

Kopy Goldfields AB (publ)  
Press release 22/2015  
Stockholm, December 9, 2015

## Krasny license: expansion drilling to be commenced

**Kopy Goldfields AB (publ) ("Kopy Goldfields" or the "Company") is happy to inform that following the positive results from the exploration on the Krasny project, the drilling program will be extended with additional 3,339 meters. The target is to add extra mineral reserves which will improve the financial model and make the project more stable towards fluctuation in the gold price. This will not delay the development process, but will create opportunities to strengthen the existing minable resources further. The cost for this additional drilling program is taken by the joint venture and is covered by funds left after Stage 2 of the exploration program.**

In close cooperation with GV Gold, the decision was taken to use the momentum and proceed with resource drilling along the strike, which was left open in both directions after the Stage 1 and Stage 2 exploration program. Some of the drilling equipment needed is still on the Krasny site and some is in the neighboring area, and the drilling crew can be mobilized within a week, which means that the drilling is expected to commence by mid-December, 2015. The drill volume includes 3,339 meters, totaling 17 core holes, to be completed by February 2016.

Based on the recent positive mineral processing test results and an updated model for the Krasny mineralization, it is likely that the Krasny project has bigger production potential than initially forecasted. We see a strong possibility to use the same metallurgical equipment for processing both oxidized and primary ore and we are now reviewing the option of increasing mine and plant capacity from the very beginning by producing both primary and oxidized ore instead of starting with the oxidized and process the primary rock at a later stage as initially planned.

We consider this expansion drilling as brown field exploration and with a short drilling program, we believe that we will be able to add reserves of 45-80 koz of gold close to surface. The additional drilling will however not be included in the coming scheduled reporting of Russian reserves and JORC, but will instead be taken into account when deciding about the size of the production plant. As such, this extension drilling will not delay the reporting process of Russian and JORC mineral resources.

In addition to the target of expanding resources along the strike, some holes are designed to fill in minor modelling gaps identified after Stage 2 which currently prevent us from upgrading some part of the resources from the Inferred category to Measured and Indicated. For that reason, 2 holes are positioned as infill drilling and 15 holes are positioned along the strike on the eastern and western flanks. See Figure 3 for details.

Evgeny Bozhko, Chief Geologist of Kopy Goldfields comments the news: *"I believe that the results of the proposed drilling on the flanks of the Krasny deposit will have a positive effect on the production economics. Today the deposit is open along the strike and in Profile 37, which is the most western profile in Stage 1 and 2 drill program, the Krasny mineralization opens with a 66 meters mineralized intersection (at 0.4 gr/t cut off grade) in trench #143523, and with 22 and 27 meters intersections in the boreholes #141580 and #141581 respectively (see Profile 37 in Figure 4). There is a significant mineralized intersection in the most Eastern profile as well. We expect that all new discovered resources within this extended drilling program could be included into the preliminary modelled open pit, which in turn means that they will be minable and as such shall be treated as reserves. We are targeting to increase reserves by 1.5-2.5 tons of gold with an expected grade varying between 1.5 and 2.2 gr/ton."*

**Further information to follow**

We plan the following events to come during the next few months:

- Completion of the Internal report in December 2015
- Commence pre-FS/FS report in December 2015
- Completion and filing Russian GKZ report in January 2016
- Approval of Russian GKZ reserves in February-March 2016
- Completion of JORC report in February – March 2016

**For more information, please contact:**

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**About Kopy Goldfields AB**

Kopy Goldfields AB (publ), listed at NASDAQ First North in Stockholm is a gold exploration and production company operating in one of the most gold rich areas in the world; Lena Goldfields, Bodaibo, Russia. The company holds 11 bedrock exploration- and production licenses and one alluvial license covering 1,963 sq km, of which the Krasny license is held 49% by the Company. The preliminary forecast is to be in production in 2017. The target for Kopy Goldfields is to become a near-term gold producer in cooperation with a producing partner under JV agreement.

Kopy Goldfields AB applies International Financial Reporting Standards (IFRS), as approved by the European Union. Aqurat Fondkommission acts as Certified Adviser, contact number: +46-8-684 05 800.

**The Share**

Ticker: KOPY

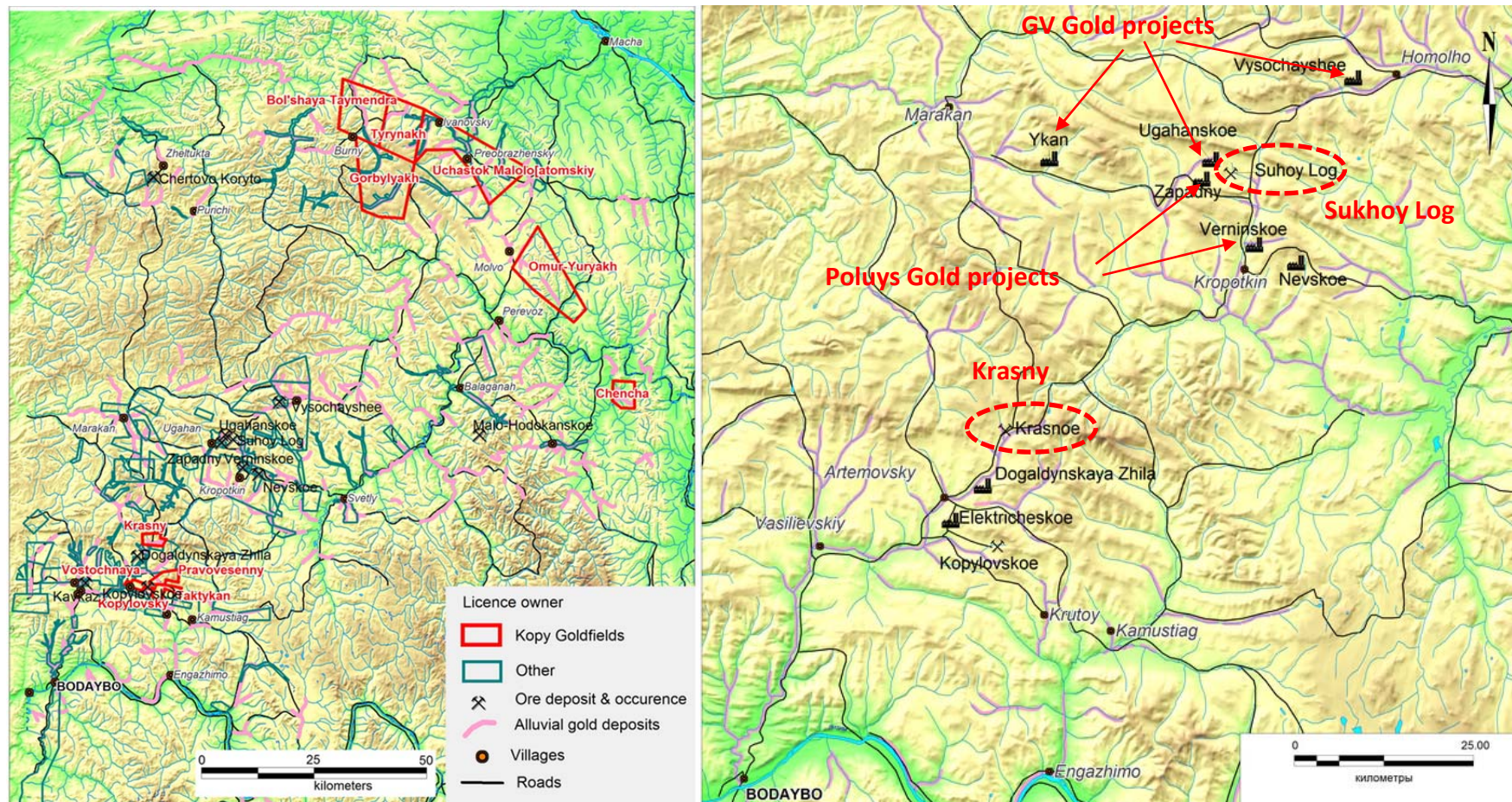
<http://www.nasdaqomxnordic.com/shares/microsite?Instrument=SSE77457>

Outstanding shares: 54,444,996



## Attachment 1

Figure 1. Map of Kopy Goldfields gold properties and location of operating mines near the Krasny deposit

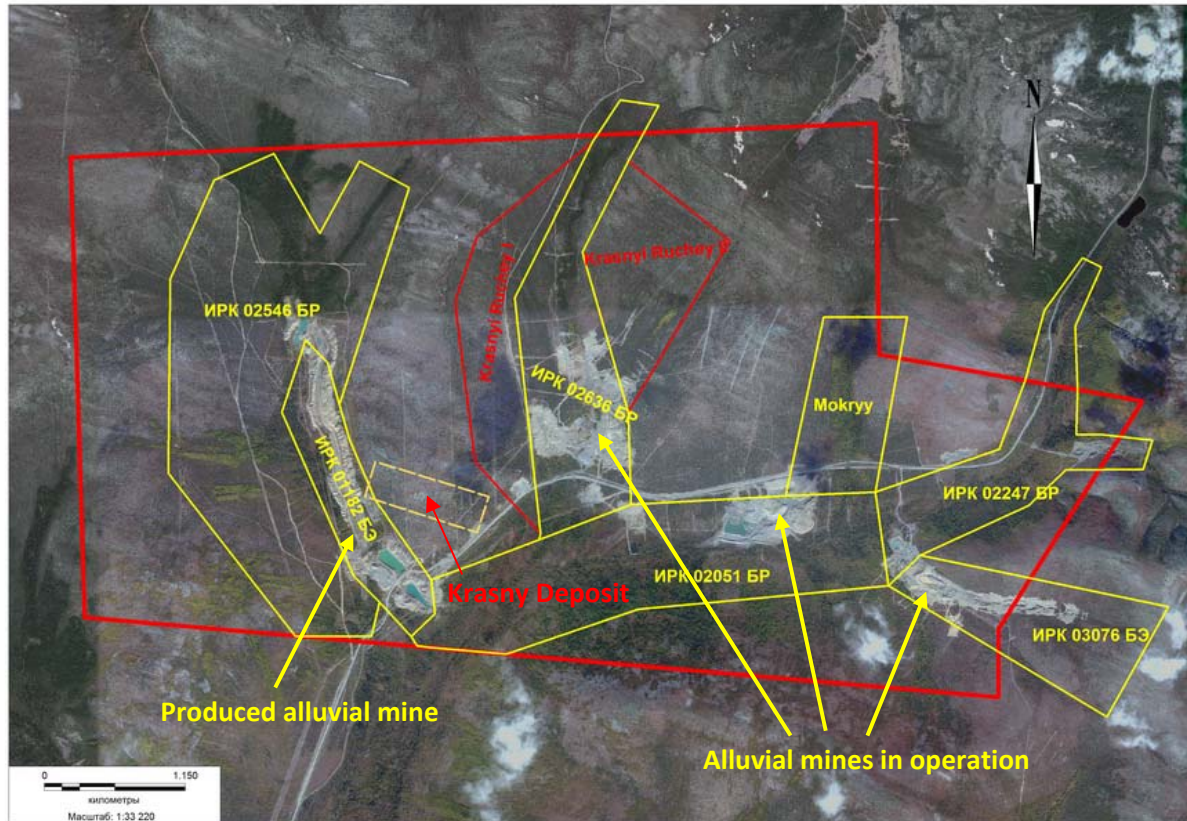




**Figure 2. Map of Krasny license area**

The boundaries of alluvial licenses owned by third companies are marked in yellow.

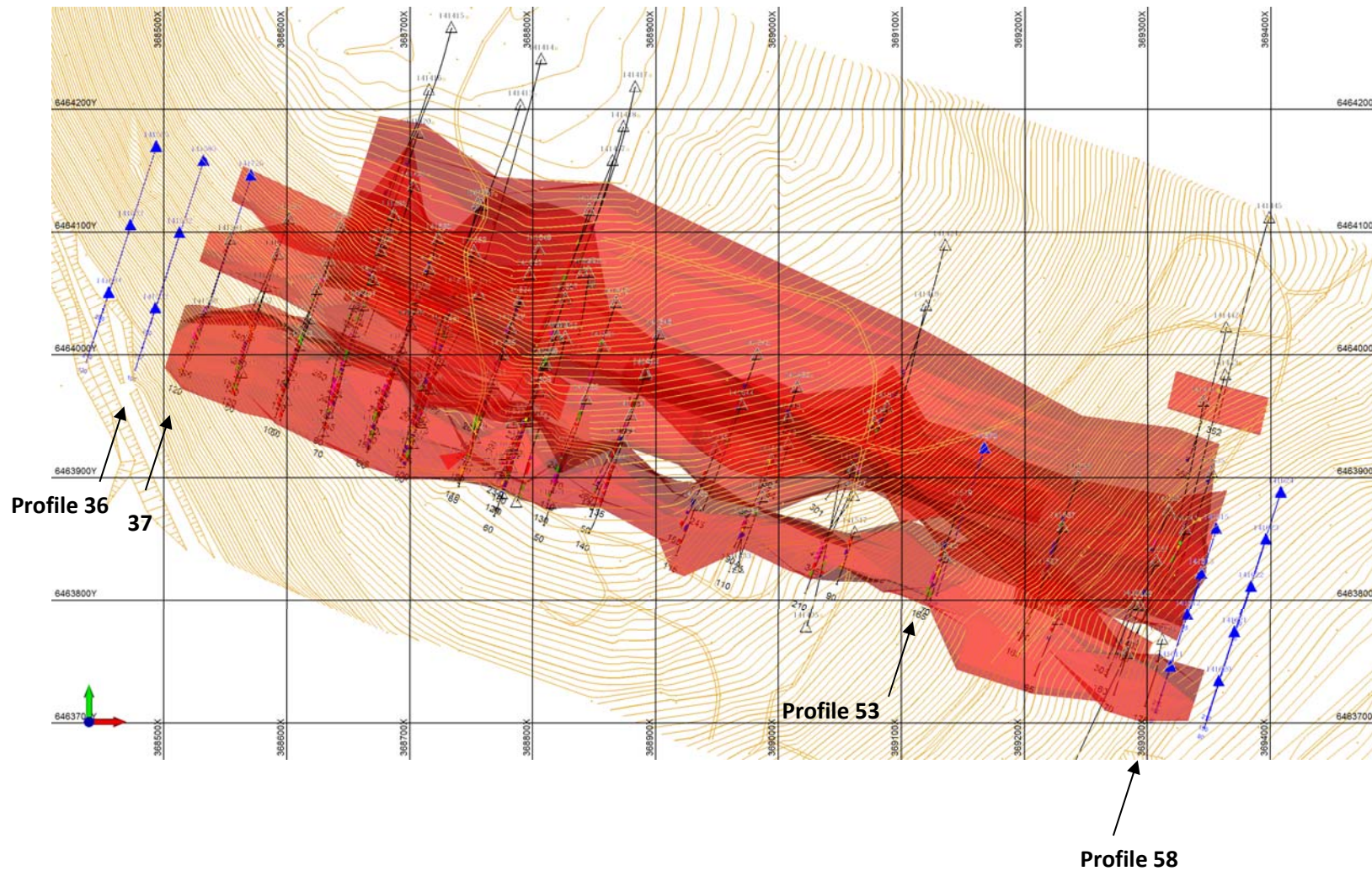
The boundaries of alluvial licenses acquired by OOO Krasny during the summer of 2015 are marked in red.





**Figure 3. Location of New drill holes at the Krasny deposit proposed for the Expansion drilling**

Projections of ore bodies to the surface are marked with red color; positions of new drill holes are marked blue



**Figure 4**

Geological cross sections along Profile 36 and 37 on the Western flank of the Krasny deposit, with location of former and new drill holes, boundaries of the projected open pit and outline of gold mineralization

