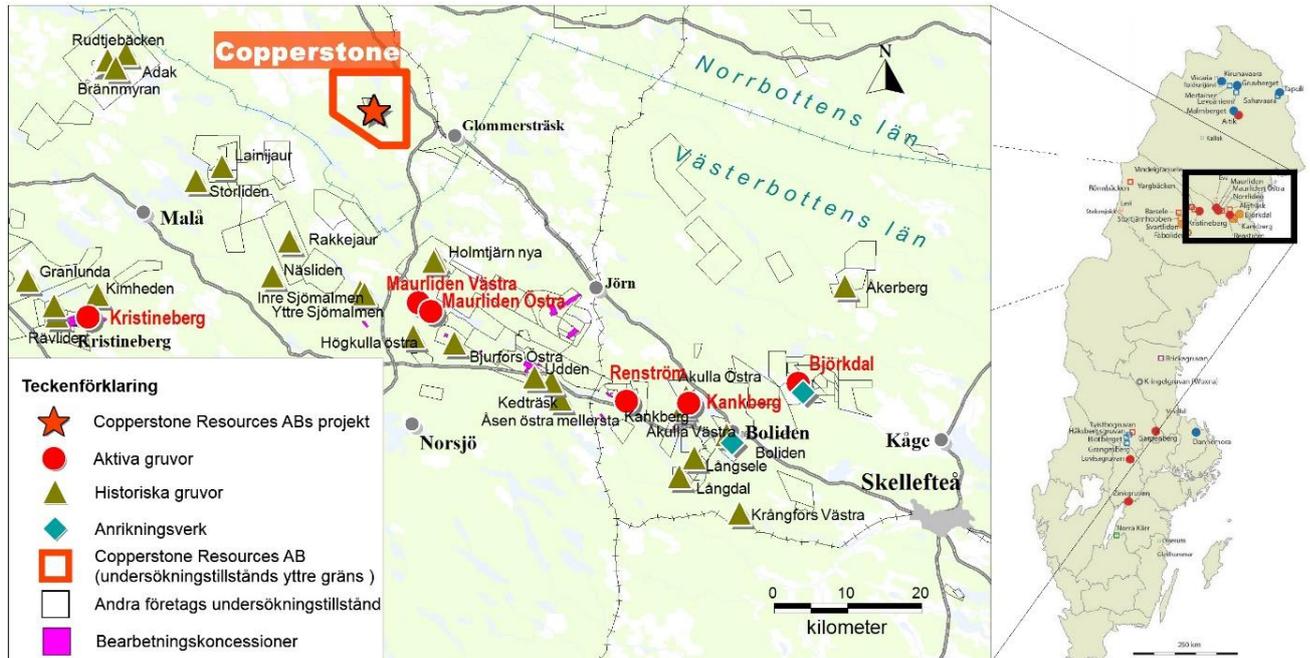


Figure 1. The Skellefte field mining area.

Since the work with the Copperstone Västra area began in earnest, a couple of years ago, a summary and re-interpretation of more than 40 years of exploration history has been carried out. The basis for the re-interpretation is the extensive data available to the company. As indicated above over several decades 245 drill holes comprising 33 600 m core has been drilled (see [figure 2](#)). From the core, 3 188 samples covering 4 436 m with an average test length 1.4 m has been gathered. In the work leading up to the presentation of the exploration target, 747 samples analysed comprising both re-analysis of old samples and samples from hitherto unsampled core. An outline of existing information is found in the box below.

Earlier drilling campaigns:
1971-1978; 2004-2007
C:a 600 ha, average depth 120 m
(33 – 445 m)

Data overview:
245 drill holes 33 610 m available
drill core
3 188 samples comprising
4 436 m (average length 1,4 m)
747 re-analysed samples
Extensive airborne and ground
geophysics

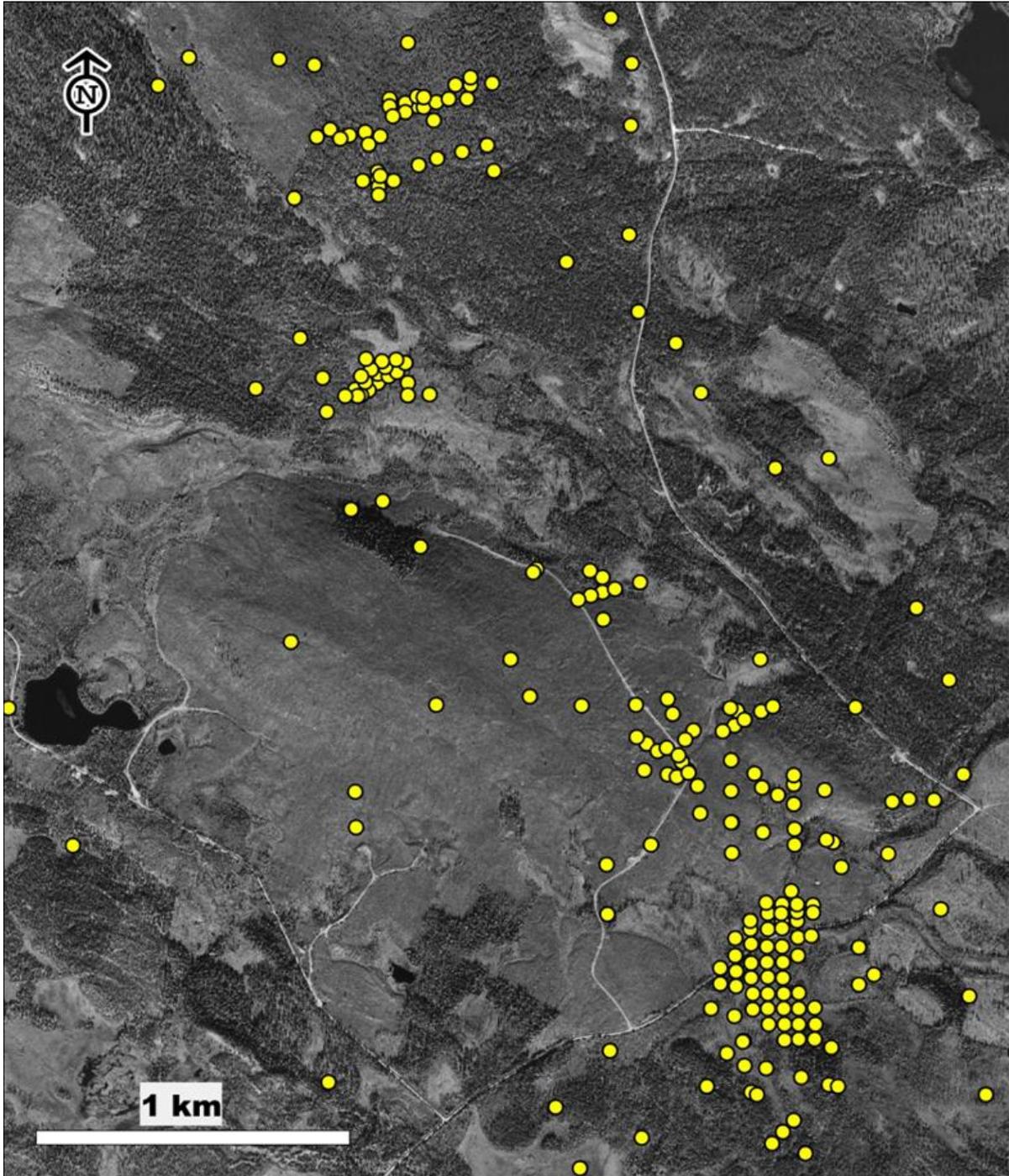


Figure 2. Aerial photo of the Copperstone project area with existing drill holes (yellow dots)

In earlier investigations and interpretations, several areas of interest were discovered and several earlier forms of mining licences (SWE: *utmål*) were applied and granted: Svartliden no 1, 13, 17, 41 and 101. Of these, today Svartliden K no 1 has been transformed into a mining concession according to the present mining legislation. Previously, the discoveries were considered separate areas of investigation containing separate drill clusters. They were also drilled fairly shallow and only sporadic testing of the core was carried out. As far as can be assessed, there was no unified geological model and no cohesive understanding.



The work carried out during the last years has been cohesive and systematic and new information through new methods have been added through the use of a new innovative method in exploration viz. the use of the Optical Tele viewer, (OPTV). This means that a TV-camera is lowered into an existing drill hole and filming 360° downhole and at the same time registers the direction and azimuth of the hole. With special software, the information is processed and a correctly oriented 3-D presentation of the structures, rock types and borders for different rock types is obtained.

The evaluation using the OPTV-measurements were combined with a re-logging of old drill core, field trips and both air-borne and ground geophysics (for an outline, see [figure 3](#)). The interpretation included a compilation of all existing data and substantial re-analysis of the core composition which resulted in a new geological interpretation and 3D-modelling. The re-interpretation indicated that, at depth, the geology in the southern part is the same as in other parts of the Copperstone project area and from this, the conclusion was drawn that Copperstone must be treated as a comprehensive project.

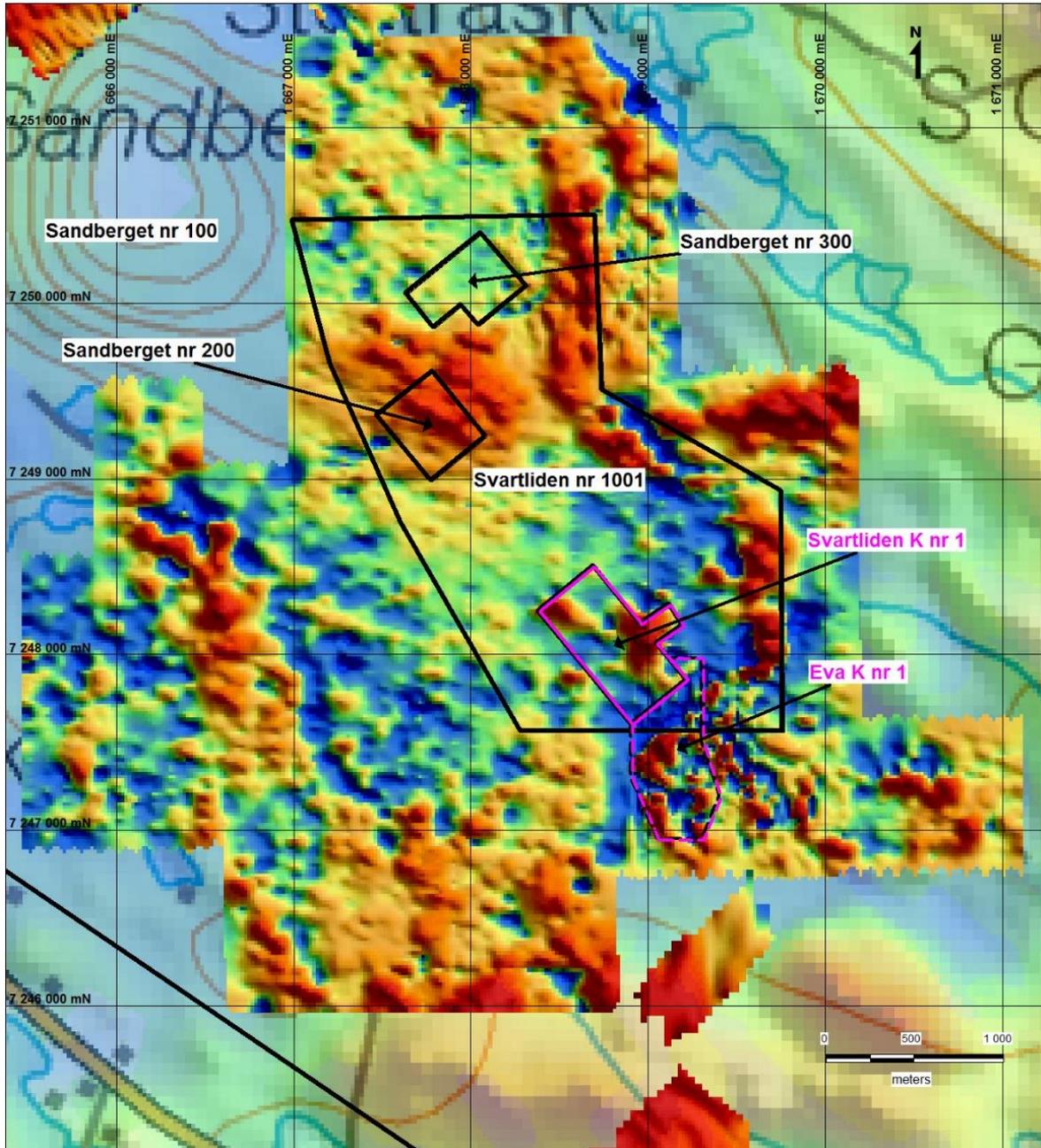


Figure 4 outline of ground geophysics on the Copperstone project

As the final step, the different investigation areas were combined and using all available data, a coherent geological model was created. This indicates a large size mineralisation and through this, an Exploration Target comprising 60 to 100 Mtonne @ 1-1,2 % Cueq (value metals re-calculated to copper using the following price assumptions: Au \$1200/oz., Ag \$20/oz., Cu \$6500/tonne, Zn \$2100/tonne, Pb \$2100/tonne) could be defined.

The new geological interpretation also indicates that this is a new geological (sub)province. The Copperstone area is considered to be of another type of mineralisation than what is usually found in the Skellefte field. An aerial photo of the area is found in [figure 5](#) below.

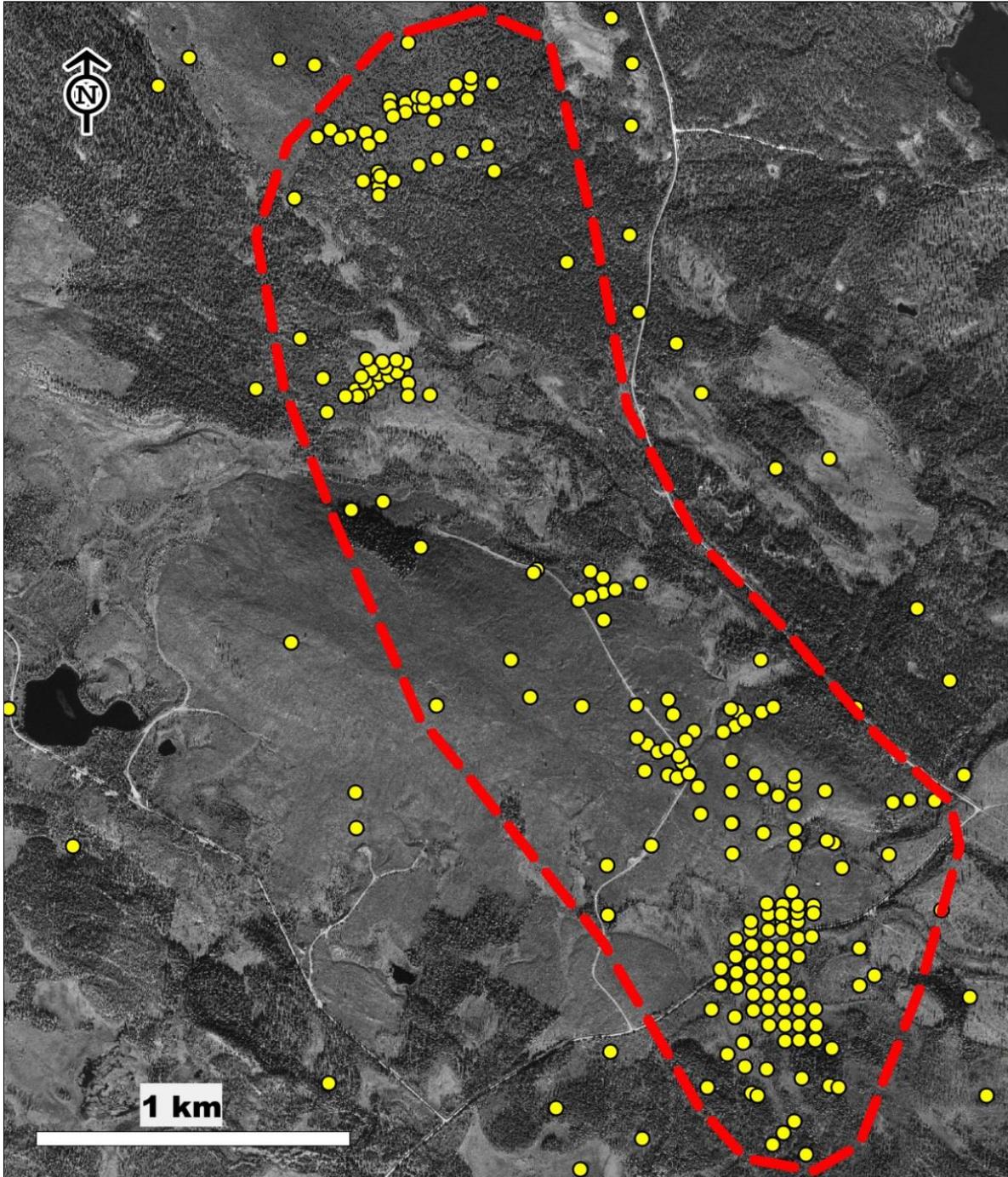


Figure 5 Present Copperstone project area.

“This Exploration Target is built on careful examination of the majority of the core, field inspections, data compilation and re-testing of the laboratory results, new structural data, geological interpretations and 3D modelling” says Chris McKnight, principle geologist of the project earlier phases.

Permit situation

The permit situation in the Copperstone project is satisfactory. An outline of the present permit situation is found in [figure 6](#). The Project as it stands holds about 8500 hectares of exploration permits (Sandberget 100, 200 and 300 and Svartliden 1001, red polygons in the figure), on mining concession (Svartliden K no 1, blue polygon) and one applied mining concession (Eva K no 1, purple polygon).

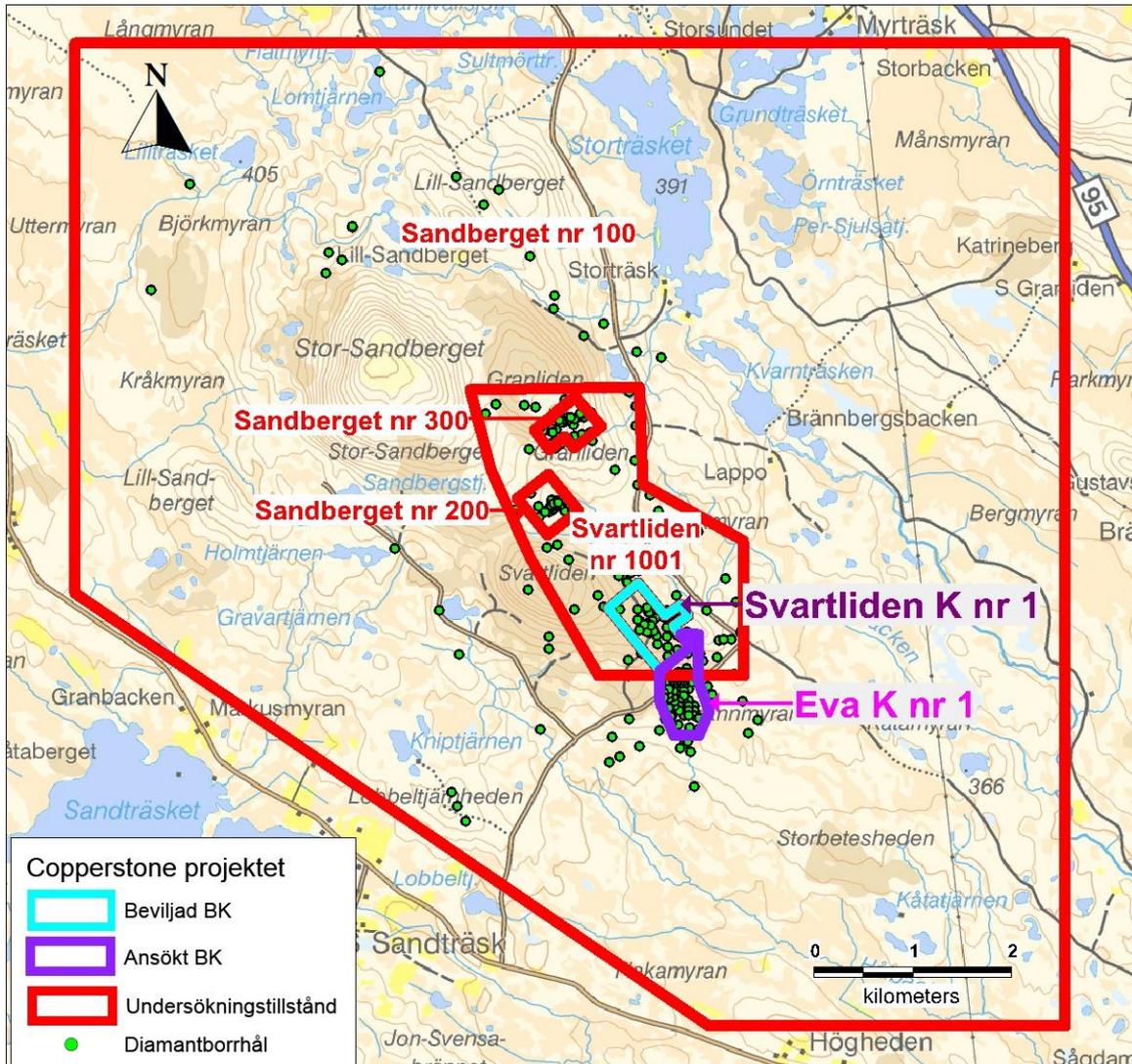


Figure 6. Overview of the Skellefte field with active mines (blue dots), closed mines (blue triangles), processing plants (light blue rectangles) and the Norrliden Mining development projects (red stars). Light grey lines outline exploration permits by other companies. Purple areas outline active mining concessions.