

Press release

Stockholm March 29, 2023

## **Bulletin from Extraordinary General Meeting in Bluelake Mineral**

**The shareholders of Bluelake Mineral AB (publ) ("Bluelake" or the "Company") have held an Extraordinary General Meeting on March 29, 2023 (the "EGM") whereby the following main decisions were made.**

### **Decision on approval of the board's decision on a directed issue of convertibles**

The EGM decided to approve the board's decision dated March 9, 2023, whereby the Company shall raise a convertible loan in an aggregate nominal amount not exceeding SEK 8,000,000 through the issuance of not more than 8,000,000 convertible debentures, entailing an increase in the share capital of not more than SEK 1,659,441 upon full conversion of the convertible debentures. The resolution shall otherwise be governed by the following terms and conditions.

The right to subscribe for the convertible debentures shall vest in Formue Nord Fokus A/S. The reason for the deviation from the shareholders' preferential right is to ensure the most time- and cost effective financing of the repayment of Company's outstanding loan which including accrued interest and other fees amounts to a total of approximately SEK 11.2 million and which is due for payment July 31, 2023. The board has considered the possibility of financing the repayment of the debt by carrying out a larger rights issue of shares than the rights issue decided by the board March 9, 2023 with the support of authorization from the annual general meeting held May 12, 2022, or through a rights issue of convertible debentures, but has received indications from the Company's shareholders that such a rights issue would likely not be fully subscribed. In addition, to receive guarantee commitments for such a rights issue would be costly. The board's overall assessment is thus that the issue of the convertible debentures is the most effective financing option for the repayment of the Company's outstanding debt and is thus beneficial for the Company and its shareholders.

The nominal amount of the convertible debentures shall be SEK 1 or multiples thereof. The loan carries a yearly interest rate of twelve (12) per cent. The subscription price shall be equal to 95 percent of the nominal amount of the convertible debentures. The aggregate subscription price for all convertible debentures thereby amounts to SEK 7,600,000. The subscription price has been negotiated on an arm's length basis and is considered by the board – in light of the negotiations – to be in line with market conditions. Subscription of the convertibles must take place on a separate subscription list no later than April 12, 2023, and payment must be made in cash no later than on the same day. The board shall have the right to extend the time for subscription and payment. It is noted that the board can allow set-off in accordance with the conditions specified in Chapter 15, Section 43 of the Swedish Companies Act.

The convertible debentures may be converted into shares during the period from the date of registration of the convertible debentures with the Swedish Companies Registration Office up to and including October 12, 2024, at a conversion price of SEK 1.20. In the event that the Company carries out a directed issue of shares at a discount that exceeds ten (10) percent compared to the average last price

paid for the Company's share during the ten (10) trading days immediately preceding the decision date for the new issue, the convertible holder has the right to, during a 10- day period, convert all convertibles at a conversion price corresponding to the issue price in the directed issue, however at least at a conversion price of SEK 0.50. The full terms and conditions for the convertible debentures are kept available at the Company's website.

**Decision on approval of the board's decision on a directed issue of warrants**

The EGM decided to approve the board's decision dated March 9, 2023, and to issue a maximum of 4 000 000 warrants of series TO3, entitling to the subscription of a maximum of 4 000 000 shares in the Company, entailing an increase of the share capital upon full utilization by a maximum of SEK 400 000. The following conditions shall also apply to the decision.

The right to subscribe for the warrants of series TO3 shall vest in Formue Nord Fokus A/S. The reason for the deviation from the shareholders' preferential right is that warrants of series TO3 shall be issued to Formue Nord Fokus A/S in connection with the convertible loan provided by Formue Nord Fokus A/S according to the above. A decision to issue warrants is a prerequisite for the Company's possibility to receive the convertible loan in accordance with the above, which the board deems to be the most time- and cost effective financing of the repayment of the Company's outstanding loan which, including accrued interest and other fees, amounts to a total of approximately SEK 11.2 million, as set out above. The board's overall assessment is thus that the directed new issue is beneficial for the Company and its shareholders.

The warrants are issued free of charge. Warrants must be subscribed for on a separate subscription list by not later than April 12, 2023. However, the board has the right to extend the period for subscription. Each warrant of series TO3 shall entail a right to subscribe for one (1) new share in the Company at a subscription price corresponding to 1.20 SEK per share.

Subscription of shares in the Company with the support of warrants of series TO3 can take place during the period from and including April 15, 2024, up until and including April 26, 2024. The new shares that are issued after the subscription of shares with the support of warrants of series TO3 shall carry the right to profit distribution for the first time on the dividend record date that falls closest after the subscription of shares with the support of warrants has been executed. The full terms and conditions for the warrants of series TO3 are kept available at the Company's website.

**Other**

For more detailed information on the content of the resolutions, please refer to the notice convening the EGM that is available on the Company's website.

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Stockholm, March 2023

**Bluelake Mineral AB (publ)**

*The Board of Directors*

## **Additional information**

For additional information, please contact:

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## **General information about the Company**

*Bluelake Mineral AB (public) is an independent Swedish company active in exploration and mine development of copper, zinc, nickel and gold resources.*

*The Company owns approximately 99% of the subsidiary Vilhelmina Mineral AB, which is focusing on development of copper and zinc deposits in the Nordic region. In Sweden, the Company owns Stekenjokk-Levi project, where a total of approximately 7 million tonnes of ore were mined between 1976 and 1988 with an average grade 1.5% Cu and 3.5% Zn. Stekenjokk-Levi is, according to a recent Mineral Resource Estimate by SRK Consulting, containing inferred mineral resources of approximately 6.7 million tonnes with 0.9 % Cu, 2.7 % Zn, 0.6 % Pb, 55 Ag g/t and 0.2 g/t Au for Stekenjokk and inferred mineral resources of 5.1 million tonnes with 1.0 % Cu, 1.5 % Zn, 0.1 % Pb, 22 Ag g/t and 0.2 g/t Au for Levi (at a NSR cut-off of 60 USD/t). In Norway, the Company is owner of Joma Gruver AS which holds exploitation rights for the Joma field, where approximately 11.5 million tonnes of ore were processed between 1972 and 1998 with an average grade of 1.5% Cu and 1.5% Zn. The Joma field (excluding Gjersvik) is, according to a recent mineral estimate by SRK Consulting, containing indicated mineral resources of approximately 6 million tonnes with grades amounting to 1.00 % Cu and 1.66 % Zn and inferred resources of 1.2 million tonnes with grades 1.2 % Cu and 0.7 % Zn (at cut-off of 50 USD/t).*

*In addition, the Company holds exploitation concessions for the nickel project Rönnbäcken (which is Europe's largest known undeveloped nickel resource) and an exploration permit for Orrbäcken, both which are located in Sweden. According to a recently updated mineral resource update in by the mining consulting company SRK, the Rönnbäcken project contains a mineral resource of 600 million tonnes with an average grade of 0.18% Ni, 0.003% Co and 5.7% Fe ("measured and indicated"). The updated preliminary economic assessment that SRK completed predicts a production of 23,000 tonnes of nickel, 660 tonnes of cobalt and 1.5 million tonnes of iron per year for 20 years, which would be a significant share of Sweden's total annual use of nickel which thereby has a strategic value. Orrbäcken is considered to have potential as a nickel deposit.*

*Further, the Company holds an exploration permit for Kattisavan which is considered to have potential as a gold resource and is located within the so-called gold line, close to projects such as Svartliden, Fäboliden and Barsele.*