

KOPY GOLDFIELDS

Press release
21 July 2023

Operational update Q2 2023

Highlights*:

- The gold equivalent (GE**) production from the Group's mines in the Khabarovsk region amounted to 9.06 koz during Q2 2023, compared to 12.47 koz in Q2 2022.
- GE sales for Q2 2023 amounted to 7.98 koz compared to GE sales of 9.40 koz in Q2 2022.
- The average realized gold price in Q2 2023 amounted to 1,969 USD/oz compared to 1,816 USD/oz in Q2 2022.
- The alluvial mining commenced in Q2 2023 following the arrival of the warm season.

Gold equivalent (GE) production and sales, koz	Q2		Change	Year to date		Change
	2023	2022		2023	2022	
Yubileyniy project (CIP)	7.01	6.21	13%	12.81	10.09	27%
Yubileyniy project (HL)	-	0.18	n/a	-	0.18	n/a
Perevalnoe project (CIP)	0.35	3.62	-90%	2.37	6.90	-66%
Perevalnoe project (HL)	-	-	n/a	0.32	-	n/a
Placer mines	1.69	2.31	-27%	1.69	2.31	-27%
Silver production, in GE	0.01	0.16	-93%	0.12	0.24	-53%
Total GE production	9.06	12.47	-27%	17.31	19.71	-12%
Total GE sales	7.98	9.40	-15%	21.85	22.89	-5%

* Preliminary sales volumes

** Varies based on the relationship between actual gold and silver prices: for Q2 of 2023, the applied average conversion ratio for silver was 1:82 Ag/Au.

Yubileyniy project

The production from the Yubileyniy CIP plant amounted to 7.01 koz in Q2 2023, an increase of 13% compared to 6.21 koz in Q2 2022. The increase in production in Q2 2023 was primarily explained by a 11% increase in the volume of ore processed in the reporting period compared to Q2 2022.

Yubileyniy project	Q2		Change	Year to date		Change
	2023	2022		2023	2022	
CIP						
Underground ore mined, 000'tonnes	86.24	77.24	12%	154.97	140.03	11%
Underground development, meters	757.40	635.30	19%	1,297.20	1,243.00	4%
Underground ore grade, g/t	3.81	4.20	-9%	7.89	4.20	88%
Ore processed, 000'tonnes	60.44	54.61	11%	112.89	90.66	25%
Average grade, g/t	4.59	5.16	-11%	9.17	5.18	77%
Gold produced CIP, kg	217.97	193.09	13%	398.36	313.93	27%
Gold produced CIP, koz	7.01	6.21	13%	12.81	10.09	27%
Heap Leach (HL)						
Ore stacking, 000'tonnes	-	10.17	n/a	9.55	10.17	-6%
Grade, g/t	-	2.98	n/a	2.92	2.98	-2%
Gold in ore stacked, kg	-	30.27	n/a	27.84	30.27	-8%
Gold produced HL, kg	-	5.60	n/a	-	5.60	n/a
Gold produced HL, koz	-	0.18	n/a	-	0.18	n/a

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Placer mining

The alluvial gold production commenced in Q2 2023 when the snow and permafrost melted. In Q2 2023 gold production from placer mining totaled to 1.69 koz, a decrease of 27% compared to 2.31 koz in Q2 2022 primarily as a result of the delay at the Onne project. Development of the Onne alluvial project was rescheduled to 2024 season due to collapse of the delivery road during the spring river flood.

Placer mining	Q2		Change	Year to date		Change
	2023	2022		2023	2022	
Overburden, 000'm3	531.50	528.40	1%	561.60	569.50	-1%
Capital mining, 000'm3	101.30	126.80	-20%	102.30	126.80	-19%
Placer gravel washed, 000'm3	136.80	147.60	-7%	136.80	147.60	-7%
Average grade, mg/m3	497.48	485.89	2%	497.48	485.89	2%
Gold produced, kg	52.59	71.72	-27%	52.59	71.72	-27%
Gold produced, koz	1.69	2.31	-27%	1.69	2.31	-27%

Perevalnoe project

In Q2 2022, the Perevalnoe CIP mill was stopped and mothballed following depletion of open pit mines, and no further gravity and flotation concentrates have been produced. GE production from previously produced flotation concentrate amounted to 0.35 koz in Q2 2023, a decrease of 90% compared to Q2 2022.

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

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 plans to produce Mayskiy and Chazy-Gol bedrock gold deposits using heap-leach processing technology. In Q2 2023, the total GE production from the Zolotaya Zvezda Mayskiy project amounted to 0.75 koz.

Malyutka project

In Q2 2023, mining operations included 391.40 thousand cubic meter of waste stripping and a total of 151.92 thousand tonnes of ore mined with an average grade of 1.06 g/t. Production at Malyutka is planned to commence later in 2023 with full capacity to be reached in 2024.

Competent person

Alexander Polonyankin, a competent person under JORC and member of Australasian Institute of Mining and Metallurgy, MAusIMM (CP), has reviewed and approved the technical information relating to operations covered in this press release.

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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 persons set out above at 8.30 CEST on 21 July 2023.

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About Kopy Goldfields

Kopy Goldfields is a leading 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' shares are traded on Nasdaq First North Growth Market in Stockholm under the symbol "KOPY". Nordic Certified Advisers is Certified Adviser (Tel +46 707 94 90 73. e-mail: info@certifiedadviser.se).

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's and the company group's intentions, beliefs, or current expectations about and targets for the Company's and the company group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. The forward-looking statements are subject to a number of risks and uncertainties, including, but not limited to, (i) changes in the economic, regulatory and political environments in the countries where Kopy Goldfields operates; (ii) changes relating to the geological information available in respect of the various projects undertaken; (iii) Kopy Goldfields' continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential joint ventures and alliances, if any; (v) exchange rates, particularly between the Russian rouble and the U.S. dollar. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors, including but not limited to risks and uncertainties surrounding any gold production and exploration company at an early stage of its development. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this press release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein apply only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law or Nasdaq First North Growth Market rule book for issuers.