

Third quarter report – September 30, 2023

JULY – SEPTEMBER 2023 (July – September 2022)

- ▶ Revenue TUSD 24,469 (43,313, including non-cash revenue of TUSD 32,619 from settlement of the gold loan in Q3 2022)
- ▶ EBITDA TUSD 9,932 (2,966)
- ▶ Gain for the period TUSD 2,974 (loss: -10,340)
- ▶ Earnings per share before dilution USD 0.0033 (-0.0114)

JANUARY – SEPTEMBER 2023 (January – September 2022)

- ▶ Revenue TUSD 66,561 (86,225)
- ▶ EBITDA TUSD 15,069 (18,255)
- ▶ Loss for the period TUSD -1,098 (-9,724)
- ▶ Earnings per share before dilution USD -0.0012 (-0.0108)

SUMMARY OF FINANCIAL INFORMATION

	Q3 2023	Q3 2022	Δ %	9 Months 2023	9 Months 2022	Δ %	Full year 2022
Gold production (gold equivalent), koz	11.48	14.39	-20%	28.78	34.11	-16%	42.94
Gold sales (gold equivalent), koz	12.70	29.91	-58%	34.55	52.85	-35%	70.02
Average realized gold price, USD/oz	1,905	1,424	34%	1,900	1,618	17%	1,639
Revenue, TUSD	24,469	43,313	-44%	66,561	86,225	-23%	115,775
Gross profit/loss, TUSD	11,239	-7,596	248%	21,259	2,767	668%	-2,609
EBITDA, TUSD	9,937	2,966	235%	15,069	18,255	-17%	11,235
EBITDA margin, %	41%	7%	-	23%	21%	-	10%
Profit/loss for the period, TUSD	2,974	-10,340	129%	-1,098	-9,724	89%	-29,480
Earnings/loss per share before dilution, USD	0.003	-0.011	129%	-0.0012	-0.0108	89%	-0.0327
Cash & cash equivalents at the end of the period, TUSD	3,254	5,939	-45%	3,254	5,939	-45%	6,293
Net debt, TUSD	124,757	140,394	-11%	124,757	140,394	-11%	118,383
Equity per share, USD	0.076	0.131	-42%	0.076	0.131	-42%	0.093

Glossary and definitions of the above performance measures are presented on pages 17-18.

Comments from the CEO

Improved margins supported by favorable macro-economics

In the third quarter of 2023, the Company's financial performance improved both compared to Q3 last year and Q2 2023. The EBITDA margin reached 41% following solid production from the Yubileyniy mine and the alluvial deposit in the Khabarovsk region. The international gold price remained strong during the quarter, supporting revenue, and the Russian Ruble depreciated against the US dollar which positively affected the cost of sales. The Malyutka project remained on track and the production is scheduled to commence this winter. In addition, the gold production from our Zolotaya Zvezda project in the Khakasia region increased in the reporting period compared to Q2 2023.

Production

In Q3 2023, the Yubileyniy CIP plant production increased by 28% compared to Q3 2022 following last year's capacity upgrade. Heap leach output at Yubileyniy increased by 71% year-on-year. Alluvial production decreased by 27% compared to Q3 2022 despite strong performance of the Buor placer mine since the Onne placer deposit was rescheduled to the next season.

Operations at the Perevalnoe HL were mothballed early in 2023 which also negatively affected our total gold equivalent production.

Financial performance

Strong international gold prices together with the Ruble depreciation against the US dollar supported our financials during the third quarter of 2023. Our total revenues were down 44% compared to Q3 2022 which were affected by settlement of the gold loan last year. The average realized gold price in Q3 2023 increased by 34% year-on-year to 1,905 USD/oz.

The EBITDA margin reached 41% following the decrease in cost of sales. Bottom line result for Q3 2023 turned to a profit of TUSD 2,974 compared to a loss of TUSD -10,340 in Q3 last year.

Investments

We are progressing towards the launch of the Malyutka project - our key development focus area. The heaps are already in place and therefore we expect to commence production at Malyutka in coming months. Construction works are on track, meanwhile the temperature at the site is already about -35C.

In addition, we are preparing to further extend the Yubileyniy CIP capacity from 250 to 400 ktpa in 2024 following the updated resource statement issued in June 2023 for the Krasivoe gold field.

We are upgrading the Mayskiy processing plant at Zolotaya Zvezda in the Khakasia region targeting to significantly enlarge gold production within this area next year.

ESG

We continue reviewing opportunities to use renewable energy from solar power instead of diesel fuel. As noted in the 2022 CSR report we target to complete the waste utilization project in order to further minimize our environmental footprint.

We also plan to reduce Lost Time Injury Frequency Rate ("LTIFR") as health and safety is one of our key strategic concerns.

We confirm our commitment to sustainable development and maintain mutually beneficial relationships with diverse stakeholder groups in the regions of the Company presence.

Macro environment

Strong international gold prices continue to support our operations. Meanwhile, recently the Ruble has appreciated against the US dollar which should dampen the positive effects experienced in Q3. International sanctions and Russian counter sanctions as well as our counterparties' policy decisions continue to negatively affect all aspects of our business, creating an increasingly challenging environment for Kopy Goldfields. Additional sanction packages and legislation are being developed both in the EU and Russia and are expected to add increasing complexity.

Outlook

Operationally, we proceed with enhancing our production in the Khabarovsk and Khakasia regions. We target to upgrade the plants at Yubileyniy and Mayskiy, to launch Malyutka project and to explore and develop new gold deposits including Krasny. We look forward to the next warm season as alluvial and heap leach production depends on the temperature.

We remain committed to our long-term development plans and target to increase gold production to above 100 koz in 2025, while weathering the increasing challenges in our business environment.

We closely monitor and try our best to adapt the Company to the constantly changing circumstances and increasing challenges, but risks are increasing and our flexibility and options for developing the Group is continuously exposed. Against this background, we are reviewing strategic options to facilitate and secure efficient operations while balancing the interests of all stakeholders.



November 2023

Mikhail Damrin
CEO Kopy Goldfields

Operations

Summary Gold production

During the reporting period the Company operated the Yubileyniy bedrock project and the Buor alluvial deposit 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 Khasia region of Russia. The consolidated gold equivalent production during Q3 2023 and the first nine months of 2023 compared to the corresponding periods in 2022 and the full year of 2022, is presented in the following table:

Gold equivalent (GE) production	Q3 2023		Q3 2022		9 Months 2023		9 Months 2022		Full year 2022	
	kg	koz	kg	koz	kg	koz	kg	koz	kg	koz
Yubileyniy project (CIP)	193.21	6.21	151.53	4.87	591.57	19.02	465.46	14.96	631.11	20.29
Yubileyniy project (HL)	45.18	1.45	26.35	0.85	45.18	1.45	31.96	1.03	46.91	1.51
Perevalnoe project (CIP)	-	-	35.15	1.13	73.69	2.37	249.74	8.03	304.58	9.79
Perevalnoe project (HL)	-	-	67.06	2.16	10.03	0.32	67.06	2.16	90.83	2.92
Placer mines	118.50	3.81	161.71	5.20	171.09	5.50	233.43	7.50	244.84	7.87
Silver production, in GE	0.09	0.00	5.80	0.19	3.67	0.12	13.15	0.42	17.18	0.55
Total GE production	356.99	11.48	447.61	14.39	895.23	28.78	1,060.79	34.11	1,335.45	42.94

The total gold equivalent (GE) production during Q3 2023 amounted to 11.48 koz (356.99 kg), a 20% decrease compared to Q3 2022 (14.39 koz). The decrease in gold production was mainly driven by the planned shutdown of the Perevalnoe CIP project due to the open-pit reserve depletion.

Gold production from the upgraded Yubileyniy CIP plant increased by 28% compared to Q3 2022. The alluvial mining totaled to 3.81 koz in Q3 2023.

Comments on operations

Yubileyniy project

The production from the Yubileyniy CIP plant amounted to 6.21 koz in Q3 2023, an increase of 28% compared to 4.87 koz in Q3 2022. The increase in production in Q3 2023 was explained by a

9% increase in the volume of ore processed and a significant increase in gold recovery in the reporting period compared to Q3 2022.

Yubileyniy project	Q3 2023	Q3 2022	Δ %	9 Months 2023	9 Months 2022	Δ %	Full year 2022
CIP							
Underground ore mined, 000' ton	95.48	72.67	31%	212.70	250.45	18%	262.73
Underground development, meter	413.10	504.20	-18%	1,747.20	1,710.30	-2%	2,497.80
Underground ore grade, g/t	4.12	4.30	-4%	4.23	3.99	-6%	4.28
Ore processed, 000' ton	57.27	52.78	9%	143.44	170.16	19%	191.38
Average grade, g/t	4.29	4.25	1%	4.23	4.48	6%	4.91
Gold produced CIP, kg	193.21	151.53	28%	465.46	591.57	27%	631.11
Gold produced CIP, koz	6.21	4.87	28%	14.96	19.02	27%	20.29
Heap Leach (HL)							
Ore stacking, 000' ton	15.32	7.31	110%	17.48	24.87	42%	17.48
Grade, (g/t)	2.00	3.01	-34%	2.99	2.23	-26%	2.99
Gold in ore stacked, kg	30.65	22.03	39%	52.30	58.49	12%	52.30
Gold produced HL, kg	45.18	26.35	71%	31.96	45.18	41%	46.91
Gold produced HL, koz	1.45	0.85	71%	1.03	1.45	41%	1.51

Placer mining

The alluvial gold production commenced in Q2 2023 when the snow and permafrost melted. In Q3 2023 gold production from placer mining totaled to 3.81 koz, a decrease of 27% compared to

5.20 koz in Q3 2022 as the Onne alluvial project was rescheduled to the 2024 season.

Placer mining	Q3 2023	Q3 2022	Δ %	9 Months 2023	9 Months 2022	Δ %	Full year 2022
Overburden, 000' m ³	380.80	431.00	-12%	942.40	1,000.50	-6%	1,088.76
Capital mining, 000' m ³	36.00	86.30	-58%	138.30	213.10	-35%	270.75
Placer gravel washed, 000' m ³	311.30	347.00	-10%	448.10	494.60	-9%	514.15
Average grade, mg/m ³	380.67	466.02	-18%	381.81	471.95	-19%	476.20
Gold produced, kg	118.50	161.71	-27%	171.09	233.43	-27%	244.84
Gold produced, koz	3.81	5.20	-27%	5.50	7.50	-27%	7.87

Perevalnoe project

In 2022, the Perevalnoe CIP mill was stopped and mothballed following the depletion of open pit mines, and no further gravity and flotation concentrates have been produced.

The Perevalnoe HL-plant was stopped in the beginning of 2023 as it did not reach the desired results during the testing phase in 2022.

Zolotaya Zvezda

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

Zolotaya Zvezda operates the Mayskiy and Chazy Gol bedrock gold deposits using heap-leach processing technology. In Q3 2023, Zolotaya Zvezda total GE production amounted to 2.34 koz.

- Alluvial deposits, the Khabarovsk region: 2,526 meters drilling program on Yuluyn, Tas and Goltsoviy placer projects.

Development

In Q3 2023, mining operations at Malyutka included 260.78 thousand cubic meter of waste stripping and a total of 404.69 thousand tonnes of ore mined with an average grade of 0.91 g/t. Production at Malyutka is planned to commence late 2023 with full capacity to be reached in 2024.

Exploration

The Company owns the Krasny gold project together with the Russian gold producer GV Gold. During Q3 2023, the activities were focused on further processing test works, updating the geological model based on the recent exploration results, and preparation of pre-feasibility study in Russia.

The Company's other main exploration activities in Q3 2023 included:

- Yubileyniy project, the Khabarovsk region: 2,176 meters drilling program at the Krasivoe deposit;

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 third quarter of 2023, Kopy Goldfields continued progressing in its Environmental, Social, and Governance (ESG) strategy across all Russian subsidiaries. The Company is investigating various options in green financing such as green bonds and subsidies. Kopy Goldfields is now poised to explore 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 Q3 2023, the Company

successfully completed the recruitment process for Health and Safety engineers and specialists, finalizing the managerial structure for health and safety across all production sites within Zolotaya Zvezda. The primary objective for 2023 remains stabilizing the Lost Time Injury Frequency Rate (LTIFR) to match the 2022 level.

In Q3 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. Furthermore, the Company is actively addressing turnover reduction by developing

a retention program and internal value initiatives scheduled for implementation across all Russian subsidiaries in the 2023-2024 timeframe.

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 Yubileyny and Malyutka sites in the Khabarovsk region. Additionally, in Q3 2023, the Company progressed in implementing an Environmental reporting system, aiming to fully

integrate Key Performance Indicators (KPIs) into the overall management reporting system by the year end.

Social Engagement

In Q3 2023, Kopy Goldfields sustained effective relationships with diverse stakeholder groups. The Company supported a local hospital in Khabarovsk as part of an agreement signed with the Khabarovsk region for socio-economic development in Q2 2023. In addition to the agreement with the Khabarovsk region, Kopy Goldfields maintained its commitment to local communities through a support program established 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 Q3 2022 amounted to 12.70 koz (29.91 koz), a decrease of 58%. Sales volume in Q3 2022 included 24.02 koz, acquired in the gold market, that was delivered to settle a commodity loan. Excluding the effects of the settlement, GE sales in Q3 2022 amounted to 5.89 koz. No silver was sold in Q3 2023 nor in Q3 2022.

Gold sales (GE) for the first nine months of 2023 amounted to 34.55 koz (52.85 koz), a decrease of 35% mainly due to the settlement of the gold loan in Q3 2022.

The average realized gold price in Q3 2023 amounted to 1,905 USD/oz (1,437 USD/oz). The gold price in Q3 2022 was affected by the settlement of the commodity loan which was recorded at 1,358 USD/oz. Excluding the effects of the settlement, the average realized gold price in Q3 2022 amounted to 1,695 USD/oz.

The average realized gold equivalent price increased by 17% in the first nine months of 2023, and amounted to 1,900 USD/oz (1,618 USD/oz).

Total revenues for Q3 2023 amounted to TUSD 24,469 (43,313 and 10,694 excluding revenue from settlement of the gold loan), a decrease of 44% compared to the corresponding period of 2022.

Total revenues for the first nine months of 2023 amounted to TUSD 66,561 (86,225 and 53,606 excluding revenue from settlement of the gold loan).

Costs of Sales for Q3 2023 amounted to TUSD 13,230 (50,909 and 9,184, excluding cost of settlement of the gold loan).

Costs of Sales for the first nine months of 2023 amounted to TUSD 45,302 (83,458 and 41,733, excluding cost of settlement of the gold loan).

Total Cash Costs ("TCC") decreased to TUSD 11,935 in Q3 2023 compared to TUSD 46,326 in Q3 2022 as a result of the settlement of the gold loan, as explained above. TCC per gold equivalent ounce sold (TCC/oz) decreased by 39% in Q3 2023 and amounted to 940 USD/oz compared to 1,549 USD/oz in Q3 2022 mainly due to the depreciation of the Russian Ruble against the US dollar by 58%.

TCC for the first nine months of 2023 decreased to TUSD 42,731 (68,819), which is also explained by the gold loan settlement. TCC per gold equivalent ounce sold (TCC/oz) decreased by 5% in the first nine months of 2023 and amounted to 1,237 USD/oz compared to 1,302 USD/oz in the first nine months of 2022.

All-in sustaining costs ("AISC") per gold equivalent ounce sold decreased by 26% from 1,679 USD/oz in Q3 2022 to 1,248 USD/oz in Q3 2023.

AISC per gold equivalent ounce sold remained stable in the first nine months of 2023 and amounted to 1,609 USD/oz compared to 1,595 USD/oz in the first nine months of 2022.

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

Total Cash Costs (TCC) (TUSD)	Q3 2023	Q3 2022	Δ %	9 Months 2023	9 Months 2022	Δ %	Full Year 2022
Cost of gold and silver sales	13,127	50,825	-74%	44,902	85,187	-47%	118,384
Property, plant, and equipment depreciation, and intangible assets amortization	-1,192	-3,307	-64%	-4,007	-9,229	-57%	-12,126
Provision for mine closure, rehabilitation, and decommissioning costs	-	-161	-100%	0	-161	-100%	-125
Change in allowance for slow-moving and obsolete inventory	0	-1,031	-100%	1,836	-6,977	-126%	-5,992
Total cash costs	11,935	46,326	-74%	42,731	68,819	-38%	100,141
Ounces sold (GE koz)	12.70	29.91	-58%	34.54	52.85	-35%	70.02
TCC per GE ounce sold (USD/oz)	940	1,549	-39%	1,237	1,302	-5%	1,430

All-in Sustaining Costs (AISC) (TUSD)	Q3 2023	Q3 2022	Δ %	9 Months 2023	9 Months 2022	Δ %	Full Year 2022
Total cash costs	11,935	46,326	-74%	42,731	68,819	-38%	100,141
Corporate, general, and administrative expenses	2,927	2,507	17%	9,581	10,475	-9%	14,284
Amortization and depreciation related to corporate, general, and administrative expenses	-161	47	-443%	-370	231	-260%	-192
Provision for mine closure, rehabilitation, and decommissioning costs	0	161	-100%	0	161	-100%	125
Sustaining exploration expenses	0	66	-100%	0	453	-100%	514
Sustaining capital expenses	912	479	90%	2,427	2,267	7%	2,714
Sustaining lease payments	232	632	-63%	1,187	1,896	-37%	2,442
Total all-in sustaining costs	15,845	50,218	-68%	55,556	84,302	-34%	120,027
Ounces sold (GE koz)	12.70	29.91	-58%	34.54	52.85	-35%	70.02
AISC per GE ounce sold (USD/oz)	1,248	1,679	-26%	1,609	1,595	1%	1,714

The gross profit in Q3 2023 amounted to TUSD 11,239 (-7,596). The increase of gross profit in Q3 2023 compared to Q3 2022 was mainly explained by a loss from the gold loan settlement recorded in Q3 2022, high cost per ounce produced at Perevalnoye HL in Q3 2022 and lower cost of sales in Q3 2023 following the depreciation of the Russian Ruble against the US dollar and higher realized gold prices. The gross margin improved to 46% in Q3 2023 (-18%). The gross profit for the first nine months of 2023 amounted to TUSD 21,259 (2,767).

General and Administrative expenses (G&A expenses) for Q3 2023 decreased by 14% compared to Q3 2022 and amounted to TUSD 2,072 (2,416). G&A expenses for the first nine months of 2023 amounted to TUSD 6,599 (6,951).

EBITDA reconciliation to Profit before tax (TUSD)	Q3 2023	Q3 2022	9 Months 2023	9 Months 2022	Full Year 2022
Profit/loss before tax	4,075	-10,528	-225	-10,126	-33,778
Share of net profit/loss of associates accounted for using the equity method	926	312	2,337	-131	-124
Financial income	-732	-3,520	-1,344	-3,530	-1,142
Financial costs	3,875	3,374	10,480	7,449	10,445
Depreciation and depletion	1,462	3,220	4,467	8,581	12,126
Net realizable value allowance for stockpiles, work in progress, and finished goods	-	1,035	-1,836	6,977	5,992
Loss from settlement of gold loan liability	-	9,105	-	9,105	9,105
Change in allowance for slow-moving and obsolete inventory	22	16	41	16	14
Impairment of property, plant and equipment and exploration and evaluation assets	-	-	-	-	8,774
Foreign exchange income/loss and other one-off adjustments	309	-49	1,149	-86	-177
EBITDA	9,937	2,966	15,069	18,255	11,235

The financial expenses, net, for Q3 2023 and the first nine months of 2023 amounted to TUSD -4,069 (-166) and TUSD -11,473 (-3,788) respectively. The increase was primarily due to higher total interest-bearing debt, floating interest rate which grows with the increase of the key rate of Central Bank of Russian Federation in Q3 2023 and non-cash unrealized gains from derivatives revaluation relating to gold price hedge positions in Q3 2022.

The net result for Q3 2023, attributable to shareholders of the parent company, amounted to a profit of TUSD 2,974 (loss of -10,340), corresponding to USD 0.0033 (USD -0.0114) per share before and after dilution. The net result for the first nine months of 2023, attributable to shareholders of the parent company, amounted to a loss of TUSD -1,098 (loss of -9,724), corresponding to USD -0.0012 (USD -0.0108) per share before and after dilution.

Comments on the financial position

Total loans and borrowings amounted to TUSD 125,552 at period end, compared to TUSD 119,745 as of December 31, 2022. At 23 June 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%. The loan facility matures starting from March 2025 to June 2028. For more information, see note 3.

Total net debt as of September 30, 2023 amounted to TUSD 124,757 compared to TUSD 118,383 as of December 31, 2022. The net debt calculation does not include gold in stock, see Liquidity.

The operating profit for both Q3 2023 and the first nine months of 2023 increased and amounted to TUSD 8,144 (-10,362) TUSD 11,248 (-6,338) respectively.

EBITDA for Q3 2023 increased by 235% and amounted to TUSD 9,937 (2,966), with an EBITDA margin of 41% compared to 7% in Q3 2022. EBITDA for the first nine months of 2023 decreased by 17% and amounted to TUSD 15,069 (18,255), with an EBITDA margin of 23% compared to 21% in the first nine months of 2022.

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

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

Total Net Debt (TUSD)	Sep 30, 2023	Dec 31, 2022
Borrowings	125,552	119,745
Contract liability	-	-
Leasing	2,459	4,931
Total Debt	128,011	124,676
Cash and Cash equivalents	-3,254	-6,293
Total Net debt	124,757	118,383

Investments

Total investments, including capitalized exploration costs and capitalized borrowing costs, during the first nine months of 2023 amounted to TUSD 27,334 (20,134). The investments included:

- Yubileyniy project of TUSD 8,319 with the majority relating to mill equipment upgrade, direct cyanidation implementation and underground mine capital development;
- Malyutka project of TUSD 12,381 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, fuel storage;
- Perevalnoe project of TUSD 78;
- Exploration of TUSD 517, referring to drilling at Krasivoe underground deposit and alluvial projects;

- Other projects of TUSD 703;
- Capitalized borrowing costs of TUSD 789;
- Loans provided to associates of TUSD 4,548.

Liquidity

The Company's cash and cash equivalent position as of September 30, 2023 amounted to TUSD 3,254, compared to TUSD 6,293 on December 31, 2022. At September 30, 2023, unused credit facilities amounted to TUSD 25,139 (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 0.02 koz at period end, corresponding to a market value of TUSD 44. Gold in stock ready for sale as of December 31, 2022 amounted to 3.41 koz.

Personnel

As of September 30, 2023, the Group had 1,229 (797) employees, of which 1,031 (683) were men and 198 (114) women. The average number of employees during the third quarter of 2023 was 1,179 (712), of which 998 (628) were men and 181 (84) women. The average number of employees during the first nine months of 2023 was 1,044 (755), of which 885 (665) were men and 159 (90) 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 Q3 2023 totaled TSEK 213 (277) and TSEK 1,463 (833) for the first nine months of 2023. The revenue was related to invoicing to subsidiaries. The net result for Q3 2023 amounted to TSEK 6,327 (-623). The net result for the first nine months of 2023 amounted to TSEK 17,839 (-50,259). The main driver for the profit in Q3 2023 was non-cash revaluation of intra-group debt following the depreciation of the Russian Ruble.

Total assets at period end amounted to TSEK 1,990,992 and remained relatively unchanged compared to TSEK 1,987,156 as of December 31, 2022. Cash and cash equivalents amounted to TSEK 416 at period end compared to TSEK 5,157 as of December 31, 2022. Equity on September 30, 2023, amounted to TSEK 1,872,085 (December 31, 2022: TSEK 1,854,247).

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

The share

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

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

<i>Amounts in thousands of US Dollars (TUSD)</i>	Q3 2023	Q3 2022	9 Months 2023	9 Months 2022	FY 2022
Revenue from contracts with customers	24,469	43,313	66,561	86,225	115,775
Cost of sales	-13,230	-50,909	-45,302	-83,458	-118,384
Gross profit/loss	11,239	-7,596	21,259	2,767	-2,609
General and administrative expenses	-2,072	-2,416	-6,599	-6,951	-10,076
Impairment of property, plant and equipment and exploration and evaluation assets	-	-	-	-	-8,774
Other operating expenses, net	-1,023	-350	-3,412	-2,154	-3,140
Operating profit/loss	8,144	-10,362	11,248	-6,338	-24,599
Share of net loss/profit of associates	-926	-312	-2,337	131	124
Financial income	732	3,520	1,344	3,530	1,142
Financial costs	-3,875	-3,374	-10,480	-7,449	-10,445
Financial expenses, net	-4,069	-166	-11,473	-3,788	-9,179
Profit/loss before tax	4,075	-10,528	-225	-10,126	-33,778
Income tax	-1,101	188	-873	402	4,298
Profit/loss for the period	2,974	-10,340	-1,098	-9,724	-29,480
<i>Of which attributable to:</i>					
Parent company shareholders	2,974	-10,340	-1,098	-9,724	-29,480
Other comprehensive loss/income					
<i>Items that will not be reclassified to profit or loss</i>					
Exchange differences on translation to presentation currency	-4,255	-19,090	-14,318	25,028	10,195
Total comprehensive loss/income for the period	-1,281	-29,430	-15,416	15,304	-19,285
<i>Of which attributable to:</i>					
Parent company shareholders	-1,281	-29,430	-15,416	15,304	-19,285
Non-controlling interest	-	-	-	-	-
Earnings/loss per share for profit attributable to the ordinary equity holders of the company:					
Basic earnings/loss per share (USD)	0.0033	-0.0114	-0.0012	-0.0108	-0.0327
Diluted earnings/loss per share (USD)	0.0033	-0.0114	-0.0012	-0.0108	-0.0327

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>Amounts in thousands of US Dollars (TUSD)</i>	Note	Sep 30, 2023	Dec 31, 2022
Assets			
Non-current assets			
Exploration and evaluation assets		2,321	1,848
Property, plant, and equipment		79,857	85,467
Right-of-use assets		5,250	9,238
Investments in associates		32,191	35,745
Financial assets at amortized cost		3,907	4,007
Loans receivable from associate		4,287	-
Deferred tax assets		3,745	6,402
Inventories		2,607	3,611
Total non-current assets		134,165	146,318
Current assets			
Inventories		60,368	59,499
Other current assets		3,701	2,673
Other receivables		1,569	1,087
Advances paid		4,256	2,306
Taxes receivable		4,459	4,771
Income tax receivable		149	253
Loans receivable from associate		129	172
Cash and cash equivalents		3,254	6,293
Total current assets		77,885	77,054
Total assets		212,050	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		-48,804	-34,486
Retained earnings, including profit for the period		28,771	29,869
Total equity attributable to shareholders of the Parent Company		68,611	84,027
Liabilities			
Non-current liabilities			
Loans and borrowings	3	118,576	-
Mine rehabilitation provision		3,611	4,771
Lease liabilities		1,361	2,815
Derivative financial liabilities		200	664
Total non-current liabilities		123,748	8,250
Current liabilities			
Loans and borrowings	3	6,976	119,745
Mine rehabilitation provision		149	562
Lease liabilities		1,098	2,116
Accounts payable and accrued liabilities		9,214	6,956
Taxes payable		2,225	1,716
Income tax payable		29	-
Total current liabilities		19,691	131,095
Total liabilities		143,439	139,345
Total equity and liabilities		212,050	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		-	-	-	-1,098	-1,098
Other comprehensive loss for the period		-	-	-14,318	-	-14,318
Total comprehensive loss for the period		-	-	-14,318	-1,098	-15,416
Closing balance at September 30, 2023		39,663	48,981	-48,804	28,771	68,611

CONSOLIDATED STATEMENT OF CASH FLOW

<i>Amounts in thousands of US Dollars (TUSD)</i>	Note	Q3 2023	Q3 2022	9 months 2023	9 months 2022	FY 2022
Cash flow from operating activities						
Profit/loss before tax		4,075	-10,528	-225	-10,126	-33,778
<i>Adjustments for non-cash items</i>						
Depreciation and depletion of property, plant and equipment, intangible assets, and right-of-use assets		1,462	3,220	4,467	8,581	12,126
Impairment of property, plant and equipment and exploration and evaluation assets		-	-	-	-	8,774
Finance costs		3,875	3,374	10,480	7,449	10,445
Finance income		-732	-3,520	-1,344	-3,530	-1,142
Movements in allowance for obsolete inventory and net realizable value		22	1,051	-1,795	6,993	6,006
Foreign exchange gain/loss		265	-119	1,072	-161	-267
Share of net profit/loss of associates		926	312	2,337	-131	-124
Revenue from settlement of gold loan liability		-	-32,619	-	-32,619	-32,619
Other non-cash adjustments		-19	-256	46	-22	-207
Cash flow from operating activities before changes in working capital		9,874	-39,085	15,038	-23,566	-30,786
<i>Changes in working capital</i>						
Change in inventories		-5,060	-16,979	-20,697	-24,893	-3,285
Change in other receivables and advances paid		-1,975	-1,117	-4,819	-1,395	-1,867
Change in trade and other payables and advances received		-3,349	-15,068	2,487	-14,268	-8,979
Change in other assets		-	5,643	-	4,352	6,068
Cash flow from operating activities		-510	-66,606	-7,991	-59,770	-38,849
Interest received		53	100	127	316	426
Interest paid		-3,575	-2,533	-8,990	-5,116	-7,771
Income tax paid		-	-6	-	-1,534	-205
Net cash flow from operating activities		-4,032	-69,045	-16,854	-66,104	-46,399
Cash flow from investing activities						
Purchase of investments in associates		-	-	-	-	-7,457
Purchase of property, plant, and equipment		-5,532	-1,913	-21,480	-16,978	-23,987
Purchase of exploration and evaluation assets		-311	-442	-517	-1,896	-2,035
Interest paid capitalized		-403	-416	-789	-1,260	-1,422
Loans provided to associates		-3,457	-	-4,548	-	-199
Net cash flows used in investing activities		-9,703	-2,771	-27,334	-20,134	-35,100
Cash flow from financing activities						
Proceeds from the issue of shares		-	-	-	817	817
Proceeds from loans and borrowings from third party, net of debt issue costs		16,371	76,725	149,778	88,067	88,067
Repayment of derivative financial liabilities		0	-	0	-	-134
Repayment of loans and borrowings		-11	-6	-106,153	-6	-2,589
Repayment of finance lease liabilities		-531	-1,047	-2,476	-2,846	-4,514
Net cash flow from financing activities		15,829	75,672	41,149	86,032	81,647
Net increase/decrease of cash and cash equivalents		2,094	3,856	-3,039	-206	148
Cash and cash equivalents, opening balance		1,160	2,083	6,293	6,145	6,145
Cash and cash equivalents, closing balance		3,254	5,939	3,254	5,939	6,293

PARENT COMPANY CONDENSED INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

<i>Amounts in thousands of Swedish Krona (TSEK)</i>	Q3 2023	Q3 2022	9 Months 2023	9 Months 2022	FY 2022
Revenue	213	277	1,463	833	1,092
Total operating income	213	277	1,463	833	1,092
General and Administrative Expenses	-1,852	-1,698	-6,623	-7,272	-9,613
Operating loss	-1,639	-1,422	-5,160	-6,439	-8,521
Results from investments in subsidiaries	-	444	-	444	-1,371
Financial items	7,966	354	22,999	-44,264	-19,566
Result after financial items	6,327	-623	17,839	-50,259	-29,458
Appropriations	-	-	-	-	-
Result before tax	6,327	-623	17,839	-50,259	-29,458
Income tax	-	-	-	-	-
Net result	6,327	-623	17,839	-50,259	-29,458
Other comprehensive income/loss					
Translation differences	-	-	-	-	-
Total comprehensive income/loss	6,327	-623	17,839	-50,259	-29,458

PARENT COMPANY CONDENSED BALANCE SHEET

<i>Amounts in thousands of Swedish Krona (TSEK)</i>	Note	Sep 30, 2023	Dec 31, 2022
Assets			
Non-current assets			
Machinery and equipment		21	26
Shares in group companies		1,928,483	1,928,483
Other non-current financial assets		47,032	41,820
Non-current assets		1,975,536	1,970,329
Current assets			
Receivables		15,040	11,670
Cash & cash equivalents		416	5,157
Current assets		15,456	16,827
Total assets		1,990,992	1,987,156
Equity and liabilities			
Equity		1,872,085	1,854,247
Current liabilities		118,907	132,909
Total equity and liabilities		1,990,992	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 September 30, 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 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.

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

NOTE 3 LOANS AND BORROWINGS

(TUSD)	Interest rate	Maturity	Sep 30, 2023	Dec 31, 2022
Long-term borrowings				
RUB denominated bank loans	Key rate of Russian Central Bank plus a margin of 3.45%	March 2025 – June 2028	118,576	-
Total long-term borrowings			118,576	-
Short-term borrowings				
RUB denominated bank loans	Key rate of Russian Central Bank plus a margin of 3.45%	December 2023	267	112,608
Agency factoring	Key rate of Russian Central Bank plus a margin of 2.5%	December 2023	4,167	5,722
USD denominated borrowings from Shareholder	0%	On demand	1,250	1,250
Other RUB denominated borrowings	0-12.5%	On demand	1,292	165
Total short-term borrowings			6,976	119,745
Total			125,552	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
March 31	77.0863	10.3539	0.1353
June 30	87.0341	10.8509	0.1236
September 30	97.4147	10.8413	0.1113

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

Stockholm November 23, 2023
 Kopy Goldfields AB (publ)
 Org. No. 556723-6335

Mikhail Damrin
 CEO

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

Upcoming financial reporting

Report	Date
Year-end Report 2023	March 21, 2024

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

Report	Date
Q4 2023 Operations Report	January 19, 2024

For more information, please contact:

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Ticker code: KOPY (Nasdaq First North Growth Market)
 Number of shares 903,204,375 (as per November 23, 2023)

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 November 23, 2023.

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 interim 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)

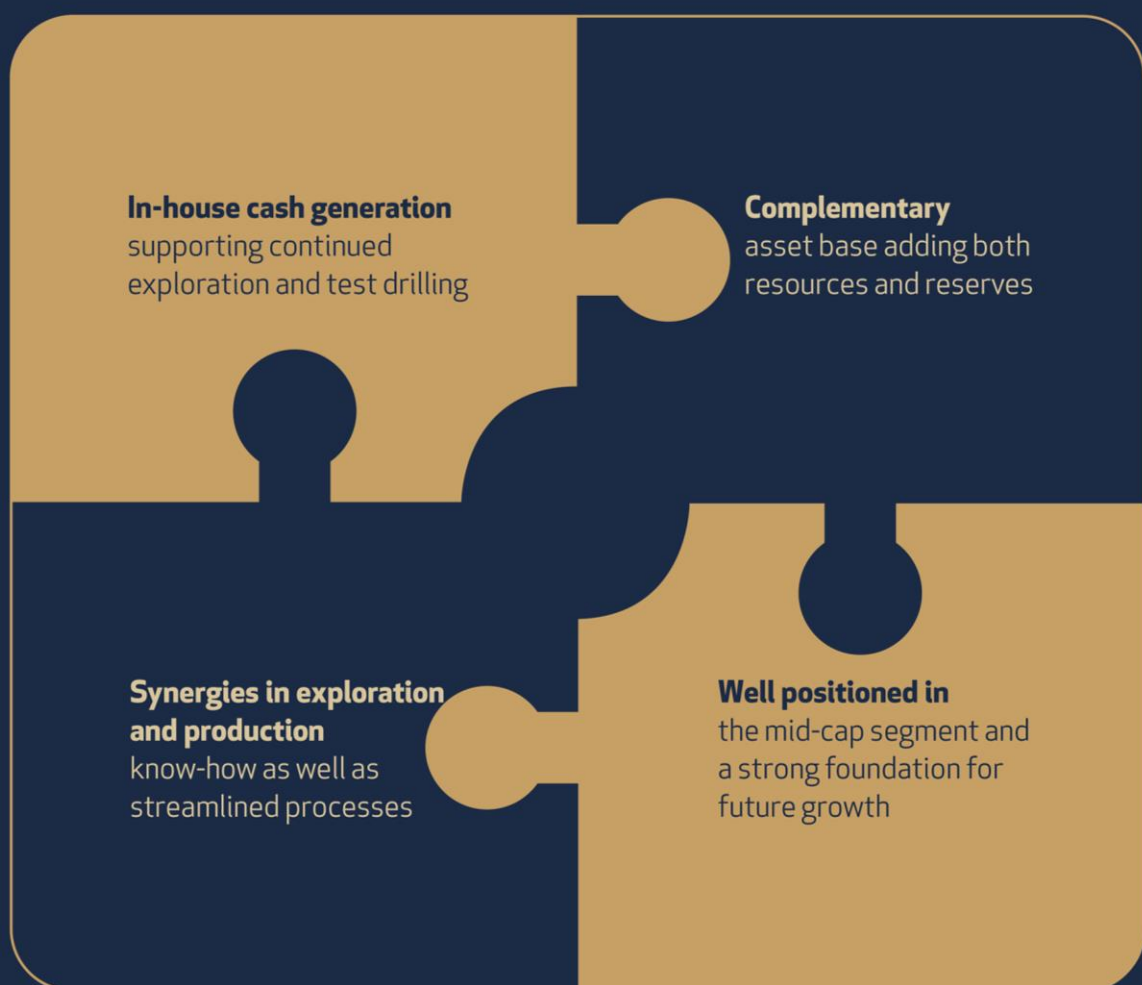
Alluvial gold	Mineralization in riverbeds at ground level.
Carbon-In-Pulp Gold Recovery (CIP)	A common process to recover gold that involves the use of cyanide to dissolve gold in solution and activated carbon to precipitate the gold.
Cut-off	The lowest grade, or quality, of mineralized material that 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.



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