

**Press release**

**Stockholm, February 12, 2024**

*NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, NEW ZEALAND, HONG KONG, JAPAN, SWITZERLAND, SINGAPORE, SOUTH AFRICA, OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, PUBLICATION OR DISTRIBUTION OF THIS PRESS RELEASE WOULD BE UNLAWFUL, BE SUBJECT TO LEGAL RESTRICTIONS OR WOULD REQUIRE REGISTRATION OR OTHER MEASURES.*

## **Bluelake Mineral decides on a directed issue of convertibles of SEK 10 million**

The board of Bluelake Mineral AB (publ) ("Bluelake Mineral" or the "Company") has today, subject to approval at the extraordinary general meeting to be held on February 29, 2024, decided on a directed issue of convertibles for a total nominal amount of 10,0 MSEK (the "Issue") to Formue Nord Fokus A/S ("Formue"). Payment for the convertibles shall be made partly by offsetting the previously convertible loan of SEK 8.0 million from Formue, which is due for payment on October 12, 2024 (the "Claim"), and partly by cash payment of SEK 1.5 million. The Claim is thus, through the Issue, settled with a new convertible loan which, among other things, means extended financing for the Company up until June 30, 2025. In addition, the Issue strengthens the financing of all licenses for the restart of mining activities in Joma in the municipality of Røyrvik in Norway (the "Project") by 1 SEK .5 million in net cash.

### **Summary of the Issue**

- The board has, subject to approval at the extraordinary general meeting to be held on February 29, 2024, decided on a directed issue of convertible for a total nominal amount of SEK 10.0 million to Formue.
- Payment for the newly issued convertibles must be made partly by offsetting the Claim, partly by a cash payment of SEK 1.5 million. The Claim is thus, through the Issue, settled with a new convertible loan which, among other things, means extended financing for the Company up until June 30, 2025.
- The total, nominal amount of the convertibles amounts to SEK 10.0 million and carries the right to conversion until June 30, 2025, at a conversion rate 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.
- Conversion must take place in an amount of at least SEK 1.0 million at each conversion.
- To the extent that conversion has not taken place, the convertible loan falls due for payment on 30 June 2025.
- The loan carries a yearly interest rate of twelve (12) per cent plus Stibor 3 months, payable quarterly and on the final maturity date. Accrued interest must be paid in cash.
- The subscription price for the convertibles amounts to 95 percent of the nominal amount of the convertibles, i.e. a total of SEK 9.5 million.
- When converting all convertibles to shares, the share capital may increase by a maximum of SEK 2,000,000 and the number of shares may increase by a maximum of 20,000,000.

- The Company has the right to repay all or part of the convertibles together with accrued interest at any time during the term of the loan.
- Notice of an extraordinary general meeting is made through a separate press release.
- The net cash from the convertibles of SEK 1.5 million is primarily intended to be used to continue strengthening the financing of the Project.

The reason for the deviation from the shareholders' preferential right is to ensure the most effective financing for the repayment of the Company's outstanding convertible loan of SEK 8,000,000 that the Company took out in April 2023 and which is due for payment on October 12, 2024, as well as to strengthen the financing of the Project. Through the directed issue convertible debentures, the current, outstanding convertible loan is replaced with a new convertible loan which, among other things, means extended debt financing for the Company. The board has considered the possibility of financing the repayment of the loan by carrying out a rights issue of shares or through a rights issue of convertibles. The board has concluded that a rights issue would entail significantly longer implementation time and thus an increased market risk exposure. The reduced time required for the issue process means, among other things, a reduced exposure to this market risk, and that the Company's management can focus more quickly on the Company's continued development. In addition, the costs for the directed issue of convertible debentures are deemed to be significantly lower than in the case of a rights issue. It is the board's assessment that a rights issue in the current market climate would probably require a substantial underwriting commitment from a guarantee consortium, which would entail further additional costs for the shareholders. In light of the above, it is the board's overall assessment that the directed issue of convertible debentures constitutes the most effective financing of the repayment of the Company's debt and to strengthen the financing of the Project and is beneficial for the Company and its shareholders.

The subscription price for the convertibles 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.

*"The decision on extended and expanded funding from Formue up until the middle of next year is very positive and gives us the opportunity to focus our financial resources on the development of projects and permits during the year. In parallel, we continue to work with other financial solutions via, among other things, government and regional development financing in Norway,"* says the company's CEO Peter Hjorth.

---

Stockholm, February 2024  
**Bluelake Mineral AB (publ)**  
*The Board of Directors*

**Disclosure of Information**

This information is information that Bluelake Mineral AB (publ) is obliged to make public according to the EU's market abuse regulation. The information was submitted, via the person below, for publication on February 12, 2024 at 8.30 CET.

### **Additional information**

For additional information, please contact:

Peter Hjorth, CEO, Bluelake Mineral AB (public), phone +46-725 38 25 25

Email: [info@bluelakemineral.com](mailto:info@bluelakemineral.com)

### **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.*

### **IMPORTANT INFORMATION**

Publication or distribution of this press release may in some jurisdictions be subject to statutory and legal restrictions and persons in those jurisdictions where this press release has been published or distributed should inform themselves about and observe such restrictions. The information in this press

release does not constitute an offer to acquire, subscribe or otherwise trade in shares or other securities in Bluelake Mineral.

This press release is not a prospectus for purposes of Prospectus Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 and its delegated and implemented regulations (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of securities in any EEA Member State and no prospectus has been or will be prepared in connection with the issuance. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

This press release does not constitute an offer to acquire securities in the United States. The securities mentioned herein may not be sold in the United States without registration in accordance with The Securities Act of 1933 or without the application of an exception to such registration. The information in this press release may not be released, published, reproduced or distributed in or to the United States, Australia, Canada, New Zealand, Hong Kong, Japan, Singapore, South Africa, or any other country or jurisdiction where such action is not permitted or such action is subject to legal restrictions or would require further registration or other measures than required by Swedish law. Measures contrary to this instruction may constitute a breach of applicable securities laws.

In the United Kingdom, this press release is directed only at, and communicated only to, persons who are qualified investors within the meaning of article 2(e) of the Prospectus Regulation (2017/1129) who are (i) persons who fall within the definition of "investment professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), or (ii) persons who fall within article 49(2)(a) to (d) of the Order, or (iii) persons who are existing members or creditors of Bluelake Mineral AB (publ) or other persons falling within Article 43 of the Order, or (iv) persons to whom it may otherwise be lawfully communicated (all such persons referred to in (i), (ii), (iii) and (iv) above together being referred to as "Relevant Persons"). This press release must not be acted on or relied on by persons in the UK who are not Relevant Persons.

This announcement does not constitute an investment recommendation. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.