

” Focus on efficiency and growth projects for sustainable future results

Mikhail Damrin, CEO

Fourth quarter report – December 31, 2023

Q4 OCTOBER – DECEMBER 2023 (October – December 2022)

- ▶ Revenue TUSD 19,924 (29,550)
- ▶ EBITDA TUSD 3,190 (-7,020)
- ▶ Loss for the period TUSD -236 (-19,756)
- ▶ Loss per share before dilution USD -0.0003 (-0.022)

JANUARY – DECEMBER 2023 (January – December 2022)

- ▶ Revenue TUSD 86,485 (115,775). The Group recognized non-cash revenue from sale of gold of TUSD 32,619 during Q3 2022.
- ▶ EBITDA TUSD 18,259 (11,235)
- ▶ Loss for the year TUSD -1,334 (-29,480)
- ▶ Loss per share before dilution USD -0.0015 (-0.033)
- ▶ The Board of Directors proposes that no dividend is paid.

SUMMARY OF FINANCIAL INFORMATION

	Q4 2023	Q4 2022	Δ %	Full year 2023	Full year 2022	Δ %
Gold production (gold equivalent), koz	10.69	8.83	21%	39.47	42.94	-8%
Gold sales (gold equivalent), koz	10.31	17.15	-40%	44.86	70.00	-36%
Average realized gold price, USD/oz	1,903	1,702	12%	1,901	1,639	16%
Revenue, TUSD	19,924	29,550	-33%	86,485	115,775	-25%
Gross profit/loss, TUSD	6,345	-5,376	218%	27,604	-2,609	1,158%
EBITDA, TUSD	3,190	-7,020	145%	18,259	11,235	63%
EBITDA margin, %	16%	-24%	-	21%	10%	-
Loss for the period, TUSD	-236	-19,756	99%	-1,334	-29,480	95%
Loss per share before dilution, USD	-0.0003	-0.022	99%	-0.0015	-0.033	95%
Cash & cash equivalents at the end of the period, TUSD	1,949	6,293	-69%	1,949	6,293	-69%
Net debt, TUSD	144,814	118,383	22%	144,814	118,383	22%
Net debt/LTM EBITDA, x	7.93	10.54	-25%	7.93	10.54	-25%
Equity per share, USD	0.079	0.093	-15%	0.079	0.093	-15%

Glossary and definitions of the above performance measures are presented on pages 18-19.

Comments from the CEO



Focus on growth projects while improving operational efficiency

During Q4, the Company attention was focused on improving operational performance on all the production sites at the same time trying to keep development of the growth projects on track: the Malyutka project produced the first gold, construction activities at a new mill at the Zolotaya Zvezda project (Khakasia region) and capacity increase of the Yubileyniy mill (Khabarovsk region).

Production

The Company commissioned production at the Malyutka HL project with 2.42 koz of gold produced in Q4 2023. The project is located in the Khabarovsk region and hosts Probable reserves of 360 koz of gold in accordance with the last JORC statement. Construction activities at Malyutka were started in 2021 and open pit mine preparations commenced in the end of 2022. Currently the operations are in the test mood when the technical equipment, geological models and processing parameters are verified.

We proceeded with the technical improvements at the Yubileyniy mill and mine where we see opportunities to increase operational efficiency further both with underground mining operations and mill performance.

Zolotaya Zvezda, the new project in the Khakasia region of Russia where we acquired a 25% stake in 2022, is our new focus area. Although we see significant upside in the project, during 2023 we were busy with revisioning of geological models and did confirmatory drilling of the existing reserves, examining the compliance paperwork for mine operations, reviewed H&S procedures, mine development plans and etc.

The total consolidated production in Q4 (without consolidation of Zolotaya Zvezda production results) amounted to 10.69 koz, an increase of 21% compared to the last quarter of 2022.

Following tightening compliance requirements in Russia, we consider putting some of our placer deposits on hold this year.

Financial performance

In Q4 2023, the Company improved EBITDA, EBITDA margin and Gross and Net profit/loss compared to Q4 2022. Both international and Ruble nominated gold price increased substantially during the quarter. TCC and AISC improved both for Q4 and for the full year 2023 compared to the relevant periods of 2022.

The capital development programs were primarily financed by debt resulting in higher net debt which we target to reduce in the future with the contribution from the growth projects. Due to the increase of the Russian Central Bank base rate to 16% in Q4 2023, the costs of servicing the Company' debt have significantly increased and will effect financial performance in 2024.

Investments

The Malyutka project has entered the commissioning phase, with first gold produced, and will continue into 2024 until the project will reach the target production rate. Out of our total investments into development assets in 2023, almost 47% related to the Malyutka project.

The next major development project is Yubileyniy where we prepare to increase capacity to 400 ktpa and change the processing chart to CIP and avoid flotation stage. We target to commence the updated mill by the end of 2025.

Following the acquisition of a 25% interest in the Russian gold company Zolotaya Zvezda CJSC in 2022, the Company participates in pro-rata investments into the new project which include exploration activities, modernization and capacity increase of Mayskiy processing plant.

ESG

In 2023 Kopy Goldfields continued progressing in its ESG strategy and investigating various options in green financing. We achieved our key objective for 2023 as we stabilized the Lost Time Injury Frequency Rate (LTIFR) at the 2022 level. The Company continued the cooperation with various stakeholders in the Khabarovsk region and the Ayano-Maisky district.

Macro environment

2023 was the second very turbulent year after 2022 with additional sanctions introduced both within Russia and internationally negatively effecting the development of business in Russia. Although the mining industry in Russia has been adapting to the new challenges, many new growth projects were put on hold due to equipment and technology supply deficits, recruitment problems and lack of financing which is the major hurdle for the corporate growth strategies.

During Q4 2023, the international gold prices reached historic records and continued to grow in the beginning of 2024.

In Q4 2023, new export duties were introduced in Russia for certain types of export goods including gold. The new duty will tax additional revenues primarily from natural resource export and the rate of duty varies from 4% to 7%.

Outlook

2024 will be critical for the Company to reach production growth targets: both Malyutka and Yubileyniy should reach full capacity and new production records. To achieve that we continue to focus on the technical efficiency of the existing mines and carefully advance construction and commissioning activities at the new projects. We continue to pursue our long-term plans while we seek to manage and mitigate many challenges in the current environment.

The Company continuously monitors and adapts to the constantly changing circumstances and increasing challenges, while risks are increasing and our flexibility in developing the Group is exposed. We continue to review and evaluate strategic options to facilitate and secure efficient operations while balancing the interests of all stakeholders.

Mikhail Damrin,
CEO Kopy Goldfields

Operations

Summary Gold production

During the reporting period the Company operated the Yubileyniy bedrock project, the Malyutka bedrock project and the Buor alluvial project in the Khabarovsk region of Russia. In addition, the Company operated the non-consolidated Zolotaya Zvezda project (Mayskiy and Chazy Gol HL operations) in the Khakasia region of Russia. The consolidated gold equivalent production during Q4 and the full year 2023 compared with the gold production during the corresponding period in 2022, is presented in the following table:

Gold equivalent (GE) production	Q4 2023		Q4 2022		Full year 2023		Full year 2022	
	kg	koz	kg	koz	kg	koz	kg	koz
Yubileyniy project (CIP)	233.08	7.49	165.65	5.33	824.65	26.51	631.11	20.29
Yubileyniy project (HL)	9.51	0.31	14.96	0.48	54.69	1.76	46.91	1.51
Perevalnoe project (CIP)	4.77	0.15	54.84	1.76	78.46	2.52	304.58	9.79
Perevalnoe project (HL)	-	-	23.78	0.76	10.03	0.32	90.83	2.92
Malyutka (HL)	75.16	2.42	-	-	75.16	2.42	-	-
Placer mines	9.72	0.31	11.42	0.37	180.81	5.81	244.84	7.87
Silver production, in GE	0.19	0.01	4.02	0.13	3.86	0.12	17.18	0.55
Total GE production	332.43	10.69	274.66	8.83	1,227.67	39.47	1,335.45	42.94

Definition of Gold Equivalent (GE) is presented on pages 18-19.

The total gold equivalent (GE) production during Q4 2023 amounted to 10.69 koz (332.43 kg), a 21% increase compared to 8.83 koz (274.66 kg) in Q4 2022. The increase in gold production

was explained by the Malyutka project launch in Q4 2023 and by the significant increase of Yubileyniy CIP capacity utilization.

Q4 2023 GE production included 0.54 koz (16.71 kg) of silver, equivalent of 0.01 koz (0.19 kg) of gold.

Comments on operations

Yubileyniy project

The gold production from the Yubileyniy CIP plant amounted to 7.49 koz in Q4 2023, an increase of 41% compared to 5.33 koz in Q4 2022. The increase in production in Q4 2023 was primarily

explained by a 25% increase in the volume of ore processed in the reporting period compared to Q4 2022.

Yubileyniy project	Q4 2023	Q4 2022	Δ %	Full year 2023	Full year 2022	Δ %
CIP						
Underground ore mined, 000' ton	76.89	50.03	54%	327.33	262.73	25%
Underground development, meter	589.20	741.60	-21%	2 299.50	2,497.80	-8%
Underground ore grade, g/t	4.49	4.46	1%	4.11	4.28	-4%
Ore processed, 000' ton	59.93	47.94	25%	230.09	191.38	20%
Average grade, g/t	4.80	5.14	-7%	4.57	4.91	-7%
Gold produced CIP, kg	233.08	165.65	41%	824.65	631.11	31%
Gold produced CIP, koz	7.49	5.33	41%	26.51	20.29	31%
Heap Leach (HL)						
Ore stacking, 000' ton	-	-	-	38.59	17.48	121%
Grade, (g/t)	-	-	-	2.23	2.99	-26%
Gold in ore stacked, kg	-	-	-	85.92	52.30	64%
Gold produced HL, kg	9.51	14.96	-36%	54.69	46.91	17%
Gold produced HL, koz	0.31	0.48	-36%	1.76	1.51	17%

Placer mining

The alluvial gold production commenced in Q2 2023 when the snow and permafrost melted. In Q4 2023 gold production from

placer mining totaled to 0.31 koz, a decrease of 15% compared to 0.37 koz in Q4 2022. Alluvial operations are seasonal and depend

on the weather conditions. The gold production from placer mining was discontinued in Q4 2023 for the winter period and will commence again in Q2 2024.

Placer mining	Q4 2023	Q4 2022	Δ %	Full year 2023	Full year 2022	Δ %
Overburden, 000' m ³	61.00	88.26	-31%	1,003.40	1,088.76	-8%
Capital mining, 000' m ³	92.10	57.65	60%	230.40	270.75	-15%
Placer gravel washed, 000' m ³	18.60	19.55	-5%	466.70	514.15	-9%
Average grade, mg/m ³	522.45	583.89	-11%	387.42	476.20	-19%
Gold produced, kg	9.72	11.42	-15%	180.81	244.84	-26%
Gold produced, koz	0.31	0.37	-15%	5.81	7.87	-26%

Perevalnoe project

In 2023, the gold production from the Perevalnoe CIP mill and HL-plant was 2.52 koz and 0.32 koz respectively. The decrease in

production compared to 2022 was explained by a stoppage of open pit mines, and the Perevalnoe HL-plant.

Malyutka project

In Q4 2023, gold production was commenced at the Malyutka deposit. The HL processing operations are in test mood and the full capacity is expected to be reached by mid-2024. In Q4 2023, mining operations included 272.52 thousand cubic meter of waste

stripping and a total of 244.79 thousand tonnes of ore mined with an average grade of 1.05 g/t. The gold production from the Malyutka HL plant amounted to 2.42 koz in 2023.

Zolotaya Zvezda

In Q4 2022, Kopy Goldfield's wholly owned subsidiary AG Mining acquired a 25% interest in the gold production company Zolotaya Zvezda located in the Khakassia region of Russia. Zolotaya Zvezda is included in the Group's financial reporting as an associated company from the date of the acquisition.

During 2023, Zolotaya Zvezda operated the Mayskiy and Chazy Gol bedrock gold deposits using heap-leach processing technology. In Q4 2023, Zolotaya Zvezda total GE production amounted to 4.02 koz which is not consolidated into the Company production results.

Exploration

The Company runs exploration activities within the Khabarovsk region (Amur Zoloto subsidiary), the Irkutsk region (Krasny project) and the Khakassia region (Zolotaya Zvezda LLC).

The Company owns the Krasny gold project in the Irkutsk region together with the Russian gold producer GV Gold. During Q4 2023, the activities were focused on further processing test works for Krasny and Vostochny mineralizations, updating the geological model based on the recent exploration results, and preparation of pre-feasibility study in Russia.

In the Khabarovsk region, the Company's other main exploration activities in Q4 2023 included:

- Ket-kap area surrounding the Yubileyniy project: 166 meters drilling program and processing of geophysical and geochemical data on the area.

Reserves and Resources

Following the updated resource statement issued in June 2023, Kopy Goldfields' total estimated M, I&I Mineral Resources according to JORC (2012) amounted to 3,239 koz of gold, and total Probable Ore Reserves amounted to 1,802 koz of gold, including the attributable reserves and resources of the Krasny project which yet have not been updated.

For more information on the Mineral resources and Reserves, please visit www.kopygoldfields.com.

Seasonal variations

Kopy Goldfields' gold production is traditionally affected by seasonal variations. Alluvial mining operations are restricted to the warm season which is also the high season for heap leach operations.

ESG

During the fourth quarter of 2023, Kopy Goldfields continued progressing in its Environmental, Social, and Governance (ESG) strategy across all Russian subsidiaries. The Company continues investigating various options in green financing. Kopy Goldfields is exploring diverse financial avenues to support its ESG-focused initiatives.

Prioritizing Health and Safety

Kopy Goldfields remained committed to enhancing its health and safety management system. Throughout Q4 2023, the Company successfully completed the recruitment process for Health and Safety engineers and specialists, finalizing the managerial

structure for health and safety within Zolotaya Zvezda. The Company achieved its objective for 2023 as it stabilized the Lost Time Injury Frequency Rate (LTIFR) at the 2022 level.

In Q4 2023 a core target was the well-being of the Company's shift employees. Kopy Goldfields continued to advance its reconstruction program at the Yubileyniy shift camp.

Environmental Commitment

After completing pre-design and engineering work for solar power plants at specific sites in Q1 2023, Kopy Goldfields is exploring financing options to support these environmentally friendly projects. The Company plans to construct solar power stations at the Yubileyniy site in the Khabarovsk region. In Q4

2023, the Company implemented an Environmental reporting system.

Social Engagement

In Q4 2023, Kopy Goldfields sustained effective relationships with diverse stakeholder groups. The Company continued the cooperation with the Khabarovsk region based on the agreement for socio-economic development signed in Q2 2023. In addition to the agreement with the Khabarovsk region, Kopy Goldfields fully realized the support program established with the Ayano-Maisky district (based on the agreement for socio-economic development signed in Q1 2023 with the Ayano-Maisky district).

Risks and uncertainty

International sanctions environment

Kopy Goldfields is the Swedish parent company in a group that conducts gold production and exploration in Russia through its fully owned subsidiaries. As from the end of February 2022, the EU and other countries have imposed far-reaching sanctions against Russia and Russia has responded with counter sanctions. In December 2022, a new sanction package was adopted by EU, which focuses on limiting financing of Russian mining projects by EU residents. The Group is financed through its subsidiaries mining operations, the group's available cash sources and finance facilities with local Russian banks. The Group follows the laws and regulations in the legislations where it operates and is working to adapt the organization to the new circumstances. Sanctions

regarding gold sales have been imposed by G7-countries and by EU. Kopy Goldfields is not, and has never been, exporting to any country falling under the gold sales sanctions.

Mining operations, processing and gold sales activities continue together with the implementation of the Company's development plans. All business activities are however influenced by and exposed to the international sanctions' environment. Increased monetary restrictions and regulations affect and complicates cross-border transactions and transfers and may affect the Parent Company's cash situation and access to cash balances.

For further information, see note 4 in this report and the Annual Report 2022.

Comments on financial performance

(Numbers in parentheses refer to the same period last year.)

Gold sales (GE) for Q4 2023 decreased by 40% and amounted to 10.31 koz (17.15 koz). No silver was sold in Q4 2023 compared to 0.20 koz of GE in Q4 2022.

Total revenues for Q4 2023 amounted to TUSD 19,924 (29,550), a 33% decrease compared to Q4 2022 primarily as a result of lower volumes of gold sold.

The average realized gold price increased by 12% in Q4 2023 and amounted to 1,903 USD/oz (1,702 USD/oz).

Gold sales (GE) for the full year 2023 amounted to 44.86 koz (70.00), a decrease of 36% compared to 2022 following a settlement of a gold loan. Sales volume for the full year 2022 included 24.02 koz, acquired in the gold market in Q3 2022, that was delivered to settle the commodity loan.

Total revenues for the full year 2023 decreased by 25% compared to 2022 and amounted to TUSD 86,485 (TUSD 115,775, including revenue of TUSD 32,619 from settlement of the gold loan). Excluding the effects of the gold loan settlement, revenues for the full year 2023 increased by 4% compared to 2022 due to higher gold prices.

The average realized gold price increased by 16% in the full year 2023, and amounted to 1,901 USD/oz (1,639 USD/oz).

Costs of Sales for Q4 2023 amounted to TUSD 13,579 (34,926), a decrease of 61% compared to the corresponding period of 2022, mainly as a result of lower sales volumes,

depreciation of the Russian RUB against the USD and high production cost per ounce produced at Perevalnoye in Q4 2022.

Costs of Sales for the full year 2023 amounted to TUSD 58,881 (118,384), a decrease of 50% compared to the full year 2022 mainly as an effect of the settlement of the gold loan in Q3 2022 of TUSD 42,115.

Total Cash Costs ("TCC") in Q4 2023 decreased by 62% and amounted to TUSD 13,465 (32,981) as a result of lower cost of gold and silver sales. TCC per gold equivalent ounce sold (TCC/oz) therefore decreased by 36% in Q4 2023 and amounted to 1,225 USD/oz compared to 1,920 USD/oz in Q4 2022.

TCC for the full year 2023 decreased by 8% and amounted to TUSD 58,367 (TUSD 78,333, net of the gold loan settlement in Q3 2022). TCC per gold equivalent ounce sold (TCC/oz) therefore decreased by 5% in the full year 2023 and amounted to 1,234 USD/oz compared to 1,306 USD/oz in the full year 2022.

All-in sustaining costs ("AISC") per gold equivalent ounce sold decreased by 24% from 2,198 USD/oz in Q4 2022 to 1,681 USD/oz in Q4 2023. The decrease was primarily driven by lower TCC and weakening of the Russian Ruble.

AISC per gold equivalent ounce sold in the full year 2023 decreased by 7% and amounted to 1,625 USD/oz (1,738 USD/oz), mainly due to lower TCC.

TCC and AISC are both non-IFRS measures and are reconciled as follows:

Total Cash Costs (TCC) (TUSD)	Q4 2023	Q4 2022	Δ %	Full year 2023	Full year 2022	Δ %
Cost of gold and silver sales, net of settlement of the gold loan	13,465	35,262	-62%	58,367	78,333	-25%
Property, plant, and equipment depreciation and amortization	-1,357	-3,303	-59%	-5,363	-12,126	-56%
Provision for mine closure, rehabilitation, and decommissioning costs	0	36	-100%	0	-125	-100%
Change in allowance for slow-moving and obsolete inventory	529	985	-46%	2,365	-5,992	-139%
Total cash costs	12,638	32,981	-62%	55,369	60,090	-8%
Ounces sold (GE koz)	10.31	17.17	-40%	44.85	46.00	-3%
TCC per GE ounce sold (USD/oz)	1,225	1,920	-36%	1,234	1,306	-5%

All-in Sustaining Costs (AISC) (TUSD)	Q4 2023	Q4 2022	Δ %	Full year 2023	Full year 2022	Δ %
Total cash costs	12,638	32,981	-62%	55,369	60,090	-8%
Corporate, general, and administrative expenses	3,388	3,808	-11%	12,969	14,284	-9%
Amortization and depreciation related to corporate, general, and administrative expenses	221	-55	-504%	-149	-192	-23%
Provision for mine closure, rehabilitation, and decommissioning costs	6	-36	-117%	6	125	-95%
Sustaining exploration expenses	0	62	-100%	0	514	-100%
Sustaining capital expenses	1,015	447	127%	3,442	2,714	27%
Sustaining lease payments	71	546	-87%	1,258	2,442	-48%
Total all-in sustaining costs	17,339	37,752	-54%	72,896	79,976	-9%
Ounces sold (GE koz)	10.31	17.17	-40%	44.85	46.00	-3%
AISC per GE ounce sold (USD/oz)	1,681	2,198	-24%	1,625	1,738	-7%

The gross profit in Q4 2023 increased and amounted to TUSD 6,345 (loss of -5,376). The Gross margin increased to 32% in Q4 2023, compared to -18% in the corresponding period of 2022.

The gross profit for the full year 2023 amounted to TUSD 27,604 (loss of -2,609). Gross loss for the full year of 2022 includes the net effect from the settlement of the gold loan of TUSD -9,106. The Gross margin increased to 32% in the full year 2023, compared to -2% in the full year 2022.

General and Administrative expenses (G&A expenses) for Q4 2023 decreased by 28% compared to Q4 2022 and amounted to TUSD 2,263 (3,125). G&A expenses for the full year 2023

decreased by 12% compared to full year 2022 and amounted to TUSD 8,862 (10,076).

The operating profit for both Q4 2023 and the full year 2023 increased and amounted to TUSD 2,360 (-18,261) TUSD 13,608 (-24,599) respectively.

EBITDA for Q4 2023 increased by 145% and amounted to TUSD 3,190 (-7,020), with an EBITDA margin of 16% compared to -24% in Q4 2022. EBITDA for the full year 2023 increased by 63% and amounted to TUSD 18,259 (11,235), with an EBITDA margin of 21% compared to 10% in 2022.

EBITDA is a non-IFRS financial measure and is reconciled as follows:

EBITDA reconciliation to Profit before tax (TUSD)	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Loss before tax	-776	-23,652	-1,001	-33,778
Share of net loss/profit of associates accounted for using the equity method	-2,022	7	315	-124
Financial income	-353	-115	-1,697	-1,142
Financial costs	5,511	5,499	15,991	10,445
Depreciation and depletion	1,074	3,545	5,541	12,126
Net realizable value allowance for stockpiles, work in progress, and finished goods	-529	-985	-2,365	5,992
Loss from settlement of gold loan liability	-	-	-	9,105
Change in allowance for slow-moving and obsolete inventory	29	-2	70	14
Impairment of property, plant and equipment and exploration and evaluation assets	15	8,774	15	8,774
Other one-off adjustments	241	-91	1,390	-177
EBITDA	3,190	-7,020	18,259	11,235

The net financial expenses in Q4 2023 and the full year 2023 amounted to TUSD -3,136 (-5,391) and TUSD -14,609 (-9,179) respectively. The net financial expenses were negatively affected by an increase in total interest-bearing debt and increased floating interest rate which grew together with the key rate of Central Bank of Russian Federation in Q3 and Q4 2023.

The net result for Q4 2023, attributable to shareholders of the parent company, amounted to a loss of TUSD -236 (-19,756), corresponding to USD -0.0003 (USD -0.0218) per share before and after dilution. The net result for the full year 2023, attributable to shareholders of the parent company, amounted to a loss of TUSD -1,334 (-29,480), corresponding to USD -0.0015 (USD -0.0327) per share before and after dilution.

Comments on the financial position

Total loans and borrowings amounted to TUSD 144,390 at period end, compared to TUSD 119,745 as of December 31, 2022. At June 23, 2023 the Group entered into a finance facility for refinancing of current bank facilities and funding of the investment program with a maximum credit facility of TUSD 143,715 (equivalent of TRUB 14,000,000 at the reporting date) bearing floating interest rate as key rate of Central Bank of Russian Federation plus margin of 3.45%. For more information, see note 3.

As of December 31, 2023, the Company was in breach of certain loan covenants connected to a loan from a local Russian bank. As a result, the loans with maturity dates March 2025 - June 2028 were reflected in the statement of financial position as of December 31, 2023, as a short-term. The Company expects to receive a waiver from the bank on the breached covenants.

Total net debt as of December 31, 2023 amounted to TUSD 144,814 compared to TUSD 124,757 as of September 30, 2023 and TUSD 118,383 as of December 31, 2022. The net debt calculation does not include gold in stock, see Liquidity. Net Debt is a non-IFRS financial measure and is reconciled as follows:

Total Net Debt (TUSD)	Dec 31, 2023	Dec 31, 2022
Borrowings	144,390	119,745
Contract liability	-	-
Leasing	2,373	4,931
Total debt	146,763	124,676
Cash and cash equivalents	-1,949	-6,293
Total Net debt	144,814	118,383

Total Net Debt/LTM EBITDA amounted to 7.93x at Year End 2023, compared to 10.54x at Year End 2022.

Investments

Net cash flows used in investing activities during the full year 2023 amounted to TUSD 36,133 (35,100), whereof investments in assets, including capitalized exploration costs and capitalized borrowing costs, amounted to TUSD 29,668 (27,444). The investments in assets included:

- Yubileyniy project of TUSD 12,440 with the majority relating to mill equipment scheduled upgrade direct cyanidation implementation and underground mine capital development;

- Malyutka project of TUSD 13,295 referring to infrastructure construction and equipment, including a hydrometallurgy workshop building with a technological control laboratory, dormitory, canteen, laundry and bathing facilities, fresh water pump station, open pit mine preparations and fuel storage;
- Other projects of TUSD 1,558;
- Exploration of TUSD 1,018, referring to drilling at Krasivoe underground deposit and alluvial projects;
- Capitalized borrowing costs of TUSD 1,357;
- Loans provided to associates of TUSD 5,255.

Liquidity

The Company's cash and cash equivalent position as of December 31, 2023 amounted to TUSD 1,949, compared to TUSD 6,293 on December 31, 2022. At December 31, 2023, unused credit facilities amounted to TUSD 14,613 (at December 31, 2022: TUSD 2,833). The bank credit facilities may be drawn by the bank notice in RUB and have an average maturity of 5 years.

Gold in stock ready for sale (not included in cash and cash equivalents) amounted to 0.03 koz at period end, corresponding to a market value of TUSD 54. Gold in stock ready for sale as of September 30, 2023 and December 31, 2022 amounted to 0.02 koz and 3.41 koz respectively.

Personnel

As of December 31, 2023, the Company had 866 (705) employees, of which 721 (602) were men and 145 (103) women. The average number of employees during Q4 of 2023 was 890 (706), of which 752 (618) were men and 138 (88) women. The average number of employees during the full year 2023 was 850 (769), of which 727 (658) were men and 123 (111) women.

Board of directors

Kopy Goldfields' board of directors, elected at the AGM in May 2023, consists of three members: Kjell Carlsson (chairman), Eric Forss and Arsen Idrisov.

The Parent Company

The Parent Company's revenue for Q4 2023 totaled TSEK 2,403 (260) and TSEK 3,866 (1,092) for the full year 2023. The revenue was related to invoicing to subsidiaries. Net loss for Q4 2023 amounted to TSEK 1,856 (profit of 20,800). Net profit for the full year 2023 amounted to TSEK 15,982 (loss of -29,458).

Total assets at period end amounted to TSEK 1,986,327 and remained relatively unchanged compared to TSEK 1,987,156 on December 31, 2022. Cash and cash equivalents as of December 31, 2023 amounted to TSEK 155 compared to TSEK 5,157 on December 31, 2022. Equity on December 31, 2023, amounted to TSEK 1,870,229 (December 31, 2022: TSEK 1,854,247).

There was 0 person (1) employed by the Parent Company at the end of the reporting period.

The share

On December 31, 2023, the total number of issued shares in Kopy Goldfields AB was 903,204,375 (the same number of shares as of September 30, 2023), with a quota value of SEK 0.38 (SEK 0.38). All shares represent one vote each.

Dividend

The Board of Directors proposes that no dividend be paid for the 2023 financial year.

Kopy Goldfields' current strategy is to redeploy cash flows from operations through its capital expenditure program aimed at increasing resources, reserves, and production. Consequently, no dividend has been proposed for the 2023 financial year. The dividend policy is reviewed annually with the long-term objective to distribute a portion of operating cash flows as dividends. The dividend payout ratio will be determined based on the Company's financial position, capital expenditure plans, and relevant peer group benchmarks.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

<i>Amounts in thousands of US Dollars (TUSD)</i>	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Revenue from contracts with customers	19,924	29,550	86,485	115,775
Cost of sales	-13,579	-34,926	-58,881	-118,384
Gross profit/loss	6,345	-5,376	27,604	-2,609
General and administrative expenses	-2,263	-3,125	-8,862	-10,076
Impairment of property, plant and equipment and exploration and evaluation assets	-15	-8,774	-15	-8,774
Other operating expenses, net	-1,707	-986	-5,119	-3,140
Operating profit/loss	2,360	-18,261	13,608	-24,599
Share of net profit/loss of associates	2,022	-7	-315	124
Financial income	353	115	1697	1,142
Financial costs	-5,511	-5,499	-15,991	-10,445
Financial expenses, net	-3,136	-5,391	-14,609	-9,179
Loss before tax	-776	-23,652	-1,001	-33,778
Income tax	540	3,896	-333	4,298
Loss for the period	-236	-19,756	-1,334	-29,480
<i>Of which attributable to:</i>				
Parent company shareholders	-236	-19,756	-1,334	-29,480
Non-controlling interest	-	-	-	-
Other comprehensive income/loss				
<i>Items that will not be reclassified to profit or loss</i>				
Exchange differences on translation to presentation currency	3,407	-14,833	-10,904	10,195
Total comprehensive income/loss for the period	3,171	-34,589	-12,238	-19,285
<i>Of which attributable to:</i>				
Parent company shareholders	3,171	-34,589	-12,238	-19,285
Non-controlling interest	-	-	-	-
Loss per share for profit attributable to the ordinary equity holders of the company:				
Basic loss per share (USD)	-0.0003	-0.0218	-0.0015	-0.0327
Diluted loss per share (USD)	-0.0003	-0.0218	-0.0015	-0.0327

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>Amounts in thousands of US Dollars (TUSD)</i>	Note	Dec 31, 2023	Dec 31, 2022
Assets			
Non-current assets			
Exploration and evaluation assets		2,035	1,848
Property, plant, and equipment		95,198	85,467
Right-of-use assets		5,417	9,238
Investments in associates		34,671	35,745
Financial assets at amortized cost		50	4,007
Loans receivable from associate		1,085	-
Deferred tax assets		4,590	6,402
Inventories		2,832	3,611
Total non-current assets		145,878	146,318
Current assets			
Inventories		66,009	59,499
Other current assets		1,349	2,673
Other receivables		5,346	1,087
Advances paid		5,947	2,306
Taxes receivable		4,859	4,771
Income tax receivable		169	253
Loans receivable		4,532	172
Cash and cash equivalents		1,949	6,293
Total current assets		90,160	77,054
Total assets		236,038	223,372
Equity			
Equity attributable to shareholders of the Parent Company			
Share capital		39,663	39,663
Other contributed capital		48,981	48,981
Foreign currency translation reserve		-45,390	-34,486
Retained earnings, including profit for the period		28,535	29,869
Total equity attributable to shareholders of the Parent Company		71,789	84,027
Liabilities			
Non-current liabilities			
Mine rehabilitation provision		3,429	4,771
Lease liabilities		1,199	2,815
Derivative financial liabilities		239	664
Total non-current liabilities		4,867	8,250
Current liabilities			
Loans and borrowings	3	144,390	119,745
Mine rehabilitation provision		1,014	562
Lease liabilities		1,174	2,116
Derivative financial liabilities		205	-
Accounts payable and accrued liabilities		10,209	6,956
Taxes payable		2,387	1,716
Income tax payable		3	-
Total current liabilities		159,382	131,095
Total liabilities		164,249	139,345
Total equity and liabilities		236,038	223,372

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in thousands of US Dollars (TUSD)</i>	Note	Attributable to shareholders of the Parent Company				Total
		Share capital	Other contributed capital	Foreign currency translation reserve	Retained earnings, including profit/loss for the period	
Opening balance at January 1, 2022		39,115	48,635	-44,681	59,349	102,418
Loss for the period		-	-	-	-29,480	-29,480
Other comprehensive income for the period		-	-	10,195	-	10,195
Total comprehensive income/loss for the period		-	-	10,195	-29,480	-19,285
Transactions with owners in their capacity as owners						
Incentive programs 2018/2021		66	-71	-	-	-5
Incentive programs 2022/2026 and 2022/2025		-	81	-	-	81
Share issue		482	336	-	-	818
Closing balance at December 31, 2022		39,663	48,981	-34,486	29,869	84,027
Opening balance at January 1, 2023		39,663	48,981	-34,486	29,869	84,027
Loss for the period		-	-	-	-1,334	-1,334
Other comprehensive loss for the period		-	-	-10,904	-	-10,904
Total comprehensive loss for the period		-	-	-10,904	-1,334	-12,238
Closing balance at December 31, 2023		39,663	48,981	-45,390	28,535	71,789

CONSOLIDATED STATEMENT OF CASH FLOW

<i>Amounts in thousands of US Dollars (TUSD)</i>	Note	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Cash flow from operating activities					
Loss before tax		-776	-23,652	-1,001	-33,778
<i>Adjustments for non-cash items</i>					
Depreciation and depletion of property, plant and equipment, intangible assets, and right of-use assets		1,074	3,545	5,541	12,126
Impairment of property, plant and equipment and exploration and evaluation assets		15	8,774	15	8,774
Finance costs		5,511	5,499	15,991	10,445
Finance income		-353	-115	-1,697	-1,142
Movements in allowance for obsolete inventory and net realizable value		-500	-987	-2,295	6,006
Foreign exchange gain/loss		150	-106	1,222	-267
Share of net loss/profit of associates		-2,022	7	315	-124
Revenue from settlement of gold loan liability		-	-	-	-32,619
Other non-cash adjustments		239	-185	285	-207
Cash flow from operating activities before changes in working capital		3,338	-7,220	18,376	-30,786
<i>Changes in working capital</i>					
Change in inventories		1,561	21,608	-19,136	-3,285
Change in other receivables and advances paid		445	-472	-4,374	-1,867
Change in trade and other payables and advances received		-1,463	5,289	2,377	-8,979
Change in other assets		-	1,716	-	6,068
Cash flow from operating activities		3,881	20,921	-2,757	-38,849
Interest received		111	110	238	426
Interest paid		-5,763	-2,655	-14,753	-7,771
Income tax paid/reimbursed		-	1,329	-	-205
Net cash flow from operating activities		-1,771	19,705	-17,272	-46,399
Cash flow from investing activities					
Purchase of investments in associates		-	-7,457	-1,353	-7,457
Purchase of property, plant, and equipment		-5,813	-7,009	-27,293	-23,987
Purchase of exploration and evaluation assets		-501	-139	-1,018	-2,035
Interest paid capitalized		-568	-162	-1,357	-1,422
Loans provided		-707	-199	-5,255	-199
Loans repaid		143	-	143	-
Net cash flows used in investing activities		-7,446	-14,966	-36,133	-35,100
Cash flow from financing activities					
Proceeds from the issue of shares		-	-	-	817
Proceeds from loans and borrowings from third party, net of debt issue costs	3	12,444	-	162,222	88,067
Repayment of derivative financial liabilities		-	-134	-	-134
Repayment of loans and borrowings	3	-3,761	-2,583	-109,914	-2,589
Repayment of finance lease liabilities		-771	-1,668	-3,247	-4,514
Net cash flow from financing activities		7,912	-4,385	49,061	81,647
Net decrease/increase of cash and cash equivalents		-1,305	354	-4,344	148
Cash and cash equivalents, opening balance		3,254	5,939	6,293	6 145
Cash and cash equivalents, closing balance		1,949	6,293	1,949	6,293

PARENT COMPANY CONDENSED INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

<i>Amounts in thousands of Swedish Krona (TSEK)</i>	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Revenue	2,403	260	3,866	1,092
Total operating income	2,403	260	3,866	1,092
General and Administrative Expenses	-3,286	-2,342	-9,910	-9,613
Operating loss	-883	-2,082	-6,044	-8,521
Results from investments in subsidiaries	-	-1,850	-	-1,371
Financial items	-973	24,732	22,026	-19,566
Result after financial items	-1,856	20,800	15,982	-29,458
Appropriations	-	-	-	-
Result before tax	-1,856	20,800	15,982	-29,458
Income tax	-	-	-	-
Net result	-1,856	20,800	15,982	-29,458
Other comprehensive loss/income				
Translation differences	-	-	-	-
Total comprehensive loss/income	-1,856	20,800	15,982	-29,458

PARENT COMPANY CONDENSED BALANCE SHEET

<i>Amounts in thousands of Swedish Krona (TSEK)</i>	Note	Dec 31, 2023	Dec 31, 2022
Assets			
Non-current assets			
Machinery and equipment		19	26
Shares in group companies		1,928,483	1,928,483
Other non-current financial assets		500	41,820
Non-current assets		1,929,002	1,970,329
Current assets			
Receivables		57,150	11,670
Cash & cash equivalents		155	5,157
Current assets		57,325	16,827
Total assets		1,986,327	1,987,156
Equity and liabilities			
Equity		1,870,229	1,854,247
Current liabilities		116,098	132,909
Total equity and liabilities		1,986,327	1,987,156

NOTES

NOTE 1 INFORMATION ABOUT THE COMPANY

Kopy Goldfields AB (publ) is a Swedish limited liability company domiciled and headquartered at Eriksbergsgatan 10 in Stockholm, Sweden (Corp. ID 556723-6335). The Company's and its subsidiaries' operations are focused on gold and silver exploration, evaluation, and production in the Khabarovsk region and the Bodaibo district of the Irkutsk region of the Russian Federation. Kopy Goldfields AB is a public company listed on Nasdaq First North Growth Market, Stockholm, under the ticker code "KOPY".

NOTE 2 ACCOUNTING PRINCIPLES

The interim report for the period ended December 31, 2023, has been prepared in accordance with IAS 34 and the Swedish Annual Reports Act (Sw. Årsredovisningslagen). The interim consolidated financial statements have been prepared, consistent with the 2022 consolidated financial statements, in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and by the Swedish Annual Reports Act. The Parent Company's financial statements have been prepared in accordance

New standards and amendments effective for periods beginning on January 1, 2023 and therefore relevant to these interim financial statements.

Title	Subject	Effective for annual periods beginning on or after	Expected effect on the consolidated financial statements
IFRS 17 Insurance Contracts	Transfer of Insurance Coverage under a Group of Annuity Contracts	1 January 2023	No effect
IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)	The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.	1 January 2023	No effect
IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)	The amendments clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.	1 January 2023	No effect
IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	The amendments narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.	1 January 2023	No effect

New standards and amendments to existing standards that are not yet effective and have not been early adopted by the Group

Title	Subject	Effective for annual periods beginning on or after	Expected effect on the consolidated financial statements
Amendment to IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024	No effect
IAS 1 Presentation of Financial Statements	Amendment – Classification of Liabilities as Current or Non-Current	1 January 2024	No effect
IAS 1 Presentation of Financial Statements	Amendment – Non-current Liabilities with Covenants	1 January 2024	No effect

with the Swedish Annual Reports Act and the recommendations "RFR 2 on Financial Reporting for Legal Entities" issued by the Swedish Financial Reporting Board (Sw. Rådet för finansiell rapportering).

The interim report does not contain the entirety of the information that appears in the annual report and accordingly, the interim report should be read in conjunction with the 2022 annual report.

The same accounting principles have been applied during the period as were applied during the 2022 financial year and corresponding interim reporting period in the way they were described in the 2022 annual report, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2023, but do not have an impact on the interim condensed consolidated financial statements of the Group.

NOTE 3 LOANS AND BORROWINGS

(TUSD)	Interest rate	Maturity	Dec 31, 2023	Dec 31, 2022
Short-term borrowings				
RUB denominated bank loans	Key rate of Russian Central Bank plus a margin of 3.45%	On demand	141,521	-
RUB denominated bank loans	Key rate of Russian Central Bank plus a margin of 2.95-3.25%	December 2023	-	112,608
USD denominated borrowings from Shareholder	0%	On demand	1,250	1,250
Agency factoring	Key rate of Russian Central Bank plus a margin of 2.5%	December 2023	55	5,722
Other RUB denominated borrowings	0-21%	December 2024 / On demand	1,564	165
Total short-term borrowings			144,390	119,745
Total			144,390	119,745

NOTE 4 RISKS AND UNCERTAINTIES

A detailed description of the Company's risks is included in the 2022 annual report of Kopy Goldfields which is available on Kopy Goldfields' corporate web.

The risks include geological risks, risks related to the deposits, supplier and contractor delivery risk, impairment test risks, financing risks, gold price risks, currency exchange risk, and political risks, amongst others. Since 2014, the EU and USA have implemented sanctions against Russia. Since the end of February 2022, new sanctions have been introduced by the US, the EU and other countries. In response, Russia has imposed countersanctions. Although there are restrictions introduced by some countries for gold export from Russia and new investments into the mining business, the gold mining industry itself is not falling under any announced or published sanctions. So far Kopy Goldfields' operations have been only partially and indirectly affected by sanction restrictions.

As any business in Russia, Kopy Goldfields' Russian subsidiaries are influenced and exposed in general to the sanctions. The Russian financial system and industries with cross-border activities are under strong pressure. In addition, Russian companies are facing increased monetary restrictions and regulations, which affect and complicates cross-border transactions and transfers.

Operationally, Kopy Goldfields is to a limited extent dependent on foreign suppliers which activities in Russia are affected by the sanctions.

The situation is dynamic and a lot of uncertainty exists. Depending on how events transpire, there is the potential for political, economic, and other implications that may impact the Company:

Economic sanctions on organizations, individuals or countries that are either directly or indirectly related to the Company may introduce new legal and regulatory compliance matters for the Company to consider. Additionally, sanctions may restrict or limit global financial system access, financial transactions, trade, or access to infrastructure (technology, communications, and physical). Further countersanctions may also be applied by Russia. Sanctions are generally issued by several countries and may vary based on a number of factors.

Business interruptions, including to supply chains, due to sanctions, military conflict, commodity and broader market instability, or retaliatory actions that could impact the Company and the affiliates, customers, counterparties, or suppliers/vendors.

Restrictions or problems with intragroup cross-border transactions may affect the Parent Company's cash situation

Increased occurrences of cyber-attacks resulting in potential data corruption or security breaches.

Kopy continuously monitors and evaluates the development in order to secure that business operations are compliant with relevant legislation and that relevant actions are taken to efficiently and timely mitigate the effects of the financial volatility. Contingency measures have been initiated to ensure advance equipment and spare parts procurement, liquidity and gold sales channels. Currently, the Company is fully financed to execute its development plans.

Currency rates used in the report

Year 2023	RUB/USD	SEK/USD	SEK/RUB
Average Q1	72.7738	10.4310	0.1432
Average Q2	80.9800	10.5097	0.1297
Average Q3	94.0919	10.8144	0.1149
Average Q4	92.8232	10.6619	0.1150
March 31	77.0863	10.3539	0.1353
June 30	87.0341	10.8509	0.1236
September 30	97.4147	10.8413	0.1113
December 31	89.6883	10.0416	0.1107
Year 2022	RUB/USD	SEK/USD	SEK/RUB
Average Q1	86.0693	9.3374	0.1088
Average Q2	66.6244	9.8203	0.1466
Average Q3	59.4308	10.5312	0.1769
Average Q4	62.4246	10.7306	0.1717
March 31	84.0851	9.2641	0.1102
June 30	51.1580	10.2194	0.1989
September 30	57.4130	11.1227	0.1978
December 31	70.3375	10.4371	0.1484

Signatures

The Board of Directors and CEO declare that the year-end report gives a fair view of the business development, financial position and result of operation of the Parent Company and the consolidated Group and describes significant risks and uncertainties that the Parent Company and its subsidiaries are facing.

Stockholm March 21, 2024
Kopy Goldfields AB (publ)
Org. No. 556723-6335

Mikhail Damrin
CEO

Kjell Carlsson
Chairman

Eric Forss
Board member

Arsen Idrisov
Board member

This report has not been reviewed by the Company's auditors.

Upcoming financial reporting

Report	Date
Annual Report 2023	Expected to be published last week of April, 2024
Q1 2024	May 24, 2024
Half year 2024	August 23, 2024
Q3 2024	November 22, 2024
Year-end Report 2024	March 21, 2025

In addition to its financial reports, Kopy Goldfields will also publish operations reports on the following dates:

Report	Date
Q1 2024 Operations Report	April 19, 2024
Q2 2024 Operations Report	July 19, 2024
Q3 2024 Operations Report	October 18, 2024
Q4 2024 Operations Report	January 17, 2025

Annual General Meeting 2024

The Annual General Meeting 2024 will be held on May 24, 2024, in Stockholm, Sweden.

For more information, please contact:

Mikhail Damrin, CEO, +7 916 808 1217,
 mikhail.damrin@kopygoldfields.com
 Pavel Kim, IR and communication, +7 916 676 3931,
 kim.p@kopygold.ru

Address:

Kopy Goldfields AB (publ) (CIN 556723-6335)
 PO Box 7292, 103 90 Stockholm, Sweden
 Visiting address: Eriksbergsgatan 10, Stockholm
 Tel: +46 (0)8 660 21 59
 www.kopygoldfields.com

Ticker code: KOPY (Nasdaq First North Growth Market)
 Number of shares 903,204,375 (as of March 21, 2024)

Publication under Swedish law

This information is information that Kopy Goldfields AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8.00 am CET on March 21, 2024.

Since June 3, 2011, Kopy Goldfields has applied the internationally accepted JORC code to verify the mineral resources and ore reserves of the Company. UPMC Pty Ltd – OptimMine, Micon International Co Limited and SRK Consulting (Russia) Limited act as consultants and approves the mineral resources according to the JORC Code. Kopy Goldfields applies International Financial Reporting Standards (IFRS), as approved by the European Union. Nordic Certified Advisers acts as the Company's Certified Adviser, contact number: +46 707 94 90 73, e-mail: info@certifiedadviser.se.

This year-end report and additional information are available on www.kopygoldfields.com

GLOSSARY AND DEFINITIONS

Alternative performance measures

The Company applies the European Securities and Markets Authority's (ESMA) guidelines on alternative performance measures. The alternative key financial performance indicators are defined as financial measures of historical or future earnings trends, financial position, financial performance, or cash flows that are not defined or specified in the applicable regulations for financial reporting, IFRS, and the Annual Accounts Act. These measures should not be regarded as a substitute for measures defined in accordance with IFRS.

If an alternative performance measure cannot be identified directly from the financial statements, a reconciliation is required.

Definitions of key ratios

EBITDA	Earnings before interest, taxes, depreciation, and amortization is a non-IFRS metric and is defined by the Group as profit for the period before income taxes adjusted for depreciation, amortization and impairment, finance income, finance cost, (gain)/loss on revaluation of derivative financial instruments, foreign exchange (gain)/loss, (gain)/loss on disposal or revaluation of investments in subsidiaries and associates, (gain)/loss on (reversal of impairment)/impairment of property, plant and equipment, write-downs and reversals of inventory to net realizable value, bad debt allowance, share-based compensation expenses, charity expenses, and other one-off adjustments that may be required to provide a clearer view of the performance of the Group's operations. EBITDA is used to measure earnings from operating activities, independent of depreciation, amortization, and impairment losses.
EBITDA-marginal	EBITDA margin is defined by the Group as EBITDA divided by revenue. The EBITDA margin is used to compare EBITDA in relation to revenue and is a measurement of a company's operating profitability as a percentage of its total revenue.
Total Cash Costs (TCC)	Total cash costs (TCC) are defined as the cost of gold sales, less depreciation of property, plant and equipment, amortization, intangible assets, allowance for obsolescence of inventory and provision for mine closure, rehabilitation and decommissioning costs. TCC per ounce sold is calculated as TCC divided by the total gold equivalent ounces of gold sold for the period.
All-in sustaining costs (AISC)	All-in sustaining costs (AISC) are defined as TCC plus corporate, general and administrative expenses, provision for mine closure, rehabilitation and decommissioning costs, sustaining exploration, sustaining capital expenditures, and sustaining lease payments less amortization and depreciation related to corporate, general and administrative expenses, and exploration impairment losses. AISC per ounce sold is calculated as AISC divided by the total gold equivalent ounces of gold sold for the period.
Equity	Equity includes all capital and reserves of the Group that are managed as capital. Equity of the Group comprises issued capital, share premium, reserve for translation to presentation currency, retained earnings, and non-controlling interests.
Net debt	The Group's net debt comprises long-term and short-term interest-bearing liabilities and lease liabilities (excluding derivatives) after deducting cash and cash equivalents.
Net debt/EBITDA	Net debt/EBITDA is defined by the Group as Net debt divided by EBITDA.
Earnings per share	Earnings per share comprises consolidated earnings for the period (profit after tax from continuing and discontinued operations) attributable to the Parent Company shareholders, divided by the weighted average number of outstanding shares during the period and excluding treasury shares. Diluted Earnings per share are earnings per share adjusted to reflect the effects of potential dilutive ordinary shares, which constitute shares and options.
Equity per share	Equity at the end of the period divided by the number of shares outstanding at the end of the period.
Total number of shares outstanding	Number of shares outstanding at the end of the period.
Weighted average number of shares	The weighted number of shares outstanding during the year is calculated by taking into account any changes in the number of shares outstanding during the reporting period.

Industry specific definitions and glossary (in accordance with JORC)

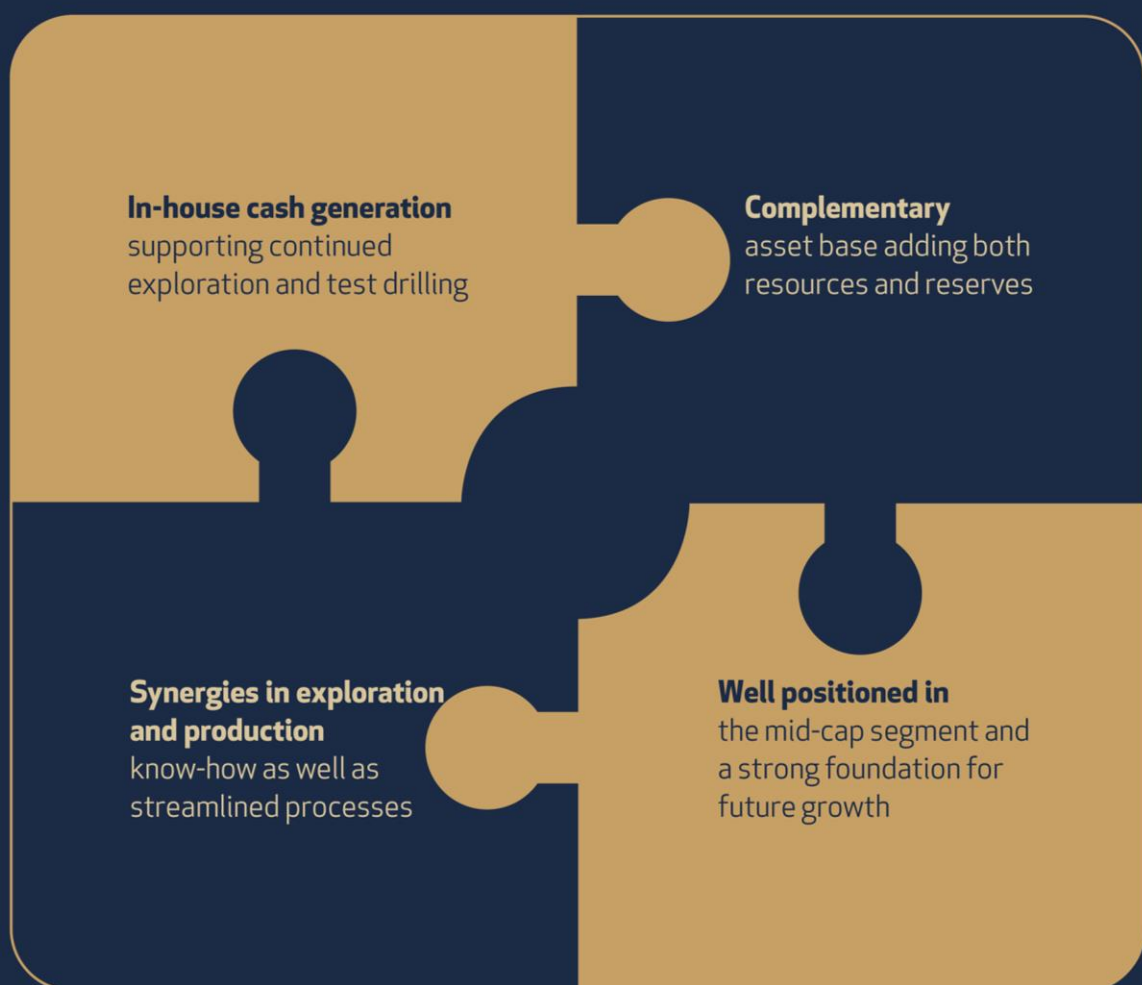
Alluvial gold	Mineralization in riverbeds at ground level.
Carbon-In-Pulp Gold Recovery (CIP)	A common process to recover gold that involves the use of cyanide to dissolve gold in solution and activated carbon to precipitate the gold.
Cut-off	The lowest grade, or quality, of mineralized material that qualifies as economically mineable and available in a given deposit. Cut-off may be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification.
Doré-bars	Unrefined gold bullion containing mostly silver and gold.
Flotation	Part of the enrichment process in which chemicals are used to significantly increase the concentration of valuable minerals.
Gold Equivalent	A quantity of a Metal having an economic value expressed in ounces of Gold and calculated by multiplying the quantity of the Metal by an assumed price for that Metal and dividing the product by an assumed price for Gold, where such prices are determined using the Financial Parameters.
GKZ	The Russian State Committee on Mineral Reserves. The state authority is responsible for the registration and approval of mineral resource and ore reserve estimates.
JORC	Approved standard set by the Australian Joint Ore Reserve Committee (JORC) for the calculation and reporting of mineral resources and ore reserves.
Mineralization	Any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralization might occur, whether by class of deposit, mode of occurrence, genesis, or composition.
Mineral Resource	Is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity, and other geological characteristics of a Mineral Resource are known, estimated, or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
Ore (or Mineral) Reserve	Is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at the Pre-Feasibility or Feasibility stage as appropriate, that include the application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.
Open pit	Type of mine where superficial deposits are mined above ground.
Recovery	The percentage of material of initial interest that is extracted during mining and/or processing. A measure of mining or processing efficiency.
tpa/ktpa	Tons per annum/thousand tons per annum
Troy ounce (oz)/koz/Moz	Weight measure for gold corresponding to 31.1035 grams /thousand oz/million oz.

Finance definitions

SEK/TSEK/MSEK	Swedish krona/Thousand Swedish krona/Million Swedish krona
USD/TUSD/MUSD	US Dollar/Thousand US Dollar/Million US Dollar
RUB/TRUB/MRUB	Russian ruble/Thousand Russian rubles/Million Russian rubles

THIS IS KOPY GOLDFIELDS

Kopy Goldfields is a Swedish gold exploration and production company. Kopy Goldfields' strategy is to combine local geologic knowledge and science with international management, best industry practices and modern, efficient technology to identify and develop mineral deposits in a cost-efficient, safe and transparent way.



KOPY GOLDFIELDS

www.kopygoldfields.com