

# Copperstone Resources

## Soaring Cu price is boosting mineral value

- Q1 report due on Wednesday 19 May
- Cu price up 39% YTD, ~SEK 73bn in total Cu resources
- New fair value range of SEK 0.7-2.2 (0.7-2.3) per share

### Q1'21 expectations and additional capital raised during Q2

We estimate Q1 sales of SEK 0m and EBIT of SEK -9m, negatively affected by an extraordinary expense of ~SEK 7m related to the rights issue completed in Jan '21. The timeline for obtaining the environmental permit is expected to remain unchanged, with Copperstone aiming to submit a permit application for the Viscaria mine during H2'21. On 9 April, the company announced the completion of a rights issue of 128m new shares at a subscription price of SEK 0.75 per share, corresponding to a 9.6% discount to the 20-day volume weighted average share price prior to the rights issue. Total proceeds amount to SEK 96m before related costs of SEK 1.5m, and we see it as a positive sign that Copperstone is continuing to strengthen its financial position and is attracting increasing interest from professional investors.

### Cu price trend continues to boost resource value

The current Cu price of USD 10,725/tonne represents a +39% YTD development, increasing the value of Copperstone's measured, indicated and inferred Cu resources to ~SEK 73bn (up 19% vs. ~SEK 62bn as of 24 March 2021). We continue to argue that the outlook for copper is strong, because it is required for several in-demand products such as batteries and wind turbines. Our '21 EBIT estimate is lowered by SEK 1.5m (~11%) as a result of extraordinary expenses expected in Q2'21 related to the directed rights issue completed in April. However, we leave our estimates for '22e-'23e unchanged.

### New fair value range of SEK 0.7-2.2 (0.7-2.3) per share

Due to the 9.6% discount in subscription price of the new rights issue, we make a slight revision to our fair value range, lowering it to SEK 0.7-2.2 (0.7-2.3) per share. Despite this, we deem the long-term case to be intact, partly supported by the positive trend in the copper price. However, the company's success is still dependent on receiving an environmental permit to start its mining operations, which we estimate will occur in H2'23-H1'24.

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SEKm	2019	2020	2021e	2022e	2023e
Sales	0	0	0	0	0
EBITDA	-11	-9	-15	-8	24
EBITDA margin (%)	nm	nm	nm	nm	nm
EBIT adj	-12	-9	-7	-8	-59
EBIT adj margin (%)	nm	nm	nm	nm	nm
Pretax profit	-15	7	-39	-51	-136
EPS rep	-0.03	0.01	-0.04	-0.05	-0.12
EPS adj	-0.03	0.01	-0.03	-0.05	-0.12
Sales growth (%)	na	na	na	na	na
EPS growth (%)	-1,343.2	141.5	-440.1	-20.8	-166.9

Source: ABG Sundal Collier, Company data

Reason: Preview of results

## Company sponsored research

Not rated

Estimate changes (%)

	2021e	2022e	2023e
Sales	0.0%	0.0%	0.0%
EBIT (rep)	-10.9%	0.0%	0.0%
EPS (rep)	nm	nm	nm

Source: ABG Sundal Collier

Share price (SEK)	11/05/2021	0.9
Fair value range (per share)		0.7-2.2

Metals & Mining, Sweden  
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MCap (SEKm)	944
MCap (EURm)	93
Net debt (EURm)	-20

No. of shares (m)	1,111
Free float (%)	73
Av. daily volume (k)	23

Next event Q1 report: 19 May

## Performance



	1m	3m	12m
Absolute (%)	-1.6	16.1	57.4

Source: FactSet

	2021e	2022e	2023e
P/E (x)	-22.4	-18.5	-6.9
P/E adj (x)	-28.7	-18.5	-6.9
P/BVPS (x)	1.80	2.00	3.08
EV/EBITDA (x)	-48.5	-146.9	89.0
EV/EBIT adj (x)	-109.1	-146.9	-36.0
EV/sales (x)	nm	nm	nm
ROE adj (%)	-7.4	-10.2	-34.9
Dividend yield (%)	0	0	0
FCF yield (%)	-7.6	-38.4	-97.6
Lease adj. FCF yld (%)	-7.6	-38.4	-97.6
Net IB debt/EBITDA	13.2	-21.0	49.6
Lease adj. ND/EBITDA	30.8	-20.1	49.3

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.

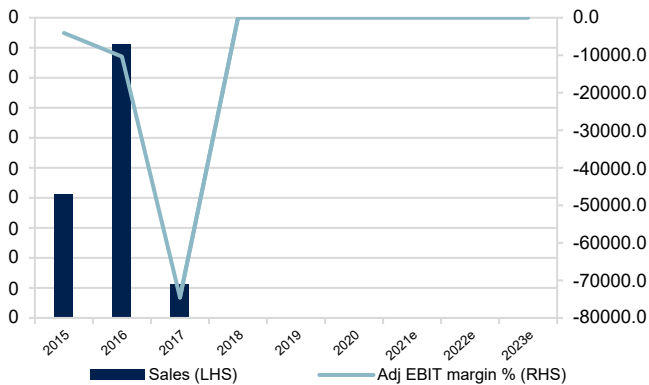
## Company description

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

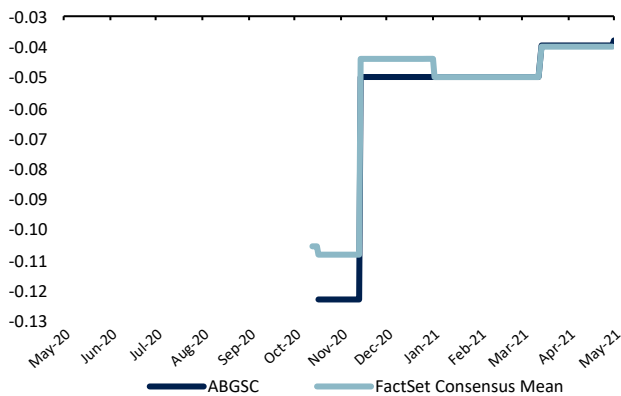
Weaker demand for Cu in the global market. Protracted process of obtaining acceptance from the land- and environmental permit. Higher than expected costs.

### Annual sales and adj. EBIT margin, SEKm



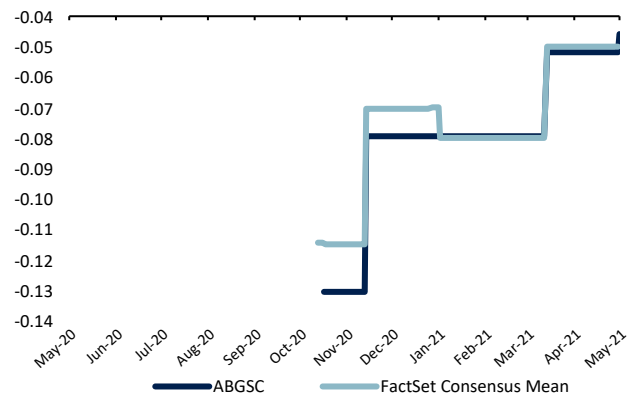
Source: ABG Sundal Collier, Company data

### EPS estimate changes, 2021e, SEK



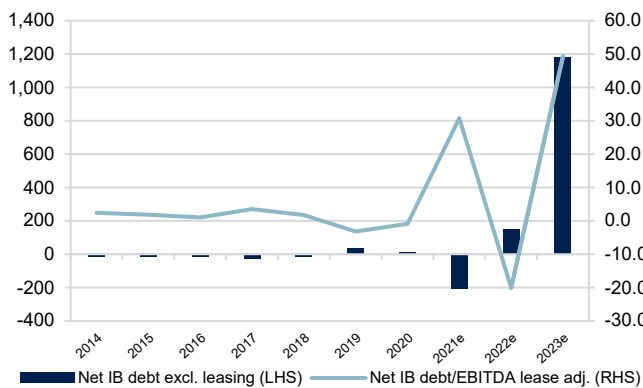
Source: ABG Sundal Collier, FactSet

### EPS estimate changes, 2022e, SEK



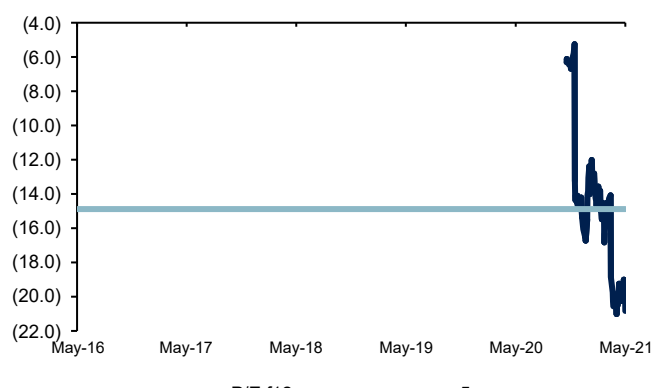
Source: ABG Sundal Collier, FactSet

### Lease adj. net debt and ND/EBITDA



Source: ABG Sundal Collier, Company data

### 12-month forward-looking P/E



Source: ABG Sundal Collier, Company data

### Directed rights issue of 128m shares at SEK 0.75 per share

On 9 April, Copperstone announced the completion of a directed rights issue of 128m new shares at a subscription price of SEK 0.75 per share, amounting to total proceeds of SEK 96m. The subscription price constitutes a 9.6% discount compared to the company’s 20-day volume weighted average share price. The total number of shares outstanding increases from 983m to 1,111m for a dilution of c. 11.5%. In addition, extraordinary costs related to the rights issue amount to SEK 1.5m, negatively affecting '21e EBIT. RoosGruppen AB and JOHECO AB have received subscriptions of SEK 25m and 10m, respectively, and the remaining shares were allocated to various professional investors. The fact that Copperstone is attracting increasing interest from professional investors is something we view positively.

Chairman of the Board Jörgen Olsson highlighted that generated proceeds will be used to “accelerate environmental studies to implement a timely hand-in of the permit application”, which management has previously stated should occur in H2'21. Moreover, the proceeds will be used to examine the condition of underground infrastructure such as roads and tunnels in the Viscaria mine. Finally, an examination of the potential values from waste products left over from previous mining operations in Viscaria will be conducted.

### Anna Tyni appointed as new President and CEO

As of 1 May '21, Anna Tyni, formerly Copperstone’s head of operations in Kiruna with the responsibility of overseeing preparations for the reopening of the Viscaria mine, was appointed President and CEO of the company. Former CEO, Michael Mattsson, has remained on the management team as Head of Business Development and will still be a member of the Board of Directors. The company states in a press-release that it is a natural step to appoint a CEO with long industry experience as the Viscaria project continues to advance.

#### Anna Tyni, new President and CEO as of 1 May



**Anna Tyni**  
President & CEO

With the company since 2020

Ms. Tyni has 20 years of industry experience from various leading positions at the Swedish state-owned mining company LKAB, including Operations Manager at the Leveäniemi mine and KA1/KA2 as well as Production manager Crushing/Construction at LKAB Berg & Betong. Immediately prior to joining Copperstone, Ms. Tyni held the position of Market Area Manager of Kiruna for BDX Företagen’s mining division.

**Education:** Mechanical Engineering at Luleå University of Technology

**No. shares:** 0 shares (850,472 shares via options)

Source: ABG Sundal Collier, company data, Holdings (share data as of 11/05/2021), Options data from company

**ABGSCe fair value range**

SOTP		Scenarios, SEKm				Value per share, SEK		
Mine	Valuation method	1	2	3	Weight	1	2	3
Viscaria	NPV	366	887	1,536	60%	0.33	0.80	1.38
Viscaria	EV/Mineral value	435	1,212	1,995	40%	0.39	1.09	1.80
EVA	NPV	138	252	355	60%	0.12	0.23	0.32
EVA	EV/Mineral value	102	204	340	40%	0.09	0.18	0.31
Granliden	EV/Mineral value	46	61	77	100%	0.04	0.06	0.07
Svartliden	EV/Mineral value	34	46	57	100%	0.03	0.04	0.05
<b>Enterprise value</b>		<b>598</b>	<b>1,357</b>	<b>2,202</b>		<b>0.54</b>	<b>1.22</b>	<b>1.98</b>
Net debt '21e		-202	-202	-202		-0.18	-0.18	-0.18
<b>Equity value</b>		<b>800</b>	<b>1,560</b>	<b>2,404</b>		<b>0.72</b>	<b>1.40</b>	<b>2.16</b>
<b>Current Mcap</b>		<b>943</b>	<b>943</b>	<b>943</b>		<b>0.85</b>	<b>0.85</b>	<b>0.85</b>
No. Shares '21e								1,111
% vs. Mcap						-15%	65%	155%

Source: ABG Sundal Collier estimates, company data, Cu price @ USD 10,725/tonne as of 11/05/2021

# Copperstone Resources

Income Statement (SEKm)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021e	Q2 2021e	Q3 2021e	Q4 2021e
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	-1	-2	-2	-4	-9	-3	-2	-2
<b>EBITDA</b>	<b>-1</b>	<b>-2</b>	<b>-2</b>	<b>-4</b>	<b>-9</b>	<b>-3</b>	<b>-2</b>	<b>-2</b>
Depreciation and amortisation	-0	-0	-0	-0	0	0	0	0
<b>EBITA</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-4</b>	<b>-9</b>	<b>-3</b>	<b>-2</b>	<b>-2</b>
EO items	0	0	0	0	-7	-2	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0
<b>EBIT</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-4</b>	<b>-9</b>	<b>-3</b>	<b>-2</b>	<b>-2</b>
Net financial items	-0	2	-5	20	-6	-6	-6	-6
<b>Pretax profit</b>	<b>-2</b>	<b>-0</b>	<b>-7</b>	<b>16</b>	<b>-15</b>	<b>-9</b>	<b>-7</b>	<b>-7</b>
Tax	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>-2</b>	<b>-0</b>	<b>-7</b>	<b>16</b>	<b>-15</b>	<b>-9</b>	<b>-7</b>	<b>-7</b>
Minority interest	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0
<b>Net profit to shareholders</b>	<b>-2</b>	<b>-0</b>	<b>-7</b>	<b>16</b>	<b>-15</b>	<b>-9</b>	<b>-7</b>	<b>-7</b>
EPS	-0.00	-0.00	-0.01	0.03	-0.02	-0.01	-0.01	-0.01
EPS Adj	-0.00	-0.00	-0.01	0.03	-0.01	-0.01	-0.01	-0.01
Total extraordinary items after tax	0	0	0	0	-7	-2	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
<b>Growth rates Y/Y</b>	<b>Q1 2020</b>	<b>Q2 2020</b>	<b>Q3 2020</b>	<b>Q4 2020</b>	<b>Q1 2021e</b>	<b>Q2 2021e</b>	<b>Q3 2021e</b>	<b>Q4 2021e</b>
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
<b>Adj earnings numbers</b>	<b>Q1 2020</b>	<b>Q2 2020</b>	<b>Q3 2020</b>	<b>Q4 2020</b>	<b>Q1 2021e</b>	<b>Q2 2021e</b>	<b>Q3 2021e</b>	<b>Q4 2021e</b>
EBITDA Adj	-1	-2	-2	-4	-2	-2	-2	-2
EBITDA Adj margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
EBITA Adj	-2	-2	-2	-4	-2	-2	-2	-2
EBITA Adj margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
EBIT Adj	-2	-2	-2	-4	-2	-2	-2	-2
EBIT Adj margin (%)	nm	nm	nm	nm	nm	nm	nm	nm
Pretax profit Adj	-2	-0	-7	16	-8	-8	-7	-7
Net profit Adj	-2	-0	-7	16	-8	-8	-7	-7
Net profit to shareholders Adj	-2	-0	-7	16	-8	-8	-7	-7
Net Adj margin (%)	nm	nm	nm	nm	nm	nm	nm	nm

Source: ABG Sundal Collier, Company data

# Copperstone Resources

Income Statement (SEKm)	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Sales	1	0	0	0	0	0	0	0	0	0
COGS	0	0	0	0	0	0	0	0	0	0
Gross profit	1	0	0	0	0	0	0	0	0	0
Other operating items	-8	-1	-7	-8	-5	-11	-9	-15	-8	24
<b>EBITDA</b>	<b>-7</b>	<b>-1</b>	<b>-7</b>	<b>-8</b>	<b>-5</b>	<b>-11</b>	<b>-9</b>	<b>-15</b>	<b>-8</b>	<b>24</b>
Depreciation and amortisation	-8	-0	-3	-1	-0	-1	-0	0	0	-83
Of which leasing depreciation	0	0	0	0	0	0	0	0	0	0
<b>EBITA</b>	<b>-16</b>	<b>-2</b>	<b>-9</b>	<b>-8</b>	<b>-5</b>	<b>-12</b>	<b>-9</b>	<b>-15</b>	<b>-8</b>	<b>-59</b>
EO items	0	0	0	0	0	0	0	-9	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
<b>EBIT</b>	<b>-16</b>	<b>-2</b>	<b>-9</b>	<b>-8</b>	<b>-5</b>	<b>-12</b>	<b>-9</b>	<b>-15</b>	<b>-8</b>	<b>-59</b>
Net financial items	-3	-1	-4	0	5	-3	16	-23	-43	-77
<b>Pretax profit</b>	<b>-19</b>	<b>-2</b>	<b>-14</b>	<b>-8</b>	<b>-0</b>	<b>-15</b>	<b>7</b>	<b>-39</b>	<b>-51</b>	<b>-136</b>
Tax	0	0	0	0	0	0	0	0	0	0
<b>Net profit</b>	<b>-19</b>	<b>-2</b>	<b>-14</b>	<b>-8</b>	<b>-0</b>	<b>-15</b>	<b>7</b>	<b>-39</b>	<b>-51</b>	<b>-136</b>
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
<b>Net profit to shareholders</b>	<b>-19</b>	<b>-2</b>	<b>-14</b>	<b>-8</b>	<b>-0</b>	<b>-15</b>	<b>7</b>	<b>-39</b>	<b>-51</b>	<b>-136</b>
EPS	-0.41	-0.03	-0.12	-0.04	-0.00	-0.03	0.01	-0.04	-0.05	-0.12
<i>EPS Adj</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>0.01</i>	<i>-0.03</i>	<i>-0.05</i>	<i>-0.12</i>
Total extraordinary items after tax	0	0	0	0	0	0	0	-9	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>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>EBITDA margin (%)</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>nm</i>
<i>EBITA margin (%)</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>nm</i>
<i>EBIT margin (%)</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>nm</i>
<i>Pretax margin (%)</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>nm</i>
<i>Net margin (%)</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>nm</i>
<b>Growth rates Y/Y</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
<i>Sales growth (%)</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>na</i>
<i>EBITDA growth (%)</i>	<i>10.4</i>	<i>83.0</i>	<i>-436.4</i>	<i>-13.3</i>	<i>29.8</i>	<i>-97.1</i>	<i>14.3</i>	<i>-67.7</i>	<i>51.0</i>	<i>420.0</i>
<i>EBIT growth (%)</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>21.8</i>	<i>-63.2</i>	<i>51.0</i>	<i>-691.6</i>
<i>Net profit growth (%)</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>147.3</i>	<i>-660.5</i>	<i>-31.6</i>	<i>-166.9</i>
<i>EPS growth (%)</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>141.5</i>	<i>-440.1</i>	<i>-20.8</i>	<i>-166.9</i>
<b>Profitability</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
<i>ROE (%)</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>2.5</i>	<i>-9.4</i>	<i>-10.2</i>	<i>-34.9</i>
<i>ROE Adj (%)</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>2.5</i>	<i>-7.4</i>	<i>-10.2</i>	<i>-34.9</i>
<i>ROCE (%)</i>	<i>-54.8</i>	<i>-6.0</i>	<i>-27.0</i>	<i>-11.4</i>	<i>5.3</i>	<i>-5.6</i>	<i>4.2</i>	<i>-7.3</i>	<i>-3.6</i>	<i>-5.2</i>
<i>ROCE Adj(%)</i>	<i>-54.8</i>	<i>-6.0</i>	<i>-27.0</i>	<i>-11.4</i>	<i>5.3</i>	<i>-5.6</i>	<i>4.2</i>	<i>-5.4</i>	<i>-3.6</i>	<i>-5.2</i>
<i>ROIC (%)</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>-3.1</i>	<i>-4.9</i>	<i>-1.6</i>	<i>-5.6</i>
<i>ROIC Adj (%)</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>-3.1</i>	<i>-2.2</i>	<i>-1.6</i>	<i>-5.6</i>
<b>Adj earnings numbers</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
EBITDA Adj	-7	-1	-7	-8	-5	-11	-9	-7	-8	24
<i>EBITDA Adj margin (%)</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>nm</i>
EBITDA lease Adj	-7	-1	-7	-8	-5	-11	-9	-7	-8	24
<i>EBITDA lease Adj margin (%)</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>nm</i>
EBITA Adj	-16	-2	-9	-8	-5	-12	-9	-7	-8	-59
<i>EBITA Adj margin (%)</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>nm</i>
EBIT Adj	-16	-2	-9	-8	-5	-12	-9	-7	-8	-59
<i>EBIT Adj margin (%)</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>nm</i>
Pretax profit Adj	-19	-2	-14	-8	-0	-15	7	-30	-51	-136
Net profit Adj	-19	-2	-14	-8	-0	-15	7	-30	-51	-136
Net profit to shareholders Adj	-19	-2	-14	-8	-0	-15	7	-30	-51	-136
Net Adj margin (%)	-2,822.2	-6,056.1	-14,964.8	-72,581.8	nm	nm	nm	nm	nm	nm

Source: ABG Sundal Collier, Company data

# Copperstone Resources

<b>Cash Flow Statement (SEKm)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
EBITDA	-7	-1	-7	-8	-5	-11	-9	-15	-8	24
Net financial items	-3	-1	-4	0	5	-3	16	-23	-43	-77
Paid tax	0	0	0	0	0	0	0	0	0	0
Non-cash items	4	-9	9	6	-13	0	0	0	0	0
Cash flow before change in WC	-6	-11	-2	-1	-13	-13	7	-39	-51	-53
Change in WC	-1	3	-0	-7	7	-2	21	-7	-25	1
<b>Operating cash flow</b>	<b>-7</b>	<b>-9</b>	<b>-2</b>	<b>-8</b>	<b>-6</b>	<b>-15</b>	<b>28</b>	<b>-45</b>	<b>-76</b>	<b>-52</b>
CAPEX tangible fixed assets	1	0	0	-0	0	0	-0	0	-267	-850
CAPEX intangible fixed assets	-2	-2	-6	-13	-20	-6	-41	-20	-20	-20
Acquisitions and disposals	0	0	0	0	0	0	0	0	0	0
<b>Free cash flow</b>	<b>-9</b>	<b>-10</b>	<b>-8</b>	<b>-21</b>	<b>-26</b>	<b>-21</b>	<b>-14</b>	<b>-65</b>	<b>-363</b>	<b>-922</b>
Dividend paid	0	0	0	0	0	0	0	0	0	0
Share issues and buybacks	1	8	17	49	0	45	26	266	0	0
Lease liability amortisation	0	0	0	0	0	0	0	0	0	0
Other non cash items	4	-12	-9	-7	11	-72	-8	10	28	-111
<b>Balance Sheet (SEKm)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
Goodwill	0	0	0	0	0	0	0	0	0	0
Other intangible assets	3	22	27	39	59	303	345	354	370	386
Tangible fixed assets	0	0	0	0	0	1	0	0	267	1,117
Right-of-use asset	1	1	0	0	0	0	0	0	0	0
Total other fixed assets	18	4	8	3	13	0	0	0	0	0
Fixed assets	22	27	35	42	73	305	345	354	638	1,504
Inventories	0	0	0	0	0	0	0	0	0	0
Receivables	4	1	1	8	1	9	1	2	2	2
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	1	2	3	28	1	19	1	293	269	216
<b>Total assets</b>	<b>28</b>	<b>30</b>	<b>38</b>	<b>79</b>	<b>75</b>	<b>333</b>	<b>348</b>	<b>650</b>	<b>909</b>	<b>1,722</b>
Shareholders equity	23	23	26	67	65	264	297	524	473	306
Minority	0	0	0	0	0	0	0	0	0	0
<b>Total equity</b>	<b>23</b>	<b>23</b>	<b>26</b>	<b>67</b>	<b>65</b>	<b>264</b>	<b>297</b>	<b>524</b>	<b>473</b>	<b>306</b>
Long-term debt	1	4	3	4	5	53	9	84	419	1,399
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	1	6	5	3	7	0	7	7	7
Total other long-term liabilities	0	0	0	0	0	0	0	0	0	0
Short-term debt	0	0	0	0	0	0	0	0	0	0
Accounts payable	0	1	1	1	0	5	10	4	4	4
Other current liabilities	3	1	1	1	1	3	31	31	6	6
<b>Total liabilities and equity</b>	<b>28</b>	<b>30</b>	<b>38</b>	<b>79</b>	<b>75</b>	<b>333</b>	<b>348</b>	<b>650</b>	<b>909</b>	<b>1,722</b>
Net IB debt	-18	-2	-1	-22	-7	41	8	-202	157	1,191
Net IB debt excl. pension debt	-18	-2	-1	-22	-7	41	8	-202	157	1,191
Net IB debt excl. leasing	-18	-2	-7	-27	-9	34	8	-209	150	1,184
Capital invested	6	22	25	45	59	305	305	322	631	1,497
Working capital	1	-2	-2	6	-1	1	-40	-33	-7	-7
<b>EV breakdown</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
Market cap. diluted (m)	na	44	66	266	177	233	535	944	944	944
Net IB debt Adj	-18	-2	-1	-22	-7	41	8	-202	157	1,191
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
<b>EV</b>	<b>na</b>	<b>42</b>	<b>65</b>	<b>244</b>	<b>170</b>	<b>274</b>	<b>544</b>	<b>742</b>	<b>1,102</b>	<b>2,135</b>
<b>Capital efficiency</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
Total assets turnover (%)	2.1	0.1	0.3	0.0	0	0	0	0	0	0
Working capital/sales (%)	77.8	-857.3	-1,827.5	18,495.5	nm	nm	nm	nm	nm	nm
<b>Financial risk and debt service</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
Net debt/equity	-0.76	-0.07	-0.03	-0.33	-0.11	0.16	0.03	-0.39	0.33	3.89
Net debt/market cap	na	-0.08	-0.02	-0.06	-0.02	0.13	0.02	-0.21	0.17	1.26
Equity ratio (%)	82.4	77.0	69.1	85.3	87.6	79.3	85.3	80.6	52.1	17.8
Net IB debt adj./equity	-0.76	-0.07	-0.03	-0.33	-0.11	0.16	0.03	-0.39	0.33	3.89
Current ratio	1.62	0.88	0.41	4.81	0.51	1.85	0.06	7.03	16.50	13.29
EBITDA/net interest	-2.38	-1.55	-1.62	-35.76	-1.08	-4.07	-0.56	-0.65	-0.17	0.31
Net IB debt/EBITDA	2.40	1.30	0.13	2.85	1.28	-3.86	-0.89	13.22	-21.00	49.61
Net IB debt/EBITDA lease Adj	2.41	1.85	1.02	3.53	1.74	-3.20	-0.89	30.78	-20.07	49.32
Interest cover	-4.79	-1.71	-1.67	-3.93	0.90	-3.23	2.09	-6.38	-1.17	-0.98

Source: ABG Sundal Collier, Company data

# Copperstone Resources

Valuation and Ratios (SEKm)	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e
Shares outstanding adj.	39	101	170	242	249	556	641	1,111	1,111	1,111
Fully diluted shares Adj	39	101	170	242	249	556	641	1,111	1,111	1,111
EPS	-0.41	-0.03	-0.12	-0.04	-0.00	-0.03	0.01	-0.04	-0.05	-0.12
Dividend per share Adj	0	0	0	0	0	0	0	0	0	0
EPS Adj	-0.41	-0.03	-0.12	-0.04	-0.00	-0.03	0.01	-0.03	-0.05	-0.12
BVPS	0.60	0.23	0.15	0.28	0.26	0.48	0.46	0.47	0.43	0.28
BVPS Adj	0.60	0.23	0.15	0.28	0.26	0.48	0.46	0.47	0.43	0.28
Net IB debt / share	-0.5	-0.0	-0.0	-0.1	-0.0	0.1	0.0	-0.2	0.1	1.1
Share price	na	0.43	0.39	1.10	0.71	0.42	0.84	0.85	0.85	0.85
Market cap. (m)	na	44	66	266	177	233	535	944	944	944
<b>Valuation</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
P/E	na	-13.3	-3.2	-29.8	-381.6	-15.6	74.8	-22.4	-18.5	-6.9
EV/sales	na	1,020.99	711.56	22,193.94	nm	nm	nm	nm	nm	nm
EV/EBITDA	na	-33.1	-9.5	-31.8	-31.5	-25.8	-59.6	-48.5	-146.9	89.0
EV/EBITA	na	-25.1	-6.9	-29.8	-31.2	-22.9	-58.0	-48.5	-146.9	-36.0
EV/EBIT	na	-25.1	-6.9	-29.8	-31.2	-22.9	-58.0	-48.5	-146.9	-36.0
Dividend yield (%)	na	0	0	0	0	0	0	0	0	0
FCF yield (%)	na	-31.4	-19.1	-8.9	-15.1	-9.2	-2.6	-7.6	-38.4	-97.6
Lease adj. FCF yield (%)	na	-31.4	-19.1	-8.9	-15.1	-9.2	-2.6	-7.6	-38.4	-97.6
P/BVPS	na	1.88	2.50	3.97	2.71	0.88	1.80	1.80	2.00	3.08
P/BVPS Adj	na	1.88	2.50	3.97	2.71	0.88	1.80	1.80	2.00	3.08
P/E Adj	na	-13.3	-3.2	-29.8	-381.6	-15.6	74.8	-28.7	-18.5	-6.9
EV/EBITDA Adj	na	-33.1	-9.5	-31.8	-31.5	-25.8	-59.6	-109.1	-146.9	89.0
EV/EBITA Adj	na	-25.1	-6.9	-29.8	-31.2	-22.9	-58.0	-109.1	-146.9	-36.0
EV/EBIT Adj	na	-25.1	-6.9	-29.8	-31.2	-22.9	-58.0	-109.1	-146.9	-36.0
EV/cap. employed	na	1.5	1.8	3.2	2.3	0.8	1.8	1.2	1.2	1.2
<b>Investment ratios</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
Capex/sales	196.1	3,753.7	7,073.6	117,536.4	nm	nm	nm	nm	nm	nm
Capex/depreciation	15.7	383.8	243.8	2,535.1	40,122.0	462.3	16,506.4	nm	nm	1,043.6
Capex tangibles/tangible fixed assets	-4,545.5	0	0	97.1	0	0	115.1	nm	99.9	76.1
Capex intangibles/definite intangibles	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Depreciation on intangibles/definite intai	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Depreciation on tangibles/tangibles	76,018.2	10,025.0	66,000.0	184.8	22.2	257.4	134.9	nm	0	7.5

Source: ABG Sundal Collier, Company data



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Production of report: 11/05/2021 17:05 CET.

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