

# Blue Moon Metals To Acquire Two Norwegian Brownfield Copper Districts For US\$67.3m And To Complete A Minimum C\$30 Million Equity Financing

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TORONTO, Nov. 27, 2024 - [Blue Moon Metals Inc.](#) ("Blue Moon") (TSXV: MOON) (OTCQB: BMOOF), Nussir ASA ("Nussir") and Nye Sulitjelma Gruver AS ("NSG") are pleased to announce that the parties have entered into separate binding letters of intent (respectively, the "Nussir LOI" and the "NSG LOI" and collectively the "LOIs"), each dated November 27, 2024, pursuant to which Blue Moon has agreed to acquire all of the issued and outstanding common shares of Nussir and NSG (respectively the "Nussir Transaction" and the "NSG Transaction" and collectively with the Concurrent Equity Financing as defined below, the "Transactions"). Both Nussir and NSG are private Norwegian companies with properties in northern Norway (the "Nussir Property" and the "NSG Property," respectively). Blue Moon is acquiring a 100% interest in Nussir for US\$55.3M and a 100% interest in NSG for US\$12M, both to be satisfied in common shares of Blue Moon (the "Blue Moon Shares") at a deemed price of C\$0.30 per Blue Moon Share, which will be the same price per Subscription Receipt (as defined below) in the Concurrent Equity Financing (the "Blue Moon Deal Price"). NSG shareholders will also receive US\$3M in cash milestone payments (the "Cash Milestone Payments") related to permitting for tailings discharge followed by receipt of the operating permit for the NSG Property.

Blue Moon will also complete a brokered private placement in tandem with the Nussir Transaction and the NSG Transaction (the "Concurrent Equity Financing"). A maximum US\$35.7M of new equity is being raised with a minimum of US\$21.4M by top tier global mining investors. More details on the Concurrent Equity Financing can be found in the Definitive agreements covering the Nussir Transaction and NSG Transaction will be executed at or prior to closing of the Concurrent Equity Financing. The implied equity value of the Transactions is approximately US\$100 - \$115 million on a fully-diluted in-the-money basis, with the range based on the low and high end of the Concurrent Equity Financing. At closing, existing shareholders of Blue Moon, Nussir and NSG shareholders will own a minimum of 12%, 55% and 12%, respectively, of Blue Moon Shares on a fully-diluted in-the-money basis, assuming the low end of the Concurrent Equity Financing, or 10%, 48% and 10%, respectively, assuming the maximum proceeds are raised in the Concurrent Equity Financing. Some existing Blue Moon and Nussir shareholders will participate in the Concurrent Equity Financing and no one shareholder will own more than 20% of Blue Moon under any Concurrent Equity Financing scenario at closing. The transaction is subject to final acceptance by the TSX Venture Exchange ("TSXV"), as the Transactions are considered a "Reviewable Transaction" under the policies of the TSXV. As a result of the requirements, trading of the Blue Moon Shares is halted and will remain halted until receipt of TSXV's approval of the Transactions, which is expected when a NI 43-101 technical report will be issued to Blue Moon on the Nussir Property, among other conditions. No vote of Blue Moon shareholders is anticipated, and closing is expected by the end of February 2025. Nussir shareholders are required to achieve 90.1% shareholder support, which is expected to be received by the time the Concurrent Equity Financing closes. NSG has shareholder approval from 100% of their shareholders. Nussir and NSG are arm's length parties to each other and Blue Moon is an arm's length party to both of them. No finder's fees are being paid in connection with the Transactions, other than the fees payable to the Agents (as described below) in connection with the Concurrent Equity Financing.

## Strategic Rationale for Blue Moon

- Provides immediate asset and geographic diversification with more emphasis on near term copper:
  - Tier 1 jurisdiction covering all 3 projects; the United States and Norway are members of the Minerals Security Partnership (MSP), a US collaboration initiative that aims to secure the supply of critical raw materials including copper
- Addition of the low-cost brownfield Nussir Property copper-silver-gold mine is expected to significantly enhance Blue Moon's developing production profile:
  - The Nussir Property is an underground development project with existing critical infrastructure located next to the Nussir Property (access, power, port, etc.). Open pit historical production was suspended in the 1970s. The construction of the Nussir Property is expected to begin in Q1-2025
  - Exploration ramp access is expected to start construction at both the Blue Moon property (the "Blue Moon Property") and the NSG Property in 2025 or 2026. Production last occurred in the 1940s at the Blue Moon Property and in the 1970s at the NSG Property

- Existing Mineral Resources of:
  - Nussir Property<sup>(1) (2)</sup>
    - Historical estimate of measured resources of 1.7 Mt at 1.16% Cu, 0.22 g/t Au and 13.3 g/t Ag and indicated resources of 31.8 Mt at 1.09% Cu, 0.13 g/t Au and 12.6 g/t Ag
    - Historical estimate of inferred resources of 33.4 Mt at 1.16% Cu, 0.17 g/t Au and 16 g/t Ag
  - Blue Moon Property<sup>(3)</sup>
    - Indicated resources of 3.51 MT at 6.14% Zn, 0.75% Cu, 1.54 oz/T Ag, 0.05 oz/T Au and 0.24% Pb
    - Inferred resources of 3.83 MT at 5.94% Zn, 0.59% Cu, 1.54 oz/T Ag, 0.05 oz/T Au and 0.34% Pb
  - NSG Property<sup>(1)(4)</sup>
    - Historical inferred resources of 29.4 Mt at 0.9% Cu and 0.17% Zn. Gold, silver and sulfur were not assayed and are expected to form a credit in the future
- All 3 projects have the potential to materially increase in size prior to a final mill construction decision:
  - At the Nussir Property, Blue Moon is expecting to focus the next 18-months on 6 different opportunities aimed at increasing both shear-hosted and sediment hosted resources through primarily drilling from underground. Underground potential is considered to be high
  - At the Blue Moon Property, post maiden preliminary economic assessment release, expected in Q1-2025 (see 2024 press release), Blue Moon expects to focus on drilling off the existing volcanic massive sulphide resource with the aim of upgrading to reserve status from underground, and extending the deposit down dip. Underground potential is considered to be high
  - At the NSG Property, regional exploration activities through underground tunnels will aim to expand on the company's production history at multiple volcanic massive deposits between 1887 and 1991
  - Limited exploration dollars have been spent on all 3 projects for decades, and Nussir and NSG have never listed on the public markets
- The metallurgical response to simple flotation at both the Nussir Property and the Blue Moon Property is expected to be positive
- Available infrastructure at all 3 projects with access to power, water, ports and underground infrastructure
- Blue Moon would anticipate that production decisions could be made once all 3 projects have substantially tested their exploration potential, from underground drilling, test mining, mineral sorting and by-product credit market analysis
- Negligible royalties exist at Blue Moon, and 0.75% NSRs on both the Nussir Property and NSG Property, and no mineral off-takes have been sold on any of the 3 projects. Precious metals are expected to contribute over 20% to the NSR at the Nussir Property and the Blue Moon Property
- Re-rating opportunity is expected to result from increased scale, significantly enhanced growth profile and established presence in an emerging, mining-friendly jurisdiction. Key personnel from the principals of Blue Moon will aim to build a high-quality team to advance these projects and to become a significant base metals mining company

Blue Moon's CEO, Christian Kargl-Simard, said:

"This transaction will create a new copper-zinc development company located in Tier 1 jurisdictions, focused on critical minerals in the western world. It presents the opportunity for us to leverage our technical expertise and strong access to capital markets to unlock value for all shareholders by advancing and developing multiple base metals projects. In a world where geopolitics and national security are front page topics in sourcing critical materials, we believe our foray into Europe and the United States is well timed. We plan on deploying the best available technologies on our projects and showing strong support for our community partner. First off though, it's time to show off results from the drill bit."

#### About the Nussir Property

Nussir is a privately held mining company incorporated under the laws of Norway, established in 2005. Its aim is to develop the Nussir Property copper-silver-gold mine located in northern Norway. Former open pit mining occurred at the mine during the 1980s in 4 shear-hosted open pits. Nussir has been focused on advancing a sedimentary hosted copper deposit on the same property through analysis, study work and permits granted over a 20-year period. SRK Consulting (UK) Limited completed an updated JORC-compliant feasibility study on the construction ready project in May 2023 with an initial capital cost estimated at 1.5 billion USD.

Historical estimate of JORC-compliant resources exist as follows (SRK DFS Report dated May 2023): <sup>(1)(2)</sup>

- Measured resources of 1.7 Mt at 1.16% Cu, 0.22 g/t Au and 13.3 g/t Ag
- Indicated resources of 31.8 Mt at 1.09% Cu, 0.13 g/t Au and 12.6 g/t Ag
- Inferred resources of: 33.4 Mt at 1.16% Cu, 0.17 g/t Au and 16 g/t Ag

- High potential to increase global resources through:
  - Upgrading undrilled areas of the ~10 km resource trend and infilling high-grade resource (+2% CuEq) areas seen limited drill density
  - Defining the parallel zone at the Nussir Property, which does not currently have any resources, and could have meaningful strike length
  - Drilling underneath the historical open pit production through the existing 2.5 km underground tunnel, and explore resources that are open
  - Drilling a geochemical anomaly between the historical open pits and the Nussir Property
- Groundbreaking ore sorting technology is being tested which could provide major reduction in waste, increase production capacity and lower operating costs
- Blue Moon will be investigating all of these opportunities. With substantial drilling from the underground decline and different options for tailings deposition will be investigated prior to completing a feasibility study and making a full decision. This work is projected to be the bulk of the use of proceeds from the Concurrent Equity Financing.

### About the NSG Property

Blue Moon is excited about the copper potential of northern Norway, and the NSG Property would be the first new copper mine in the country in over 50 years. The NSG Property has some of the most attractive rocks in the country from a historical perspective with the area at the NSG Property having hosted the largest mining operation in the country. The remaining deposits situated among the largest known deposit of copper in Norway and are expected to contain significant exploration upside. No resources exist as compliant with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), but the NSG Property has a historical estimate of inferred resources of: 29.4 Mt at 0.9% Cu and 0.17% Zn. Precious metals and sulfides have been assayed but are expected to become a credit. (1)(4)

### Concurrent Equity Financing

The Concurrent Equity Financing will be conducted by way of a brokered private placement of a minimum of 10,000,000 units and a maximum of 16,666,667 units (the "Units") of Blue Moon at a price of C\$3.00 per Unit for minimum gross proceeds of C\$30,000,000 and maximum gross proceeds of C\$50,000,000, co-led by Cormark Securities Inc. and Scotia Capital Inc. through a syndicate of investment dealers (collectively, the "Agents")

Each Unit issued in the Concurrent Equity Financing will consist of 1 common share of Blue Moon (each, a "Unit Share") and 10% of the price per Unit allocated to the Unit Share underlying each Unit and 90% of the price per Unit allocated to the Subscription Receipts underlying each Unit. The proceeds allocated to the Unit Shares will be released to Blue Moon upon closing of the Concurrent Equity Financing, and will not be returned to the subscribers in the event the Escrow Release Conditions (as defined below), which include the completion of the Nussir Transaction, are not met.

Upon completion of the Nussir Transaction, and subject to certain customary conversion conditions for a transaction of this type (collectively, "Escrow Release Conditions"), each Subscription Receipt will convert into one common share of Blue Moon ("Underlying Share") without payment of additional consideration or further action on the part of the holder.

Blue Moon has agreed to pay to the Agents a commission equal to 6.0% of the gross proceeds from the Concurrent Equity Financing, 50% of which will be placed in escrow (the "Escrowed Commission") as described below. A President's List subscriber's part of the Concurrent Equity Financing with varying commissions depending on the potential subscriber, but none higher than 6.0%.

The proceeds of the Concurrent Equity Financing, other than those proceeds allocated to the Unit Shares, and the Escrowed Commission (the "Escrowed Proceeds"), will be held in escrow pending satisfaction of the Escrow Release Conditions. If the Escrow Release Conditions are satisfied or waived (where permitted) prior to 5:00 p.m. (Toronto time) on February 28, 2025, or prior to April 30, 2025 if Blue Moon shareholder approval is required by the TSXV, (the "Escrow Release Deadline"), the Escrowed Commission will be released to the Agents from the Escrowed Proceeds, the balance of the Escrowed Proceeds will be released to or as directed by Blue Moon, and the Subscription Receipts shall be automatically converted into Underlying Shares without payment of any additional consideration or further action on the part of the subscribers. In the event that the Escrow Release Conditions are not satisfied by the Escrow Release Deadline, the Escrowed Proceeds, together with interest earned thereon, will be returned to the holders of the Subscription Receipts and such Subscription Receipts will be cancelled.

The proceeds from the Unit Shares will be immediately released to Blue Moon to be used for general corporate purposes.

advancement of the Blue Moon project, along with costs related to the Transactions. The proceeds from the Subscription will be primarily utilized for exploration, development, underground exploration, and optimization studies at the NSG Property, exploration permitting at the Blue Moon Property and the NSG Property, and general corporate purposes and capital.

The securities issued under the Concurrent Equity Financing will be subject to a statutory four-month hold period under securities laws. Completion of the Concurrent Equity Financing does not provide a guarantee that the Transactions will be completed. The Concurrent Equity Financing must be closed by January 15<sup>th</sup> and the overall Transactions closed by February 15, 2025, as outside dates, unless extended by mutual agreement of the parties. Blue Moon intends to list on the Oslo Stock Exchange after closing of the Transactions.

#### Conditions Precedent

The closing of the Nussir Transaction is conditional on closing of the NSG Transaction and the conversion of Subscription is conditional on the Transactions closing. The closing of the NSG Transaction is conditional on the closing of the Nussir Transaction. Both Nussir and NSG are being acquired on a debt-free basis. The boards of directors of all 3 companies have unanimously approved the Transaction.

The board of directors of the resulting issuer (the "Board") shall include 3 existing directors of Blue Moon (Christian Karlsen, Maryse Bélanger and Haytham Hodaly), two nominated by Nussir, being Francis Johnstone and Karin Thorburn, with one of NSG to be nominated at the next scheduled shareholder meeting. Senior Officers of the resulting issuer will be Chris Kargl-Simard as Chief Executive Officer and Frances Kwong as Chief Financial Officer, with additional officers to be announced in due course.

The existing JORC-compliant feasibility study on the Nussir Property will be restated and/or reconciled to be compliant with NI 43-101 prior to closing. A NI 43-101 compliant report on the NSG Property is also being prepared, but no determination has been made by the TSXV whether such a report will or will not be required for completion of the Transactions at this time.

The following is the minimum escrow release policy for Blue Moon Shares to be issued to Nussir shareholders on closing of the Nussir Transaction: 50% release after 6 months and a following 50% release after 12 months. The following is the minimum escrow release policy for Blue Moon Shares to be issued to NSG shareholders on closing of the NSG Transaction: 50% release after 6 months and a following 50% release after 12 months. All securities issued under the Transactions may be subject to additional escrow requirements as determined by the TSXV.

In addition to the required 90.1% Nussir shareholder approval, the Transaction is also subject to the satisfaction of certain closing conditions customary for a transaction of this nature. The Transaction remains subject to Exchange approval in Canada on behalf of Blue Moon. The Transaction is expected to be completed by the end of February 2025. Blue Moon Shares will be halted for trading until closing of the Transaction.

The definitive agreements (the "Definitive Agreements") for the Nussir Transaction and the NSG Transaction, which will be entered into upon closing of the Concurrent Equity Financing, will include representations, warranties, covenants, indemnities, termination provisions and other provisions customary for a transaction of this nature. In particular, the Definitive Agreements will provide for deal protections, including non-solicitation covenants on the parties and a right of the other party to match any Superior Offer (as defined in the Definitive Agreements). The Definitive Agreements will include a termination fee payable by the parties in certain circumstances (including if the Definitive Agreements are terminated in connection with such parties pursuing such offers or proposals).

#### Advisors and Counsel

DLA Piper (Canada) LLP and Simonsen Vogt Wiig AS are acting as Blue Moon's Canadian and Norwegian legal advisors, respectively.

CIBC Capital Markets is acting as financial advisor to Nussir. Fasken Martineau LLP and Arntzen de Besche are acting as Canadian and Norwegian legal advisors, respectively.

#### Qualified Persons

Dustin Small, P. Eng., qualified person under NI 43-101, has approved the scientific and technical information related to the operations matters contained in this news release.

Notes:

- (1) As at the date of this news release, a qualified person has not completed sufficient work to classify this historical estimate as current mineral resources or mineral reserves in accordance with NI 43-101 and Blue Moon is not treating the historical estimate as current mineral resources or mineral reserves. In order to verify the historical estimate, the Company needs to engage a qualified person to review the historical data, review any work completed on the property since the date of the estimate and complete a new technical report. Blue Moon views this historical data as an indicator of the potential size and grade of the mineralized deposits, and this data is relevant to Company's future plans with respect to the property.
  - (2) The effective date of this estimate is December 31, 2020, and is contained in the "Nussir Feasibility Study 2023" dated May 2023 and prepared by Sabine Anderson, Richard Oldcorn and Guy Dishaw of SRK Consulting (UK) Limited.
  - (3) The effective date of this estimate is October 27, 2023. For more information see the "Technical Report for the Blue Moon Mine, Township 4 South, Range 16 East MDB&M, Mariposa County, California" dated November 19, 2023 and prepared by Dr. Thomas A. Hendricksen, QP, CPG, and Scott Wilson, CPG. This is expected to be superseded by a NI 43-101 preliminary economic assessment and updated resource estimate in Q1-2025.
- ~~(4) The effective date of this preliminary internal resource estimate is July 10, 2022, and is contained in the "Sulitjelma - Resource Estimation Memo" prepared by Adam Wheeler, dated July 10, 2022.~~

Blue Moon Metals is advancing its Blue Moon polymetallic deposit which contains zinc, gold, silver and copper. The property is well located with existing local infrastructure including paved highways three miles from site; a hydroelectric power generation facility a few miles from the site, a three-hour drive to the Oakland port and a four-hour drive to the service center of Reno. Zinc and copper are currently on the USGS list of metals critical to the US economy and national security. More information is available on the Company's website ([www.bluemoonmetals.com](http://www.bluemoonmetals.com)).

For further information:

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

#### CAUTIONARY DISCLAIMER - FORWARD LOOKING STATEMENTS

This news release includes "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian and U.S. securities laws relating to, among other things, the anticipated benefits of the Transactions; the holdings of the existing Blue Moon, Nussir and NSG shareholders at closing of the Transactions; the participation of some Nussir and NSG shareholders in the Concurrent Equity Financing; that no single shareholder will own 20% of Blue Moon at closing; the strategic rationale for the Transactions; the growth potential of Blue Moon; Blue Moon's development plans for the Nussir Property, Blue Moon Property and NSG Property; the decisions regarding production; the creation of a new copper-zinc development company; deployment of the best available technologies on the projects; the exploration potential at the Nussir Property; the anticipated use of the proceeds of the Concurrent Equity Financing; the conversion of the Subscription Receipts; the anticipated timing of closing of the Concurrent Equity Financing; the listing of Blue Moon on the Oslo Stock Exchange and the timing thereof; the entry into the Definitive Agreements; the composition of the Board following closing of the Transactions; the receipt of

all required approvals for closing of the Transactions, including the 90.1% Nussir shareholder approval; the ability of the parties to satisfy the other conditions to the closing of the Transactions; the anticipated timing for closing of the Transactions; the restatement and/or reconciliation of the technical report on the Nussir Property to be compliant with NI 43-101; and that the technical report for the Blue Moon Property will be superseded by a NI 43-101 preliminary economic assessment and updated resource estimate, and the timing thereof. Forward-looking information may in some cases be identified by words such as "will", "anticipates", "expects", "intends" and similar expressions suggesting future events or future performance.

We caution that all forward-looking information is inherently subject to change and uncertainty and that actual results may differ materially from those expressed or implied by the forward-looking information. A number of risks, uncertainties and other factors could cause actual results and events to differ materially from those expressed or implied in the forward-looking information or could cause our current objectives, strategies and intentions to change. Accordingly, we warn investors to exercise caution when considering statements containing forward-looking information and that it would be unreasonable to rely on such statements as creating legal rights regarding our future results or plans. We cannot guarantee that any forward-looking information will materialize and you are cautioned not to place undue reliance on this forward-looking information. Any forward-looking information contained in this news release represents expectations as of the date of this news release and are subject to change after such date. However, we are under no obligation (and we expressly disclaim any such obligation) to update or alter any statements containing forward-looking information, the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by law. All of the forward-looking information in this news release is qualified by the cautionary statements herein.

Forward-looking information is provided herein for the purpose of giving information about the Transactions referred and its expected impact. Readers are cautioned that such information may not be appropriate for other purposes. Completion of the Transactions is subject to customary closing conditions, termination rights and other risks and uncertainties including 90.1% Nussir shareholder approval. Accordingly, there can be no assurance that the Transactions will occur, or that it will occur on the terms and conditions contemplated in this news release. The Transactions could be modified, restructured or terminated. There can also be no assurance that the strategic benefits expected to result from the Transactions will be fully realized. In addition, if the transaction is not completed, and each of the parties continues as an independent entity, there are risks that the announcement of the Transactions and the dedication of substantial resources of each party to the completion of the Transactions could have an impact on such party's current business relationships (including with future and prospective employees, customers, distributors, suppliers and partners) and could have a material adverse effect on the current and future operations, financial condition and prospects of such party.

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A comprehensive discussion of other risks that impact Blue Moon can also be found in its public reports and filings which are available at [www.sedarplus.ca](http://www.sedarplus.ca).  
<https://www.rohstoff-welt.de/news/486147-Blue-Moon-Metals-To-Acquire-Two-Norwegian-Brownfield-Copper-Districts-For-Us67.3m-And-To-Complete-A-Mini>

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