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Press release

Kiruna 21 October 2022

Copperstone completes a directed share issue of approximately SEK 235 million and Thomas von Koch becomes largest shareholder

Copperstone Resources AB (publ) (“Copperstone” or the “Company”) has successfully completed a directed issue of 204,209,347 shares, at a price of SEK 1.15 per share, raising gross proceeds of approximately SEK 235 million before transaction costs (the “Directed Share Issue”). The subscription price for the shares in the Directed Share Issue has been determined to the volume-weighted average price during 20 October 2022, which amounted to SEK 1.15, in accordance with what was communicated by the Company earlier this evening. The subscription price entails that the Directed Share Issue is carried out without discount in relation to the volume-weighted average price on Thursday. The Directed Share Issue was subscribed by qualified investors, among them Thomas von Koch (through the company TomEqT Private AB), Jan Ståhlberg and RoosGruppen AB. The board of directors intend to summon an extraordinary general meeting during the autumn, where a proposal regarding a new board member will be presented.

The board of directors of Copperstone has, by virtue of the issue authorisation granted by the annual general meeting on 18 May 2022, resolved to carry out a directed share issue, with deviation from existing shareholders’ preferential rights, of no more than 204,209,347 shares to a subscription price of SEK 1.15 per share. The Company will hereby receive proceeds of approximately SEK 235 million, before transaction costs. The subscription price for the new shares in the Directed Share Issue has been determined to the volume-weighted average price during 20 October 2022, which amounted to SEK 1.15, in accordance with what was communicated by the Company earlier this evening. The subscription price entails that the Directed Share Issue is carried out without discount in relation to the volume-weighted average price on Thursday. Since the subscription price does not entail any discount, the subscription price is on market terms according to the board of directors.

Thomas von Koch will become the Company’s largest shareholder through the Directed Share Issue and has in connection with his investment, together with Jan Ståhlberg, expressed a wish to appoint a representative to Copperstone’s board of directors, which was announced in the press release published on Thursday. It is the board of directors’ intention to summon an extraordinary general meeting during the autumn, where a proposal regarding a new board member will be presented.

Thomas von Koch, shareholder, comments:

After having followed the Company as an investor for some time, I have become more and more convinced that Copperstone is on the right track. I am deeply impressed by the environmental permit application that has recently been submitted, and we now hope that we soon will receive the permits in order for us to commence a base industry project of great importance to Sweden. Today, Europe imports 80 percent of all copper that is consumed. The demand for locally produced critical metals is clearly increasing, and here Copperstone can make a difference.

Jörgen Olsson, Chairman of the Board, comments:

We are of course happy and flattered by the support we now get from Thomas and Jan and all other investors in the share issue. We are convinced that we, together with our investors and with Thomas and Jan in the lead, will establish Copperstone as one of the world’s most responsible copper producers.

As communicated in the press release published on Thursday, the board of directors has resolved to carry out the Directed Share Issue with deviation from existing shareholders' preferential rights. Copperstone is in an intense phase and in accordance with previous communication, a larger procurement of capital will be made in connection with an obtained environmental permit. Ahead of future procurement of capital, the Company's board of directors considers it of immense importance to have long-term and financially strong shareholders.

In the light of this, the Company's board of directors consider the Directed Share Issue as a means to bring in more long-term and financially strong shareholders in the Company, who are also deemed to have the financial possibility to support the Company with capital in future capitalisations. Also such owners with minor holdings today have been given the opportunity to increase their share. In order to support the board of directors' outlook further, representatives of the Company have sounded the interest of a number of existing shareholders regarding if they would have preferred a rights issue or a directed issue of shares at this stage. An overwhelming majority held the view that a directed issue of shares was preferable, partly because of the high and presumably increasing uncertainty during the last months on both the stock market and the financing markets in general. The already critical preparations prior to the environmental permit before mine opening could be seriously damaged by unnecessary financial uncertainty in the Company during the coming quarters. The overall assessment of the board of directors is that the reasons for carrying out the Directed Share Issue in this way, and thereby, *inter alia*, secure Thomas von Koch's increased, and Jan Ståhlberg's new, commitment in the Company, strongly outweigh the reasons that justify the main rule to issue shares with preferential rights for existing shareholders. The board thus assesses that an issue of shares deviating from the shareholders' preferential rights is in the Company's and all shareholders' interest.

Net proceeds from the Directed Share Issue is intended to accelerate further investments and core drillings before an approval of the environmental permit application, in order for the Company to be well prepared before a re-opening of the Viscaria mine in Kiruna. A prioritised investment area is core drilling in the Viscaria area, with the purpose to secure and increase the mineral assets.

The Directed Share Issue was subscribed by qualified investors, among them Thomas von Koch who has subscribed for shares corresponding to SEK 100 million and thereby increases his share from 4.5 percent to 9.6 percent of the Company's shares, Jan Ståhlberg who has subscribed for shares corresponding to SEK 50 million and RoosGruppen AB which has subscribed for shares corresponding to SEK 20 million.

The Directed Share Issue entails that the number of outstanding shares in Copperstone increases from 1,330,093,009 shares to 1,534,302,356 shares. The Company's share capital increases from SEK 133,009,300.90 to SEK 153,430,235.60. The Directed Share Issue entails a dilution of approximately 13.3 percent in relation to the total amount of outstanding shares and votes in the Company after the Directed Share Issue.

Advisors

Arctic Securities AS, filial Sverige is financial advisor to Copperstone in connection with the Directed Share Issue and Hannes Snellman Attorneys Ltd is legal advisor to Copperstone in connection with the Directed Share Issue.

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This press release includes inside information which Copperstone Resources AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication, through the agency of the contact persons set out above, 21 October 2022 at 00:45 CEST.



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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, +46 8 604 22 55.