

Kiruna, 29 February 2024

## YEAR-END REPORT 2023

### OCTOBER – DECEMBER 2023

- Net sales amounted to SEK 0 million (0).
- Profit before tax for the period amounted to SEK -10.0 million (-8.9). Earnings per share before and after dilution amounted to SEK -0.11 (-0.12).
- Capitalized expenditures on exploration and appraisal assets amounted to SEK 63.0 million (53.6).
- The Group's cash flow for the period amounted to SEK -86.1 million (143).

### JANUARY – DECEMBER 2023

- Net sales amounted to SEK 0 million (0).
- Profit before tax for the period January-December amounted to SEK -30.1 million (-21.8). Earnings per share before and after dilution amounted to SEK -0.36 (-0.33).
- Capitalized expenditures on exploration and appraisal assets amounted to SEK 260 million (185).
- The Group's cash flow for the period amounted to SEK -62.8 million (205). The company's cash position was strengthened by SEK 266 million before issue costs through an issue of new share in June.
- Cash and cash equivalents amounted to SEK 266 million as of 31 December 2023 (SEK 329 million as of 31 December 2022).
- Equity increased by 24.4 percent and amounted to SEK 1,228 million as of 31 December 2023 (SEK 987 million as of 31 December 2022).

### SIGNIFICANT EVENTS DURING OCTOBER-DECEMBER

- On October 19, changes to Group Management were announced. Anna Tyni was appointed Deputy CEO. Peter Wihlborg was appointed the new Head of Environment and Sustainability and Christopher Wikman the new Head of Mine, as a result of natural succession. At the same time, Tove Thelin Täckdal, Head of Enrichment, and Thomas Nordmark, Head of Infrastructure and Logistics, will join Group Management. Anders Lundqvist, former Head of Sustainability, and Glenn Nilsson, former Head of Mine, will continue to work with the company and their long experience will continue to be valuable to Copperstone.
- On December 8, Copperstone was listed on Nasdaq Stockholm's main market, after having previously traded on First North Growth Market.
- In December, a reverse split was carried out, where 20 shares were consolidated into one new share. 13 December 2023 was the first day of trading after the reverse share split.

### SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Copperstone initiates a feasibility study to ensure a complete basis for future financing and project planning.
- The main hearing in the Land and Environment Court at Umeå District Court was held on January 30 - February 21 to handle Copperstone's application for a permit under the Environmental Code. Judgment will be given on April 22, 2024 at 13.00.
- Upgrading of the mineral resources in Arvidsjaur.

Comments from CEO Jörgen Olsson:

*"Looking ahead, it is with great conviction that Copperstone will be able to take an important position as a mining company. Last year, we took decisive steps forward, and are getting closer to opening the mine, while at the same time reducing the risks associated with the project. The plan is that towards the end of 2024, after we have received the necessary permits, we will be able to start the major investments in an enrichment plant and other infrastructure. This is well in line with our timetable for a restart of the mine in 2026. I look forward to continuing to update you on our progress."*

## COMMENTS FROM THE CEO

Our preparations for the restart of the Viscaria copper mine in Kiruna are continuing at a high pace. At the beginning of 2024, the main hearing was held here in Kiruna regarding our environmental permit application. The court proceedings went very well, and we are now waiting for the court to issue a judgment, which is expected to take place on 22 April. Given the solid preparatory work we have carried out, not least in the environment field, my assessment is that the prospects of us being granted our permit are very good. I would like to take this opportunity to pay tribute to our fantastic team of dedicated and experienced employees, all of whom have contributed in an admirable way during this process.



### **Permit processes are nearing completion**

After almost four years of work, we are now in the final phase of the critical permits we need to be able to restart mining operations in Viscaria. When it comes to the environmental permit, however, it is not unlikely that a granted permit will be appealed and we must therefore prepare for the fact that it will take a certain amount of time before the judgment becomes final. Our hope is that we will receive an enforcement order and can begin dewatering the mine and ground preparation work as early as this spring. Regardless of a possible appeal, a decision on an environmental permit is very positive and means that we are taking big steps forward in the process.

### **High pace of preparation work**

In parallel with the permit process, intensive work is underway on various preparations for the start of the mine. Central to this work is to increase knowledge of the mineral resources we have. This means that we can better understand the appearance and character of the ore bodies so that we can plan for future mining and enrichment of the ore. This work is done in the form of in-depth studies that will ensure that all parts of the planning are of the highest standard and comply with what is the norm in the mining industry. In the beginning of 2024, we have started work on a Feasibility Study to further refine and develop our plans for the future mining. The Feasibility Study will then be an important basis for discussions with banks on financing. Simply put, the more solid the basis we have, the better terms we will be able to obtain when it is time to take out loans.

### **Extensive drilling to continue in 2024**

During the fourth quarter, an additional nearly 10,000 meters of core drilling was carried out, which means that we drilled a total of approximately 62,000 meters in 2023. The results of the drilling are being analyzed and assessed on an ongoing basis and have been very promising. By gaining a better understanding of the mineralization, we will be able to upgrade our Mineral Resources to Probable and/or Proven Mineral Reserves, according to PERC Standard, as part of the feasibility study. It also means that we get a very solid basis for planning the mine opening and continuously working to extend the life of the mine.

In 2024, we will continue drilling in the Viscaria area. With the help of more drill rigs, the work will continue with an initial focus in the D-zone in the form of so-called infill drilling. These wells will provide additional input to the ongoing feasibility study. We also plan to further explore adjacent areas in Viscaria within the framework of the exploration permits we have. Previous exploratory drilling has shown high copper grades and indicates that the Viscaria deposit extends far beyond the exploration concessions we have today.

### **Listing on Nasdaq Stockholm**

On December 8, 2023, we took the step up to Nasdaq Stockholm's main market and became the first company in Kiruna to ring the stock exchange opening bell. The move to the main market is an important milestone for us and means that, as we approach the final phase of the permitting process, we are well on our way to becoming an established mining company through the restart of the Viscaria copper mine. The fact that we are now listed on Nasdaq enables a broadened shareholder base, with more international and institutional owners in the long term. In connection with the list change, we also carried out a reverse share split to promote trading in the share.

Looking ahead, it is with great conviction that Copperstone will be able to take an important position as a mining company. Last year, we took decisive steps forward, and are getting closer to opening the mine, while at the same time reducing the risks associated with the project. The plan is that towards the end of 2024, after we have received the necessary permits, we will be able to start the major investments in an enrichment plant and other infrastructure. This is well in line with our timetable for a restart of the mine in 2026. I look forward to continuing to update you on our progress.

*Jörgen Olsson, CEO Copperstone Resources*

## BUSINESS DEVELOPMENT DURING THE PERIOD

### ENVIRONMENTAL PERMITS

Copperstone Resources intends to resume mining operations at the Viscaria mine in Kiruna. The planned mining operations are subject to an environmental permit. The application for an environmental permit was submitted on 30 March 2022. It includes Copperstone's description and ambition of responsible modern mining through the use of the best available technology to lower the impact from the mining operations on the local environment, in the concentrator and in transport and logistics solutions. In total, the application comprises approximately 4,000 pages and includes a plan for innovative water management and purification, recycling of valuable minerals in old mining waste, as well as expected effects, protective measures and compensatory measures for nature and reindeer husbandry.

The process for the necessary permits to start the Viscaria mine has taken important steps forward during the year.

#### Environmental permit

On 24 May 2023, the Land and Environment Court (MMD) announced Copperstone's environmental permit application and subsequently established a preliminary timetable for the remaining process in the Environmental Code permit.

The main hearing was held in Kiruna on January 30 – February 21 this year. In the final round of written observations, 18 authorities and interested parties have participated and submitted 45 comments, which have been dealt with during the main hearing. MMD will announce its judgment on April 22, 2024 at 13.00.

#### Land allocation

On 30 June 2021, Copperstone applied for a land allocation from the Mining Inspectorate of Sweden (Bergsstaten) in favour of the exploitation concessions Viscaria K no. 3, Viscaria K no. 4 and Viscaria K no. 7 in Kiruna municipality, in accordance with the provisions of Chapter 9 of the Minerals Act (1991:45). After a cadastral procedure meeting was held with property and interested parties on 25 May 2023, the Chief Mining Inspector (bergmästaren) decided on 29 June 2023 to grant Copperstone land allocation. The decision has been appealed by several interested parties and by the company. The case will be heard in the Land and Environment Court in March 2024.



*Work with a drilling rig at Viscaria in Kiruna.*

## GEOLOGY

### Viscaria

During the fourth quarter, the focus was on continuing the intensive exploration work that has been going on during the year, while an additional nearly 10,000 meters of core drilling was carried out during the quarter, which will make a major contribution to increased awareness of the deposit. In 2023, a total of 62,000 meters were drilled in the Viscaria area. The focus of the explorations during the quarter continued to be on increasing the deposit's level of knowledge (so-called infill drilling), i.e. converting inferred mineral resources into indicated and/or known mineral resources. During the fourth quarter, copper sulphide mineralisation in Viscaria's A and B zones was mainly investigated. The results are encouraging and will be used to extend the life of the Viscaria mine.

The newly added drilling information is continuously analyzed, interpreted, and compiled. During the period, work on the updated geological model has progressed. New standardized estimation techniques will form the basis for the upcoming updates of the mineral resources. Methodology and reporting follow the PERC standard, which is the international regulatory framework for reporting mineral resources and mineral reserves. As part of the continued evaluation of the deposit, an external review is being conducted by a so-called competent person who will make a final signing of the mineral resources.

As part of the company's long-term geological strategy, exploration surveys in the adjacent areas of Viscaria have been ongoing during the year. Several interesting ideas were investigated, including drilling within the Viscaria No. 107 exploration permit as a follow-up to results from geophysical surveys. During the fourth quarter, the results were analyzed, and the approved extension application of the exploration permit Viscaria no. 107 enables continued exploration work in the area.

The application for the exploration permit Viscaria no. 119 became valid during the period and thus replaces the previous exploration permit Viscaria No. 101. This allows for further geological investigations in the area adjacent to the mining area. The company was also granted an extension of the Kirkkovaarti No. 1 exploration permit. In the area, the exploration work has so far included sampling of surface moraine which has shown positive results, which will be followed up with geophysical surveys and core drilling.

## Arvidsjaur

Copperstone has completed an upgrade of the mineral resources at the Eva deposit in Arvidsjaur. The upgrade complies with the latest PERC Standard 2021 regulations. The Indicated and Inferred Mineral Resources are about 50 percent higher than previous explorations of the area have shown. In the new geological understanding, the Eva deposit has been confirmed to consist of two mineralized domains: a zinc-gold (Zn-Au) and a gold-copper (Au-Cu). The gold-copper domain is a *feeder zone* (area from which the mineralization is deemed to originate from).

### Eva desposit<sup>1</sup>

PERC 2021	Mtonnes	Znec	Zn (%)	Cu (%)	Au (ppm)	Ag (ppm)	Pb (%)
Indicated	6.93	4.54	1.82	0.21	0.86	29.92	0.28
Inferred	0.83	3.29	1.50	0.13	0.56	20.13	0.22
<b>Total</b>	<b>7.76</b>	<b>4.41</b>	<b>1.79</b>	<b>0.21</b>	<b>0.83</b>	<b>28.87</b>	<b>0.28</b>

- Copperstone has used the same cut-off of 1 percent zinc equivalents as used in previous reports. The so-called *cut-off grade* is the lowest grade that is currently deemed necessary for economic recovery.
- The resource upgrade shows a total increase in mineral resources according to PERC Standard 2021 of 50 percent, from 5.16 Mtonnes to 7.76 Mtonnes.
- The Eva deposit has an average metal content of 4.41 percent zinc equivalents (copper, gold and silver converted to zinc).

The Company will take into account the new interpretation of the Eva deposit and the results from the mineral resource upgrade for the next exploration campaign in the Arvidsjaur project. Including the resource upgrade of the Eva deposit, the total resources in Arvidsjaur amount to 34 Mtonnes of copper, zinc, gold and silver-bearing rock.

In addition to the Eva deposit, the western part of Granliden is also an interesting exploration area. The ambition is to try to identify the gold around the Eva deposit (previously confirmed by Copperstone that it is of a different origin than the zinc) and the significant geophysical anomaly in western Granliden, which has never been drilled. Copperstone has also applied for an additional exploration permit in the area, Sandberget no. 600, which is directly adjacent to the large area Sandberget no. 500, as the potential mineralization appears to continue northwest of lake Sandträsket.

In accordance with PERC Standard's regulations, the resource upgrade of the Eva deposit has been reviewed and approved by a so-called competent person.

<sup>1</sup> The mineral resources in the Eva deposit consists of copper, zinc, gold and silver bearing rock expressed in Mtonnes. Znec = zinc equivalent, Zn = zinc, Cu = copper, Au = gold, Ag = silver, Pb = lead. Ppm = 1/1,000,000.

## ENRICHMENT

Preparatory work is still underway to create the best possible conditions for an efficient enrichment process at the Viscaria mine, specially adapted to the different characteristics of the three ore zones. A schematic flowchart has been established and Copperstone continues with in-depth studies to increase the level of detail of the various components in the enrichment process. Extensive laboratory studies have been carried out and the company has been able to further refine the beneficiation trials and adapt settings for the three different ore zones with positive results with both elevated yields and increased Cu levels in the concentrate. This work was carried out together with the global consulting firm Ausenco Service Pty Ltd.

## INFRASTRUCTURE

The temporary project office of 700 m<sup>2</sup> spread over two floors has been put into operation in the Viscaria area and parts of the business are now in place on site.

A preliminary design for both Vattenfall's (150 kV) and Copperstone's high-voltage plants (150/20 kV) has been developed and the target date for when the plants will be commissioned is set for the second half of 2026. The most time-critical component in this area is the main transformer, which reduces the voltage from 150 to 20 kV. The delivery time at the time of ordering was 22 months and the uncertainty in the future, both in terms of delivery time and cost, led to the transformer being ordered to ABB in November. The next critical decision that needs to be made is to sign a connection agreement for the supply of 70 MW of electricity, which we could only be done after an environmental permit has been obtained.

Copperstone has since the end of 2022 a pilot plant for water treatment in operation. In 2023, two feasibility studies were carried out, one for the permanent water treatment plant and one for the water feeding system. Based on the feasibility studies, the design of these is now underway. The facilities with a capacity of 1,000 m<sup>3</sup>/h will be ready for procurement of contracts and equipment in the second quarter of 2024.

With the support of Tailings Consultants Scandinavia (TCS), the company has started modeling for a new tailings pond based on new conditions for the mine and enrichment plant, which are expected to be completed in the first quarter of 2024.

Planning of the connection of the planned railway yard to Malmbanan together with the Swedish Transport Administration (TRV) was ongoing during the quarter. The connection will be controlled via the new ERTMS signalling safety system, which will be put into operation on Malmbanan in 2024 and 2025. TRV requires that agreements with suppliers are completed 18 months before connection. As a result, the design of the connections and the railway yard itself is underway. The commissioning of the railway yard is scheduled for October 2026.

## MINE

Together with SRK Consulting, the mine design is being updated and various production plans are being tested. We have also met with various suppliers regarding specific equipment for future underground mining. The rock mechanical design of the mine is ongoing. A large part of the work is done as part of the preparatory studies.

The dialogue with the municipal emergency services continues with the aim of creating a future collaboration regarding preparedness for fire and accidents, while Copperstone's own future organization regarding preparedness is under development.

## SUSTAINABILITY

Copperstone is pursuing genuine sustainability work. Therefore, it is necessary to plan and implemented solutions that provide good conditions for minimizing the negative impact on the environment.

When the Viscaria mine becomes operational, Copperstone will be one of the most climate-efficient copper mines in the world and thus be able to deliver sustainable and responsibly produced copper to the European market.

The company has made commitments in the environmental permit process with far-reaching purification processes, which means that a large proportion of the discharged water will be purified to very low levels of pollutants during the lowering of water from the old mine and from the new mining area.

The waste rock deposits, which normally have a major impact on the landscape, will be designed and laid out with geomorphological design. This means that the landscape, which is initially significantly affected by mining operations, will be able to return to natural conditions more quickly after the end of mining operations.

Copperstone is conducting a sustainability work that includes seven focus areas with associated goals. The focus areas are based on the principles of ICMM (International Council on Mining & Metals), Svemin's guidelines, TSM Protocols (Towards Sustainable Mining), the UN's Agenda 2030 and the UN Global Compact. In addition, the results of stakeholder dialogues and external analysis have been considered. The focus areas will guide the sustainability work in the coming years. Follow-up and reporting of the sustainability goals will continue in 2024.

The company has identified several critical issues to work on and a timetable has been developed for further work, including the completion of the sustainability policy. The aim is to further strengthen and clarify goals and requirements for the business both before the restart of the mine and when the company is in production.



## FINANCIAL INFORMATION – THE GROUP

### OCTOBER – DECEMBER 2023

In the fourth quarter of 2023, capitalized expenditures on exploration and appraisal assets amounted to SEK 63.0 million (53.6). Capitalized expenditures consist mainly of exploration work on mineral resources. In addition, capitalized expenditures consist of feasibility study work in infrastructure regarding new construction and reinforcement of dams and water treatment, as well as development of the enrichment process and work linked to ongoing environmental assessment.

Net sales for the quarter amounted to SEK 0 million (0). Operating profit/loss amounted to SEK -20.0 million (-8.8). Profit before tax for the period amounted to SEK -10.0 million (-8.9) and earnings per share before and after dilution amounted to SEK -0.11 (-0.12).

Cash flow for the quarter amounted to SEK -86.1 million (143). Cash flow from operating activities, excluding investments and financing, amounted to SEK -13.7 million (-5.9). Cash flow from investing activities amounted to SEK -75.1 million (-82.9). Net cash flow from financing activities during the quarter amounted to SEK 2.6 million (232). Our budget and baseline scenario form the basis for liquidity planning to secure capital for the coming year. The level of activity is continuously adjusted according to available capital.

### JANUARY – DECEMBER 2023

During the year, capitalized expenditures on exploration and appraisal assets amounted to SEK 260 million (185). Net sales during the period amounted to SEK 0 million (0) and operating profit amounted to SEK -42.9 million (-20.2). Profit before tax for the period for January-December amounted to SEK -30.1 million (-21.8). Earnings per share before and after dilution amounted to SEK -0.36 (-0.33).

The Group's cash flow during the year amounted to SEK -62.8 million (204) and was mainly affected by the new share issue and redemption of options on the financing side, as well as accrued costs for exploration drilling, process water and the construction of a new bridge in investment operations. Cash flow from operating activities, excluding investments and financing, amounted to SEK -24.3 million (-16.5). Cash flow from investing activities amounted to SEK -309 million (-245) and net cash flow from financing activities during the period amounted to SEK 271 million (467).

## FINANCIAL POSITION AS PER DECEMBER 31, 2023

### Assets as of December 31, 2023

Capitalized investments in exploration assets amounted to SEK 899 million at the end of the period, an increase of 40.6 percent compared to SEK 640 million as of December 31, 2022.

Cash and cash equivalents at the end of the period amounted to SEK 266 million compared to SEK 329 million as of December 31, 2022.

### Interest-bearing liabilities as of December 31, 2023

As of the balance sheet date, Norrlandsfonden holds convertible debentures at discounted present value of approximately SEK 14.5 million at STIBOR 90 +5% interest rate per annum. For more information about Norrlandsfonden's investments in Copperstone, please see [www.copperstone.se](http://www.copperstone.se) or the Group's Annual Report 2022.



## FINANCIAL INFORMATION – PARENT COMPANY

### OCTOBER – DECEMBER 2023

Expenses for capitalized exploration investments amounted to SEK 0.9 million (1.2). Other operating income amounted to SEK 3.0 million (3.2) and profit for the period was SEK -6.1 million (-8.7). Total operating expenses amounted to SEK -18.9 million (-13.2).

### JANUARY – DECEMBER 2023

Expenses for capitalized exploration investments amounted to SEK 3.1 million (7.9) during the period. Other operating income amounted to SEK 11.8 million (8.3) and operating profit amounted to SEK -37.5 million (-19.8). Profit for the period was SEK -25.2 million (-20.5). Capitalized assets were SEK 72.9 million (69.9) as of December 31 and relate to continued work with deposits in Arvidsjaur.

## SIGNIFICANT EVENTS

### SIGNIFICANT EVENTS DURING THE PERIOD

- On October 19, changes to Group Management were announced. Anna Tyni was appointed Deputy CEO. Peter Wihlborg was appointed as the new Head of Environment and Sustainability and Christopher Wikman as the new Head of Mine, as a result of natural succession. At the same time, Tove Thelin Täckdal, Head of Enrichment, and Thomas Nordmark, Head of Infrastructure and Logistics, joined Group Management. Anders Lundqvist, former Head of Sustainability, and Glenn Nilsson, former Head of Mine, will continue to work with the company and their long experience will continue to be valuable to Copperstone.
- On December 8, Copperstone was listed on Nasdaq Stockholm's main market, after having previously traded on First North Growth Market.
- In December, a reverse split was carried out, where 20 shares were consolidated into one new share. 13 December 2023 was the first day of trading after the reverse share split.

### SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Copperstone initiates a feasibility study to ensure a complete basis for future financing and project planning.
- The main hearing in the Land and Environment Court at Umeå District Court was held on January 30 - February 21 to handle Copperstone's application for a permit under the Environmental Code. Judgment will be given on April 22, 2024 at 13.00.
- Upgrading of the mineral resources in Arvidsjaur.

## OTHER INFORMATION

### ORGANIZATION

Since 19 October 2023, under the leadership of President and CEO Jörgen Olsson, the company's Group Management Team consists of Anna Tyni (Deputy CEO), Frida Keskitalo (CFO), Karin Lindgren (Head of Geology), Michael Mattsson (Head of Business Development), Emma Mäkitaavola (Head of Project Office), Thomas Nordmark (Head of Infrastructure and Logistics), Tove Thelin Täckdal (Head of Enrichment), Peter Wihlborg (Head of Environment and Sustainability) and Christopher Wikman (Head of Mine). At the end of the period, the team consisted of a total of 31 employees, plus a number of consultants in several business areas on a temporary basis. Thomas Lindholm, Geovista, is the Group's so-called *competent person* according to the Fennoscandian Association for Minerals and Metals Professionals and is also a Fellow of AusIMM, which means that he is authorized to report in accordance with both PERC and JORC regulations.

## PROCESSING CONCESSIONS AND EXPLORATION PERMITS

As of February 6, 2024, according to the Swedish Mining Inspectorate's Mineral Rights Register (MRR), Copperstone owned six granted processing concessions and 13 exploration permits.

### PROCESSING CONCESSIONS GRANTED

NAME	AREA HA	VALID FROM	VALID UNTIL	MINERAL	MUNICIPALITY
Viscaria K nr 3	115,7	2012-01-16	2037-01-16	gold, iron found in bedrock, copper, silver, zinc	Kiruna
Viscaria K nr 4	30,0	2012-01-16	2037-01-16	gold, iron found in bedrock, copper, silver, zinc	Kiruna
Viscaria K nr 7	63,8	2018-03-26	2043-03-26	copper	Kiruna
Eva K nr 1	34,2	2017-11-13	2042-11-13	bly, guld, koppar, silver, zink	Arvidsjaur
Svartliden K no. 1	36,0	2000-12-27	2025-12-27	bly, guld, koppar, silver, zink	Arvidsjaur
Tvistbogruvan K nr 1	11,4	2012-04-17	2037-04-17	Bly, Guld, Koppar, Mangan, Silver, Wolfram, Zinc	Smedjebacken
<b>Total (ha)</b>	<b>291,2</b>				

### EXPLORATION PERMITS GRANTED

NAME	AREA HA	VALID FROM	VALID UNTIL	MINERAL	MUNICIPALITY
Viscaria no. 1	818,7	2008-06-24	2025-06-24	copper	Kiruna
Viscaria no. 107	1 842,8	2009-08-10	2026-08-10	copper	Kiruna
Nihka East	144,1	2015-06-16	2027-06-16	copper	Kiruna
Viscaria East	211,9	2017-06-09	2025-06-09	copper	Kiruna
Vicar no. 1	386,4	2018-11-08	2026-11-08	lead, gold, iron occurring in the bedrock, copper, silver, zinc	Kiruna
Goddevarri no. 101	148,4	2019-12-04	2024-12-04	lead, gold, iron occurring in the bedrock, copper, silver, zinc	Kiruna
Viscaria no. 117	4 986,5	2023-01-13	2026-01-13	gold, iron found in bedrock, cobalt, copper, molybdenum, nickel, silver	Kiruna
Viscaria no. 118	9,0	2023-03-29	2026-03-29	gold, copper	Kiruna
Viscaria no. 119	1 408,5	2023-11-01	2026-11-01	gold, iron found in the bedrock, copper	Kiruna
Sandberget no. 300	18,7	2012-10-03	2024-10-03	gold, koppar, silver, zinc	Arvidsjaur
Sandberget no. 200	19,2	2012-10-03	2024-10-03	gold, koppar, silver, zinc	Arvidsjaur
Sandberget no. 500	7 641,0	2019-02-11	2024-02-11	gold, koppar, silver, zinc	Arvidsjaur
Sandberget no. 400	535,6	2019-02-11	2024-02-11	gold, koppar, silver, zinc	Arvidsjaur
<b>Total (ha)</b>	<b>18 170,8</b>				

*All granted processing concessions and granted exploration permits are 100 percent owned by Copperstone Resources AB or by the wholly owned subsidiaries Copperstone Viscaria AB and Copperstone Tvistbo AB.*

In 2023, the company has carried out active drilling within the processing concessions Viscaria K no. 3, Viscaria K no. 4 and Viscaria K no. 7 as well as significant geophysical campaigns with subsequent core drilling regionally, primarily within Viscaria no. 107. In 2023, extended exploration permits have been obtained for Viscaria East, Nikha East and Viscaria no. 107. Furthermore, in 2023, the company has also received three new exploration permits: Viscaria no. 117, Viscaria no. 118 and Viscaria no. 119. The exploration permits for Renärde no. 1 and Viscaria no. 112 expired in November 2023 and has been chosen not to be extended.

Within the framework of the Arvidsjaur project, Copperstone has applied for an exploration permit for Sandberget no. 600, which is directly adjacent to the large area Sandberget no. 500, and applied for renewed permits for Sandberget no. 400 and Sandberget no. 500.

## SHAREHOLDERS

As of 31 December 2023, the number of issued shares amounted to 90,080,342, each with a quota value of SEK 2.00. The total share capital amounted to SEK 180,160,682.

The number of shareholders was 18,114 as of December 31, 2023, compared to approximately 15,000 shareholders at the end of 2022. The largest shareholders are listed in the table below.

Shareholders as of December 31, 2023	Number of shares	Capital & votes, %
Thomas von Koch	9 216 985	10,81%
JRS Asset Management AB Client Account	5 169 894	5,74%
Joheco AB	3 550 000	3,94%
Håkan Roos (RoosGruppen)	3 324 493	3,69%
Jan Ståhlberg	3 233 493	3,59%
Avanza Pension	2 659 176	2,95%
Nordnet Pension Insurance	2 525 236	2,80%
Caps LTD	2 210 484	2,45%
The Fourth Swedish National Pension Fund	2 102 804	2,33%
Santhe Dahl	1 978 428	2,20%
Handelsbanken Fonder	1 500 000	1,67%
Svante Wedman	1 347 064	1,50%
Håkan Eriksson (Scandinavkonsult)	1 300 000	1,44%
Björn Ísraelsson	1 268 804	1,41%
Henrik Raalskov Petersen	1 256 957	1,40%
Michael Mattsson	1 133 496	1,26%
Handelsbanken Liv Försäkring AB	1 100 713	1,22%
Skandia Fonder	1 085 558	1,21%
Livförsäkringsbolaget Skandia	1 066 552	1,18%
Swedbank Försäkring	899 200	1,00%
<b>A total of 20 largest shareholders</b>	<b>47 929 337</b>	<b>53,8%</b>
<b>Other</b>	<b>42 151 005</b>	<b>46,2%</b>
<b>Total number of shares</b>	<b>90 080 342</b>	<b>100%</b>

Source: Modular Finance AB as of December 31, 2023 ownership statistics from Holdings, Euroclear Sweden AB and confirmed and/or listed changes by the company.

### Change of listing to Nasdaq Stockholm on 8 December, reverse split 20:1

On 8 December, Copperstone's shares were listed on Nasdaq Stockholm's main market. The shares were previously listed on First North Growth Market, where they have been traded since 2011. Prior to that, the shares were traded on Spotlight Market (formerly Aktietorget) during 2007–2011.

In December, a reverse split was carried out, whereby 20 existing shares in the company have been consolidated into 1 share. The reverse share split was resolved at an extraordinary general meeting on 30 November 2023. The first day of trading after the reverse split was December 13, 2023. After the reverse share split, the number of outstanding shares in the company amounts to 90,080,342, with a quota value of SEK 2.00 per share.

## **FUTURE OUTLOOK**

Copperstone's financial position is solid, with a cash position of just over SEK 266 million at the end of the financial year 2023. Sufficient working capital is expected to be secured for the current year and the beginning of 2025. The Board of Directors' assessment is that Copperstone will be able to use long-term borrowing of approximately 60 percent for future financing of the mine and enrichment plant.

The copper price is relatively stable, albeit slightly increased volatility as a result of recent global uncertainty. Short-term fluctuations in copper prices and exchange rates are not expected to affect the company in the ongoing preparation phase. The price of copper on the London Metal Exchange has risen by about 30 percent over the past five years. In a longer-term perspective, a large demand gap for copper remains. In addition, Copperstone benefits from the trend towards more locally produced minerals as well as a long-term increase in demand from future European customers. In the medium to long term, the demand for responsibly produced copper in the EU is expected to increase further.

## **SIGNIFICANT RISKS AND UNCERTAINTIES**

Mineral exploration is a high-risk activity where only a few of the evaluated projects lead to producing mines. The exploration results are continuously evaluated by the company and there is no guarantee that exploration of mineralization will lead to commercial production in Kiruna, Arvidsjaur or Smedjebacken. There is no guarantee that the Group will be able to generate sufficient funds to finance continued operations. Failure by the Group to generate funds at the right time may result in postponed investigations, reduced or terminated operations. A more detailed description of the Group's risks and uncertainties can be found in the Annual Report for 2022. The Board of Directors believes that the progress made since the Viscaria acquisition was made in 2019 and the intensified development of the project in recent times have significantly reduced the risks.

## **DIVIDEND**

The Board of Directors proposes that no dividend be paid for 2023. Dividends are not expected to be paid until after mining operations have started and the company's earnings and financial position allow it.

This report has not been reviewed by the company's auditors.

**Kiruna, 29 February 2024**

*Jörgen Olsson*  
CEO

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (SEK MILLION)**

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2023	2022	2023	2022
<b>Operating revenue and capitalized expenses</b>				
Capitalized expenditures on exploration and appraisal assets	63,0	53,6	259,5	185,1
Other operating revenue	0,7	0,0	1,2	0,3
<b>Total operating revenue and capital expenditures</b>	<b>63,7</b>	<b>53,6</b>	<b>260,7</b>	<b>185,5</b>
<b>Operating expenses</b>				
Other external costs	-73,2	-49,4	-251,9	-167,0
Employee benefit costs	-12,2	-11,3	-47,2	-32,4
Depreciation and amortization of intangible and tangible assets	1,9	-1,4	-2,8	-5,4
Other operating expenses	-0,2	-0,3	-1,7	-0,8
<b>Total operating expenses</b>	<b>-83,7</b>	<b>-62,4</b>	<b>-303,6</b>	<b>-205,7</b>
<b>Operating profit</b>	<b>-20,0</b>	<b>-8,8</b>	<b>-42,9</b>	<b>-20,2</b>
<b>Financial items</b>				
Financial income	3,1	0,4	7,4	0,4
Financial expenses	7,0	-0,6	5,5	-2,0
<b>Net financial items</b>	<b>10,1</b>	<b>-0,1</b>	<b>12,9</b>	<b>-1,5</b>
<b>Profit before tax</b>	<b>-9,9</b>	<b>-8,9</b>	<b>-30,0</b>	<b>-21,8</b>
Tax on profit for the period	-0,1	-	-0,1	-
<b>Profit for the period and comprehensive income</b>	<b>-10,0</b>	<b>-8,9</b>	<b>-30,1</b>	<b>-21,8</b>
<b>Attributable to:</b>				
Shareholders of the Parent Company	-10,0	-8,9	-30,1	-21,8
<b>Earnings per share - before and after dilution, SEK*</b>	<b>-0,11</b>	<b>-0,12</b>	<b>-0,36</b>	<b>-0,33</b>

\*There are warrant programs and convertible loans that may result in dilution, but since the result for the period is negative, no dilution effect arises. See Note 6 on page 20.

**Number of shares\***

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2023	2022	2023	2022
Average number of shares	90 080 341	72 386 768	83 908 556	66 566 490
Number of shares at the end of the period			90 080 342	76 715 118

\*See also Note 5, Change in share capital.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (SEK MILLION)**

	Note	31-Dec-23	31-Dec-22
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Capitalized expenditures on exploration and appraisal assets	3	899,0	639,5
<b>Total intangible assets</b>		<b>899,0</b>	<b>639,5</b>
<b>Tangible assets</b>			
Mining infrastructure		54,8	2,2
Leasehold improvements		0,6	0,8
Right-of-use assets		5,5	16,7
Equipment, tools and installations		14,5	1,2
Construction in progress and advance payments for tangible assets	4	37,0	58,2
<b>Total tangible</b>		<b>112,3</b>	<b>79,0</b>
<b>Financial assets</b>			
Deferred tax assets		0,0	-
Other long-term receivables		0,2	0,2
<b>Total financial fixed assets</b>		<b>0,2</b>	<b>0,2</b>
<b>Total fixed assets</b>		<b>1 011,5</b>	<b>718,7</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Accounts receivable		-	0,3
Current tax assets		1,2	0,4
Other current receivables		11,9	10,1
Prepaid expenses and accrued income		3,1	5,0
<b>Total current receivables</b>		<b>16,2</b>	<b>15,8</b>
<b>Cash and cash equivalents</b>		<b>266,3</b>	<b>329,2</b>
<b>Total current assets</b>		<b>282,5</b>	<b>345,0</b>
<b>TOTAL ASSETS</b>		<b>1 294,0</b>	<b>1 063,7</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	5	180,2	153,4
Other capital contributions		1 202,5	958,6
Retained earnings including profit for the period		-155,1	-125,5
<b>Total equity</b>		<b>1 227,5</b>	<b>986,6</b>
<b>Non-current liabilities</b>			
Convertible loans	7	14,5	21,6
Leasing liabilities	7	3,2	11,5
<b>Total non-current liabilities</b>		<b>17,7</b>	<b>33,1</b>
<b>Current liabilities</b>			
Accounts payable	7	27,6	24,3
Leasing liabilities	7	2,3	5,3
Other current liabilities		3,9	4,5
Accruals and deferred income		15,1	10,0
<b>Total current liabilities</b>		<b>48,8</b>	<b>44,0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 294,0</b>	<b>1 063,7</b>

**CONSOLIDATED CHANGE IN EQUITY (SEK MILLION)**

	Note	Share capital	Other Contributed capital	Retained profit, incl. profit for the period	Total equity
<b>Opening balance 1-Jan-22</b>	<b>5,6,7</b>	<b>111,7</b>	<b>537,3</b>	<b>-106,6</b>	<b>542,4</b>
Rectification of convertible loan		-	-0,2	-	-0,2
<b>Adjusted opening balance 1-Jan-2022</b>		<b>111,7</b>	<b>537,1</b>	<b>-106,6</b>	<b>542,2</b>
New share issue		20,8	208,1	-	228,9
Issue costs, net after tax		-	-3,7	-	-3,7
Warrants		-	-	4,5	4,5
Profit for the period		-	-	-3,7	-3,7
<b>Closing balans 31-Mar-22</b>		<b>132,5</b>	<b>741,5</b>	<b>-105,9</b>	<b>768,1</b>
New share issue		0,5	4,6	-	5,1
Issue costs, net after tax		-	-0,2	-	-0,2
Convertible loan		-	0,0	-	0,0
Rectification of convertible loan		-	-0,0	-	-0,0
Warrants		-	-	-4,6	-4,6
Profit for the period		-	-	-5,4	-5,4
<b>Closing balans 30-Jun-22</b>		<b>133,0</b>	<b>745,8</b>	<b>-115,8</b>	<b>763,0</b>
Warrants		-	-	2,9	2,9
Profit for the period		-	-	-3,7	-3,7
<b>Closing balans 30-Sep-22</b>		<b>133,0</b>	<b>745,8</b>	<b>-116,6</b>	<b>762,3</b>
New share issue		20,4	214,4	-	234,8
Issue costs, net after tax		-	-1,6	-	-1,6
Rectification of convertible loan		-	0,0	0,0	0,0
Warrants		-	-	-	-
Profit for the period		-	-	-8,9	-8,9
<b>Closing balans 31-Dec-22</b>		<b>153,4</b>	<b>958,6</b>	<b>-125,5</b>	<b>986,6</b>
<b>Opening balance 1-Jan-23</b>	<b>5,6,7</b>	<b>153,4</b>	<b>958,6</b>	<b>-125,5</b>	<b>986,6</b>
Warrants		-	-	0,2	0,2
Convertible loan		0,8	4,3	-	5,1
Rectification of convertible loan		-	-0,1	-	-0,1
Profit for the period		-	-	-7,4	-7,4
<b>Closing balans 31-Mar-23</b>		<b>154,2</b>	<b>962,9</b>	<b>-132,7</b>	<b>984,3</b>
New share issue		24,9	241,1	-	266,0
Issue costs, net after tax		-	-8,4	-	-8,4
Warrants		1,1	6,9	0,2	8,1
Profit for the period		-	-	-8,5	-8,5
<b>Closing balans 30-Jun-23</b>		<b>180,2</b>	<b>1 202,5</b>	<b>-141,1</b>	<b>1 241,6</b>
Warrants		-	-	0,1	0,1
Profit for the period		-	-	-4,2	-4,2
<b>Closing balans 30-Sep-23</b>		<b>180,2</b>	<b>1 202,5</b>	<b>-145,2</b>	<b>1 237,5</b>
Warrants		-	-	0,0	0,0
Profit for the period		-	-	-10,0	-10,0
<b>Closing balans 31-Dec-23</b>		<b>180,2</b>	<b>1 202,5</b>	<b>-155,1</b>	<b>1 227,5</b>

**CONSOLIDATED CASH FLOW (SEK MILLION)**

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2023	2022	2023	2022
<b>OPERATING ACTIVITIES</b>				
Operating result	-20,0	-8,8	-42,9	-20,2
Adjustment for non-cash etc.	1,4	1,2	6,1	5,1
Interest received	3,1	0,4	7,4	0,4
Interest paid	-0,7	-0,6	-2,2	-2,0
Income tax paid	-0,2	-0,4	-0,9	-0,4
<b>Cash flow before changes in working capital</b>	<b>-16,3</b>	<b>-8,1</b>	<b>-32,5</b>	<b>-17,1</b>
Increase/decrease in accounts receivable	-	-0,3	0,3	-0,3
Increase/decrease in other current receivables	-2,3	-7,2	0,1	-8,3
Increase/decrease in accounts payable	2,3	2,9	3,3	6,0
Increase/decrease in other current operating liabilities	2,7	6,9	4,5	3,2
<b>Cash flow from operating activities</b>	<b>-13,7</b>	<b>-5,9</b>	<b>-24,3</b>	<b>-16,5</b>
<b>INVESTING ACTIVITIES</b>				
Investments in exploration and appraisal assets	-63,0	-53,6	-259,5	-185,1
Investments in tangible assets	-12,1	-29,3	-49,6	-60,2
Sale of tangible assets	0,1	-	0,1	0,0
Change in financial assets	-	-	-	0,1
<b>Cash flow from investing activities</b>	<b>-75,1</b>	<b>-82,9</b>	<b>-309,1</b>	<b>-245,2</b>
<b>FINANCING ACTIVITIES</b>				
New share issue	-	233,2	257,6	463,3
Warrants	0,0	-	8,5	2,9
New/utilized loans	-	-	5,6	5,5
Amortisation of lease liabilities	2,6	-1,1	-1,2	-5,0
<b>Cash flow from financing activities</b>	<b>2,6</b>	<b>232,1</b>	<b>270,5</b>	<b>466,6</b>
<b>Cash flow for the period</b>	<b>-86,1</b>	<b>143,3</b>	<b>-62,8</b>	<b>204,9</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>352,4</b>	<b>185,9</b>	<b>329,2</b>	<b>124,3</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>266,3</b>	<b>329,2</b>	<b>266,3</b>	<b>329,2</b>



**PARENT COMPANY INCOME STATEMENT (SEK MILLION)**

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2023	2022	2023	2022
<b>Operating revenue and capitalized expenditures</b>				
Capitalized expenditures on exploration and appraisal assets	0,9	1,2	3,1	7,9
Other operating revenue	3,0	3,2	11,8	8,3
<b>Total operating revenue and capitalized expenditures</b>	<b>3,9</b>	<b>4,5</b>	<b>14,9</b>	<b>16,2</b>
<b>Operating expenses</b>				
Other external costs	-13,4	-7,9	-32,6	-24,7
Personnel costs	-5,2	-5,2	-19,5	-11,2
Depreciation and amortization of intangible and tangible assets	-0,0	-0,0	-0,0	-0,0
Other operating expenses	-0,2	-0,0	-0,2	-0,1
<b>Total operating expenses</b>	<b>-18,9</b>	<b>-13,2</b>	<b>-52,3</b>	<b>-36,0</b>
<b>Operating income</b>	<b>-15,0</b>	<b>-8,8</b>	<b>-37,5</b>	<b>-19,8</b>
<b>Financial items</b>				
Write down of shares in group companies	-0,5	-	-0,5	-
Other interest income and similar profit/loss items	2,7	0,4	6,9	0,4
Interest expenses and similar profit/loss items	6,7	-0,4	5,8	-1,1
<b>Total financial items</b>	<b>8,9</b>	<b>0,0</b>	<b>12,3</b>	<b>-0,7</b>
<b>Profit before tax</b>	<b>-6,1</b>	<b>-8,7</b>	<b>-25,2</b>	<b>-20,5</b>
<b>Profit for the period and comprehensive income</b>	<b>-6,1</b>	<b>-8,7</b>	<b>-25,2</b>	<b>-20,5</b>

PARENT COMPANY BALANCE SHEET (SEK MILLION)	Note	31-Dec-23	31-Dec-22
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Capitalized expenditures on exploration and appraisal assets	3	72,9	69,9
<b>Total intangible assets</b>		<b>72,9</b>	<b>69,9</b>
<b>Tangible assets</b>			
Equipment, tools and installations		-	0,1
<b>Total tangible assets</b>		<b>-</b>	<b>0,1</b>
<b>Financial assets</b>			
Participations in Group companies		226,7	227,2
Other non-current receivables		0,0	0,0
<b>Total financial assets</b>		<b>226,8</b>	<b>227,2</b>
<b>Total fixed assets</b>		<b>299,7</b>	<b>297,2</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from Group companies		704,1	409,8
Current tax receivables		0,9	0,4
Other current receivables		2,1	0,5
Prepaid expenses and accrued income		1,3	0,4
<b>Total current receivables</b>		<b>708,3</b>	<b>411,0</b>
<b>Cash and cash equivalents</b>		<b>237,4</b>	<b>297,1</b>
<b>Total current assets</b>		<b>945,8</b>	<b>708,1</b>
<b>TOTAL ASSETS</b>		<b>1 245,5</b>	<b>1 005,3</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	5	180,2	153,4
Fund for development reserve		53,8	50,8
<b>Total restricted equity</b>		<b>234,0</b>	<b>204,2</b>
<b>Non-restricted equity</b>			
Share premium reserve		1 195,9	952,0
Retained earnings		-197,6	-174,0
Profit for the period		-25,2	-20,5
<b>Total non-restricted equity</b>		<b>973,1</b>	<b>757,5</b>
<b>Total equity</b>		<b>1 207,1</b>	<b>961,7</b>
<b>Non-current liabilities</b>			
Convertible loans		14,5	21,6
<b>Current liabilities</b>			
Accounts payable		3,8	2,6
Liabilities to Group companies		14,5	14,5
Current tax liabilities		-	-
Other current liabilities		2,1	3,0
Accrued expenses and deferred income		3,5	1,9
<b>Total current liabilities</b>		<b>23,9</b>	<b>22,0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 245,5</b>	<b>1 005,3</b>

#### NOTE 1 ACCOUNTING AND VALUATION PRINCIPLES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board RFR 1 and, for the Parent Company, RFR 2. The same accounting principles and calculation methods were used in the 2022 annual report.

New and amended standards applied by the Group

The new and amended standards applicable to financial years beginning January 1, 2023 have not had any material impact on the Group's financial statements.

New and amended standards not yet applied by the Group

A number of new standards and interpretations enter into force for financial years beginning after 1 January 2023 and later and have not been applied in the preparation of this financial report.

In connection with the preparation of the financial statements as of 2023-06-30, an error has been noted in the calculation of present value regarding convertible loans, which has been corrected in this report. The comparative figures have been restated.

During the fourth quarter of 2023, the Company conducted an in-depth analysis of IFRS 6, Exploration and evaluation of mineral resources, and its delineation to IFRS 16, Leases, which has led to some revaluation between Lease assets and exploration assets. The adjustment entails reduced Lease assets and corresponding liabilities of approximately SEK 16 million. The revaluation will not have any significant impact on earnings.

The company has calculated the present value of convertible bonds during the fourth quarter of 2023, compared with the previous value that was recorded at the nominal amount. This reduces the reported net debt by approximately SEK 8 million and has a positive impact on net interest income by the same amount.

The Group has issued warrants to the Board of Directors, senior executives, and key employees. Fair value has been paid for the warrants, and the premium is reported as retained earnings. The holder can only receive shares upon redemption. Upon exercise of the options, the exercise price will be reported against equity.

For a more detailed description of the accounting and valuation principles applied to the consolidated financial statements and to the Parent Company in this interim report, see the Annual Report 2022.

#### NOTE 2 RELATED-PARTY TRANSACTIONS

TSEK	Supplier	Related	Jan-Dec 2023	Jan-dec 2022
Carpentry services	Åkerström Bygg & Inredning AB	Deputy CEO Anna Týni	251	290
Apartment rental	Joheco AB	CEO Jörgen Olsson	277	-
<b>Total</b>			<b>528</b>	<b>290</b>

Approval has been resolved in accordance with the company's policy for related-party transactions.

**NOTE 3 CAPITALIZED EXPENSES RELATED TO EXPLORATION AND APPRAISAL ASSETS**

<b>Group</b> <b>SEK million</b>	<b>31-Dec-2023</b>	<b>31-dec-2022</b>
<b>Opening balance</b>	<b>658,7</b>	<b>473,6</b>
Capitalized expenses for the year	259,5	185,1
Closing balance accumulated cost	918,2	658,7
Opening balance amortisation	-0,5	-0,5
Closing balance accumulated amortisation	-0,5	-0,5
Opening balance impairment	-18,7	-18,7
Closing balance accumulated impairment	-18,7	-18,7
<b>Closing balance residual value according to plan</b>	<b>899,0</b>	<b>639,5</b>

During the year, continued preparations have been carried out with the goal of starting up the Viscaria mine. The fourth quarter continued to focus on the intensive exploration work that has been going on during the year and an additional nearly 10,000 meters of core drilling was carried out during the period. A total of 62,000 meters were drilled in the Viscaria area during the year, which contributes to increased knowledge of the deposit. Costs for drilling and analysis corresponded to just under half of the year's capitalized expenditures. Feasibility studies relating to dams, process water, water treatment and preparatory logistics work are part of capitalized expenditure. The same applies to the enrichment process, where the development of flow charts and the implementation of tests are essential parts of preparatory work.

<b>Parent Company</b> <b>SEK million</b>	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>
<b>Opening balance</b>	<b>69,9</b>	<b>62,0</b>
Capitalized expenses for the year	3,1	7,9
Closing balance accumulated cost	72,9	69,9
<b>Closing balance residual value according to plan</b>	<b>72,9</b>	<b>69,9</b>

Capitalized expenses in the Parent Company are mainly attributable to continued work on the deposits in Arvidsjaur in line with the project development.

**NOTE 4 CONSTRUCTION IN PROGRESS AND ADVANCES ON PROPERTY, PLANT AND EQUIPMENT**

<b>Group</b> <b>SEK million</b>	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>
<b>Opening balance</b>	<b>58,2</b>	<b>-</b>
Capitalized expenses for the year	48,1	60,0
Reclassification	-69,3	-1,8
<b>Closing balance accumulated cost</b>	<b>37,0</b>	<b>58,2</b>

During the year, the new bridge was put into operation and activated, which is the company's passage into the Viscaria area. The company's first water treatment plant, the pilot plant, is also in operation and has been activated during the year. At the end of the fourth quarter, new construction in progress mainly consisted of investments linked to infrastructure, such as increased capacity for water treatment and the construction of electric power plants.

**NOTE 5 CHANGES IN SHARE CAPITAL**

During the period, 3 convertible debentures totaling SEK 5 million were converted. The conversions took place on 1 March 2023 at prices of SEK 0.57 per share corresponding to 1,754,385 shares, SEK 0.60 per share corresponding to 3,333,333 shares and SEK 0.74 per share corresponding to 2,702,702 shares. During the second quarter, the Group's incentive programs "2020/2023 Board of Directors" and "2020/2023 Management and key personnel" expired and in connection with that, warrants were exercised corresponding to 10,915,918 shares and a share capital corresponding to SEK 1,092 thousand. In addition, a directed share issue of a total of 248,598,130 shares was carried out at a subscription price of SEK 1.07 per share. During the fourth quarter, the number of shares was changed because of a reverse share split. As a result of the reverse share split, 20 existing shares were consolidated into one (1) new share. At the end of the period, the number of shares amounted to 90,080,342.

Share capital development	Number of shares	Share capital, KSEK
<b>Opening 1 January 2023</b>	<b>1 534 302 356</b>	<b>153 430</b>
Change during the year:		
Conversion loan	7 790 420	779
Redemption of warrants	10 915 918	1 092
New share issue	248 598 146	24 860
Reverse split of shares	-1 711 526 498	-
<b>Closing 31 December 2023</b>	<b>90 080 342</b>	<b>180 161</b>

**NOTE 6 COPPERSTONE WARRANT PROGRAM**

At the Annual General Meeting on 11 May 2023, it was resolved to implement incentive programs 2023/2027:1 and 2023/2027:2 in the form of warrants to the then executive chairman of the board, now CEO, as well as to senior executives and key employees. The warrants have a ratio of 20:1, i.e. with the support of 20 warrants, one (1) new share can be subscribed for an exercise price of SEK 42.80. Subscription can be made up to and including 19 May 2027. The valuation of the program has been made using the Black & Scholes valuation model. In May 2023, the subscription period for incentive programs "2020/2023 The Board of Directors" and "2020/2023 Management and key employees" expired and 10,915,918 warrants corresponding to 10,915,918 shares were exercised. Approximately SEK 8 million was raised to the company through the exercise of the option program.

<b>2021/2024:1 Management and key personnel</b>	Number of shares	Strike price	Exercise until	SEK if exercised
Other key personnel and employees	404 000	25,40	2024-12-20	10 261 600
<b>Total</b>	<b>404 000</b>			<b>10 261 600</b>

<b>2021/2024:2 Board of Directors</b>	Number of shares	Strike price	Exercise until	SEK if exercised
Jörgen Olsson	150 000	25,40	2024-12-20	3 810 000
Markus Petäjaniemi (via Lemape AB)	62 500	25,40	2024-12-20	1 587 500
Lars Seiz	164 000	25,40	2024-12-20	4 165 600
Jane Lundgren Ericsson	100 000	25,40	2024-12-20	2 540 000
Sven-Erik Bay	100 000	25,40	2024-12-20	2 540 000
Former Board Member	36 000	25,40	2024-12-20	914 400
<b>Total</b>	<b>612 500</b>			<b>15 557 500</b>

<b>2022/2025:1 Management and key personnel</b>	Number of shares	Strike price	Exercise until	SEK if exercised
Other key personnel and employees	255 500	33,00	2025-12-18	8 431 500
<b>Total</b>	<b>255 500</b>			<b>8 431 500</b>

<b>2022/2025:2 Board of Directors</b>	<b>Number of shares</b>	<b>Strike price</b>	<b>Exercise until</b>	<b>SEK if exercised</b>
Jörgen Olsson	250 000	33,00	2025-12-18	8 250 000
Markus Petäjaniemi (via Lemape AB)	37 500	33,00	2025-12-18	1 237 500
Lars Seiz	100 000	33,00	2025-12-18	3 300 000
Jane Lundgren Ericsson	100 000	33,00	2025-12-18	3 300 000
Ing-Marie Andersson Drugge	25 000	33,00	2025-12-18	825 000
Michael Mattsson (former board member)	19 057	33,00	2025-12-18	628 865
<b>Total</b>	<b>531 557</b>			<b>17 541 365</b>

<b>2022/2025:1 Former CEO, board member</b>	<b>Number of shares</b>	<b>Strike price</b>	<b>Exercise until</b>	<b>SEK if exercised</b>
Henrik Ager	50 000	33,00	2025-12-18	1 650 000
<b>Total</b>	<b>50 000</b>			<b>1 650 000</b>

<b>2022/2026 Management and key personnel</b>	<b>Number of shares</b>	<b>Strike price</b>	<b>Exercise until</b>	<b>SEK if exercised</b>
Other key personnel and employees	100 000	40,00	2026-05-29	4 000 000
<b>Total</b>	<b>100 000</b>			<b>4 000 000</b>

<b>2023/2027:1 Management and key personnel</b>	<b>Number of shares</b>	<b>Strike price</b>	<b>Exercise until</b>	<b>SEK if exercised</b>
Other key personnel and employees	248 000	42,80	2027-05-19	10 614 400
<b>Total</b>	<b>248 000</b>			<b>10 614 400</b>

<b>2023/2027:2 Management and key personnel</b>	<b>Number of shares</b>	<b>Strike price</b>	<b>Exercise until</b>	<b>SEK if exercised</b>
Jörgen Olsson	125 000	42,80	2027-05-19	5 350 000
<b>Total</b>	<b>125 000</b>			<b>5 350 000</b>

#### **Future possible dilution 2024–2027**

<b>Total proceeds (SEK) to Copperstone at full exercise of warrants</b>	<b>73 406 365</b>
Total possible dilution (warrants), number of shares	2 326 557
Total possible dilution (convertible loans), number of shares	920 505
Total number of outstanding shares in Copperstone	90 080 342
<b>Total possible dilution from warrants and convertibles, %</b>	<b>3,48%</b>

#### NOTE 7 MATURITY ANALYSIS

On February 9, 2023, Norrlandsfonden invested SEK 5.6 million in Copperstone via a convertible bond. The convertible bond matures on 31 December 2028 if conversion has not taken place before that date and have an annual interest rate of STIBOR 90 + 5% and a conversion price of SEK 32.20 per share (recalculated after reverse split). For further information about Norrlandsfonden's convertible bonds in Copperstone, see the annual report for 2022.

The table below shows the maturities of the Group's financial liabilities as of the balance sheet date. Interest payments are included. The amounts reflect the agreed undiscounted cash flows, which may differ from the carrying amounts of the liabilities at the balance sheet date.

The Group, SEK thousand					
As of 31 Dec 2023	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Convertible loan	528	1 583	2 111	21 278	5 081
Lease liabilities	737	1 909	1 819	1 654	-
Accounts payable and other liabilities	27 576	-	-	-	-

#### NOTE 8 LEASE

Group, SEK million	31-Dec-2023	31-Dec-2022
Lease liabilities presented in the balance sheet are as follows:		
Long-term lease liabilities	3,2	11,5
Current lease liabilities	2,3	5,3
<b>Total lease liabilities</b>	<b>5,5</b>	<b>16,8</b>

#### NOTE 9 SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Copperstone initiates a feasibility study to ensure a complete basis for future financing and project planning.
- The main hearing in the Land and Environment Court at Umeå District Court was held on January 30 - February 21 to handle Copperstone's application for a permit under the Environmental Code. Judgment will be given on April 22, 2024 at 13.00.
- Upgrading of the mineral resources in Arvidsjaur.

#### NOTE 10 KEY METRICS

Copperstone does not present any key performance measures that have not been defined in accordance with IFRS in this interim report.

## GLOSSARY

**Competent person** – An expert in reporting of mineral assets and member of an independent expert organization, for example FAMMP (Fennoscandian Association for Metals and Minerals Professionals).

**Core drilling** - Rotary drilling used to extract a core from the bedrock.

**Drill core** - Cylindrical sample of rock obtained during drilling.

**Enrichment** - Process in which the concentration of the valuable mineral is increased, for example copper.

**Environmental permit** - Permit under the Environmental Code to conduct mining and ore processing.

**Exploration** - The exploratory work of looking for natural resources, such as mineralisation.

**Exploration permit** - The exclusive right to explore the bedrock in the permit area, with the purpose of finding mineral deposits.

**Feasibility study** – A Comprehensive technical and economic study of selected development options for a mineral project, including detailed appraisals and financial analysis. A feasibility study forms the basis for financing decisions.

**JORC** - An Australian standard for reporting mineral resources and mineral reserves to the stock market and other stakeholders.

**Magnetite** - Shiny, black, highly magnetic mineral with the chemical composition  $Fe_3O_4$ .

**Mineralisation** - Concentration of potentially economically interesting minerals in the bedrock.

**Mineral reserves** - Mineral reserves are the portion of measured and/or indicated mineral resource that are considered to be economically recoverable. Mineral reserves are divided into probable or proven resources depending on the level of knowledge.

**Mineral resources** - Concentration or occurrence of mineral in or on the earth's crust in such quantities and of such form, quality and quantity that it has reasonable prospects for eventual economic extraction. Mineral resources have classes of inferred, indicated, and measured depending on the degree of knowledge about the mineralisation.

**Ore** – Previously a term for mineralisation that can be explored for economic gain, see also “mineral reserves” above.

**PERC** – Standard for reporting of mineral resources etc published by The Pan-European Reserves and Resources Reporting Committee (PERC).

**Processing concession** - Permission to process (mine) a deposit. The licence is often limited to 25 years. In order to mine, an environmental licence must also be applied for from the Land and Environment Court.



## PRESENTATION OF THE YEAR-END REPORT

A live presentation of the fourth quarter and year-end report 2023 will be held today, Thursday 29 February, at 09.30 CET. The report will be presented by CEO Jörgen Olsson and CFO Frida Keskitalo. The presentation will be held in Swedish and will also include a Q&A session.

The live presentation can be accessed via the link: <https://youtube.com/live/Lc7G7FtCKbw?feature=share>

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### Financial calendar

15 April, 2024	Annual Report 2023
7 May, 2024	Interim Report January – March 2024
7 May, 2024	Annual General Meeting 2024
15 August, 2024	Half-year report 2024
8 November, 2024	Interim Report January – September 2024

This information was submitted for publication at 07.30 CET on 29 February 2024

### About Copperstone

Copperstone Resources AB is a company that is scaling up to become a modern and responsible producing mining company through the reopening of the Viscaria mine in Kiruna. The deposit's high copper grade, assessed mineral resources, geographical location and growing team of experienced employees provide good conditions for Copperstone to become an important supplier of high-quality and responsibly produced copper - a metal that has a central role in Sweden's and Europe's climate transition towards an electrified society. In addition to the Viscaria mine, Copperstone holds a number of processing concessions and exploration permits in Arvidsjaur (Eva, Svartliden, Granliden) and Smedjebacken (Tvistbogruvan) - all in Sweden. The Parent Company's shares are listed on Nasdaq Stockholm Main Market (ticker COPP).

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