

KOPY GOLDFIELDS

Kopy Goldfields AB (publ)
Press release 23/2020
Stockholm, October 19, 2020

Kopy Goldfields announces long-term production target and invites to a Capital Markets Update on October 27, 2020

Inside information: Kopy Goldfields AB (publ) ("Kopy Goldfields" or the "Company") today announces a production target of >100 koz of gold and gold equivalent by 2025 via organic growth. The CAPEX for 2020-2025 is estimated at approximately USD 130 million (including VAT) which is expected to be fully financed by current production and existing debt facilities. Furthermore, Kopy Goldfields invites investors, analysts and media to a Capital Markets Update on October 27, 2020, to provide an update on Kopy Goldfields' strategic ambitions following the merger with Amur Zoloto.

Kopy Goldfields' producing assets include four producing mines including two bedrock and two alluvial, and two processing plants in the Khabarovsk region of Far East Russia. Kopy Goldfields targets to produce >100 koz of gold and gold equivalent by 2025 by organic growth which is independently reviewed within the Competent Persons Report on the Mineral Resources and Ore Reserves published on October 16, 2020.

The Company estimates the CAPEX for 2020-2025 to amount to approximately USD 130 million (including VAT). This is expected to be financed by production and by loan facilities currently available for the Company. As announced in the last operational update, Kopy Goldfields expects the 2020 full year production of gold and gold equivalent to be within the range of 52 koz to 54 koz, which is slightly above the 2019 production level of 52 koz.

Further details on historical KPIs

The Company provides some further details on the pro-forma accounts for H1 2020, H1 2019 and FY 2019:

Pro-forma accounts ⁽¹⁾	Unit	H1 20	H1 19	change, %
Revenue	US\$m	44.2	29.9	47.7%
EBITDA	US\$m	16	12	36.3%
Total Cash Cost (TCC)	US\$/oz	806	968	(16.8%)
All-in-sustaining costs (AISC)	US\$/oz	1,049	1,257	(16.6%)
	Unit	H1 20	FY 19	change, %
Net Debt	US\$m	47	48	(0.7%)
Net Debt / LTM EBITDA		1.6	1.9	(17.2%)

Note: (1) The consolidated pro-forma accounts have been prepared for illustrative purposes only and are solely intended to provide stakeholders with an additional dataset which may be required for analysis and benchmarking purposes against historical performance.

Invitation to Capital Markets Update 2020

Kopy Goldfields invites investors, media and analysts to its online Capital Markets Update October 27, 2020 at 09:00 – 10:00 CET. The event will be hosted Mikhail Damrin, CEO, together with Tim Carlsson, CFO.

The presentation will be held in English and will be concluded with a Q&A session. Questions can be asked on the conference call or in written form through the webcast. No pre-registration is needed.

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Webcast link: <https://tv.streamfabriken.com/2020-10-27-CMU2020>

To participate via telephone please dial-in on the numbers below. Please dial-in at least ten minutes prior to the start of the conference call to avoid delay.

SE: +46850558365

UK: +443333009034

US: +18338230590

After the presentation a recording of the webcast will be available on the webcast link.

Responsible party

Kopy Goldfields is obliged to make public this information in accordance with the (EU) Market Abuse Regulation 596/2014. The information in this press release has been made public through the agency of the responsible persons set out below for publication at the time stated by Kopy Goldfields news distributor beQuoted at the publication of this press release.

For more information, please contact:

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About Kopy Goldfields

Kopy Goldfields is a leading Swedish gold exploration and production company operating in the most renowned gold mining regions of Russia. Kopy Goldfields' strategy is to combine Russian geologic knowledge and science with international management, "best industry practices" and modern and efficient technology to identify and develop mineral deposits in a cost-efficient, safe and transparent way. The Company is listed on NASDAQ First North Growth Market in Stockholm.

Kopy Goldfields applies International Financial Reporting Standards (IFRS), as approved by the European Union. Hagberg & Aneborn Fondkommission acts as Certified Adviser, contact number: +46 8 408 933 50, e-mail: info@hagberganeborn.se.

The Share

Ticker: KOPY

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

Outstanding shares: 886,005,575

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

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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 speak 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 not required by law or Nasdaq First North Growth Market rule book for issuers.