

Copperstone Resources

From exploration to mining

- Turning exploration into mining
- Viscaria asset could have attractive growth potential
- Fair value range of SEK 0.7-2.6 per share

Potential for long-term growth

Copperstone Resources is a mineral exploration company with significant copper resources in northern Sweden. The company plans to transform itself into a mining company, with first copper production scheduled in late 2023. With experienced management, high-quality assets and a plan in place to receive the environmental permit for its Viscaria mine, we believe that Copperstone could be poised for success. Its location in a geologically attractive area, with well-developed infrastructure, favourable taxation and political stability, provides capex advantages and opex savings. However, the Viscaria mine is at an early stage, with a list of challenges to overcome before production is up and running. These include an environmental permit, financing and technical/infrastructure issues. Approximately SEK 1.5bn in total capital will be needed before the start of production (60% debt and a maximum of 40% in equity).

Attractive potential in end markets

The copper market should be solid in the medium to long term, with exposure to high-growth markets such as electrical vehicles (EVs) and Li-ion battery manufacturing. This is aided by historically high prices and rising overall demand. When also factoring in the potential represented by new segments, we believe that copper prices are likely to perform solidly over the next decade. Consequently, Copperstone's assets are exposed to good pricing fundamentals.

Fair value range of SEK 0.7-2.6 per share

In this report, we conduct a review of comparable porphyry (igneous rock) companies. Based on our findings, our view of the market, and using a sum-of-the-parts (SOTP) weighted relative approach, we derive what we believe is a fair valuation range of SEK 0.7-2.6 per share. The potential upside is likely to come from progress towards successful copper production. The main risks include financing, environmental permits, and/or any problems towards production.

Analyst(s): Ofelia Aspemyr
Olof Cederholm

SEKm	2018	2019	2020e	2021e	2022e
Sales	0	0	0	0	0
EBITDA	-5	-11	-55	-71	-60
EBITDA margin (%)	nm	nm	nm	nm	nm
EBIT adj	-5	-12	-55	-71	-60
EBIT adj margin (%)	nm	nm	nm	nm	nm
Pretax profit	-0	-15	-57	-76	-80
EPS rep	-0.00	-0.03	-0.09	-0.12	-0.13
EPS adj	-0.00	-0.03	-0.09	-0.12	-0.13
Sales growth (%)	-100.0	na	na	na	na
EPS growth (%)	94.9	nm	-242.4	-33.5	-6.1

Source: ABG Sundal Collier, Company data

Reason: Initiating coverage

Company sponsored research

Not rated

Share price (SEK) 23/10/2020 0.8
Fair value range (per share) 0.7-2.6

Metals & Mining, Sweden
COPPB.ST/COPPB SS

MCap (SEKm) 496
MCap (EURm) 48
Net debt (EURm) 3

No. of shares (m) 641
Free float (%) 73
Av. daily volume (k) 17

Next event Q3 report: 20 Nov

Performance



1m 3m 12m
Absolute (%) -14.1 -12.6 66.5
OMX STH PI (%) 1.9 5.8 11.3

Source: FactSet

	2020e	2021e	2022e
P/E (x)	-8.4	-6.3	-5.9
P/E adj (x)	-8.4	-6.3	-5.9
P/BVPS (x)	1.81	2.06	2.57
EV/EBITDA (x)	-0.6	-1.0	-6.4
EV/EBIT adj (x)	-0.6	-1.0	-6.4
EV/sales (x)	nm	nm	nm
ROE adj (%)	-21.0	-29.3	-36.9
Dividend yield (%)	nm	nm	nm
FCF yield (%)	-17.0	-15.7	-72.9
Lease adj. FCF yld (%)	nm	nm	nm
Net IB debt/EBITDA	-0.6	-1.0	-6.4
Lease adj. ND/EBITDA	-0.5	-0.9	-6.3

Please refer to important disclosures at the end of this report

This research product is commissioned and paid for by the company covered in this report. As such, this report is deemed to constitute an acceptable minor non-monetary benefit (i.e. not investment research) as defined in MiFID II.

Company description

Copperstone Resources AB ("Copperstone") is a Swedish mineral exploration company with a focus on base and precious metals. The company has made a copper discovery in Arvidsjaur and acquired the Viscaria copper project in the recognised mining district of Kiruna in northern Sweden, and now targets becoming a metal production company, with the ambition to achieve first production by H2'23. The stock has been listed on the Nasdaq First North Growth Market since 2011, with c. 8,900 shareholders.

Risks

Weaker demand for Cu in the global market. Protracted process of obtaining acceptance from the land- and environmental permit. Higher than expected costs.

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Summary

With this report we initiate coverage of Copperstone Resources (“Copperstone”), listed on Nasdaq First North Growth Market Stockholm. As an exploration company in the fast-growing copper market, we expect Copperstone to succeed in its ambition to become a metal producer, if the company: 1) receives an environmental permit for its Viscaria project in the north of Sweden, 2) is able to raise sufficient financing, and 3) manages to execute on its mining plans. Our primary concerns relate to the lack of funding and permit; a junior mining company is naturally involved in activities with a high level of uncertainty.

Copperstone describes itself as an exploration company, and we assess that it has proven its ability to identify and develop copper resources. The company’s Viscaria project is located in an attractive mining area with well-developed infrastructure, favourable taxation and political stability, which provides capex advantages and opex savings. We believe that Copperstone’s operations could expand over time given that Viscaria receives an environmental permit and can enter production in H2’23. According to management, the company aims to start at least one producing mine within 3-5 years, and to grow through exploration and acquisitions. We believe this strategy can create shareholder value, as we have seen among industry peers.

A brief overview

According to the PERC reporting standard,¹ Copperstone’s project portfolio includes c.724,000t of measured, indicated and inferred copper mineral resources in northern Sweden. The Viscaria project accounts for the majority of Copperstone’s portfolio. It includes an above-average ore grade of c.1.2% copper equivalent (Cu) and is, according to the company, estimated to produce 22,000-23,000t of copper concentrate annually, making it the most essential asset for the company.

Mineral resources overview

PERC 2017 (Viscaria JORC 2012)	Measured			Indicated			Inferred			Exploration target		
	Mineral resources (Mt)	Cu grade	Cu (kt)	Mineral resources (Mt)	Cu grade	Cu (kt)	Mineral resources (Mt)	Cu grade	Cu (kt)	Mineral resources (Mt)	Cu grade	Cu (kt)
Viscaria	14.5	1.7%	242	19.2	1.1%	212	18.7	0.8%	156	0	0	0
Granliden	0.0	n.a.	n.a.	0	n.a.	n.a.	16.9	0.4%	74	150-210	0.25-0.45%	375-945
Svartliden	0.0	n.a.	n.a.	0	n.a.	n.a.	9.4	0.4%	40	0	0	0
Total	14.5		242	19.2		212	45		270	150-210		375-945

	Total Copper Resources, (kt)		Total Copper Value, SEKm	
Measured	242		14,421	
Measured + Indicated	454		27,055	
Measured + Indicated + Inferred	724		43,111	
Measured + Indicated + Inferred + Exploration target (low)	1,099		65,443	
Measured + Indicated + Inferred + Exploration target (high)	1,669		99,388	

Source: ABG Sundal Collier, company data

Copperstone’s operations are strategically located close to mines and existing infrastructure, including roads, railways and electricity. We believe that having functioning infrastructure nearby is essential for opex savings and to limit future capex needs. The operations also benefit from Sweden’s political stability, good tax visibility compared with other countries, and proximity to other porphyry deposits. Boliden’s Laver and Aitik are two such areas, and Aitik is the largest open-pit mine in Europe, with a production capacity of 45 Mton/year, and an average CuEq of

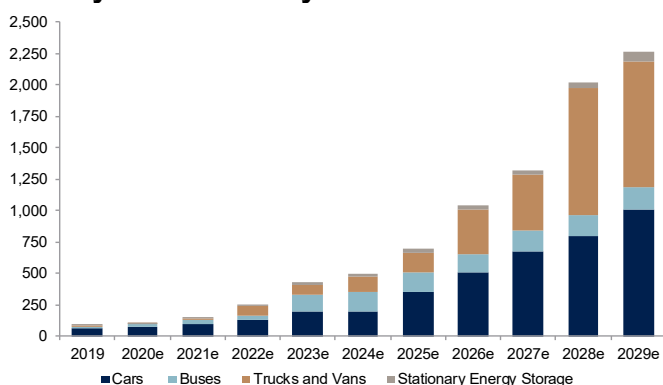
¹ International reporting codes for exploration results, see URL <https://mrmr.cim.org/en/links/international-reporting-codes-for-exploration-results-mineral-resources-and-reserves-definitions/>

0.25% and a gold grade of 0.15 g/t. In addition, the copper and lead smelter Boliden Rönnskär has its plant nearby, and could be a customer for Copperstone's future output.

The green trend could support copper prices

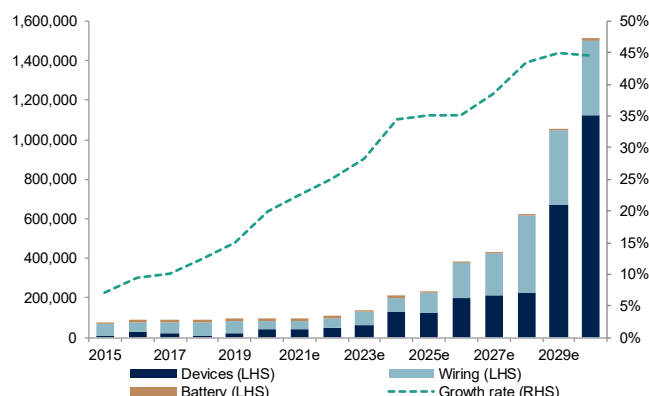
Copper is easily stretched, moulded, and shaped. In addition, it is an efficient conductor of both heat and electricity. All of these factors are essential for most electrical applications, and make copper components ideal for automobiles in all climates. As such, demand for copper in cars and batteries is increasing. Compared with other metals, copper at USD 0.20/oz is cheaper than silver at USD 24.58/oz and gold at USD 1,902/oz. Hence, it is by far the most affordable option for electrical wiring, is fully recyclable, and is nearly as conductive as the most conductive metal, silver.

Copper demand (Kton) in energy storage for mobility and stationary 2019-2029e



Source: ABG Sundal Collier, International Copper Association ("ICA")

Copper demand in smart home applications



Source: ABG Sundal Collier, International Copper Association ("ICA")

An experienced team

We believe that Copperstone is managed by an appropriately experienced team. Michael Mattsson, the company's CEO since 2015, has substantial experience in mergers and acquisitions, IPOs, rights-issues and fund management from Enskilda Securities, Blackstone and Kaupthing. Jörgen Olsson, Copperstone's chairman since its AGM in 2020, has an extensive track record in building company cultures, financing, and profitable growth (he was Chairman and CEO of Hoist Finance, and grew that company to 1,700 employees).

In 2020, Copperstone recruited Anna Tyni, as its site manager for Viscaria. Tyni has 20 years of experience from various leading positions within LKAB, primarily in enrichment and production. Moreover, the company recruited Anders Lundkvist as its head of environment and sustainability, Lundkvist has previous experience working with international and Swedish mining companies (incl. LKAB) and will thus be responsible for the strategic work, in order to intensify the permit processes to re-open the mine. In addition, the board member Malcolm Norris is a geologist and a previous CEO for Sunstone, SolGold and the Cascabel Copper-Gold project in Ecuador. Norris experience includes identifying and developing minerals. Overall, the board features diverse experience, local heritage and significant ownership.

Valuation

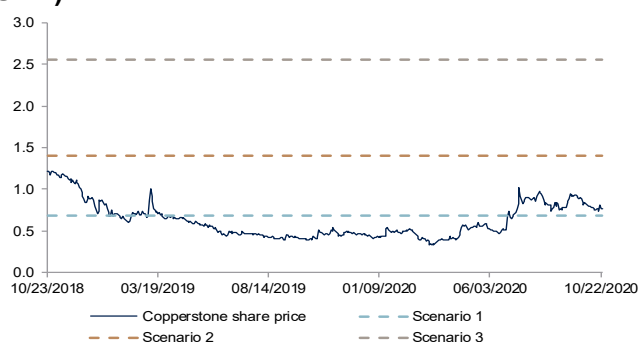
We derive our fair valuation range of SEK 0.7-2.6 per share using three scenarios. We value the company from an SOTP standalone approach with weighted estimates. In our NPV valuations of Viscaria and EVA we value the cash flow as follows, using three different WACC scenarios (17%, 13%, and 9%) to discount the cash flow.

SOTP standalone valuation – scenario based

SOTP Mine	Valuation method	EV Scenarios, MSEK				Value per share, SEK		
		1	2	3	Weight	1	2	3
Viscaria	NPV	439	938	1,841	75%	0.68	1.46	2.87
Viscaria	EV/Mineral value	787	1,457	1,932	12%	1.23	2.27	3.01
EVA	NPV	290	383	512	6%	0.45	0.60	0.80
EVA	EV/Mineral value	72	96	120	4%	0.11	0.15	0.19
Granliden	EV/Mineral value	35	47	59	2%	0.05	0.07	0.09
Svartliden	EV/Mineral value	23	30	38	2%	0.04	0.05	0.06
Total		1,646	2,952	4,502	100%	0.69	1.41	2.57
Net debt		-15	-15	-15		-0.02	-0.02	-0.02
Equity value		1,631	2,936	4,487		0.67	1.39	2.55
Current Mcap		496	496	496		0.77	0.77	0.77
No. of shares (mn)								641
% vs. Mcap						-14%	79%	229%

Source: ABG Sundal Collier estimates, company data

Fair value range vs. Copperstone share price (SEK)



Source: ABG Sundal Collier, FactSet

To complement the NPV valuations of Viscaria and EVA, and to evaluate the remaining deposits, we have used a multiple valuation EV/Mineral value. The peer group average trades at 0.08x EV/Mineral value; our calculations employ a discount of -40% to Copperstone's peer group average to evaluate all deposits on a standalone basis. We assume that 25% of the 40% discount is related to the environmental permit with the remaining 15% related to financing and mine construction. To create a fair valuation range, with NPV's and multiple valuations. We believe weighted values are important, where the weight varies according to the different parts of the set carrying more importance (weight) than another.

Peer valuation overview

Valuation overview	EV	Mineral value	EV/Mineral value
Company	MSEK	MSEK	
Endomines	628	8,945	0.07x
Boliden	77,267	715,867	0.11x
Sotkamo Silver	907	9,041	0.10x
Lundin Mining	47,615	1,130,203	0.04x
Peer average	31,604	466,014	0.08x
Peer Median	24,261	362,454	0.09x
Copperstone	477	54,573	0.01x
Discount used for valuation			-40.0%
Discounted average			0.05x

Source: ABG Sundal Collier estimates, company data, FactSet

The NPV valuation is of course sensitive to the inputs. If we assume different metal prices and operational costs, the value range widens significantly. Sensitivity is calculated with a WACC of 13%, with company-guided opex costs of USD 3,600/t.

Viscaria, copper price and opex cost sensitivity

Share price in SEK	Copper price (USD/t)						
	4,816	5,504	6,192	6,880	7,568	8,256	8,944
2,604	0.5	1.2	2.0	2.7	3.4	4.1	4.8
2,976	0.1	0.8	1.6	2.3	3.0	3.7	4.4
3,348	-0.3	0.4	1.1	1.9	2.6	3.3	4.0
3,720	-0.7	0.0	0.7	1.5	2.2	2.9	3.6
4,092	-1.1	-0.4	0.3	1.1	1.8	2.5	3.2
4,464	-1.5	-0.8	-0.1	0.7	1.4	2.1	2.8
4,836	-1.9	-1.2	-0.5	0.2	1.0	1.7	2.4

Source: ABG Sundal Collier estimates

EVA, zinc price and opex cost sensitivity

Share price in SEK	Zinc price (USD/t)						
	1,788	2,043	2,299	2,554	2,809	3,065	3,320
2,604	0.8	0.8	0.9	1.0	1.1	1.1	1.2
2,976	0.6	0.7	0.8	0.9	0.9	1.0	1.1
3,348	0.5	0.6	0.7	0.7	0.8	0.9	0.9
3,720	0.4	0.5	0.5	0.6	0.7	0.7	0.8
4,092	0.2	0.3	0.4	0.5	0.5	0.6	0.7
4,464	0.1	0.2	0.3	0.3	0.4	0.5	0.6
4,836	0.0	0.1	0.1	0.2	0.3	0.3	0.4

Source: ABG Sundal Collier estimates

If Copperstone succeeds in overcoming the challenges identified in this report, investors could be willing to lower the risk premium or increase the assumed EV/Mineral value multiple.

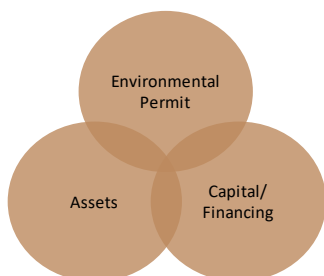
Company overview

The Swedish mineral exploration company Copperstone Resources (“Copperstone”, formerly Kopparberg Mineral) was founded in 2006 and has been listed on Nasdaq First North Growth Market Stockholm since 2011, with c. 8,900 shareholders. Copperstone aims to transform itself into a mining company, with an accredited mineral resource base of c. 724,000t of measured, indicated and inferred copper in Northern Sweden (according to the PERC-code), primarily owing to its acquisition of the Viscaria mine. The company plans to reopen the Viscaria mine in H2’23e, and by 2024 produce 22-23,000t of copper concentrate p.a. In addition, Copperstone’s project in Arvidsjaur has mineral deposits; foremost copper, gold, silver, and zinc.

Copperstone has four subsidiaries: Avalon Mineral Viscaria AB, Argo AB, Kopparberg Mining Exploration AB and Copperstone Skellefteå AB (100%). These holdings bring exposure to areas featuring different underlying characteristics, assets within different phases, licences and concessions (further specified in the Assets section). All subsidiaries aim to identify and develop mineral resources through exploration operations, such as test drillings and systematic acquisitions to create a foundation for future profitable mining production.

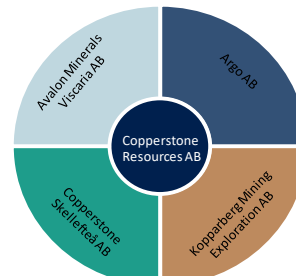
For Copperstone, as well as for other exploration companies, its operations concentrate on three main areas: assets, environmental permits, and the possibility to raise capital. The mine development process generally encompasses the following: permits, prospecting and exploration, evaluation, project planning and construction.

The golden trio in mining operations



Source: ABG Sundal Collier, company data

Copperstone Resources subsidiaries (100%):



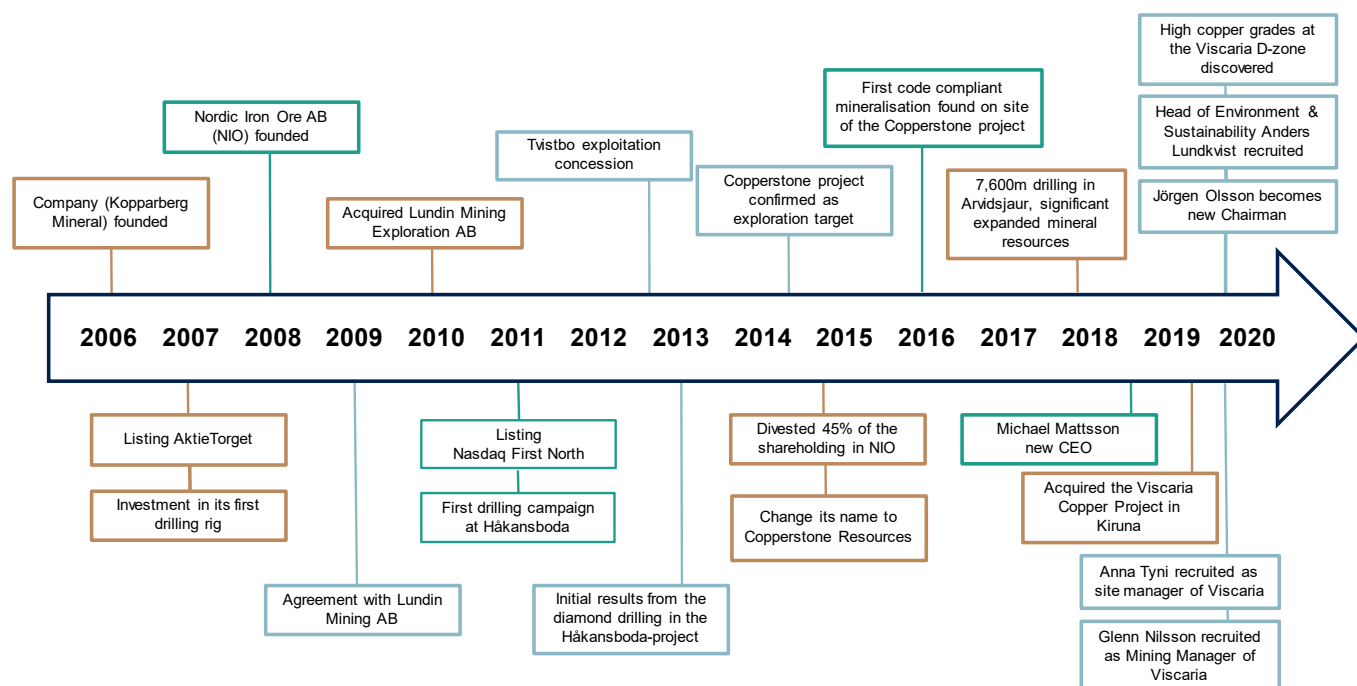
Source: ABG Sundal Collier, company data

Copperstone was founded as Kopparberg Mineral in 2006. In 2015, the company underwent a name change to Copperstone Resources. The company’s first own drilling campaign was within the Copperstone project, and positive results confirmed the hypotheses behind the formulation of the exploration target of the Copperstone project. Copperstone core drilled every year between 2015 and 2018, a total of 12km. In 2016, Copperstone received its first own identified mineral resources within the Copperstone project (Granliden area); 5.4Mton @1.03% CuEq.

2018 was one of the most notable year in the company’s history. An extensive core drilling programme was announced with more than 7,600 meters shallow drilling at the Granliden area, resulting in an increase of over 20Mton (@0.43% Cu and 5.9g/t Ag) inferred mineral resources in the deposit.

However, the acquisition of Viscaria was a parallel project until the deal was completed in March 2019. Since the time of the acquisition and beyond, the main focus has been on Viscaria and, more specifically, on the process to gain an environmental permit for the mine. The company’s primary ambition is to receive an environmental permit in Q2’22 and to start its first production in H2’23.

Key events during the years 2006-2020



Source: ABG Sundal Collier, company data

How Copperstone works

In order to expand/upgrade its mineral resources and to move forward with the company's overall development process, Copperstone explores continuously. Again, a mine development process generally consists of five components: permits, prospecting and exploration, evaluation, project planning and project construction.

After obtaining a mining concession, a construction planning process generally begins. When being granted permits for test mining, the company carries out test mining and ore processing tests on a larger scale. When enough is known about the mineralisation, the company calculates the mineral resources (to use later in the evaluation of the deposit).

The following permits and concessions are 100% owned through Copperstone's four subsidiaries. Copperstone has six approved exploitation concessions within its portfolio, which makes the assets more reliable and its operations more resilient. More advanced concessions indicate more ability to become a producing company, which makes it easier to raise capital, providing the resources Copperstone needs to explore for more minerals. If the company receives the environmental permit for Viscaria its exploration operations could become production operations, which in turn can generate cash, covering financing for its other operations.

Approved exploitation concessions

Name	Area (ha)	Valid from	Valid to	Mineral	Municipal	Owner
Svarttiden k nr 1	36	2000-12-27	2025-12-27	Pb, Au, Cu, Ag, Zn	Arvidsjaur	Copperstone Resources
Viscaria k nr 3	116	2012-01-16	2037-01-16	Fe, Au, Cu, Ag, Zn	Kiruna	Avalon Minerals Viscaria
Viscaria k nr 4	30	2012-01-16	2037-01-16	Fe, Au, Cu, Ag, Zn	Kiruna	Avalon Minerals Viscaria
Twistbrogruvan k nr 1	11	2012-04-17	2037-04-17	Pb, Au, Cu, Mn, Ag, W, Zn	Smedjebacken	Kopparberg Mining Exploration
Eva k nr 1	34	2017-11-13	2042-11-13	Pb, Au, Cu, Ag, Zn	Arvidsjaur	Copperstone Resources
Viscaria k nr 7	64	2018-03-26	2043-03-26	Cu	Kiruna	Avalon Minerals Viscaria
Total (ha)	291					

Source: ABG Sundal Collier, company data

Valid exploration permit licenses

Name	Area (ha)	Valid from	Valid to	Mineral	Municipal	Owner
Viscaria nr 101*)	1,472	2002-10-16	2017-10-16	Cu	Kiruna	Avalon Minerals Viscaria
Viscaria nr 112**)	2,253	2011-12-05	2019-12-05	Cu	Kiruna	Avalon Minerals Viscaria
Yhteinenjärvi nr 1***)	963	2012-01-22	2020-01-22	Cu, Au, Fe	Kiruna	Avalon Minerals Viscaria
Viscaria East	212	2017-06-09	2020-06-09	Cu	Kiruna	Avalon Minerals Viscaria
Viscaria nr 1	819	2008-06-24	2020-06-24	Cu	Kiruna	Avalon Minerals Viscaria
Nihka East	144	2016-06-16	2021-06-16	Cu	Kiruna	Avalon Minerals Viscaria
Viscaria nr 107	1,843	2009-08-10	2021-08-10	Cu	Kiruna	Avalon Minerals Viscaria
Kirkkovaarti nr 1	386	2018-11-08	2021-11-08	Cu, Pb, Zn, Au, Ag	Kiruna	Avalon Minerals Viscaria
Rengarde nr 1	3,517	2018-11-08	2021-11-08	Cu, Pb, Zn, Au, Ag	Kiruna	Avalon Minerals Viscaria
Sandberget nr 500	7,640	2019-02-11	2022-02-11	Au, Cu, Ag, Zn	Arvidsjaur	Copperstone Resources
Sandberget nr 400	536	2019-02-11	2022-02-11	Au, Cu, Ag, Zn	Arvidsjaur	Copperstone Resources
Sandberget nr 300	19	2012-10-03	2022-10-03	Au, Cu, Ag, Zn	Arvidsjaur	Copperstone Resources
Sandberget nr 200	19	2012-10-03	2022-10-03	Au, Cu, Ag, Zn	Arvidsjaur	Copperstone Resources
Goddevarri nr 101	148	2019-12-04	2022-12-04	Cu, Pb, Zn, Fe, Au, Ag	Kiruna	Avalon Minerals Viscaria
Total (ha)	19,971					

Source: ABG Sundal Collier, company data

*) Exploitation Concession Viscaria nr 7 has been approved by the Swedish Government. Exploration licence Viscaria 101 is valid until the Government's final decision regarding Viscaria nr 7. **) Ext. application was submitted on 2019-12-05. ***) Ext. application was submitted on 2020-01-21, application upgraded to also cover copper and gold.

Applied exploration permit licenses

Name	Area (ha)	Valid from	Valid to	Mineral	Municipal	Owner
Viscaria nr 112	2,254	2011-12-05	2019-12-05	Cu	Kiruna	Avalon Minerals Viscaria
Yhteinenjärvi nr 1	963	2015-01-22	2020-01-22	Cu, Au, Fe	Kiruna	Avalon Minerals Viscaria
Viscaria East	222	2017-06-09	2020-06-29	Cu	Kiruna	Avalon Minerals Viscaria
Viscaria nr 1	819	2008-06-24	2020-06-24	Cu	Kiruna	Avalon Minerals Viscaria
Total (ha)	4,258					

Source: ABG Sundal Collier, company data

Viscaria's operations are strategically located close to other well-known metal deposits and existing infrastructure such as roads, railways and electricity. The Viscaria area is located approximately five kilometres west of the major mining town of Kiruna, close to the E10 highway, the Luleå-Kiruna-Narvik (Malmbanan) railway, with a capacity of 100t per carriage (as of today, it transports 90kt of iron ore per day), and close to the established hydro-power grid. Combined, the existing infrastructure will facilitate Viscaria's future operations and probable mineral transports.

Luleå-Kiruna-Narvik (Malmbanan) railway



Source: ABG Sundal Collier

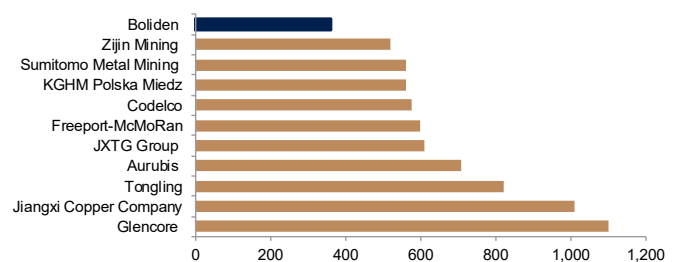
We believe that having properly functioning infrastructure close to the resources is essential for a solid cost base, and to limit future capex needs. Its properties are located in a politically stable area with reliable weather, existing energy and labour resources, stable and low taxes, and trustworthy permit processes. In addition, Copperstone's geography is favourable in comparison with mining operations in many other countries.

Project location map – distance to smelters



Source: ABG Sundal Collier, company data

Ten largest copper smelters vs. Boliden*



Source: ABG Sundal Collier, Boliden, Wood Mackenzie Jan 2020, *(Kt of metal 2019)

As shown in the map above, Copperstone is located close to the Boliden Rönnskär smelter, in Skelleftehamn, which has the capacity to recycle copper and precious metals from various types of recycling materials and mineral concentrates. The plant receives deliveries of copper and lead concentrate from its own mines (40%), as well as external suppliers (60%). Boliden Rönnskär recycles approximately 120,000t of waste material per annum and has a capacity of c. 1Mtpa. In addition, Rönnskär treats approximately 750ktpa of concentrate and 250ktpa of scrap. During 2019, the smelter produced approximately 380kt of copper, of which recycled accounted for about 20%. Another smelter available within a reasonable distance is Aurubis in Hamburg, treating 2Mt of concentrate p.a., sourced from South America, Canada and Europe.

Viscaria is located close to Sweden's largest open-pit mine, Boliden's Aitik, which has proven resources of 726Mt (with ore grades of c.0.22% Cu, 0.15g/t gold and 1.20g/t silver). Aitik started its operations in 1968 with anticipated production of 2Mt per annum. At that time, the estimated mine life was 15 years.

In 2019, Aitik's milled volume increased to 40.7Mt, at an average ore grade of 0.25% CuEq. The mine produced 377kt in Cu concentrate and produced 91kt Cu of metal concentrate.

The largest underground iron ore mine in the world, Kiirunavaara, is also located close to Viscaria. Kiirunavaara is operated by LKAB and owned by the Swedish government, and has been producing since 1899. As of today, it has produced over one billion tonnes of magnetite ore.

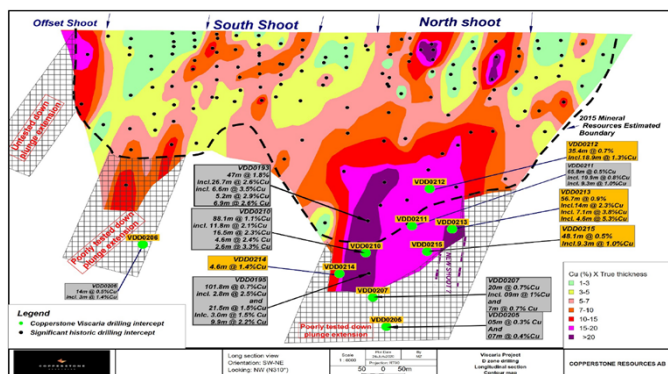
We believe that Copperstone will be able to realise transportation and infrastructure cost synergies due to its proximity to the mines operating nearby, and to the local smelting operations at Boliden Rönnskär.

Project portfolio

The Viscaria Copper Project

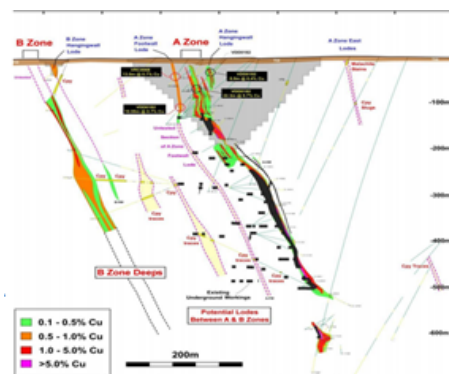
The Viscaria mine was founded by LKAB's geologist Paul Forsell in the 1970s, named after the Viscaria alpina flower ("copper flower"), which is attracted by copper and grows in soils with high copper content. LKAB started its Viscaria operations in 1983 and later the mine was sold to the Finnish producer of stainless steel, Outokumpu OYJ. The Viscaria area is divided into three deposits: A, B and D-zone. The A-zone is a copper-rich deposit with minor concentrations of Zinc and Gold. The A-zone and a small portion of the B-zone were mined through open-pit and underground operations between 1983 and 1997. A total of 12.5Mt of ore was produced during the period (with an average diluted ore grade of 2.3% Cu), resulting in approximately 288,000t of copper concentrate. The cessation of production in 1997 was primarily the result of a weakening copper price (below 1,700USD/t compared to today's 6,880 USD/t). The D-zone has not been mined before, and as such constitutes an exploration upside.

D-zone exploration and resource drillings



Source: ABG Sundal Collier, company data

A and B-zone cross-section 18,700 mN



Source: ABG Sundal Collier, company data

Again, Copperstone acquired Viscaria in March 2019 and until April 2020 more than 7,945 meters of core drilling took place (during phase 1). Copper resources in both the B and the northern part of the D-zones appear to be more extensive than previous assessments.² The phase 2 drilling programme with two drill rigs commenced in August 2020 and we estimate it to last for approximately one year.

Viscaria rock library



Source: ABG Sundal Collier

VDD0213, 0.6m @ 20% CuEq



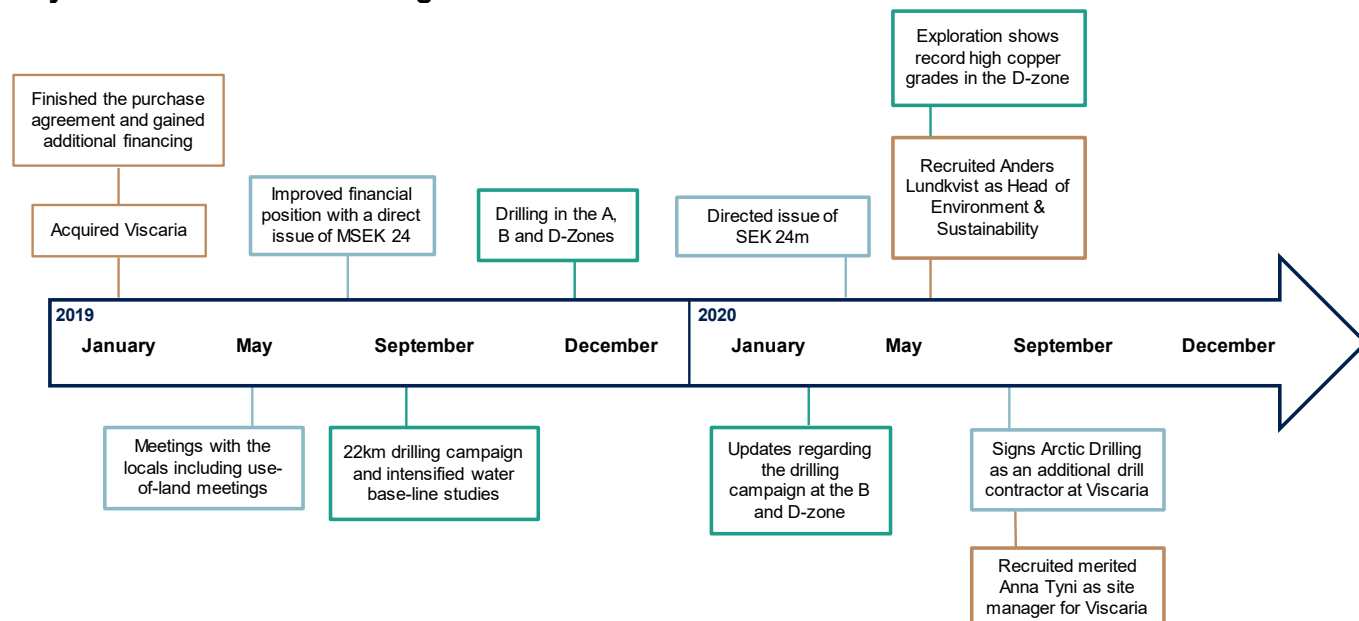
Source: ABG Sundal Collier

This phase of drilling will transfer Viscaria from exploration into providing a robust mine project for the feasibility study and the technical description of the environmental permit application. In order to deliver a confident feasibility study and application, Copperstone recruited Anders Lundkvist as head of environment and

² <https://www.copperstone.se/files/filelist/copperstone-2019.pdf>

sustainability, Anna Tyni as a site manager as well as Glenn Nilsson as mining manager for the Viscaria area in 2020. Without an environmental permit, it will be difficult for Viscaria to continue with its operations. However, the company remains optimistic about the possibility to be awarded an environmental permit in Q2'22.

Key events for Viscaria during 2019 and 2020



Source: ABG Sundal Collier, company data

According to the PERC-code the Viscaria deposit comprises mineral resources of 52Mton with an average ore grade @1.2% Cu or approximately 609,000t of measured, indicated and inferred copper. Copperstone estimates that Viscaria will produce 22-23,000tpa of copper concentrate from 2024 and beyond, generating sales of SEK 1.3-1.4bn per annum at current prices.

Established PERC 2012 compliant mineral resource estimates

Resource area	Classification	Tonnes (Mt)	Cu Grade (%)	Contained Cu (kt)
A-Zone	Measured	14.4	1.7	240
	Indicated	4.7	1.2	57
	Inferred	2.5	1.0	26
	Subtotal	21.6	1.5	323
B-Zone	Measured	0.1	1.3	2
	Indicated	4.2	0.7	30
	Inferred	15.4	0.8	119
	Subtotal	19.7	0.8	149
D-Zone	Indicated	3.1	0.8	25
	Inferred	0.0	0.3	0
	Subtotal	3.1	0.8	25
	Indicated	7.3	1.4	100
	Inferred	0.8	1.6	12
	Subtotal	8.0	1.4	112
Overall Cu	Total	52.4	1.2	609

Source: ABG Sundal Collier, Sunstonemetals

Copperstone anticipates that the open-pit (corresponding to 60%) and underground (corresponding to 40%) operations within the Viscaria area will be operated about 360 days per annum, assuming that approximately five days of production per annum will be lost due to unscheduled occurrences such as extreme weather events.

To better understand the relative sensitivity of the input parameters in the Viscaria area, scoping and price studies were made by Avalon Mineral Ltd in 2016.³ The most significant parameter affecting projected revenues is the future copper price. Increasing the scale of the project is crucial when copper prices are low. According to the Avalon study, Viscaria is an attractive investment proposition at a copper price of over USD 3 per pound, generating net cash flow of c. USD200m over a mine life of nine years.

Scoping study metrics, scenario summary Viscaria 2016

Modelling at:		US\$3.25/ pound	
		Base Case (1.2Mt p.a.)	Expanded (2.0Mt p.a.)
Ore Mined (Open Pit)	t	6,200,000	9,600,000
Ore Mined (Underground)	t	3,810,000	8,250,000
Waste Mined	t	36,060,000	57,920,000
Strip Ratio	t:t	5.8	6
Total Tonnes Mined	t	46,070,000	75,770,000
Mine life	yrs	9	9
Ore Milled	t	10,010,000	17,850,000
Ore Grade	%	1.18	1.20
Recovery	%	90.20	92.50
Cu Produced	t	106,745	199,358
Concentrate Produced	dmt	444,771	830,659
Pre-prod Development Capex	MUSD	87	115
Pre-prod Underground Capex	MUSD	15	15
Sustaining Capex (UG)	MUSD	20	35
Sustaining Capex (Plant and TSF)	MUSD	11	14
C1 Cash Costs	USD/lb	1.86	1.81
AISC	USD/lb	2.1	1.97
Capital Intensity	USD/t cu	7,335	5,192

Source: ABG Sundal Collier, Avalon Mineral Ltd.

Price study metrics, copper prices sensitivity, Viscaria 2016

Copper Price Sensitivity (\$3.00/ pound)		Base Case (1.2Mt p.a.)	Expanded (2.0Mt p.a.)
EBITDA	MUSD	238	489
Net Cashflow	MUSD	103	304
NPV 7%	MUSD	39	150
IRR	%	15	29
Payback	Years	4.5	3.7
Copper Price Sensitivity (\$3.25/ pound)		Base Case (1.2Mt p.a.)	Expanded (2.0Mt p.a.)
EBITDA	MUSD	294	593
Net Cashflow	MUSD	160	410
NPV 7%	MUSD	74	215
IRR	%	22	37
Payback	Years	3.7	3
Copper Price Sensitivity (\$3.60/ pound)		Base Case (1.2Mt p.a.)	Expanded (2.0Mt p.a.)
EBITDA	MUSD	372	740
Net Cashflow	MUSD	239	600
NPV 7%	MUSD	125	341
IRR	%	31	59
Payback	Years	2.9	1.7

Source: ABG Sundal Collier, Avalon Mineral Ltd

³ <https://ml-eu.globenewswire.com/Resource/Download/13962fa3-d175-4875-82b0-a003a04da5e3>

The Arvidsjaur Project

The Arvidsjaur project (100% owned by Copperstone Resources) includes the three known mineralisation areas Svartliden, Granliden and EVA. The project is located approx. 50km southeast of Arvidsjaur (it extends into a field with an exploration history back in the 1920s). Thus, there are extensive amounts of useful material from previous field surveys with maps and reports.

Between 2015 and 2018, Copperstone completed approx. 12,500m of core drilling, with 25 boreholes in the three areas. The core drillings support estimates (according to the PERC-2017 code) of the probable quantity of Cu, Zn, Au and Ag. The drilling has also generated structural geological information in the Granliden and Svartliden area. The total inferred mineral resources within the Arvidsjaur areas include 114kt of copper, 2t of gold, 155t of silver and 32,000t zinc. EVA includes a historical resource of approx. 5t gold and 120,000t of zinc.⁴

The **Svartliden** area is located between EVA and Granliden and is characterised by Copper, Gold, Silver and Zinc mineralisation. In 2018, Copperstone succeeded in increasing the assumed mineral resources (according to the PERC-2017 code) in the area from zero to 9.4Mton mineralised rock. The company reported in 2018 that the previous works within the site demonstrated impressive levels and widths in several drill cores, and that the area is subject for further investigations to define greater mineral supply.

The **EVA** area is located in the southern part of the Copperstone project. Mineralisation was found in 2005 as a result of airborne geophysical measurements. The site consists of mineral resources of 5.2Mton with approx. grades at 2.4% Zn, 1 g/t of Au and 38 g/t of Ag. We argue that Copperstone could potentially realise synergies within the three mineralisation areas (for example, within environmental studies and in future mining operations).

Moreover, in 2018 Copperstone succeeded in increasing the inferred mineral resources in the **Granliden** area from 5.4 to 16.9Mton mineralised rock. The tonnage includes the valid exploration licenses Sandberget 200, 300, 400, and 500. In addition, the exploration target amounts to 150-210Mton.

Copperstone's copper resources

PERC 2017 (Viscaria JORC 2012)	Measured			Indicated			Inferred			Exploration target		
	Mineral resources (Mt)	Cu grade	Cu (kt)	Mineral resources (Mt)	Cu grade	Cu (kt)	Mineral resources (Mt)	Cu grade	Cu (kt)	Mineral resources (Mt)	Cu grade	Cu (kt)
Viscaria	14.5	1.7%	242	19.2	1.1%	212	18.7	0.8%	156	0	0	0
Granliden	0.0	n.a.	n.a.	0	n.a.	n.a.	16.9	0.4%	74	150-210	0.25- 0.45%	375-945
Svartliden	0.0	n.a.	n.a.	0	n.a.	n.a.	9.4	0.4%	40	0	0	0
Total	14.5		242	19.2		212	45		270	150-210		375-945

	Total Copper Resources, (kt)		Total Copper Value, SEKm	
Measured	242		14,723	
Measured + Indicated	454		27,623	
Measured + Indicated + Inferred	724		44,015	
Measured + Indicated + Inferred + Exploration target (low)	1,099		66,816	
Measured + Indicated + Inferred + Exploration target (high)	1,669		101,473	

Source: ABG Sundal Collier, company data

⁴ <https://www.copperstone.se/files/filelist/copperstone-2019.pdf>

Mining operations

The unit cost for extracting ore and waste rock is in most cases the same. While both need capital to extract, only ore generates revenue. Thus, the strip ratio is a crucial metric that refers to the ratio between the tons of waste in relation to the ore mined. A high ratio means that the operations will generate a lot of waste in relation to ore. Everything else equal, carrying the waste will generate higher costs. However, larger-scale operations that can maximize economies of scale can still be profitable even with lower grades and a higher strip ratio.

Copperstone plans to operate Viscaria with 60% open-pit and 40% underground operations. The decision between an open-pit and an underground-pit is rather complex. A mining company needs to consider many diverse factors. Overall, the bottom line focuses on how to extract the specific ore at the lowest cost.

Strengths and weaknesses with different mining methods

	Open-pit mining	Underground mining
Strengths	Usually the least expensive	Low strip ratio due to less waste rock mined
	High production rate from large and powerful machines	Can extract ores at any level
	A safer workplace	Environmentally friendlier (less waste)
Weaknesses	High strip ratio due to large amounts of waste rock	Limited use of powerful machines and equipment
	Usually has lower ore grades than underground pits	Requires a lot of preparation before extraction can begin
	Has a large ecological footprint due to its operational width	Higher opex costs (e.g., ventilation and support)

Source: ABG Sundal Collier, company data, Boliden, LKAB

Viscaria scoping study

Avalon 2016, Viscaria Scoping Study		Open pit	Underground
Production rate	ktpa	1,200	800
Strip ratio	w:o	7:1	Minor
Avg. Cu grade	%	0.91	1.48
Cost per ton	USD	2.4	35

Source: ABG Sundal Collier, Avalon Mineral Ltd

Open-pit mining (case studies Boliden/LKAB)

One method that does not require tunnelling and is often used when minerals are found close to the surface is open-pit mining. According to Boliden, the cost distribution within open-pit mining is roughly 50/50 between the mining and milling operations. Hauling and grinding are indeed major cost drivers. In addition, Boliden states that open-pit mining is approximately 10 times lower in costs/ton compared to underground mining.⁵

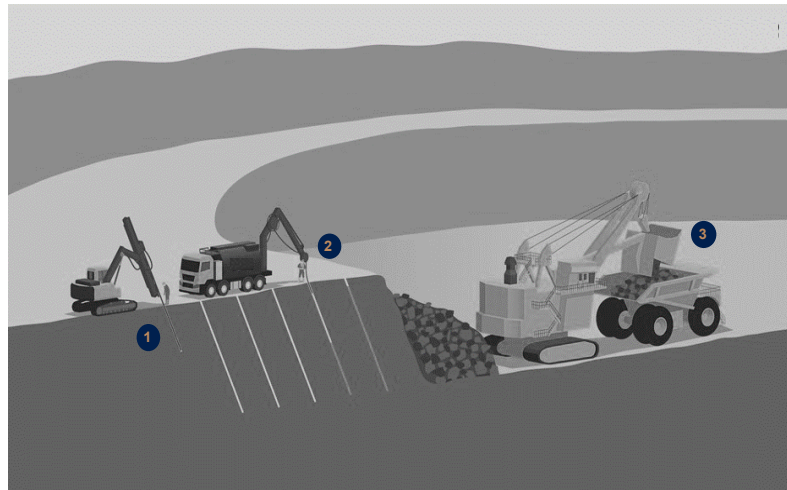
The main cost advantage comes from the possibility to use large and more powerful machinery and trucks. By looking at the strip ratio, an open-pit mine creates a significant amount of waste during its operations, which costs the mining company a lot of capital. In most cases, the ratio is high in the first level and then decreases steadily with each successive level. The decrease depends on the waste moved from the earlier levels. To generate profit, an open-pit must be designed in a way where the cost of handling the waste does not exceed the ore profit. Thus, open-pit operations strive for a low stripping ratio.

⁵ <https://www.boliden.com/globalassets/investor-relations/reports-and-presentations/capital-markets-day/2008/cmd/5-mine-cost-drivers-jan-mostrom--president-boliden-mines.pdf>

Below is a step-by-step guide of how the open-pit mining process works:

- Drilling is performed with a mobile drilling unit that drills long holes down through the slabs. The execution and extent of the drilling are determined by the quality of the rock and the desired fragmentation.
- After drilling, the holes are charged with explosive material that blasts out the rock.
- Loaders are used to load the ore into dump trucks, which transport the ore to an intermediate storage area and a crusher facility. The ore is then crushed and sorted, before being transported for further processing.

Open pit operation



Source: ABG Sundal Collier, LKAB

Underground mining (case study LKAB)

Ore deposits that cannot be economically extracted by surface mining techniques may be mined underground. By using sub-level caving, the underground mining method is based on creating cavities in the ore body through drilling and blasting. This is illustrated in the figure below. Underground mining is practical when: 1) the ore body is too deep to be mined profitably by open-pit, 2) the grade or quality of the ore body is high enough to cover the extra costs, and 3) there is a desire to minimise the ecological footprint.

Underground mines usually have a lower production rate due to limited equipment size and other throughput bottlenecks. Besides, the technique also presents risks to take into account, e.g. potential fires, floods, collapses and toxic containment. In addition, underground mining is more expensive since opex, such as ventilation and support, are required. This is offset by a more environmentally friendly solution with a minor geological footprint, due to less waste, as well as a reduced social impact.

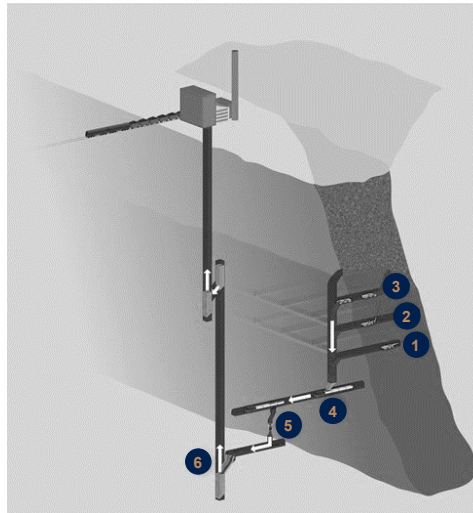
Also, lower stripping rates and higher ore grades can more than justify the economic calculation. Once the stripping rate gets too high in an open-pit mine, the average cost can be less in an underground mine. Underground-pits only move waste during the development to gain access to the ore. Once the ore is reached, there is no more waste to move. Therefore, the stripping ratio is insignificant. However, as seen in the Viscaria scoping study, the cost per extracted ton is higher due to the complex environment and the limited workspace.

Below is a step-by-step guide of how the underground mining process works:

- (1) Drifting
Construction of transport tunnels, or drifts, into the ore body.

- (2) Production drilling and blasting
Long holes are drilled upwards into the orebody. The drilled holes are then charged with a blasting agent, after which blasting takes place.
- (3) Production loading
The ore is hauled out, dumped into vertical chutes and later collected in rock cavities above the main haulage level.
- (4) Chute loading & transport
From the rock cavities, the ore is transported to large crushers.
- (5) Emptying & crushing
The ore is crushed into 10cm pieces, and then transported to ore elevators called skip hoists
- (6) Hoisting
The ore is automatically loaded into the skips, which then carry the ore to the processing plants at surface level.

Underground operation



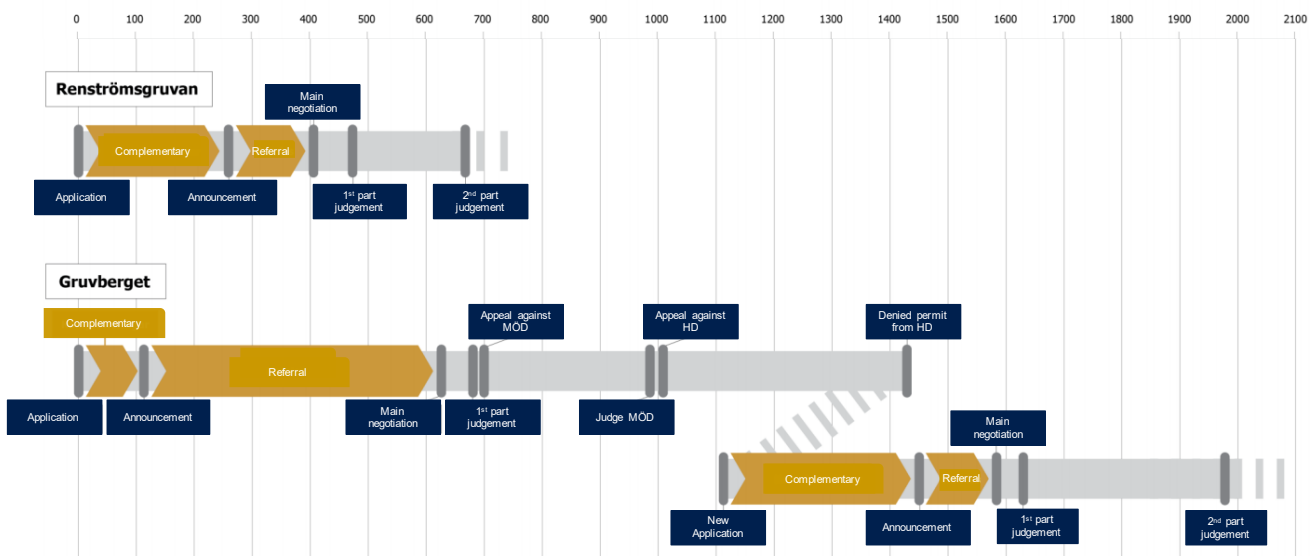
Source: ABG Sundal Collier, LKAB

Environmental permit

The Swedish Environmental Act requires an environmental permit for mining to commence at Viscaria. In parallel with the documentation for the feasibility study, an extensive analysis regarding the potential production is conducted- demonstrating the environmental impacts that will result from the upcoming activities.

The timeline below describes two Swedish mining projects. Their most time-consuming events during the process towards an environmental permit, why the process can vary from case to case, and that delays can occur through different stages. *Renströmsgruvan* went through an environmental permit process to expand the production in an existing mine, and *Gruvberget* for a supplementary production in an exploited area.

Timelines of previous mining projects and their application processes (days)

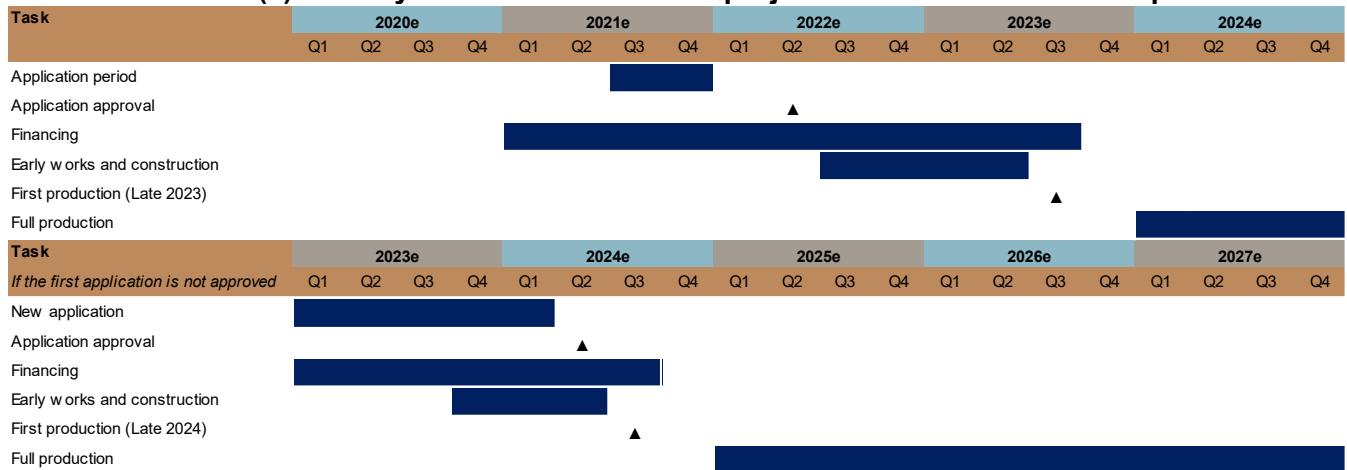


Source: ABG Sundal Collier, Tillväxtanalys (Miljöstillståndsprövning av gruvor och täkter, Rapport 2016:07)

Copperstone's is currently resource drilling to conduct the final feasibility study and in parallel working to submit the application for environmental permit for Viscaria, which is, according to management, estimated to occur in H2'21. The environmental permit is an essential part, as it needs to be in place before the re-opening of Viscaria. In order to intensify the application process for the environmental permit, Anders Lundkvist was recruited in mid-2020 as head of environment and sustainability. Lundkvist has previous experience working with international and Swedish mining companies (incl. LKAB).

According to the company, next page's timeline demonstrated a fair approach to Viscaria's ongoing mine development. As illustrated, all stages are overlapping. As an example, after the beginning of production, a running-in period is usually estimated before the mine and ore processing plant reaches full capacity.

Estimated timeline(s) and key dates for the Viscaria project and the environmental permit



Source: ABG Sundal Collier, company data

The purpose of the feasibility study is to remove all significant uncertainties (and to present the most relevant information), in a concise and accessible way. Since the introduction of The Environmental Code in 1999, the final environmental permit has several critical requirements, including:

- To demonstrate that the project can be constructed and operated in an environmentally safe way.
- Providing financial safety - the company must provide financial security that aims to protect society, i.e. taxpayers, from having to bear the cost of aftercare in situations where the company has been declared bankrupt or for other reason cannot fulfil its obligations. The financial safety can be structured in different ways, i.e. as an insurance guarantee or a bank that can enter as a creditor.
- Providing assurances that the operations will not affect the environment negatively, i.e. the surrounding groundwater, noise, dusting, animals and lakes.
- Other aspects to consider include waste disposal, water management, after treatment and infrastructure requirements, where the latter provides power and water supply as well as internal road and plant infrastructure.

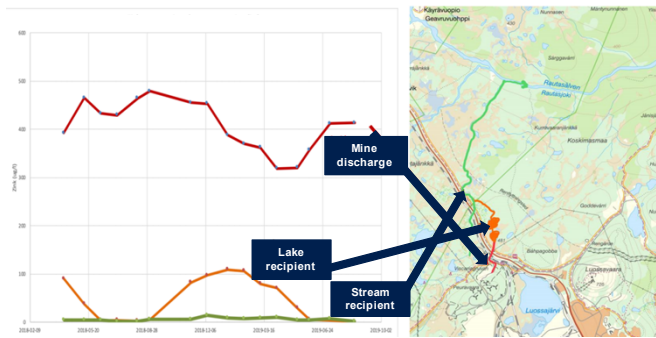
Additional permits may be required, e.g. cultural heritage protection. However, water management and the after treatment is of high focus right now. In fact, the operating company is responsible for the after treatment for approximately 30 years after the mine closes down. However, we provide several arguments in favour for Copperstone to receive a final permit to Viscaria:

- Positive surplus of water resources, i.e. it can use the mine water and does not need to add additional external water to the enrichment process. Thus, it is not required to use the surrounding lakes.
- Anders Lundkvist with advantages from earlier work experience that should support the process. (+30 years of relevant experience including Director of Environment and Energy at Swedish Mining association (SveMin) and Head of Environment Department at LKAB).
- Improve existing water quality by using surrounding water and clean it before releasing it back. When Outokumpu operated Viscaria, the environmental code (1999) was not implemented. Instead, the mine was after-treated according to previous environmental legal standards. As of today, the areas surrounding

Viscaria has elevated zinc levels that run untreated into nearby groundwater, rivers and ponds, due to mine leaks from older operations. Thus, there are still after-treatment needs

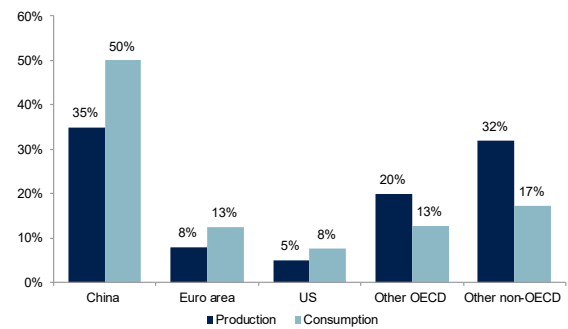
- Western Europe lacks copper resources; the smelters instead need to import scrap that they melt down, resulting in higher costs and eventually higher prices.

Zinc concentration downstream from mine discharge



Source: ABG Sundal Collier, company data

Geographical composition of copper production vs. consumption



Source: ABG Sundal Collier, Bloomberg, ECB

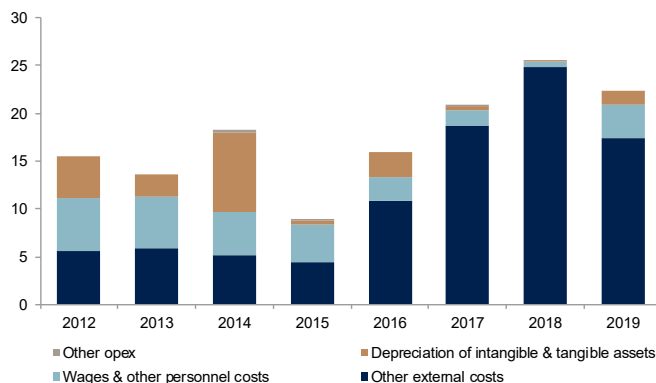
Capital intensity and financing

The mining industry is, by its very nature, capital-intensive. Identifying and developing mineral resources requires considerable funding. Besides large development costs and the level of mechanisation necessary, power and water are also critical requirements. Copperstone needs to extend its exploration and project development to increase the available, mineable reserves and extend the life of Viscaria. We estimate capex to remain elevated, given that the mineral grades decline over time and thus require increased capex if exploration is to continue to grow.

Looking at the costs over the past years, Copperstone's opex increased at a CAGR of 5% during 2012 and 2019, and capex at a CAGR of 8% with avg. capex of SEK 7m during the same period. The main explanation is increased core drilling in Arvidsjaur and Kiruna.

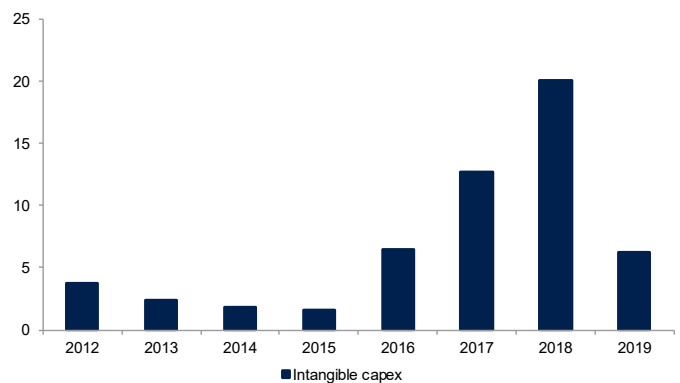
As of today, Copperstone works with consultants and relatively few full-time employees. As long as the projects develop according to plan, the company needs to hire personnel within three years. We expect capex to increase in the following years due to the intensifying of infill, project development and core drillings.

Opex development, 2012-2019 (SEKm)



Source: ABG Sundal Collier, company data

Intangible capex, 2012-2019 (SEKm)



Source: ABG Sundal Collier, company data

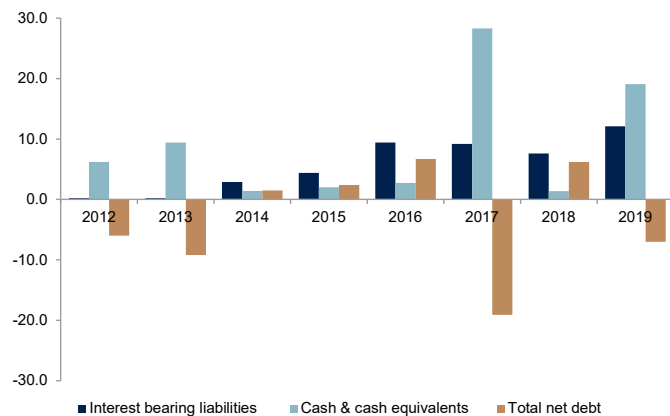
To meet the funding requirements, the company might need different sources of capital. The company's ability to raise new sources of capital will depend on future metals prices, financial market conditions, operational performance and financial position, among other factors.

Copperstone's ability to invest in existing and new projects, fund ongoing operations and/or retire or service all of its outstanding debt could be significantly constrained. For instance in an event of lower copper prices, operating or financial challenges and/or dislocation in the financial markets as experienced in recent years.

Liquidity over the past few years

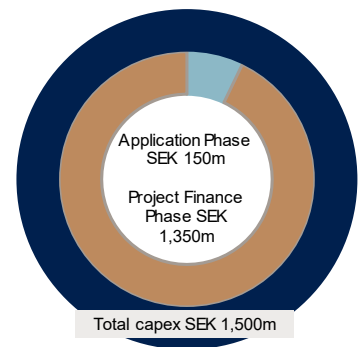
Copperstone seems to be able to manage its liquidity. Between 2012 and 2019 its interest-bearing liabilities and cash position was solid, growing with a CAGR of 9% and 91% respectively. Meanwhile, the company raised capital in i.e., 2017 through a convertible debenture, a rights issue of SEK 23.3m and a directed issue of SEK 30m. In 2019 Copperstone raised capital through several directed placement in cash as well as debt to equity conversion, and a right issue of SEK 24m. With a quite solid balance sheet, Copperstone has headroom for further investment in projects and development.

Net debt 2012-2019, SEKm



Source: ABG Sundal Collier, company data

Total capex of c. SEK 1.5bn



Source: ABG Sundal Collier estimates, company data

Capital needs

In recent years the company has been financed primarily through equity. In Q2'20 the monthly run rate level was approximately SEK 1.4m, and we argue that this level that can secure funding of the ongoing operations and beyond. In addition, Copperstone is investing significant amounts in “the ground”, through core drillings with two drill rigs and studies for environmental permit and feasibility.

According to the company, the total capital needed to re-open Viscaria is approximately SEK 1.5bn, with construction costs (capex) of c. SEK 1,350m and environmental permit costs (including contingency) of c. SEK 150m. The company's ambition is to finance the processing plant with a mix of 60% project financed debt/subsidies/convertibles and a maximum of 40% in equity.

SWOT analysis

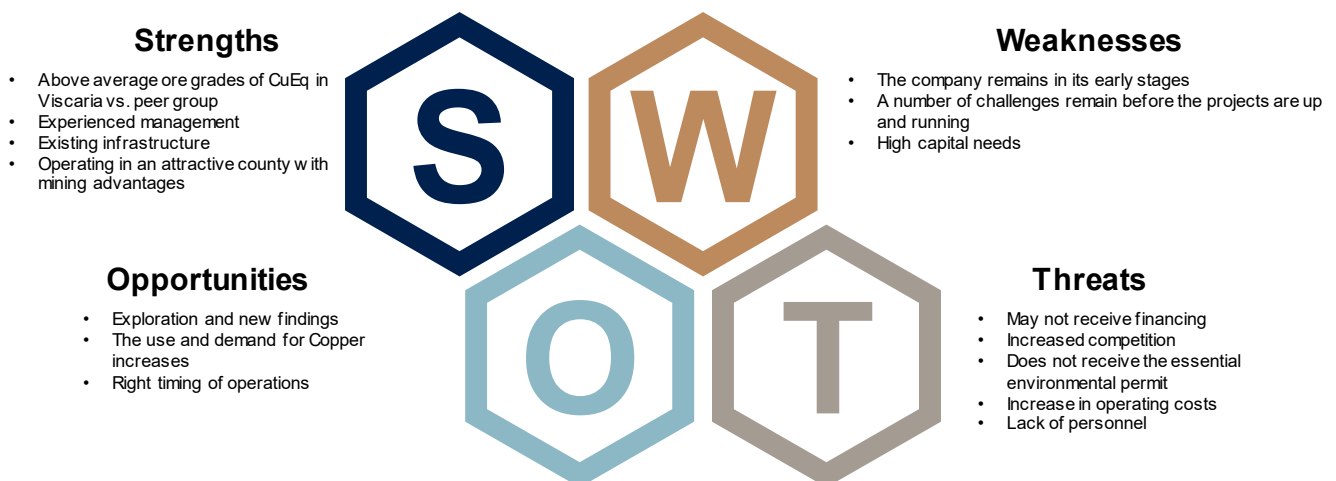
In the adjacent section we highlight what we argue are the most relevant items under each headline.

The key strengths of the company lie within its asset portfolio, especially in Viscaria, with above-average ore grades of Cu. Copperstone's operations are strategically located close to existing infrastructure, including roads, railways, and electricity. In our view, an investment in Copperstone Recourses is associated with limited geopolitical risks. Investments in emerging markets include higher risks compared to investments in mature economies such as Sweden where changes in essential laws, FX, inflation, tax, economic policies, wage, and price controls are estimated to be limited and thus an advantage for Copperstone. In addition, the company is led by a skilled team, including management and the board of directors, many of whom are experienced in M&A, financing, and operations. Importantly, management's incentives are well-aligned with the shareholders.

However, there are still a few missing pieces to the puzzle before the company can start to produce. To bring the projects to a point where Copperstone starts to generate value, the environmental permit must be approved. This could be time consuming and postpone future cash flows. In addition, there is a significant amount of financing required, as well as technical and infrastructure setups that need to be in place before the company can start investing and developing its pipeline.

Looking at the opportunities, the use and demand for copper increases globally, which could support copper prices and make the Viscaria project more viable.

The largest threats for Copperstone are financing issues and to not receive the essential environmental permit for Viscaria. Increase in opex and/or other related costs could weaken the potential profitability and deteriorate the business fundamentals quickly.



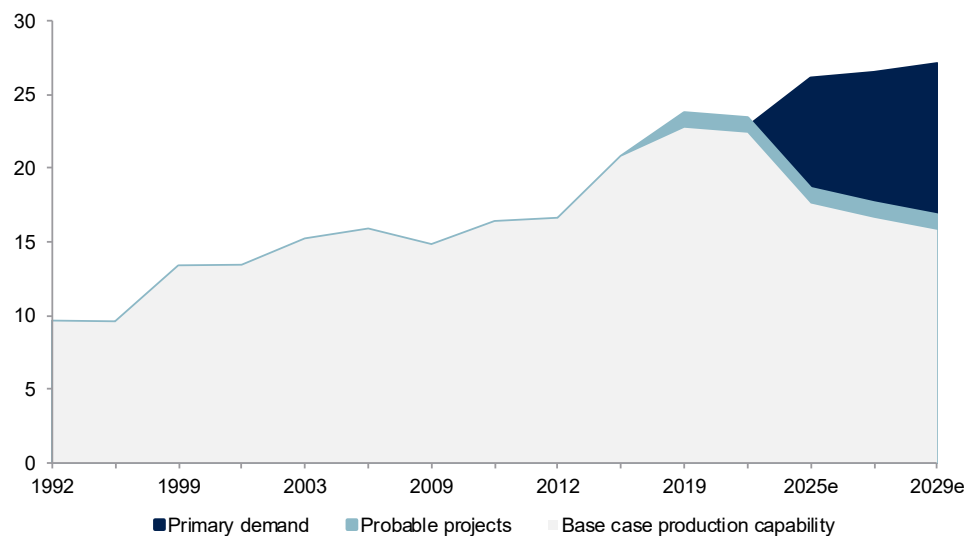
Source: ABG Sundal Collier, company data

Copper market

Copper is one of the most-used metals

Zinc and copper are industrial metals for which both demand and price are affected by global industrial development. According to the US Geological Survey (“USGS”), copper is the third-most consumed industrial metal. Urbanisation and the rise of renewable energy and electric vehicles together fuels the demand for copper. According to Boliden, approximately 60% of all copper produced is used to conduct electricity and heat⁶; the supply of copper is thus crucial for the transition to alternative clean energy sources. However, copper is currently not discovered fast enough to meet the global estimated upcoming demand, resulting in a 10Mt deficit between probable projects and primary demand.

Global copper supply vs. demand, 10Mt deficit between supply vs. demand



Source: ABG Sundal Collier, Wood Mackenzie

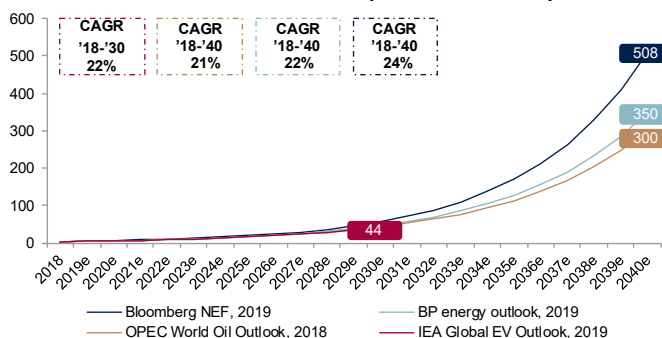
“The new mobility” to boost demand

Copper is easily stretched, moulded and shaped, and an efficient conductor of heat and electricity. Thus, copper plays a critical role in powering everything from homes, cars and consumer electric/electronic devices to telecommunications and commuter rail networks. Energy storage in mobility and stationary storage applications and the growing smart home applications market (incl. smart home hubs, switchers, routers and wiring) are also especially important for copper.

In the end-markets discussed earlier, we observed the large growth potential for the manufacturing of Li-ion batteries that includes copper. This implies significant long-term growth potential due to the rapid rise in batteries needed for EVs. According to a recent energy outlook from Bloomberg, BP, OPEC and the IEA, the global EV fleet is expected to grow >20% p.a. for the next 20 years (a CAGR of 21-24% for '18- '40e). This implies that 10-30% of the global vehicle fleet will be electrified by 2040, leaving plenty of potential for EV adoption beyond 2040.

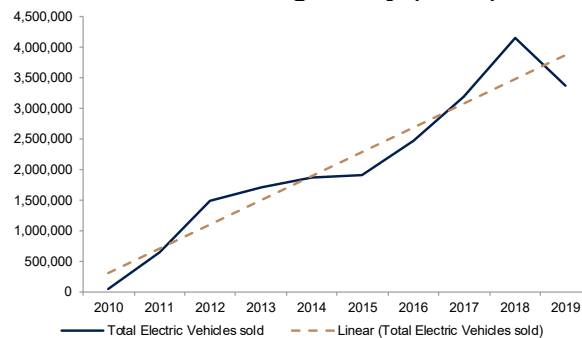
⁶ <https://vp217.alertir.com/afw/files/press/boliden/202003107199-1.pdf>

Electrical vehicle forecast (million units)



Source: ABG Sundal Collier, Bloomberg, BP, OPEC, IEA

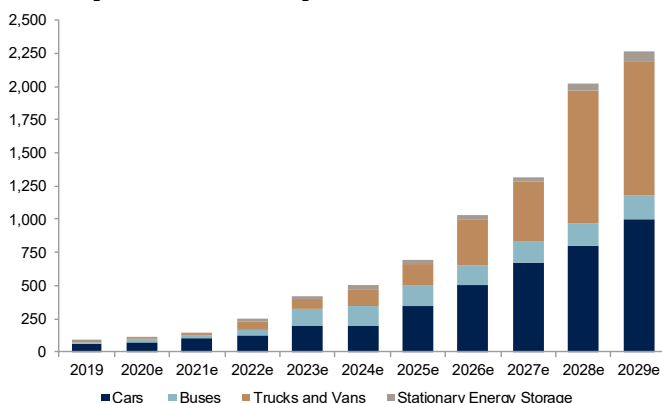
Electrical vehicles sold globally (units)



Source: ABG Sundal Collier, Bloomberg

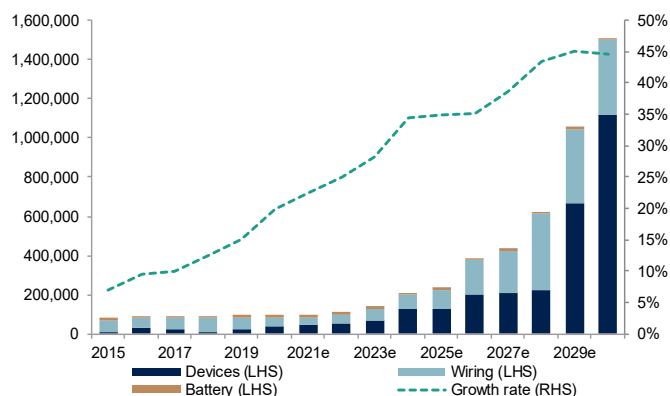
Mining companies seem to be looking for copper exposure due to its use in clean energy technologies. Copper, rare earth elements (REEs) and cobalt are of growing importance due to green emerging technologies such as electric vehicles and wind power. Thus, the world's transition to renewable energy and the increasing mandate of sustainability among investors are setting the stage for the copper price to perform solidly over the next decade.

Copper demand (Kton) in energy storage for mobility and stationary 2019-2029e



Source: ABG Sundal Collier, International Copper Association ("ICA")

Copper demand in smart home applications



Source: ABG Sundal Collier, ICA

Factors behind metal prices and sensitivity

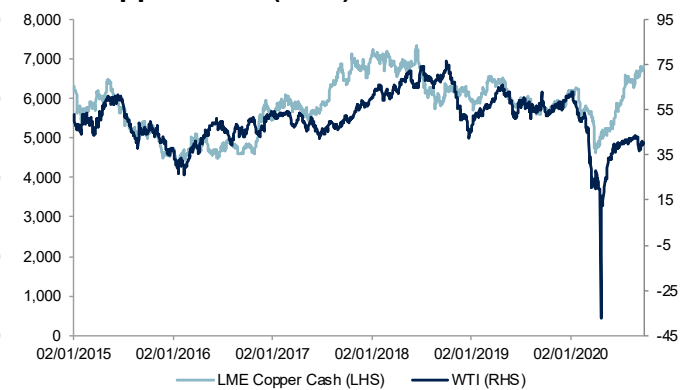
Apart from exposure to electricity, copper has an intrinsic link to economic growth and the price has an inverse correlation to the US dollar. As such, a lagging US economy and a weakening dollar could mean that investors outside the US have an additional advantage in importing the commodity (priced in USD). For instance, as the value of the USD relative to commodity buyer's currencies decreases, it becomes less expensive, and demand for copper potentially rises. On the other hand, non-USD currency copper miners still receive their revenue in US dollars; consequently, weakened margins for mining companies act as an incentive to decrease supply. We have thus historically seen a negative correlation between copper prices and the US dollar. In addition, oil and copper tend to be affected by the same economic factors and a long-standing price relationship is seen.

A weaker dollar could help to underpin the copper price



Source: ABG Sundal Collier, Bloomberg

Clear correlation between WTI Crude Oil and LME Copper Cash (USD)

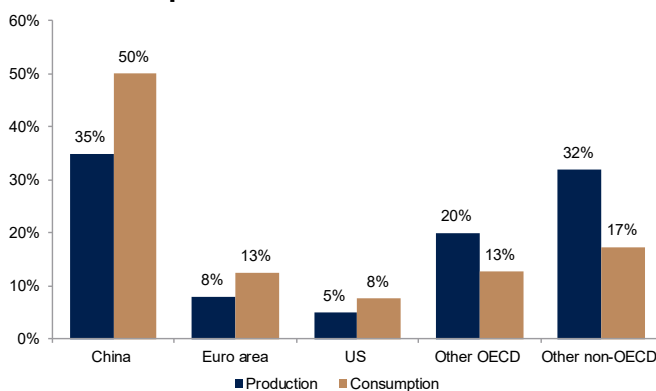


Source: ABG Sundal Collier, Bloomberg

Since China is the largest global consumer of copper, the well-being of the Chinese economy and its trade relations plays a significant role in copper price trends. It is also said that the use of copper as collateral for illiquid Chinese companies unable to secure traditional credit is widely popular. A large portion of imported copper in China has gone through various financing deals that, in the event of a default or a tightening of financial conditions, may have an impact on copper prices.

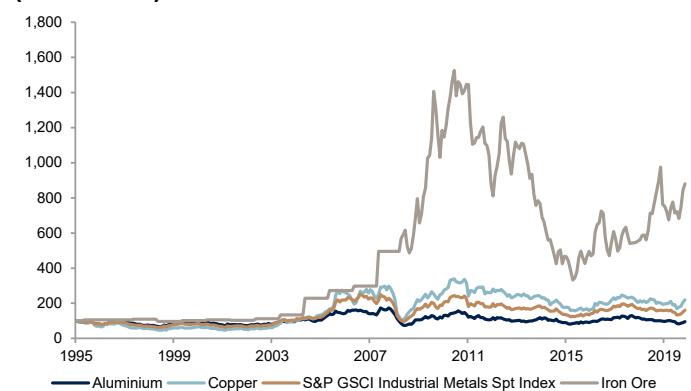
Long-term metal price fluctuations are generally determined by global demand, mainly owing to the importance of China. As shown below, metal prices were relatively stable between 1995 and the end of 2003. But since then, prices have been fluctuating.

Geographical composition of metal production and consumption*



Source: Bloomberg, ECB, * aluminium and copper data from World Bureau of Metal Statistics (WBMS),

Indexed metal prices (1995=100)



Source: ABG Sundal Collier, Bloomberg

However, in recent years there have been occasions where commodity-specific factors acted as the key driver. Copper production declines in South America, due to weather conditions and strikes, have had an impact on prices since countries such as Chile and Peru are large suppliers. In China, we have seen the implementation of environmental reforms, the shutting down of factories and a reduction in overproduction, which of course all have an impact on copper prices.

Key risks

There is usually a higher level of risk for an exploration company compared to being a more established player. Mineral exploration is an inherently high-risk activity, as not all of the evaluated projects may lead to the development of productive mines. There is no guarantee that mineralization investigations will lead to commercial production.

Development projects

Typically covering a longer timeline, entailing significant expenditures during the pre-production development phase. Meanwhile, there is a risk of unexpected problems and delays during exploration, development, construction, drilling or mine start-up. As such, costs can exceed the forecasted cost levels.

Price picture

Profitability for mining companies, Copperstone included are heavily dependent of price levels in the global metal market. In the event of the company discovering significant mineral resources, the value of those discoveries would still be highly dependent on the future price of the commodity. Thus, it is of great importance for Copperstone that global demand for copper remains high.

Price volatility

Commodities are one of the most volatile asset classes. Prices fluctuate significantly daily and are affected by 1) speculative positions taken by companies and the investment community, 2) increased import and export taxes on commodities and, 3) the availability of cheaper substitute materials. If metal prices decrease, mines with a high fixed cost base must temporarily and/or permanently shut down operations that currently balance the market.

Municipal risks

The relationship between environmental regulations and competitiveness in the mining industry is a significant variable. Mining poses significant environmental challenges, as it generates large volumes of, e.g. waste rock, tailings, acid mine drainage, airborne dust and other contaminants, depositing on land and in the air and water.

The life of the mine

Mines have limited lives. Currently Copperstone estimates a nine-year life of mine for Viscaria (Measured resource), which could grow to 25 years if all code compliance resources can be converted into reserves.

Power and water

Critical requirements for all mining projects. Power in the form of fuel oil or diesel is required for the earth-moving fleets.

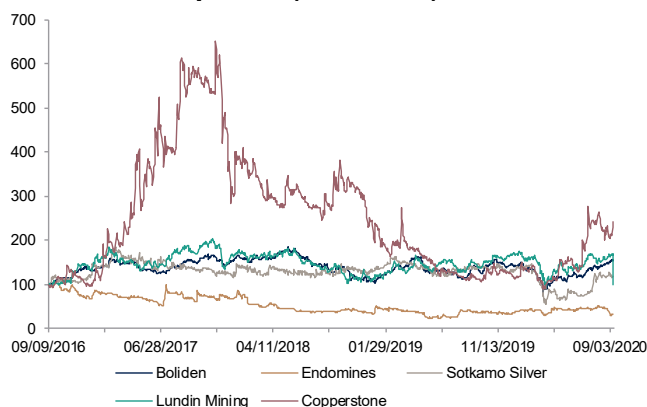
Regulation risks

Changes in regulations and taxes, such as the EU Emission Trading Scheme (ETS), may result in cost increases that undermine Copperstone's competitiveness in the global market. Decarbonizing faster than competitors could be a strategy for Copperstone to mitigate its exposure to risks related to changes in regulations and taxes.

Peer overview/valuation

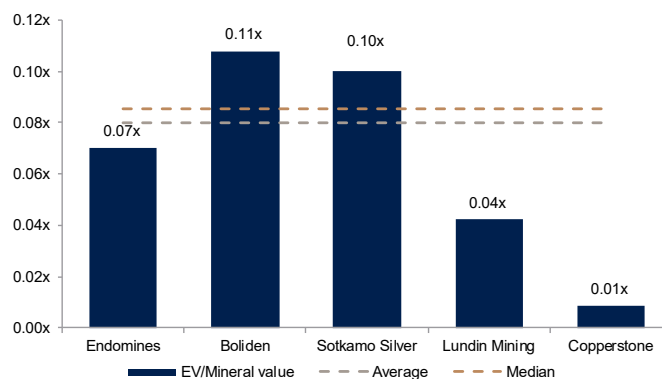
We have identified Boliden (Nasdaq Stockholm), Endomines (Nasdaq Stockholm and Helsinki), Lundin Mining (Nasdaq Stockholm) and Sotkamo Silver (NGM Equity and Nasdaq Helsinki) as suitable listed peers for Copperstone. Below we briefly describe each peer.

Indexed share prices (2016=100)



Source: ABG Sundal Collier, FactSet

EV/Mineral value for peer group, SEKm/t



Source: ABG Sundal Collier, Endomines, Boliden, Sotkamo Silver, Lundin Mining and Copperstone Resources

Boliden is a base- and precious-metals company with its own mining and smelting operations as well as exploration sites. As of today, Boliden has six mining areas: Aitik, Boliden Area, Garpenberg, Kevitsa, Kylylahti and Tara, where it extracts ore from open pits and underground operations. The business areas include exploration, production, technological developments and sales of mined concentrates. Boliden operates in two subsidiary markets, selling raw materials to smelters and selling metals primarily to industrial customers. Operations are concentrated in the Nordics, but the company also operates Europe's largest zinc mine in Ireland. Its revenue streams are global and its metal production mainly involves zinc, copper, gold and silver.

Boliden mineral value (SEKm)

Boliden	Au (t)	Ag (t)	Cu (t)	Zn (t)	Ni (t)
Measured	6	457	139,380	145,500	60,950
Indicated	188	6,348	3,073,850	1,570,270	259,670
Inferred	101	4,253	1,639,540	3,368,620	39,160
Total	296	11,058	4,852,770	5,084,390	359,780
Total Mineral Value (SEKm)					715,867

Source: ABG Sundal Collier, Boliden

Endomines is a mining and exploration company with a primary focus on gold. Endomines operates a gold mine in Pampalo, Eastern Finland, and is engaged in exploration activities along the Karelian Gold line in Eastern Finland. It is also developing mining operations in Idaho, USA. Endomines' strategy involves developing its existing assets into profit-making operations as well as seeking growth through M&A activities. In 2018, Endomines acquired TVL gold, including five producing gold mines in Idaho, and in 2019, it announced its first shipment of gold concentrate from its Friday mine.

Endomines mineral value (SEKm)

Endomines	Ton	g/t	Au (t)
Pampalo			
Indicated	359,503	2.8	1.0
Inferred	447,235	2.7	1.2
Karelian			
Indicated	1,101,000	1.6	1.8
Inferred	1,283,000	1.7	2.2
Friday resources			
Measured	245,000	6.9	1.7
Indicated	217,000	6.2	1.3
Inferred	296,000	4.9	1.5
Buffalo Gulch			
Measured	3,515,000	0.6	2.0
Indicated	3,230,000	0.5	1.6
Inferred	2,128,000	0.4	0.8
Total	12,821,738		15.0
Total Mineral Value (SEKm)			8,945

Source: ABG Sundal Collier, Endomines

Sotkamo Silver Group is a business that involves the exploration and production of metals in the Nordics. Sotkamo Silver owns mineral deposits containing silver, gold, zinc and lead, with operations in Finland, Norway and Sweden, directly and through its subsidiary Sotkamo Silver Oy. As of today, Sotkamo's main project is the silver mine in Sotkamo, Finland, where production started in March 2019. Thus, Sotkamo then went from pure exploration to mining and producing silver. Total measured and indicated mineral resources amounts to 6.3Mton with a silver-equivalent grade of 81g/t and a gold grade 0.23g/t (as of 31 Dec 2019).

Sotkamo Silver mineral value (SEKm)

Sotkamo Silver	Au (t)	Ag (t)	Zn (t)
Measured	0.6	229	17,446
Indicated	0.8	279	22,271
Inferred	0.9	256	20,022
Total	2.3	764	59,739
Total Mineral Value (SEKm)			9,041

Source: ABG Sundal Collier, Sotkamo Silver

Lundin Mining is a diversified Canadian base metals company with operations in Brazil, Chile, Portugal, Sweden and the US, primarily focusing on copper, gold, zinc and nickel. In 2019, Lundin Mining acquired the copper-gold Chapada Mine in Brazil and mined its first ore from Eagle East, ahead of schedule and under budget.

Lundin Mining mineral value (SEKm)

Lundin mining	Cu (t)	Zn (t)	Pb (t)	Ni (t)	Au (t)	Ag (t)
Reservs	5,518,000	3,123,000	936,000	100,000	196	4,139
Resources	5,033,000	4,307,000	1,217,000	13,000	153	5,840
Total	10,551,000	7,430,000	2,153,000	113,000	349	9,979
Total Mineral Value (SEKm)						1,130,203

Source: ABG Sundal Collier, Lundin Mining

The most relevant peers, described above, are producing mining companies with additional exploration. Copperstone is a pure exploration company and is therefore not entirely comparable to its producing peer group. However, we believe the peer group provides a fair indicator of the underlying sector valuation for a producing mining company. The group trades at 0.08x EV/Mineral value, and we value Copperstone at 0.05x EV/Mineral value.

The total mineral value for all companies are calculated as of ((tons of ore body x ore grade/gram per ton) x metal price), for all individual minerals and later conducted into a total mineral value.

Peer valuation overview

Valuation overview	EV	Mineral value	EV/Mineral value
Company	MSEK	MSEK	
Endomines	628	8,945	0.07x
Boliden	77,267	715,867	0.11x
Sotkamo Silver	907	9,041	0.10x
Lundin Mining	47,615	1,130,203	0.04x
Peer average	31,604	466,014	0.08x
Peer Median	24,261	362,454	0.09x
Copperstone	477	54,573	0.01x
Discount used for valuation			-40.0%
Discounted average			0.05x

Source: ABG Sundal Collier, company data, FactSet

NPV valuation

As the company's assets are within different phases, we argue that different valuation methods are of importance. We believe that the largest potential (in terms of contained metal, near-term potential and the likelihood of obtaining an environmental permit), is in Viscaria, followed by EVA, Granliden and Svartliden. We believe that an NPV valuation is the most appropriate valuation method for Viscaria and EVA as operations have more proven input variables than the remaining deposits.

If Viscaria receives an environmental permit we assume a life of mine for Viscaria of approximately 25 years, thus we need to evaluate cash flows far ahead from today, which involves a high degree of uncertainty. We value the cash flows for Viscaria during '20e-'48e using a WACC of 17%, 13% and 9% to discount the cash flows in the three different NPV scenarios.

If Viscaria receives an environmental permit and starts to generate cash, an opening of EVA is more likely to occur. We assume a life of mine for EVA on approximately six years and evaluate the cash flows for EVA during '20e-'30e using a WACC of 17%, 13% and 9% to discount the cash flows in the three different NPV scenarios.

NPV scenarios

NPV scenario analysis, Viscaria			
Scenario 1	Scenario 2	Scenario 3	
WACC	17% WACC	13% WACC	9%
NPV value per share	0.68	NPV value per share	1.46
		NPV value per share	2.87

Source: ABG Sundal Collier estimates, Cu price at 6,789 USD/t and opex costs at 3,720 USD/t

NPV scenarios

NPV scenario analysis, EVA			
Scenario 1	Scenario 2	Scenario 3	
WACC	17% WACC	13% WACC	9%
NPV value per share	0.45	NPV value per share	0.60
		NPV value per share	0.80

Source: ABG Sundal Collier estimates, Zinc price at 2,554 USD/t and opex costs at 3,720 USD/t

The valuation is of course sensitive to the inputs. If we assume different metal prices and opex costs in the NPV valuations, the value range widens significantly.

Viscaria, copper price and opex cost sensitivity*

Share price in SEK		Copper price (USD/t)						
		4,816	5,504	6,192	6,880	7,568	8,256	8,944
Opex (USD/t)	2,604	0.5	1.2	2.0	2.7	3.4	4.1	4.8
	2,976	0.1	0.8	1.6	2.3	3.0	3.7	4.4
	3,348	-0.3	0.4	1.1	1.9	2.6	3.3	4.0
	3,720	-0.7	0.0	0.7	1.5	2.2	2.9	3.6
	4,092	-1.1	-0.4	0.3	1.1	1.8	2.5	3.2
	4,464	-1.5	-0.8	-0.1	0.7	1.4	2.1	2.8
	4,836	-1.9	-1.2	-0.5	0.2	1.0	1.7	2.4

Source: ABG Sundal Collier estimates, FactSet, * copper price as of today is 6,880USD/t

EVA, zinc price and opex cost sensitivity*

Share price in SEK		Zinc price (USD/t)						
		1,788	2,043	2,299	2,554	2,809	3,065	3,320
Opex (USD/t)	2,604	0.8	0.8	0.9	1.0	1.1	1.1	1.2
	2,976	0.6	0.7	0.8	0.9	0.9	1.0	1.1
	3,348	0.5	0.6	0.7	0.7	0.8	0.9	0.9
	3,720	0.4	0.5	0.5	0.6	0.7	0.7	0.8
	4,092	0.2	0.3	0.4	0.5	0.5	0.6	0.7
	4,464	0.1	0.2	0.3	0.3	0.4	0.5	0.6
	4,836	0.0	0.1	0.1	0.2	0.3	0.3	0.4

Source: ABG Sundal Collier estimates, FactSet, * zinc price as of today is 2,554USD/t

Viscaria, copper price and USD/SEK sensitivity*

Share price in SEK		Copper price (USD/t)						
		4,816	5,504	6,192	6,880	7,568	8,256	8,944
USD/SEK	6.19	-0.8	-0.1	0.5	1.2	1.8	2.5	3.1
	7.07	-0.8	-0.1	0.6	1.3	1.9	2.6	3.3
	7.96	-0.7	0.0	0.7	1.4	2.1	2.8	3.5
	8.84	-0.7	0.0	0.7	1.5	2.2	2.9	3.6
	9.72	-0.7	0.1	0.8	1.6	2.3	3.0	3.8
	10.61	-0.6	0.1	0.9	1.7	2.4	3.2	4.0
	11.49	-0.6	0.2	1.0	1.8	2.5	3.3	4.1

Source: ABG Sundal Collier estimates, FactSet, * copper price as of today is 6,789USD/t

Multiple valuation

To complement the NPV valuations of Viscaria and EVA and to evaluate the remaining deposits, we have used an EV/Mineral value multiple valuation. We have calculated on a -40% discount (described further in the peer overview section) to Copperstone's peer group average to evaluate all deposits on a standalone basis.

The three different scenarios used in the multiple valuations are set after the potential total tons produced per mine. Scenario one for Viscaria includes its measured mineral resources as the possible tons produced, scenario two includes measured and indicated mineral resources, and scenario three consists of the measured, indicated and inferred mineral resources.

The remaining deposits (EVA, Granliden and Svartliden) only consist of inferred mineral resources and have thus no proven input variables. Instead, our scenario two consists of total inferred mineral resources. For scenario one we have

discounted the inferred mineral resources with -25% and added a premium of +25% on the inferred mineral resources for scenario three.

The multiple valuation is of course sensitive to the inputs. If we assume different discounts, the value range widens significantly.

SOTP standalone valuation

We argue that weighted values are important: the weight depends on the carrying importance of the different parts of the entire set. The SOTP valuation with weighted values generates a fair valuation range of SEK 0.7-2.6 per share. We would consider further positive drilling results with more proven input variables as potential upside to our estimates.

SOTP, standalone valuation

SOTP		EV Scenarios, MSEK				Value per share, SEK		
Mine	Valuation method	1	2	3	Weight	1	2	3
Viscaria	NPV	439	938	1,841	75%	0.68	1.46	2.87
Viscaria	EV/Mineral value	787	1,457	1,932	12%	1.23	2.27	3.01
EVA	NPV	290	383	512	6%	0.45	0.60	0.80
EVA	EV/Mineral value	72	96	120	4%	0.11	0.15	0.19
Granliden	EV/Mineral value	35	47	59	2%	0.05	0.07	0.09
Svartliden	EV/Mineral value	23	30	38	2%	0.04	0.05	0.06
Total		1,646	2,952	4,502	100%	0.69	1.41	2.57
Net debt		-15	-15	-15		-0.02	-0.02	-0.02
Equity value		1,631	2,936	4,487		0.67	1.39	2.55
Current Mcap		496	496	496		0.77	0.77	0.77
No. of shares (mn)								641
% vs. Mcap						-14%	79%	229%

Source: ABG Sundal Collier, company data

Appendix

Detailed Viscaria estimates

Viscaria	2019	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
Milled ore, tonnes	0	0	0	0	0	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Cu, %	0.0%	0.0%	0.0%	0.0%	1.0%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
Cu concentrate	0	0	0	0	0	16,500	22,000	22,000	24,000	24,000	24,000	24,000	24,000	24,000
Recoveries (metal in content)	0.0%	0.0%	0.0%	0.0%	92.1%	92.1%	92.1%	92.1%	92.4%	92.4%	92.4%	92.4%	92.4%	92.4%
Metal content, Cu (t)	0	0	0	0	0	15,197	20,262	20,262	22,176	22,176	22,176	22,176	22,176	22,176
Capex, total	0	0	0	-267	-850	-65	-86	-86	-94	-94	-94	-94	-94	-94
Revenues	0	0	0	0	0	924	1,232	1,232	1,349	1,349	1,349	1,349	1,349	1,349
Opex costs, total	0	0	0	0	0	-500	-666	-653	-708	-700	-693	-687	-680	-673
EBITDA	0	-71	-71	-60	-62	385	527	540	602	609	616	623	630	637
D&A	0	0	0	-18	-83	-88	-93	-99	-105	-112	-118	-124	-131	-137
EBIT	0	-71	-71	-78	-145	298	433	441	497	497	498	499	499	500

Source: ABG Sundal Collier estimates, company data

Detailed cash flow overview

Cash flow	2019	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
EBITDA	-12	-55	-71	-60	-62	374	588	753	824	837	849	860	604	618
Net financial items	-1	-3	-5	-20	-59	-70	-40	-28	-18	-8	-8	-8	-8	-8
Paid tax	0	0	0	0	0	0	-33	-101	-160	-161	-161	-161	-110	-110
Non cash items	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Change in WC	-3	-11	0	0	0	0	0	0	7	0	0	0	-37	0
Operating CF	-15	-68	-75	-79	-120	305	516	626	653	669	681	692	450	501
Capex	-6	-13	0	-267	-850	0	-34	-71	-171	-171	-163	-163	-94	-94
Acquisitions/disposals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Free cash flow	-21	-81	-75	-346	-970	305	482	554	483	499	518	530	355	406
Dividend paid	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Share issues	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other non cash items	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Net borrowing	35	57	75	355	985	200	200	200	100	100	100	100	100	100
Change in cash	15	-23	2	10	16	506	683	755	584	600	619	631	456	507

Source: ABG Sundal Collier estimates, company data

Detailed income statement overview

Income statement	2019	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
Sales	10	16	0	0	0	924	1,503	1,970	2,095	2,101	2,101	2,101	1,357	1,357
Gross profit	10	16	0	0	0	913	1,476	1,935	2,055	2,059	2,059	2,059	1,322	1,330
Gross margin	100%	100%	n.a.	n.a.	n.a.	99%	98%	98%	98%	98%	98%	98%	97%	98%
Opex	-22	-71	-71	-60	-145	-626	-984	-1,287	-1,349	-1,351	-1,350	-1,349	-849	-849
Opex to sales	-216%	-444%	n.a.	n.a.	n.a.	-68%	-65%	-65%	-64%	-64%	-64%	-64%	-63%	-63%
EBIT	-12	-55	-71	-60	-145	287	492	647	706	708	709	710	473	481
EBIT margin	-116%	-344%	n.a.	n.a.	n.a.	31%	33%	33%	34%	34%	34%	34%	35%	35%
Net financials	-3	-1	-5	-20	-59	-70	-40	-28	-18	-8	-8	-8	-8	-8
Pretax profit	-15	-57	-76	-80	-204	217	452	619	688	700	701	702	465	473
Tax	0	0	0	0	0	0	-33	-101	-160	-161	-161	-161	-110	-110
Net profit	-15	-57	-76	-80	-204	217	419	518	528	539	540	541	355	363
EPS	-0.03	-0.09	-0.05	-0.08	-0.28	0.37	0.70	0.86	0.86	0.88	0.88	0.88	0.58	0.59

Source: ABG Sundal Collier estimates, company data

Detailed balance sheet overview

Balance sheet	2019	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
Intangible assets	303	303	303	303	303	303	303	303	303	303	303	303	303	303
Tangible assets	1	1	1	268	1,118	1,118	1,137	1,165	1,175	1,185	1,187	1,189	1,189	1,189
Inventory	0	0	0	0	0	23	30	20	12	13	13	13	18	19
Receivables	10	11	10	10	10	29	40	50	49	49	49	49	49	49
Cash & cash equivalents	19	43	109	159	147	498	971	1,541	2,075	2,606	3,146	3,687	4,001	4,365
Total assets	333	357	423	740	1,578	1,970	2,481	3,078	3,614	4,156	4,698	5,240	5,560	5,925
Equity	264	288	283	263	121	377	835	1,392	1,920	2,459	2,999	3,540	3,895	4,258
Long-term debt	53	55	130	465	1,445	1,535	1,559	1,575	1,577	1,579	1,581	1,583	1,585	1,587
Short term debt	15	13	8	8	8	55	84	107	113	114	114	114	76	76
Other short term debt	1	2	2	4	4	4	4	4	4	4	4	4	4	4
Total Equity & Liabilities	333	357	423	740	1,578	1,970	2,481	3,078	3,614	4,156	4,698	5,240	5,560	5,925

Source: ABG Sundal Collier estimates, company data

Terms used in this report

Cut-off grade

The minimum mineral grade (for a mineral to be economically mined) in the mine.

Exploration

Searching for economic mining ores and minerals

Indicated mineral resources

The part of the mineral resource that has less geological certainty than the measured resources.

Inferred mineral resources

Mineral resources that indicate a small (less than measured and indicated) geological knowledge and confidence. Should not be added with the reserves, measured or indicated resources, and may not be a foundation for economic evaluations.

JORC Code

Global and common reporting code sets high guarantees for preparing and presenting estimates of exploration results, mineral resources and reserves definitions.

Measured resources

The part of the mineral resource that has grade continuity and other geological characteristics with confirmed geological knowledge and confidence.

Ore (or Mineral) Reserve

The economically mineable part of the measured and/or indicated mineral resources.

PERC Code

European and common reporting code sets high guarantees for preparing and presenting estimates.

Porphyry

Ore characterized by large scale and relatively low metal contents.

Strip ratio

Expressed in tons of waste vs. tons of ore mined in open-pit operations. A critical and essential parameter for the pit design and scheduling.

Troy ounce (oz)/koz/Moz

A unit of measure used for weighing precious metals, for gold it is corresponding to 1oz = 31.104 grams, /thousand oz/ million oz.

Shareholder base

Total shareholders

#	Owner	# Shares (mn)	Value SEKm	Capital
1	Sunstone Metals Ltd	160.0	121.6	25.0%
2	Avanza Pension	22.3	16.9	3.5%
3	Michael Mattsson	20.0	15.2	3.1%
4	JOHECO AB	18.8	14.3	2.9%
5	Björn Israelsson	13.6	10.3	2.1%
6	Ozoneair AB	11.3	8.6	1.8%
7	Allanova AB	10.8	8.2	1.7%
8	Kenneth Nielsen 2004 Holding APS	10.6	8.1	1.7%
9	Nordnet Pension	10.3	7.8	1.6%
10	Per-Olof Bucht	10.0	7.6	1.6%
11	Others	353.6	268.7	55.1%








Source: ABG Sundal Collier, company data as of 15/10/2020*

Management and Board holdings

#	Owner	Insider	Position	# Shares (mn)	Value SEKm	Capital
1	Sunstone Metals Ltd	Malcolm Norris	Board member	160.0	121.6	25.0%
2	Michael Mattsson	Michael Mattsson	CEO	20.0	15.2	3.2%
3	Erik Israelsson	Erik Israelsson	Board member	2.5	1.9	0.4%
4	Joheco AB	Jörgen Olsson	Board member	18.8	14.3	0.2%
5	Gregory Hall	Gregory Hall	Board member	0.1	0.1	0.0%

Source: ABG Sundal Collier, company data as of 15/10/2020

Management and Board of Directors

	Michael Mattsson CEO and Board Member With the company since 2015	Background: Broad experience within Corporate Finance and Asset Management from SEB, Blackstone and Kaupthing. Experience from the mining and exploration company Endomines AB in Finland. Main shareholder in Copperstone Resources between 2015 and 2019. M.Sc. in Finance at Stockholm School of Economics No. shares: 20,000,002 shares, 5,375,000 warrants
	Jörgen Olsson Chairman of the Board With the company since 2020	Background: Previous experience includes CEO at Hoist Finance, CFO at Kaupthing and Chairman of the board at Osmia Pharmaceutical AB. Olsson has broad experience in financing, forming corporate culture and small-cap companies. B.Sc. in Business and Economics at Luleå University of Technology No. shares: 18,722,563 shares (JOHECO), 150,000 warrants
	Sven-Erik Bucht Board Member With the company since 2019	Background: Broad experience in Swedish politics – Minister of agricultural policy 2015-2019, member of the parliament 2010-2019 and representing Sweden in the Nordic Freedom of Movement Council. Additional experiences includes CEO and board member in several companies Business studies at Luleå University of Technology No. shares: 0 shares, 1,250,000 warrants
	Malcolm Norris Board Member With the company since 2018	Background: Currently CEO at Sunstone Metals and developer of the Viscaria project in Sweden. Previous experience includes CEO at SolGold, Non-Executive Director at Magmatic Resources and Director at Afranex Gold and Exinde. M.Sc. in Geology at University of Western Ontario No. shares: 0 shares, 0 warrants
	Gregory Hall Board Member With the company since 2019	Background: Over 30 years' experience from the mining industry and the global raw materials industry. Including positions as CEO and board member at WMC, Rio Tinto, Toro Energy and Hillgrove Resources. Currently CEO at Alligator Energy. B.E. in Mining Engineering at University of South Australia No. shares: 80,000 shares, 400,000 warrants
	Jane Lundgren Ericsson Board Member With the company since 2020	Background: Over 20 years' experience from capital markets and the finance industry. Currently Head of Legal at Visma Finance and Non-Executive Director of the board at SBAB Bank. Previously Executive Director and Head of Lending at Swedish Export Credit Corporation. LL.M. in International Business Law at University of London No. shares: 0 shares, 1,250,000 warrants
	Lars Seiz Board Member With the company since 2020	Background: Over 30 years' of experience including leading positions at SEB and AP2. Experience from a number of board assignments and is currently a board member of Handelsbanken Fonder AB. M.Sc. in Finance and Marketing at Uppsala University No. shares: 0 shares, 0 warrants

Source: ABG Sundal Collier, company data

Income Statement (SEKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020e	Q4 2020e
Sales	0	0	0	0	0	0	0	0
COGS	0	0	0	0	0	0	0	0
Gross profit	0	0	0	0	0	0	0	0
Other operating items	-2	-3	-2	-3	-1	-2	-7	-7
EBITDA	-2	-3	-2	-3	-1	-2	-7	-7
Depreciation and amortisation	-0	-0	-1	-0	-0	-0	0	0
EBITA	-2	-4	-3	-3	-2	-2	-7	-7
EO items	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0
EBIT	-2	-4	-3	-3	-2	-2	-7	-7
Net financial items	1	-2	-3	-1	-0	3	-6	0
Pretax profit	-2	-6	-6	-4	-2	1	-13	-7
Tax	0	0	0	0	0	0	0	0
Net profit	-2	-6	-6	-4	-2	1	-13	-7
Minority interest	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0
Net profit to shareholders	-2	-6	-6	-4	-2	1	-13	-7
EPS	-0.00	-0.01	-0.01	-0.01	-0.00	0.00	-0.02	-0.01
EPS Adj	-0.00	-0.01	-0.01	-0.01	-0.00	0.00	-0.02	-0.01
Total extraordinary items after tax	0	0	0	0	0	0	0	0
Tax rate (%)	0	0	0	0	0	0	0	0
Gross margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
EBITDA margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
EBITA margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
EBIT margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
Pretax margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
Net margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
Growth rates Y/Y	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020e	Q4 2020e
Sales growth (%)	na	na	na	na	na	na	na	na
EBITDA growth (%)	-chg	-chg	-chg	-chg	+chg	+chg	-chg	-chg
EBIT growth (%)	-chg	-chg	-chg	-chg	+chg	+chg	-chg	-chg
Net profit growth (%)	-chg	-chg	-chg	+chg	-chg	+chg	-chg	-chg
EPS growth (%)	-chg	-chg	-chg	+chg	-chg	+chg	-chg	-chg
Adj earnings numbers	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020e	Q4 2020e
EBITDA Adj	-2	-3	-2	-3	-1	-2	-7	-7
EBITDA Adj margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
EBITA Adj	-2	-4	-3	-3	-2	-2	-7	-7
EBITA Adj margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
EBIT Adj	-2	-4	-3	-3	-2	-2	-7	-7
EBIT Adj margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
Pretax profit Adj	-2	-6	-6	-4	-2	1	-13	-7
Net profit Adj	-2	-6	-6	-4	-2	1	-13	-7
Net profit to shareholders Adj	-2	-6	-6	-4	-2	1	-13	-7
Net Adj margin (%)	nm	nm	nm	nm	nm	nm	nm	nm

Source: ABG Sundal Collier, Company data

Income Statement (SEKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Sales	1	1	0	0	0	0	0	0	0	0
COGS	0	0	0	0	0	0	0	0	0	0
Gross profit	1	1	0	0	0	0	0	0	0	0
Other operating items	2	-8	-1	-7	-8	-5	-11	-55	-71	-60
EBITDA	2	-7	-1	-7	-8	-5	-11	-55	-71	-60
Depreciation and amortisation	-2	-8	-0	-3	-1	-0	-1	-0	0	0
Of which leasing depreciation	0	0	0	0	0	0	0	0	0	0
EBITA	0	-16	-2	-9	-8	-5	-12	-55	-71	-60
EO items	0	0	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	-11	-16	-2	-9	-8	-5	-12	-55	-71	-60
Net financial items	-0	-3	-1	-4	0	5	-3	-1	-5	-20
Pretax profit	-11	-19	-2	-14	-8	-0	-15	-57	-76	-80
Tax	0	0	0	0	0	0	0	0	0	0
Net profit	-11	-19	-2	-14	-8	-0	-15	-57	-76	-80
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	-11	-19	-2	-14	-8	-0	-15	-57	-76	-80
EPS	-0.29	-0.41	-0.03	-0.12	-0.04	-0.00	-0.03	-0.09	-0.12	-0.13
<i>EPS Adj</i>	<i>-0.30</i>	<i>-0.41</i>	<i>-0.03</i>	<i>-0.12</i>	<i>-0.04</i>	<i>-0.00</i>	<i>-0.03</i>	<i>-0.09</i>	<i>-0.12</i>	<i>-0.13</i>
Total extraordinary items after tax	0	0	0	0	0	0	0	0	0	0
Leasing payments	0	0	0	0	0	0	0	0	0	0
<i>Tax rate (%)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Gross margin (%)</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>EBITDA margin (%)</i>	<i>363.2</i>	<i>-1,109.4</i>	<i>-3,085.4</i>	<i>-7,457.1</i>	<i>-69,900.0</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>EBITA margin (%)</i>	<i>0</i>	<i>-2,355.6</i>	<i>-4,063.4</i>	<i>-10,358.2</i>	<i>-74,536.4</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>EBIT margin (%)</i>	<i>-1,659.9</i>	<i>-2,355.6</i>	<i>-4,063.4</i>	<i>-10,358.2</i>	<i>-74,536.4</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>Pretax margin (%)</i>	<i>-1,655.7</i>	<i>-2,822.2</i>	<i>-6,056.1</i>	<i>-14,964.8</i>	<i>-72,581.8</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>Net margin (%)</i>	<i>-1,655.7</i>	<i>-2,822.2</i>	<i>-6,056.1</i>	<i>-14,964.8</i>	<i>-72,581.8</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
Growth rates Y/Y	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
<i>Sales growth (%)</i>	<i>-17.1</i>	<i>4.7</i>	<i>-93.9</i>	<i>122.0</i>	<i>-87.9</i>	<i>-100.0</i>	<i>na</i>	<i>na</i>	<i>na</i>	<i>na</i>
<i>EBITDA growth (%)</i>	<i>133.9</i>	<i>-419.8</i>	<i>83.0</i>	<i>-436.4</i>	<i>-13.3</i>	<i>29.8</i>	<i>-97.1</i>	<i>-416.6</i>	<i>-29.1</i>	<i>15.5</i>
<i>EBIT growth (%)</i>	<i>5.4</i>	<i>-48.6</i>	<i>89.5</i>	<i>-465.8</i>	<i>13.0</i>	<i>33.5</i>	<i>-119.9</i>	<i>-360.5</i>	<i>-28.6</i>	<i>15.5</i>
<i>Net profit growth (%)</i>	<i>23.0</i>	<i>-78.4</i>	<i>86.9</i>	<i>-448.4</i>	<i>41.4</i>	<i>94.3</i>	<i>-3,081.3</i>	<i>-287.3</i>	<i>-33.5</i>	<i>-6.1</i>
<i>EPS growth (%)</i>	<i>75.1</i>	<i>-41.5</i>	<i>92.1</i>	<i>-277.1</i>	<i>69.8</i>	<i>94.9</i>	<i>-1,343.2</i>	<i>-242.4</i>	<i>-33.5</i>	<i>-6.1</i>
Profitability	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
<i>ROE (%)</i>	<i>-33.1</i>	<i>-68.1</i>	<i>-10.7</i>	<i>-55.1</i>	<i>-17.1</i>	<i>-0.7</i>	<i>-8.9</i>	<i>-21.0</i>	<i>-29.3</i>	<i>-36.9</i>
<i>ROE Adj (%)</i>	<i>-33.9</i>	<i>-68.1</i>	<i>-10.7</i>	<i>-55.1</i>	<i>-17.1</i>	<i>-0.7</i>	<i>-8.9</i>	<i>-21.0</i>	<i>-29.3</i>	<i>-36.9</i>
<i>ROCE (%)</i>	<i>-32.1</i>	<i>-54.8</i>	<i>-6.0</i>	<i>-27.0</i>	<i>-11.4</i>	<i>5.3</i>	<i>-6.4</i>	<i>-15.4</i>	<i>-19.9</i>	<i>-11.5</i>
<i>ROCE Adj(%)</i>	<i>-32.9</i>	<i>-54.8</i>	<i>-6.0</i>	<i>-27.0</i>	<i>-11.4</i>	<i>5.3</i>	<i>-6.4</i>	<i>-15.4</i>	<i>-19.9</i>	<i>-11.5</i>
<i>ROIC (%)</i>	<i>-88.9</i>	<i>-173.0</i>	<i>-12.3</i>	<i>-40.1</i>	<i>-23.2</i>	<i>-10.5</i>	<i>-6.6</i>	<i>-18.0</i>	<i>-23.0</i>	<i>-13.5</i>
<i>ROIC Adj (%)</i>	<i>-88.9</i>	<i>-173.0</i>	<i>-12.3</i>	<i>-40.1</i>	<i>-23.2</i>	<i>-10.5</i>	<i>-6.6</i>	<i>-18.0</i>	<i>-23.0</i>	<i>-13.5</i>
Adj earnings numbers	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
EBITDA Adj	2	-7	-1	-7	-8	-5	-11	-55	-71	-60
<i>EBITDA Adj margin (%)</i>	<i>363.2</i>	<i>-1,109.4</i>	<i>-3,085.4</i>	<i>-7,457.1</i>	<i>-69,900.0</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
EBITDA lease Adj	2	-7	-1	-7	-8	-5	-11	-55	-71	-60
<i>EBITDA lease Adj margin (%)</i>	<i>363.2</i>	<i>-1,109.4</i>	<i>-3,085.4</i>	<i>-7,457.1</i>	<i>-69,900.0</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
EBITA Adj	0	-16	-2	-9	-8	-5	-12	-55	-71	-60
<i>EBITA Adj margin (%)</i>	<i>0</i>	<i>-2,355.6</i>	<i>-4,063.4</i>	<i>-10,358.2</i>	<i>-74,536.4</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
EBIT Adj	-11	-16	-2	-9	-8	-5	-12	-55	-71	-60
<i>EBIT Adj margin (%)</i>	<i>-1,659.9</i>	<i>-2,355.6</i>	<i>-4,063.4</i>	<i>-10,358.2</i>	<i>-74,536.4</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
Pretax profit Adj	-11	-19	-2	-14	-8	-0	-15	-57	-76	-80
Net profit Adj	-11	-19	-2	-14	-8	-0	-15	-57	-76	-80
Net profit to shareholders Adj	-11	-19	-2	-14	-8	-0	-15	-57	-76	-80
Net Adj margin (%)	-1,696.6	-2,822.2	-6,056.1	-14,964.8	-72,581.8	nm	nm	nm	nm	nm

Source: ABG Sundal Collier, Company data

Cash Flow Statement (SEKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
EBITDA	2	-7	-1	-7	-8	-5	-11	-55	-71	-60
Net financial items	-0	-3	-1	-4	0	5	-3	-1	-5	-20
Paid tax	-0	0	-0	-0	-0	-1	-1	-3	-5	-20
Non-cash items	-10	0	-10	0	1	1	1	4	6	21
Cash flow before change in WC	-9	-10	-12	-11	-7	-0	-13	-55	-75	-79
Change in WC	-1	3	3	9	-1	-6	-2	-12	0	0
Operating cash flow	-10	-7	-9	-2	-8	-6	-15	-68	-75	-79
CAPEX tangible fixed assets	0	0	0	0	-0	0	0	-0	0	-267
CAPEX intangible fixed assets	-2	-2	-2	-6	-13	-20	-6	-13	0	0
Acquisitions and disposals	0	0	0	0	0	0	0	0	0	0
Free cash flow	-12	-9	-10	-8	-21	-26	-21	-81	-75	-346
Dividend paid	0	0	0	0	0	0	0	0	0	0
Share issues and buybacks	11	1	8	17	49	0	45	25	0	0
Lease liability amortisation	0	0	0	0	0	0	0	0	0	0
Other non cash items	1	-13	2	-13	-2	1	-61	62	40	31
Balance Sheet (SEKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Goodwill	0	0	0	0	0	0	0	0	0	0
Other intangible assets	12	3	22	27	39	59	303	303	303	303
Tangible fixed assets	0	0	0	0	0	0	1	1	1	268
Right-of-use asset	1	1	1	0	0	0	0	0	0	0
Total other fixed assets	11	18	4	8	3	13	0	0	0	0
Fixed assets	23	22	27	35	42	73	305	304	304	571
Inventories	0	0	0	0	0	0	0	0	0	0
Receivables	2	4	1	1	8	1	9	10	10	10
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	9	1	2	3	28	1	19	29	67	89
Total assets	35	28	30	38	79	75	333	343	381	670
Shareholders equity	32	23	23	26	67	65	264	274	241	193
Minority	0	0	0	0	0	0	0	0	0	0
Total equity	32	23	23	26	67	65	264	274	241	193
Long-term debt	0	1	4	3	4	5	5	55	130	465
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	1	6	5	3	7	9	7	7
Total other long-term liabilities	0	0	0	0	0	0	48	0	0	0
Short-term debt	0	0	0	0	0	0	0	0	0	0
Accounts payable	1	0	1	1	1	0	5	2	0	0
Other current liabilities	2	3	1	1	1	1	3	3	3	5
Total liabilities and equity	35	28	30	38	79	75	333	343	381	670
Net IB debt	-20	-18	-2	-1	-22	-7	-7	35	69	382
Net IB debt excl. pension debt	-20	-18	-2	-1	-22	-7	-7	35	69	382
Net IB debt excl. leasing	-20	-0	2	1	-24	4	-14	26	62	375
Capital invested	13	6	22	25	45	59	305	308	310	575
Working capital	0	1	-2	-2	6	-1	1	5	7	5
EV breakdown	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Market cap. diluted (m)	na	na	0	0	0	0	0	0	0	0
Net IB debt Adj	-20	-18	-2	-1	-22	-7	-7	35	69	382
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	0	0	0	0	0	0	0	0	0	0
EV	na	na	-2	-1	-22	-7	-7	35	69	382
Capital efficiency	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Total assets turnover (%)	1.8	2.1	0.1	0.3	0.0	0	0	0	0	0
Working capital/sales (%)	-101.0	77.8	-857.3	-1,827.5	18,495.5	nm	nm	nm	nm	nm
Financial risk and debt service	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Net debt/equity	-0.61	-0.76	-0.07	-0.03	-0.33	-0.11	-0.03	0.13	0.29	1.98
Net debt/market cap	na	na	nm	nm	nm	nm	nm	nm	nm	nm
Equity ratio (%)	92.3	82.4	77.0	69.1	85.3	87.6	79.3	79.7	63.2	28.8
Net IB debt adj./equity	-0.61	-0.76	-0.07	-0.03	-0.33	-0.11	-0.03	0.13	0.29	1.98
Current ratio	4.95	1.62	0.88	0.41	4.81	0.51	1.85	2.66	7.40	7.98
EBITDA/net interest	9.91	-2.38	-1.55	-1.62	-35.76	-1.08	-4.07	-40.54	-15.78	-2.99
Net IB debt/EBITDA	-8.47	2.40	1.30	0.13	2.85	1.28	0.69	-0.63	-0.97	-6.37
Net IB debt/EBITDA lease Adj	-8.49	0.02	-1.33	-0.10	3.16	-0.69	1.32	-0.47	-0.88	-6.26
Interest cover	0.04	-4.79	-1.71	-1.67	-3.93	0.90	-3.23	-5.08	-15.78	-2.99

Source: ABG Sundal Collier, Company data

Valuation and Ratios (SEKm)	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Shares outstanding adj.	0	0	0	0	0	0	0	0	0	0
Fully diluted shares Adj	0	0	0	0	0	0	0	0	0	0
EPS	-0.29	-0.41	-0.03	-0.12	-0.04	-0.00	-0.03	-0.09	-0.12	-0.13
Dividend per share Adj	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
EPS Adj	-0.30	-0.41	-0.03	-0.12	-0.04	-0.00	-0.03	-0.09	-0.12	-0.13
BVPS	0.89	0.60	0.23	0.15	0.28	0.26	0.48	0.43	0.38	0.30
BVPS Adj	0.56	0.52	0.01	-0.00	0.12	0.02	-0.07	-0.05	-0.10	-0.17
Net IB debt / share	-0.5	-0.0	0.0	0.0	-0.1	0.0	-0.0	0.1	0.1	0.6
Share price	na	na	0.43	0.39	1.10	0.71	0.42	0.77	0.77	0.77
Market cap. (m)	na	na	44	66	266	177	233	496	496	496
Valuation	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
P/E	na	na	-13.3	-3.2	-29.8	-381.6	-15.6	-8.4	-6.3	-5.9
EV/sales	na	na	-40.12	-9.82	-1,995.36	nm	nm	nm	nm	nm
EV/EBITDA	na	na	1.3	0.1	2.9	1.3	0.7	-0.6	-1.0	-6.4
EV/EBITA	na	na	1.0	0.1	2.7	1.3	0.6	-0.6	-1.0	-6.4
EV/EBIT	na	na	1.0	0.1	2.7	1.3	0.6	-0.6	-1.0	-6.4
Dividend yield (%)	na	na	nm	nm	nm	nm	nm	nm	nm	nm
FCF yield (%)	na	na	-31.4	-19.1	-9.0	-15.1	-9.2	-17.0	-15.7	-72.9
Lease adj. FCF yield (%)	na	na	nm	nm	nm	nm	nm	nm	nm	nm
P/BVPS	na	na	1.88	2.50	3.97	2.71	0.88	1.81	2.06	2.57
P/BVPS Adj	na	na	64.16	-167.87	9.54	28.56	-5.96	-16.90	-8.02	-4.51
P/E Adj	na	na	-13.3	-3.2	-29.8	-381.6	-15.6	-8.4	-6.3	-5.9
EV/EBITDA Adj	na	na	1.3	0.1	2.9	1.3	0.7	-0.6	-1.0	-6.4
EV/EBITA Adj	na	na	1.0	0.1	2.7	1.3	0.6	-0.6	-1.0	-6.4
EV/EBIT Adj	na	na	1.0	0.1	2.7	1.3	0.6	-0.6	-1.0	-6.4
EV/cap. employed	na	na	-0.1	-0.0	-0.3	-0.1	-0.0	0.1	0.2	0.6
Investment ratios	2013	2014	2015	2016	2017	2018	2019	2020e	2021e	2022e
Capex/sales	372.4	270.6	3,753.7	7,073.6	119,354.5	nm	nm	nm	nm	nm
Capex/depreciation	102.5	21.7	383.8	243.8	2,574.3	40,122.0	462.3	6,187.3	nm	nm
Capex tangibles/tangible fixed assets	0	0	0	0	169.6	0	0	20.5	0	99.8
Capex intangibles/definite intangibles	19.9	53.8	6.8	24.1	32.3	33.9	2.0	4.3	0	0
Depreciation on intangibles/definite intai	0	0	0	0	0	0	0	0	0	0
Depreciation on tangibles/tangibles	6,847.1	76,018.2	10,025.0	66,000.0	184.8	22.2	257.4	37.2	0	0

Source: ABG Sundal Collier, Company data

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