

# Copperstone completes a directed share issue of 248,598,130 shares, raising proceeds of approximately SEK 266 million

**Copperstone Resources AB (publ) (“Copperstone” or the “Company”) has, based on the authorisation from the annual general meeting on 11 May 2023, resolved to carry out a directed share issue of 248,598,130 shares at a subscription price of SEK 1.07 per share (the “Share Issue”). The subscription price has been determined through an accelerated bookbuilding procedure performed by Skandinaviska Enskilda Banken AB (“SEB”).**

The bookbuilding procedure that was announced by the Company earlier today has been completed and Copperstone’s Board of Directors has resolved to carry out a directed issue of 248,598,130 shares, at a subscription price of SEK 1.07 per share, consequently raising proceeds of approximately SEK 266 million before transaction costs, and approximately SEK 258 million after transaction costs. A number of institutional investors have subscribed for shares in the Share Issue, among these Skandia, Handelsbanken Fonder and Fjärde AP-fonden (AP4), and a number of existing shareholders, such as Thomas von Koch, Jan Ståhlberg and RoosGruppen AB.

After the Share Issue, the total number of shares in Copperstone will amount to 1,801,606,824. The Company intends to use the proceeds from the Share Issue to enable continued investments ahead of the re-opening of the Viscaria mine in Kiruna.

**Jörgen Olsson, Chairman of the Board of Directors of Copperstone, comments:**

*“We are very proud to have attracted substantial institutional interest in this transaction. We welcome the new owners Skandia, Fjärde AP-fonden (AP4) and Handelsbanken Fonder as owners and look forward to the increased support to restart the Viscaria mine which, when fully operational, will increase the Swedish production of copper concentrate by more than 30 per cent.”*

**Henrik Ager, Copperstone Chief Executive Officer, comments:**

*“We are grateful for the support from old and new owners, and would especially like to welcome Handelsbanken Fonder, Fjärde AP-fonden (AP4) and Skandia as new owners. Copperstone has a great opportunity to tap into the growing global demand for responsibly and locally produced copper. Our extended group of owners will provide valuable support, especially for the future financing when we secure the environmental permit. The Share Issue strengthens our financial position and allows for a sustained high pace of planning with the goal to minimize the timeframe for the reopening of the Viscaria mine in Kiruna.”*

**Skandia comments:**

*“We are impressed by the ambitious permit application and the competence of the Company. Europe imports more than 50 per cent of all copper we consume. The demand for responsibly and locally sourced critical metals is clearly increasing, and here Copperstone can make a difference in an important base metals industry project for Sweden and Europe.”*

As the Company aims to obtain the environmental permit for the Viscaria mine in early 2024, the Company's need to secure financing for the restart of the Viscaria mine increases. As previously announced, the financing for the restart of the Viscaria mine is estimated to consist of 60 per cent debt financing and 40 per cent new equity, totalling SEK 4.5 – 5 billion.

In accordance with previous communication, it is Copperstone's intention to carry out a larger capital raise in connection with the Company obtaining an environmental permit for the Viscaria mine. The Board assesses that the future need for capital requires a broadening of the ownership base with additional well capitalised shareholders that can support the Company in the long-term. Through the Share Issue, the Company will receive more long-term, well capitalised institutional shareholders, that also are deemed to have financial capabilities to support the Company with capital in future capitalisations. Among these new institutional shareholders, there has been a preference for additional investments from certain existing shareholders, who therefore have been given the opportunity to increase their investments. In parallel with the capital raise through the issuance of new shares, the Company is also engaged in ongoing discussions with potential debt financiers. These financiers seek a larger share of long-term institutional ownership in the Company in order to enable the desired debt financing. Therefore, one of the goals of the Share Issue is to facilitate the debt financing process, which the Company will rely on to restart the Viscaria mine, and which process needs to be prepared well in advance of obtaining the environmental permit. The Board's overall assessment is that the reasons for carrying out a directed new share issue at this time, and in this way, and thereby ensuring a broadening of the ownership base and strengthened capitalisation even before the environmental permit is obtained, outweigh the reasons that justify the main rule of issuing shares with preferential rights for existing shareholders. Thus, the Board assesses that a new share issue with a deviation from the shareholders' preferential rights is in the interest of the Company and all shareholders. As the subscription price in the Share Issue was determined through a bookbuilding procedure, the Board of Directors assesses that the subscription price is on market terms, such that it reflects prevailing market conditions and investor demand. The subscription price in the Share Issue corresponds to a discount of 15.3 per cent relative to the closing price on 20 June 2023.

The Share Issue entails an increase in the number of shares in Copperstone from 1,553,008,694 shares to 1,801,606,824 shares. The Company's share capital increases from SEK 155,300,869.40 to SEK 180,160,682.40. The Share Issue implies a dilution of approximately 13.8 per cent in relation to the total number of outstanding shares and voting rights in the Company after the Share Issue.

In connection with the Share Issue, the Company has undertaken, subject to customary exceptions, not to issue additional shares during a period of 90 calendar days from the settlement date. In addition, the Company's Chairman of the Board of Directors, the Board member Per Colleen, the Company's Chief Executive Officer and the Company's largest shareholder Thomas von Koch, via holding company, have agreed, subject to customary exceptions, not to sell any shares in Copperstone during a period of 180 calendar days from the settlement date.

## **Advisors**

SEB is the financial advisor and Hannes Snellman Advokatbyrå AB is the legal advisor to the Company. Advokatfirman Cederquist KB is the legal advisor to SEB.

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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.

**Important information**

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*This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of 14 June 2017 and its delegated and implemented regulations (the “**Prospectus Regulation**”) and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorised any offer to the public of securities in any member state of the EEA and no prospectus has been or will be prepared in connection with the Share Issue. In any EEA member state, this communication is only addressed to “qualified investors” in that member state within the meaning of the Prospectus Regulation.*

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*An investment decision in view of the Share Issue must be made on the basis of all publicly available information relating to the Company and the issued shares. The information contained in this press release is for background purposes only and does not purport to be full or complete. No reliance may thus be placed by an investor on the information in this press release or its accuracy or completeness. This press release does not intend to identify the risks (direct or indirect) associated with an investment in the Company or the issued new shares.*

## **FORWARD-LOOKING STATEMENTS**

*This press release contains forward-looking statements relating to the Company’s intentions, assessments or expectations about the Company’s future results, financial position, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that do not relate to historical facts and may be identified by the inclusion of words such as “consider”, “expect”, “intend”, “estimate”, “anticipate”, “estimate”, “will”, “can”, “presume”, “should”, “could” and, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, it cannot be guaranteed that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ*



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### **INFORMATION TO DISTRIBUTORS**

In order to comply with the product governance requirements contained in: (a) Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as consolidated, ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593, which complements MiFID II; and (c) national implementing measures (together, the "**MiFID II Product Governance Requirements**") and to disclaim any extra-contractual, intra-contractual or other liability to which any "manufacturer" (within the meaning of the MiFID II Product Governance Requirements) may otherwise be subject, the shares of Copperstone have been subject to a product approval process, which has determined that those shares are: (i) suitable for a target market consisting of retail investors and investors meeting the criteria of professional clients and eligible counterparties, as defined in MiFID II; and (ii) suitable for distribution through all distribution channels permitted under MiFID II (the "**EU Target Market Assessment**"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "**UK Target Market Assessment**" and, together with the EU Target Market Assessment, the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Copperstone may decline and investors could lose all or part of their investment; the shares in Copperstone offer no guaranteed income and no capital protection; and an investment in the shares in Copperstone is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Share Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, SEB will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Copperstone.



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*Each distributor is responsible for undertaking its own target market assessment in respect of the shares in the Company and determining appropriate distribution channels.*

*This information is information that Copperstone Resources is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-06-21 00:20 CEST.*

**Attachments**

[Copperstone completes a directed share issue of 248,598,130 shares, raising proceeds of approximately SEK 266 million](#)