

## PRESS RELEASE

Kiruna on 28 January 2021

*NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES, AUSTRALIA, JAPAN, CANADA, SOUTH AFRICA, NEW ZEALAND, SINGAPORE HONG KONG, SWITZERLAND OR ANY OTHER JURISDICTION WHERE RELEASE, DISTRIBUTION OR PUBLICATION OF THIS PRESS RELEASE WOULD BE ILLEGAL OR REQUIRE FURTHER REGISTRATION OR OTHER MEASURES. THIS PRESS RELEASE DOES NOT CONSTITUTE AN OFFER OF ANY SECURITIES OF COPPERSTONE RESOURCES AB (PUBL). PLEASE REFER TO THE SECTION "IMPORTANT INFORMATION" BELOW.*

### **Copperstone Resources receives proceeds of approximately MSEK 170 through an oversubscribed rights issue and through a decided overallotment issue**

**On January 25, 2021, the subscription period in Copperstone Resources AB (publ) ("Copperstone" or "the Company") ended. The result shows that a total of 519,829,385 shares have been subscribed for in the rights issue with a total value of approximately MSEK 260, which corresponds to approximately 162 percent of the rights issue of 320,637,851 shares. 307,651,296 shares have been subscribed for with the support of subscription rights, which corresponds to approximately 96 percent of the rights issue. In addition, the Company has received subscriptions for 212,178,089 shares without the support of subscription rights, which corresponds to approximately 66 percent of the rights issue. The rights issue is thus oversubscribed. Due to the high subscription rate, the Company has decided on the overallotment issue of MSEK 10.3 to the Company's Chairman Jörgen Olsson via JOHECO AB, who in connection with the rights issue entered into an agreement on an interest free bridge loan of the same amount in order for Copperstone to maintain momentum in project development. Through the rights issue and the overallotment issue, the Company will receive approximately SEK 170 million before issue costs of approximately MSEK 7.**

"We are happy and proud of the trust we have received from existing and new shareholders. It gives us the opportunities to fully implement our project and business plan for primarily the reopening of the Viscaria mine, which in the near future means focus on environmental permit work, expansion and further definition of our mineral resources, organizational expansion and continued dialogue with local stakeholders", says Jörgen Olsson, Executive Chairman of the Board of Copperstone Resources AB (publ) in a comment.

The result of Copperstone's rights issue, whose subscription period ran from January 11, 2021 to January 25, 2021, shows that 307,651,296 shares were subscribed for in the rights issue with the support of subscription rights, which corresponds to approximately 95.9 percent of the rights issue. In addition, the Company has received subscriptions for 212,178,089 shares without the support of subscription rights, which corresponds to approximately 66.2 percent of the rights issue. Thus, a total of 519,829,385 shares have been subscribed for in the rights issue, which corresponds to approximately 162.1 percent of the rights issue. Overall, the rights issue is thus strongly oversubscribed.

Through the rights issue, Copperstone will receive approximately MSEK 160 before deductions for costs related to the rights issue. Through the rights issue, the Company's share capital increases by SEK 32,063,785.10, from SEK 64,127,570.30 to approximately SEK 96,191,355.40, through a new issue of 320,637,851 shares, each with a quota value of SEK 0.10. Those who have subscribed for shares within the framework of the rights issue will receive BTA (paid

subscribed shares). After the rights issue has been registered with the Swedish Companies Registration Office, BTA will be rebooked into shares, which is expected to take place in week 8, 2021. Until then, trading with BTA on the Nasdaq First North Growth Market is ongoing.

Given the high subscription rate, the Company has decided on the previously communicated overallotment issue of approximately MSEK 10.3 with the support of authorization from the Annual General Meeting on 20 May 2020 to the Company's Chairman Jörgen Olsson via JOHECO AB, who in connection with the rights issue entered into an interest free bridge loan in order for Copperstone to maintain momentum in project development. The overallotment issue was approved by the Extraordinary General Meeting on December 15, 2020. Through the over-allotment issue, the Company's share capital increases by SEK 2,060,000.00, from 96,191,355.40 to 98,251,355.40, through a new issue of 20,600,000 shares, each with a quota value of SEK 0.10. Through the rights issue and over-allotment issue, the Company will receive approximately MSEK 170 before issue costs of approximately MSEK 7. The number of shares in the Company will after the rights issue and overallotment issue amount to 982,513,554.

Those who have subscribed for shares without the support of subscription rights will be allotted shares in accordance with the principles stated in the prospectus, meaning that shares subscribed for without the support of subscription rights shall primarily be allotted to the parties who have made binding commitments prior to the announcement of the rights issue to subscribe for shares without the support of subscription rights. Due to the very high subscription rate, only those who have given binding commitments have received allotment. Notification of allotment for such subscription without the support of subscription rights is made through a settlement note which is sent within shortly to the respective subscriber. Payment must be made by instruction on the settlement note. Only those who receive allotment will be notified.

Copperstone intends to use the proceeds from the issue to secure the Company's working capital needs for the next 18-24 months. Furthermore, in connection with the receipt of the proceeds from the issue, the Company will prepay the additional purchase price to Sunstone through a cash payment of MSEK 26, which will result in the Group's long-term debt being written down by MSEK 46. As a result of the transaction, Sunstone will have no further claims on Copperstone as the Viscaria acquisition will be paid in full. The company now only has Norrlandsfonden as a long-term debt in the form of convertible debentures with a nominal of MSEK 9.1 at 5 percent annual interest.

### **Advisors**

Financial advisor to Copperstone in connection with the Rights Issue is Arctic Securities AS, filial Sverige and legal advisor is Hannes Snellman Attorneys.

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

Chairman of the board Jörgen Olsson at +46 (0) 703 – 420 570

jorgen.olsson@deciso.se

CEO Michael Mattsson at +46 (0) 705 – 739 777

michael.mattsson@copperstone.se

info@copperstone.se or www.copperstone.se

*This press release contains inside information that Copperstone Resources AB (publ) is obliged to make public in accordance with the EU Market Abuse Regulation (MAR). This information was submitted through the agency of the contact person set out above for publication on 28 January 2021 at 15:57 CET.*

## **ABOUT COPPERSTONE**

Copperstone Resources AB is a mineral exploration company formed in 2006. During 2019, the Company acquired Viscaria deposit in Kiruna and accordingly, the Company's strategy was revised. The goal is to become a modern and responsible producing mining company through the reopening of the Viscaria mine. The deposit's high level of copper and the geographical location provide for good conditions to become a key supplier of qualitative and responsible produced copper to customers who are driving the global change towards an electrified society. In addition to the Viscaria mine, Copperstone has several Exploitation Concessions and Exploration Permits in Arvidsjaur (Eva, Svartliden, Granliden) and Smedjebacken (Tvistbogruvan), all of which are located in Sweden. The Company's shares are subject trading on Nasdaq First North Growth Market (ticker COPP B). The Certified Adviser is Augment Partners AB, info@augment.se, +46 8 505 65 172.

## IMPORTANT INFORMATION

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions and the recipients of this press release in jurisdictions in which this press release has been released, announced or distributed shall inform themselves of and follow such legal restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Copperstone in any jurisdiction either from Copperstone or from someone else.

This press release is not a prospectus in the meaning of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and has not been approved by any regulatory authority in any jurisdiction. A prospectus, corresponding to an EU Growth Prospectus, have been drawn up by the Company and published on the Company’s website.

This press release does not constitute an offer to, or an invitation to, acquire or subscribe for any shares in Copperstone in any jurisdiction, neither from Copperstone nor from anyone else. This press release may not be announced, published or distributed, directly or indirectly, in or into the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa or any other jurisdiction where participation in the share issue would require further prospectuses, registration or other measures than under Swedish law. Neither may this press release be distributed in or into such countries or any other country/other jurisdiction if such distribution would involve requirements of such measures or otherwise violate applicable rules. Measures in violation of these restrictions may constitute a breach of applicable securities market laws.

No subscription rights, interim shares or shares in Copperstone have been, or will be, registered under the United States Securities Act of 1933 in its current wording (the “**Securities Act**”) or the securities laws of any state or other jurisdiction in the United States and no subscription rights, interim shares or shares may be offered, subscribed for, utilized, pledged, approved, sold, resold, delivered or otherwise transmitted, directly or indirectly, in or into the United States, except in accordance with an applicable exception from, or in a transaction not covered by, the registration requirements pursuant to the Securities Act and in accordance with the securities laws of the relevant state or other jurisdiction in the United States. There will be no public offering of such shares in the United States.

The securities referred to herein have not been approved or disapproved by the US Securities and Exchange Commission (the “**SEC**”), any state securities commission or other regulatory authority in the United States. Nor have any such authority passed upon or endorsed the rights issue or the accuracy or reliability of this document. Any representation to the contrary is a criminal offence in the United States.

This press release contains certain forward-looking information that reflects Copperstone’s present view of future events as well as financial and operational development. Words such as “intend”, “assess”, “expect”, “may”, “plan”, “believe”, “estimate” and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development and actual outcomes may differ materially from the statements set forth in the forward-looking information.

Arctic Securities is the financial advisor of Copperstone, and not anyone else, in connection with the rights issue. Arctic Securities is not responsible to anyone else than Copperstone for advice in connection with the Rights Issue.