

The Board of Directors' of Copperstone Resources AB (publ) proposal on authorisation of the Board of Directors to resolve on a preferential rights issue (Item 7)

The Board of Directors of Copperstone Resources AB (publ) (the “**Company**”) proposes that the extraordinary general meeting resolves on authorisation for the Board of Directors to, before next year’s annual general meeting, at one or more than one occasion, resolve on share issues, within the limitations of the articles of association, with preferential rights for current shareholders, to be paid in cash, in kind or through set-off. Issuance of new shares pursuant to the authorisation shall be executed on customary terms under current market circumstances. The Board of Directors has the right to resolve on issuance of new shares in an aggregate maximum amount of approximately SEK 160 million by virtue of the authorisation.

The purpose of the authorisation is that the proceeds from the issuance of shares shall mainly be used to finance the project development towards a reopening of the Viscaria mine, and to prepay the additional purchase price regarding the Viscaria acquisition. In addition, the Company intends to create a stable financial position for the Company that enables value-adding activities within the Company’s other projects.

The Board of Directors further proposes that in the event that not all new shares are subscribed for by exercise of subscription rights, the Board of Directors shall, within the limits of the maximum amount of the rights issue, resolve on allotment of new shares subscribed for without subscription rights, whereby allotment shall be made primarily to those who have given binding undertakings prior to the launch of the planned rights issue to subscribe for shares without support of subscription rights, secondly to those who have subscribed for shares by exercise of subscription rights (irrespective of whether the subscriber was a shareholder on the record date or not) and have applied for subscription without subscription rights, and, in the event allotment cannot be fully made, pro rata in relation to the number of subscription rights each subscriber has exercised for subscription of shares those who have subscribed for shares, thirdly to those who have subscribed for shares in the rights issue without subscription rights and, in the event allotment cannot be fully made, pro rata in relation to the number of shares stated in each subscription application.

For further information regarding the planned rights issue that the Company intends to resolve upon by virtue of the proposed authorisation if it is approved by the general meeting, please refer to the press release published by the Company on 20 November 2020:

<https://ml-eu.globenewswire.com/Resource/Download/59cf37b4-5efe-4ffa-b7a9-1d2b14fda6d9>

The Board of Directors, or the person that the Board of Directors appoints, shall be given the right to make such minor amendments of the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office (Sw. *Bolagsverket*).

Furthermore, it is proposed that the authorisation for issuance of shares resolved on the extra general meeting on 29 September 2020 shall be valid in parallel with the above authorisation for issuance of shares, whether the above authorisation will be utilised or not.

Kiruna in December 2020

Copperstone Resources AB (publ)

the Board of Directors