

Copperstone Resources envision Viscaria to become a 89-109 Mton deposit in the mid-term

Kiruna September 20, 2021

Copperstone Resources AB (publ) (“Copperstone” or “the Company”) is pleased to announce that the significant exploration investments at Viscaria (21,000 meters of core drilling since the acquisition) continue with increased intensity, most recently after positive results from the B-zone south deposit, where only limited code-compliant mineral resources have been declared to date. Consequently, Copperstone will also include these resources prior to the next mineral resource inventory update. Copperstone has revised its geological model and envision the Viscaria Copper Project in the mid-term (3-5 years) to become a 89 Mton – 109 Mton deposit, at 1.11% - 1.13% copper grade, i.e. approx. 1,000,000 – 1,200,000 ton* (currently 727,000 ton*). In addition, the Company raises its steady-state production target during life-of-mine at Viscaria, subject to mineral resources conversion into reserves; environmental permit award; and funding, to 30,000 tons of copper in concentrate per annum.

“Based on our drilling efforts for resource conversion and validations, we are now positioned to direct our exploration into fully expanding the resources via exploration in our three zones, currently drilling with 2 rigs and with one additional rig in planned to arrive for winter drilling. Our geology team finds copper more or less in every borehole that we drill near the future mine site, and in areas previously not explored. This will be important for optimizing the mine planning.”, comments CEO Anna Tyni.

GEOLOGICAL UPDATE ON THE VISCARIA COPPER PROJECT

Since the acquisition of the Viscaria Copper Project, Copperstone in total has drilled some 80 drill holes, whereof 11,000 m in the A/B zones, versus 10,200 m in the D-zone. This should be put in perspective to the aggregated existing data for Viscaria of some 6,000 drill holes and 363,000 meters of production- and exploration drilling. After having included the 10,200 meters (D-zone) of the 21,000 meters drilled by Copperstone at Viscaria, the Viscaria copper project contains approx. 59 Mton copper-bearing rock with 1.2 percent copper, according to the JORC 2012 and PERC 2017 codes, or approx. 727,000 tons of copper of measured, indicated and inferred category*. The copper grade corresponds to twice the global average.

* Pls refer to www.copperstone.se for detailed information on tonnages and grades in each class and zone respectively of the reported mineral resources. Including copper in the so called iron domain of the D-zone.

The review of the A Zone and B Zone Mineral Resource Estimates by Sunstone has not uncovered any major issues with the previous Mineral Resource estimates, which has further increased Copperstone’s confidence in these resources. The work on the Viscaria Mineral Resource Inventory Upgrade is pending and the newly installed team of geologists will also include the following items prior to completion:

- 6,500 m A/B zones (60 holes) drilled by Copperstone 2019-2020; *adding mineral potential.*
- Copperstone’s B-zone south expansion program (4,000 meter completed out of 8,000 meters planned 2021), to delineate the near surface high grade Cu ore shoots to advance with the exploration at depth; *adding mineral potential.*

- A revision of old *mineralised* cores that Copperstone has not fully assayed for copper or gold is currently undergoing in order to delimit the mineralisation boundary around existing high-grade zones; *adding mineral potential*.
- Lowering of cut-off from 0.4% Cu open pit (Sunstone) to some 0.1%, *adding substantial mineable mineral* at today's commodity prices.
- Mineral resource depletion next to (1m) the old underground infrastructure, such as stopes and ventilation shafts, previously not considered, *deducting mineable mineral*.

Viscaria Copper Project in conceptual terms

Copper sulphide and magnetite mines are not among the most common in the global mining industry, yet one important comparison is the Cu systems in the Punta del Cobre district in Chile e.g. the Candelaria mine, showing geological similarities to Viscaria. The high metal concentration on the Viscaria area is additionally favoured by an efficient interplay of geological factors including pre-existing reactive and permeable horizons, deposit scale redox transitions and pH barriers connected to structurally controlled feeder swarms of sulphides. Delineation of multiple feeder zones are in work progress as they exert major control on the location of extreme high-grade replacements along favourable strata.

"In my view, Copperstone is sitting on an unusual part of the Paleoproterozoic greenstone belt having overlapping mineralization stages that have contributed to very efficient Cu mineralization processes. It is assumed that highly saline and oxidized fluids have scavenged metals in parts of the stratigraphy to drive high grade Cu enrichment along multiple zones with variable redox transitions along permeable strata. If considered how much Cu Viscaria contains 'per square meter', it is very high in comparison to many other systems that I know of. Given the tilted nature of the entire host package after ore formation and the fact that several secondary feeder zones remain unexposed at surface, the expansion outlook beyond the current average depth of investigation (400m below surface) adds an extraordinary underground potential to explore and extend our resources as in comparison to several other systems in the region that have mineable resources located in excess to >1,2km depth.", comments Copperstone's Chief Geologist Marcello Imaña.

Based on all available information, Copperstone has revised its geological model and envision the Viscaria Copper Project in the mid-term (3-5 years) to become a 89 Mton – 109 Mton deposit, at 1.11% - 1.13% copper grade, i.e. approx. 1,000,000 – 1,200,000 ton* (currently 727,000 ton*).

This concept is partly derived from the ongoing expansion drilling in the B zone, and subsequently in the D zone, with grades in the interval 0.8-1.2% Cu remains unexplored by our predecessors.

* Pls refer to www.copperstone.se for complete information.

Viscaria B-zone south extension

The pending drill program is focussing on a 800 meters long corridor of highly prospective terrain within the borders of the Viscaria exploitation concession # 3. One drilling contractor is approaching from the north and one is approaching from the south. The results received to date have been highly encouraging, and a successful completion of this campaign serves dual purposes; additional ore for the initial open pit production phase, as well as a potential to lowering the operating expenses per ton in the mine, e.g. by reducing the strip ratio, since all deposits not discovered will be assumed as waste in the mining model.

- Preliminary conclusions:
 - Potential for significant extension of the open pit and underground mine, adding to the mineral resources.

- Follow-up on previous Copperstone findings. Underexplored by predecessors due to lower grades now economical.
- Significant potential at depth, similarity to the A and D zones.

Geophysical activities at Viscaria

Geophysics will be an important part of our approach for the Viscaria brownfield expansion.

Copperstone has inherited geophysical equipment from the Lundin Mining Exploration acquisition including magnetometers, gravimeters, ground EM and IP instrumentation. Likewise, Copperstone is in conversation with a specialized geophysical group from Finland to secure technical personnel on site during wintertime and formation of our own geophysical competence, and participation on overall planning of test and surveys together with geologists, structural geologists.

Electro Magnetic and Induced Polarisation surveys

Copperstone is planning to re-process historic airborne EM data to recover IP related signal prior to selecting areas for ground IP follow up.

Given the high conductivity of the high-grade ore shoots and the favourable resistive environment, borehole EM will take a significant role at increasing drilling accuracy and hence maximising the efficiency of the exploration expenditure.

Ground Magnetics

During the spring of 2021, Copperstone completed a ground magnetics survey at the exploration permit Viscaria East, tailings deposit, prior to the resource drilling of the tailing deposit.

Soil samples campaign

During Summer 2021, some 900 surface soil till survey samples across the Viscaria property were collected at the exploration permits Viscaria 101 and Viscaria 107. The campaign was conducted in a systematic approach to generate new drill targets along the south and north extensions of the D zone and C zone horizons. Analyses used the pXRF Gerda system and combined with extraction methods conducted by ALS.

Regional exploration at Viscaria

With regard to Copperstone's regional exploration permit portfolio, the company has a valid work permit for an exploration campaign at Viscaria 1 / West Nukutus north of E10 (Gabna herders year-around area), that conceptually shows significant merits for trapping copper sulphides along stratabound magnetite zones, empirically supported by a few historical drill holes. The company's application for a work permit at the very northern Viscaria terrain, Rengärde and Viscaria 112, has been objected by the Talma herders, and the company expects to apply for a work permit execution by the Mining. Within Viscaria East, Copperstone is currently conducting resource drilling with some 800 samples, to confirm the PERC 2017 compliant mineral resource content. The tailings are located in an area where both the exploration permit as well as the work permit are valid during the pending court procedures regarding the Viscaria East extension applications. A significant part of Viscaria East is included within the exploitation concession #7 buffer zone, permissible for exploration regardless of the court's outcome.

GEOLOGICAL UPDATE ON THE ARVIDSJAUR PROJECT

The Company's near-term plan in Arvidsjaur is threefold and depicted in the map below:

1. Complete the re-logging of historical mineralised drill core at Eva, in the initial phase aiming at tracing the *origination* of the Eva-gold and explore also the 'pure' gold-bearing arsenopyrite veins in addition to the traditional Skellefte-field VMS (*vulcanogenic massive sulphide*) system previously interpreted. Core drillings expected for the upcoming winter.
2. Advancing at both the Svartliden and Eva concession territories, updating the Lundin Mining Exploration scoping study model to harmonize with current commodity market prices; update the life-of-mine expectation; as well as an update of Capex/Cash cost estimates. Since Eva was discovered by Lundin Mining Exploration by the early 2000's, the market prices of gold and copper have increased by four and three times, respectively. In addition, the scoping study at that time assumed external ore enrichment, now to be scrutinized and synchronised by Copperstone Viscaria's plans within the Group, adding potential for substantial Capex and Cash cost synergies in the longer term.
3. New mineral potential targets have been observed at the western rim of the vast Sandberget 500 license, where an exploration campaign is being planned for. The same goes for the very northern territory; the Granliden area, where a PERC compliant exploration target of **150-210 Mton** copper-bearing-rock (at 0.25-0.45% Cu) was identified in 2018*.

* Pls refer to www.copperstone.se for complete information.

For further information, please contact Anna Tyni (CEO) anna.tyni@copperstone.se, info@copperstone.se or refer to Copperstone webpage: www.copperstone.se.

This information is information that Copperstone Resources AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was delivered by the above-mentioned contact for publishing September 20, 2021 at 08.00 CET.

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 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, +46 8 604 22 55.

QUALIFIED PERSON

The technical information herein has been reviewed by the Qualified Person of the Company (QP) Thomas Lindholm M. Sc., GeoVista AB, Luleå.

FORWARD LOOKING STATEMENTS

The information in this press release may contain forward-looking statements, which relate to future events or future performance and reflect Copperstone's current expectations and assumptions. Such forward-looking statements reflect Copperstone's current beliefs and are based on assumptions made by and information currently available to the Company.

Investors are cautioned that these forward-looking statements are neither promises nor guarantees and are subject to risks and uncertainties that may cause future results to differ materially from those expected.

These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. Please note drill intercepts are quoted as drilled and are not corrected for true thickness as the shape of the orebodies is not yet known.