

Press release

Stockholm, March 17, 2023

EU propose legislation regarding critical raw materials called the European Critical Raw Materials Act

Bluelake Mineral AB (publ) (the "Company" or "Bluelake Mineral") notes that in Brussels on Thursday, March 16, the EU presented a proposal for legislation regarding critical raw materials called the European Critical Raw Materials Act ("CRMA"). The bill on critical raw materials is being put forward by the EU to support domestic capacity and strengthen sustainability work around value chains based on critical raw materials within the EU. The objective is to enable the green transition, securing digitization, and protecting the defense and space industry in Europe. According to the proposal, increased European access to metals and minerals is required to cope with climate change and strengthen the EU's degree of self-sufficiency. In the proposal, there are demands for significantly faster permit processes, something that has been a problem in Sweden. In CRMA, 34 so-called critical raw materials are identified and of these, 16 are deemed to be of particular strategic importance. Among those of strategic importance are copper occurring in Bluelake Minerals' projects Stekenjokk-Levi and Joma, as well as nickel and cobalt occurring in the Company's project Rönnbäcken. With regard to the strategic raw materials, the EU sets several targets, for example that at least 10% of the EU's annual consumption of strategic raw materials must be mined within the EU by 2030.

Electric vehicles, batteries, solar panels, wind turbines and other climate technology mean that the demand for metals and minerals will increase significantly over a long period of time. Today, however, the green transition is heavily dependent on China in particular. China controls mineral deposits worldwide and can control the market for some raw materials. The EU now wish adopt powerful measures to increase the European degree of self-sufficiency in metals and minerals.

CRMA contains, among other things, a list of 34 so-called critical raw materials, of which 16 are deemed to be of particular strategic importance. Regarding the strategic raw materials, including copper, nickel and cobalt, the EU sets several targets, for example that at least 10% of the EU's annual consumption of strategic raw materials must be mined within the EU by 2030.

The EU also focuses on more efficient permit processes and proposes that a special system for permitting of strategic projects should be created. It should take a maximum of 24 months to get the permits in place for mines regarding strategic raw materials.

"The bill on critical and strategic raw materials is very good news for the entire European mining industry. The work of developing mines will hopefully be significantly simplified through faster permit processes and increased access to both private and public funding. The pressure will be immense for conflicts between different interests regarding land use to be resolved so that new mines can be established. This must be achieved if the green transition should be possible," says Peter Hjorth, CEO of Bluelake Mineral.

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Bluelake Mineral AB (publ)
The Board of Directors

Additional information

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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.