

Kiruna 23 November 2020

PRESS RELEASE

## **NOTICE OF EXTRAORDINARY GENERAL MEETING IN COPPERSTONE RESOURCES AB (PUBL)**

The shareholders of Copperstone Resources AB (publ) (“**Copperstone**” or the “**Company**”) are hereby summoned to an extraordinary general meeting on 15 December 2020 at 3:00 p.m. at the offices of Hannes Snellman, Kungsträdgårdsgatan 20, 111 47, Stockholm. The registration opens at 2:30 p.m.

### **Notice of attendance etc.**

Shareholders who wish to participate in the general meeting must be recorded in the share register held by Euroclear Sweden AB on 7 December 2020 and announce their participation via mail to the Company no later than 10 December 2020 at 12:00 p.m. to address Copperstone Resources AB (publ), Fasadvägen 43, SE-981 41 Kiruna, Sweden, or via e-mail: [info@copperstone.se](mailto:info@copperstone.se), stating “extraordinary general meeting”. Upon notice of attendance, the shareholder’s name, social security number or corporate registration number, address, telephone number, shareholding as well as information on advisors, if any (no more than two) shall be stated.

Upon participation by proxy, we are thankful if such proxy form is submitted already in connection with the notice of attendance. The proxy form may be no older than one year, however the proxy form may be older than one year if it is stated that it is valid for a longer period, no more than five years. Proxy forms are provided shareholders upon request and are available at the Company’s website, [www.copperstone.se](http://www.copperstone.se). A person representing a legal entity is requested to present a certificate of registration or equivalent documentation of authority evidencing authorised signatory.

A person having had their shares nominee registered must, in order to have the right to participate in the general meeting, have the nominee register the shares in own name, so that the relevant shareholder is registered in the share register held by Euroclear Sweden AB on 7 December 2020. Such registration may be temporary.

Information on any collection of proxy forms by the Company and exercise of voting right via mail, pursuant to the Act on Temporary Exceptions in Order to Ease Carrying Out General Meetings (Sw. *lag om tillfälliga undantag för att underlätta genomförandet av bolags- och föreningsstämmor*), will be provided on the Company’s website no later than one week before the general meeting.

### **Information regarding Covid-19**

Copperstone is observing the development of the Covid-19, Corona Virus, situation closely. As a precautionary and risk mitigation measure for its shareholders, Copperstone will take specific measures in connection with the general meeting such as restrictions on the duration of the general meeting, food and drink as well as the presence of the senior management. Further information will be found and updated on the Company’s website. Shareholders who are sick or belong to a risk group should not participate but may vote by proxy. Proxy forms will be available well before the general meeting on Copperstone’s website [www.copperstone.se](http://www.copperstone.se). The Company also intends to enable so called postal voting in accordance with the new interim legislation on the matter. Information and forms will in such case be held available on the Company’s website well before the general meeting.

## **Proposed agenda**

1. Opening of the meeting and election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Election of one or two persons to verify the minutes.
4. Determination as to whether the extraordinary general meeting has been duly convened.
5. Approval of the agenda.
6. Resolution on approval of Addendum with Sunstone Metals Ltd.
7. Resolution on authorisation of the board of directors to resolve on a preferential rights issue.
8. Resolution on approval of a potential rights issue against payment through set-off, directed to a related company to the Chairman of the board.
9. Resolution on amended guidelines and extended framework regarding consideration to the board of directors and management.
10. Closing of the meeting.

## **Proposals for decision**

### **Resolution on approval of Addendum with Sunstone Metals Ltd (Item 6)**

The board of directors of Copperstone Resources AB (publ) have, as disclosed on 20 November 2020, agreed on an addendum with its largest shareholder, Sunstone Metals Ltd (“**Sunstone**”), regarding the acquisition completed in March 2019 of Avalon Minerals Viscaria AB (the “**Addendum**”). In essence, the Addendum is providing for the prepayment of the additional purchase price obligation potentially owed to Sunstone if an environmental permit for the Viscaria mine is granted, amounting to SEK 20 million in cash and 46 million in newly issued shares. The prepayment entails a final cash settlement of SEK 26 million in total, of which SEK 21.2 million (subject to the approval of the general meeting) is paid after the contemplated rights issue is carried out (see further item 7 below), whilst SEK 4.8 million is paid prior to the general meeting as a down payment not subject to the approval of the general meeting. With reference to the general statement from the Swedish Securities Council concerning related-party transactions (AMN 2019:25), the board of directors refers the question of Sunstone’s remaining payment of SEK 21.2 million pursuant to the Addendum to the general meeting for approval. The complete proposal regarding the approval will be published on the Company’s website [www.copperstone.se](http://www.copperstone.se) no later than two weeks prior to the extraordinary general meeting.

A resolution regarding item 6 shall be valid only where supported by the majority of the votes casted at the extraordinary general meeting. The shares held by Sunstone shall not be taken into account at the vote.

### **Resolution 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) 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 (item 6). 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, 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.

### **Resolution on approval of a potential rights issue against payment through set-off, directed to a related company to the Chairman of the board (item 8)**

The board of directors of Copperstone Resources AB (publ) proposes that the extraordinary general meeting, with deviation from the shareholders' preferential right, resolves to approve a potential rights issue against payment through set-off, in an amount up to SEK 10.3 million, which may be directed to a company affiliated with the Chairman of the board, JOHECO AB ("**JOHECO**"), by virtue of the previously registered authorisation together with general meeting's special instructions, as follows.

In the event that the Company wishes to enhance its liquidity until the proceeds from the planned preferential rights issue according to the previous item 7 are received, JOHECO and the Company have agreed on a loan commitment in the amount of SEK 10.3 million. Calls pursuant to this bridge loan run without any interest or fees and are repaid pursuant to the loan agreement by means of newly issued shares by set-off in connection with the planned new share issue. In addition, JOHECO has undertaken to subscribe for its pro rata share in the issue, corresponding to SEK 4.7 million, as well as subscribe for shares without subscription rights in an amount corresponding to the loan amount in order to enable settlement of the loan in shares. In order to ensure such loan settlement through set-off, the board of director's share issue resolution is intended to enable an allotment opportunity for such oversubscription and other oversubscription that has guaranteed the issue, which, however, can only take place to the extent there will be room for oversubscription in the share issue. The board of directors therefore propose that the extra general meeting, to the extent that the bridge loan is called and JOHECO's oversubscription would not suffice for full set-off, gives its approval to the board of directors to, in connection with the final allotment of the planned preferential issue, secondarily, may carry out a directed share issue at the same issue price in order to enable settlement of the loan in shares. Such potential, to JOHECO directed, share issue against payment through set-off, is approved at the extra general meeting with a majority of 90 percent of both the votes cast and the shares represented at the meeting, pursuant to Chapter 16 Companies Act.

### **Resolution on amended guidelines and extended frameworks regarding consideration to the board of directors and the management (item 9)**

The proposal will be announced when the Company receives it and in due time prior to the extraordinary general meeting.

### **Right to information**

The board of directors and the CEO shall, if any shareholder requests it and the board of directors believes that such may take place without significant harm to the Company, provide information at the general meeting on any circumstances which may affect the assessment of a matter on the agenda, and any circumstances which

may affect the assessment of the Company's or a subsidiary's financial position as well as the Company's relationship to another group company.

### **Documents**

Complete resolution proposals pursuant to the above will be presented on the Company's website, [www.copperstone.se](http://www.copperstone.se), and be kept available at Copperstone Resources AB (publ) Fasadvägen 43, 981 41 Kiruna, no later than two weeks before the general meeting and be sent to those shareholders who so wishes and state their postal address.

### **Shares and votes**

The Company may issue shares of one class. In total, there are 641,275,703 shares and votes in the Company. Each share in the Company carries one vote at the general meeting. The Company does not hold any own shares.

Kiruna in November 2020  
**Copperstone Resources AB (publ)**  
*The board of directors*

**For more information:**

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**About Copperstone**

Copperstone Resources AB is a mineral exploration company formed in 2006. During 2019, the Company acquired Viscaria deposit in Kiruna and accordingly, the Company's strategy was revised. The goal is to become a modern and responsible producing mining company through the reopening of the Viscaria mine. The deposit's high level of copper and the geographical location provide for good conditions to become a key supplier of qualitative and responsible produced copper to customers who are driving the global change towards an electrified society. In addition to the Viscaria mine, Copperstone has several Exploitation Concessions and Exploration Permits in Arvidsjaur (Eva, Svartliden, Granliden) and Smedjebacken (Tvistbogruvan), all of which are located in Sweden. The Company's shares are subject trading on Nasdaq First North Growth Market (ticker COPP B). The Certified Adviser is Augment Partners AB, [info@augment.se](mailto:info@augment.se), +46 8 505 65 172.