

The board of directors' of Copperstone Resources AB (publ) proposal on resolution on adoption of Incentive program 2024/2027 by way of (A) issue of warrants to the subsidiary Copperstone Incentive AB and (B) approval of transfer of warrants to management and key personnel in the Company (item 15)

The board of directors of Copperstone Resources AB (publ), reg. no. 556704-4168 ("Copperstone" or the "Company"), proposes that the annual general meeting resolves to adopt an incentive program aimed for management and key personnel in the Company. This is proposed to be carried out by way of a directed issue of warrants to the wholly owned subsidiary Copperstone Incentive AB, reg. no. 556735-6596 (the "Subsidiary"), in accordance with resolution item (A) below, and transfer to selected management and key personnel in accordance with resolution item (B). The resolution items (A) and (B) are mutually conditioned by each other and are resolved upon as one resolution.

The board of directors assesses that it is urgent and in the interest of all shareholders that management and key personnel have a long-term interest in good value development of the share in the Company. A personal and long-term ownership commitment can be expected to contribute to an increased interest of the Company's operations and results as well as to increase the participants' motivation for, and affinity with, the Company and its shareholders.

Incentive program 2024/2027 has been prepared by the board of directors in consultation with external advisors, whereby concerned members of management have not been participating in relevant parts.

(A) Issue of warrants to the subsidiary Copperstone Incentive AB

The board of directors proposes that a directed issue of warrants is carried out on the following terms:

- 1 No more than 500,000 warrants of series 2024/2027 shall be issued.
- 2 The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, only accrue to the Subsidiary. The intention is that the warrants afterwards shall be transferred to management and key personnel in the Company in accordance with what is stated under resolution item (B). The reason for the proposal to deviate from the shareholders' preferential rights is thus to create incentives for management and key personnel to always work for the Company's positive development, since these persons possess management roles or key roles in the Company and thereby constitute an important part of the Company's continued operations.
- 3 The warrants are issued without consideration.
- 4 Subscription of warrants shall be made on a specific subscription list no later than on 8 May 2024. The board of directors is entitled to extend the subscription period.
- 5 Each warrant shall entitle to subscription of one (1) share in the Company to a subscription price per share corresponding to the volume-weighted average price for the share on Nasdaq Stockholm's official stock price list during a period of ten (10) trading days ending the day before the Company's annual general meeting on 7 May 2024, multiplied with 1.5. Subscription of shares by exercising the warrants shall, in accordance with the terms of the warrants, be possible to carry out from and including 7 May 2027 until and including 1 December 2027.
- 6 In the event that all of the warrants are exercised for subscription of shares, the Company's registered share capital will increase with SEK 1,000,000.
- 7 The terms which are set forth in Appendix A, including customary provisions on recalculation with regard to certain corporate events etc., shall otherwise be applied to the warrants.

- 8 A share that has been issued due to subscription, shall entitle to dividend the first time on the record date for dividend immediately after the subscription has been registered with the Swedish Companies Registration Office and the shares have been registered in the share register kept by Euroclear Sweden AB.
- 9 The CEO, or the person appointed by the board of directors, shall have the right to make such minor adjustments that may be necessary in connection with registration with the Swedish Companies Registration Office.

(B) Approval of transfer of warrants to management and key personnel in the Company

The board of directors further proposes that the annual general meeting resolves to approve transfer of warrants to the Subsidiary in accordance with item (A) above and that the Subsidiary is entitled and obliged to, in accordance with Copperstone’s board of directors’ resolution or, if applicable, delegated resolution hereof, transfer the warrants issued in accordance with item (A) to the persons in the respective categories in the table below. The following shall apply with regard to the Subsidiary’s transfer of warrants in Incentive program 2024/2027:

The Subsidiary shall transfer no more than in total 500,000 warrants to management or key personnel (or companies wholly owned by these persons) in the Company with the distribution stated below.

Position / Categories	Number of warrants
CEO	Maximum of 85,000 warrants
Management and other key personnel, including consultants on a permanent basis	Maximum of 50,000 warrants per person
Newly employed management and key personnel	Maximum of 85,000 warrants per person
Other employees	Maximum of 10,000 warrants per person

In addition to what is stated in the table above, there are no criteria for allotment under the incentive program. The board of directors considers that a broader program, that does not only include the Company’s management, provides good conditions to attain the board of directors’ goals with the implementation of the incentive program.

The warrants shall be transferred on market-based terms to a price determined on the basis of the calculated market value for the warrants at the time of transfer, by an application of Black & Scholes valuation model (option premium). The calculation of the option premium to management shall be made or controlled by an independent valuation expert or shall be made on the basis of the expert’s valuation.

Furthermore, a so-called pre-emption agreement shall be entered into, according to which the warrant holder shall be obliged to offer the Company to acquire the warrants, or a certain part of these, under certain conditions.

Dilution

Based on the current number of shares in the Company, the dilution as a consequence of the proposed incentive program, under assumption that all warrants will be exercised for subscription of new shares, will not exceed

1 per cent¹ of the shares and votes in the Company (not included the dilution which may arise as a result of the Company's current incentive programs).

See below for further information regarding the total potential dilution as a result of the Company's proposed and current incentive programs.

Costs for the incentive program and effects on important key figures

The incentive program 2024/2027 has been prepared in consultation with external advisors and the total cost for the advice is not expected to amount to noteworthy amounts. In addition to the costs for advisors, the board of directors assesses that the incentive program will cause some administrative costs in connection with subscription of shares by exercise of the warrants and registration with the Swedish Companies Registration Office. Furthermore, the Company may link salary-based bonuses to allotments in order to facilitate participation in the program, bonus costs which in that case will fall within the Company's ordinary personnel costs.

The dilution stated above refers, in relation to the Company's key ratios, to the dilution of the number of shares, and affects relevant key ratios first if the Company's value has risen so much that exercise is carried out under the duration. In such case, the dilution should be counteracted by that the Company, in the event of full exercise, would be added an amount of SEK 17,250,000 (based on current share price).

Earlier incentive programs in the Company

The Company currently has ongoing share-related incentive programs which include management and key personnel, and ongoing share-related incentive programs which include members of the board of directors, which are presented below.

At the annual general meeting on 19 May 2021, it was resolved to adopt an incentive program of series 2021/2024:1 for management and key personnel, including 10,000,000 warrants, as well as an incentive program of series 2021/2024:2 for members of the board of directors, including 15,000,000 warrants. The duration of the incentive programs is three and a half years and runs until and including 20 December 2024. Currently, each warrant under the incentive programs entitles to subscription of one share to a strike price of SEK 25.40 per share, after recalculation due to issues and a reverse share split carried out. In total, 8,110,000 warrants under the incentive program of series 2021/2024:1 for management and key personnel and 12,250,000 warrants under the incentive program of series 2021/2024:2 for the members of the board of directors have been resold. The remainder of the warrants under the programs have been cancelled and have thus ceased to have a potential dilutive effect. Out of the resold warrants under the incentive program of series 2021/2024:1 for management and key personnel, 30,000 warrants have subsequently been repurchased upon termination of employment, in accordance with a pre-emption agreement entered into.

At the annual general meeting on 18 May 2022, it was resolved to adopt an incentive program of series 2022/2025:1 for management and key personnel, including 12,000,000 warrants, as well as an incentive program of series 2022/2025:2 for members of the board of directors, including 15,000 000 warrants. The duration of the incentive programs is three and a half years and runs until and including 18 December 2025. Currently, each warrant under the incentive programs entitles to subscription of one share to a strike price of SEK 33.00 per share, after recalculation due to issues and a reverse share split carried out. In total, 5,140,000 warrants under the incentive program of series 2022/2025:1 for management and key personnel and 10,631,130 warrants under the incentive program of series 2022/2025:2 for members of the board of directors have been resold. Out of the resold warrants under the incentive program of series 2022/2025:1 for

¹ The dilution amounts to approximately 0.56 per cent of the shares and votes in the Company.

management and key personnel, 30,000 warrants have subsequently been repurchased upon termination of employment, in accordance with a pre-emption agreement entered into.

At the extraordinary general meeting on 1 December 2022, it was resolved to execute an adaptation of the allotment principles for parts of the incentive program of series 2022/2025:1 for management and key personnel and of the incentive program of series 2022/2025:2 for members of the board of directors, with the purpose to adapt the incentive programs' frameworks and allotment principles to the agreed transfer to the Company's former CEO Henrik Ager. The resolution enabled transfer to the Henrik Ager of 5,631,130 warrants under the incentive program of series 2022/2025:1 for management and key personnel. Following the transfer to Henrik Ager, 1,228,870 warrants under the incentive program of series 2022/2025:1 remained that had not been resold, which subsequently were cancelled and have thus ceased to have a potential dilutive effect. The resolution further enabled transfer to the Henrik Ager of 4,368,870 warrants under the incentive program of series 2022/2025:2 for members of the board of directors, after which no additional warrants remained in the program for potential allotment. Out of the in total 10,000,000 warrants that were resold to Henrik Ager, in total 9,000,000 warrants have subsequently been repurchased and cancelled, and have thus ceased to have a potential dilutive effect, in connection with Henrik Ager's resignation as CEO, in accordance with a pre-emption agreement entered into.

At the extraordinary general meeting on 1 December 2022, it was resolved to adopt an incentive program of series 2022/2026 for management and key personnel, including 3,700,000 warrants. The duration of the incentive program is three and a half years and runs until and including 29 May 2026. Currently, each warrant under the incentive program entitles to subscription of one share to a strike price of SEK 40.00 per share, after recalculation due to issues and a reverse share split carried out. In total, 2,000,000 warrants under the incentive program of series 2022/2026 for management and key personnel have been resold. The remainder of the warrants have been cancelled and have thus ceased to have a potential dilutive effect.

At the annual general meeting on 11 May 2023, it was resolved to adopt an incentive program of series 2023/2027:1 for management and key personnel, including 15,000,000 warrants, as well as an incentive program of series 2023/2027:2 for the executive chairman of the board (currently CEO), including 2,500,000 warrants. The duration of the incentive programs is four years and runs until and including 19 May 2027. Currently, each warrant under the incentive programs entitles to subscription of one share to a strike price of SEK 42.80 per share, after recalculation due to issues and a reverse share split carried out. In total, 5,026,400 warrants under the incentive program of series 2023/2027:1 for management and key personnel and 2,500,000 warrants under the incentive program of series 2023/2027:2 for the executive chairman of the board (currently CEO) have been resold. Out of the resold warrants under the incentive program of series 2023/2027:1 for management and key personnel, 50,000 warrants have subsequently been repurchased upon termination of employment, in accordance with a pre-emption agreement entered into.

During the end of 2023, the Company carried out a consolidation of shares whereby 20 shares were merged into one share. In connection with this, the warrants under the ongoing incentive programs were recalculated in accordance with the respective terms for the incentive programs. All of the Company's recalculated warrant programs are presented on the Company's website.

In the event that the incentive program for management and key personnel in accordance with the board of directors' proposal above would be fully implemented to the now intended extent, the total numerical dilutive effect together with the current warrant programs will amount to approximately 3 per cent.²

² The dilution amounts to approximately 3.14 per cent of the shares and votes in the Company.

Minor amendments

The board of directors, or a person appointed by the board, shall have the right to make minor amendments regarding this resolution, which may be necessary in connection with registration with the Swedish Companies Registration Office.

Majority requirements

The resolution to adopt the incentive program according to the above, is covered by the rules for the board of directors and management in Chapter 16 of the Swedish Companies Act (2005:551), which, in order to be valid, requires that the proposal under this item is supported by shareholders holding no less than nine-tenths (9/10) of both the votes cast and the shares represented at the annual general meeting.

Kiruna in March 2024
Copperstone Resources AB (publ)
The board of directors