

Kopy Goldfields AB (publ), press release 32/2011, Stockholm, November 2, 2011

Encouraging gold grades for the Kavkaz-license

Kopy Goldfields AB (publ) (First North: KOPY) is happy to announce encouraging drilling results within Kavkaz license, with intercept 1.0 meters at 3.38 g/t gold, 10 meters at 2.79 g/t gold and 2.8 meters at 2.94 g/t gold. The structure is open in all directions.

This is the first out of a sequence of results from the various projects that have been carried out during the exploration season 2011 and will be reported within the coming weeks.

Within Kavkaz- license (“Kavkaz”), Figure 1 and license no 2 on the map below, Kopy Goldfields has explored two areas in 2010-2011. Encouraging goldgrades were shown in several holes (Table 2 and 3), which was different drill targets comparing to the historical Russian resources, see Table 1. The first gold mineralization (Table 2) was traced down to the depth of 180 meter and along the strike for 1,090 meter within the boundaries of Kavkaz license along the Milliony Fault Structure (“MFS”, no 2 in Figure 1). The thickness of the gold mineralization reaches 16 meter. The structure is open along strike and to depth, see figure 1 below. A second gold mineralization (Table 3) was traced along the Central Anticline Structure (“CAS”, no 1 in Figure 1) for the strike of two kilometers.

Exploration during 2011 has been done through ten core holes (HQ and PQ diameters) of total 1,602 meters and eight Reversed Circulation (RC) holes (127 mm) of total 948 meters. The spacing between the holes has been from 80 to 160 meters. All samples were fire assay gold tested in Alex Stuart Lab in Moscow. However, it was at this stage not possible to make mineral resource estimate within the JORC code as the spacing between drill holes is not close enough to be reported in Inferred or Indicated resources.

The drilling results on MFS (figure 1 and 2) will be in addition to the historic gold resources (no 3 in Figure 1) for Kavkaz. The historic Russian resources for Kavkaz are reported for only for high grade quartz vein. Kopy Goldfields did not carry out any additional work on the mineralization reported in historical Russian estimations.

Table 1. Historical Russian mineral resources for only quartz type of mineralization (cut off grade 1 g/t)

Category(cut off grade – 1 g/t):	Rock, thousand tons	Gold, kg	Gold, Oz	Average gold grade, gr/t
C1+C2	110,376	1,037	33,344	9.4
P1	512,863	2,620	84,244	5.1

The company’s strategy is to consider the two areas within Kavkaz as targets for cluster mining together with the Uspenskoye- project on the Prodolny-license. The company will review further exploration plan for the area in 2012 after getting all analytical results from adjusted areas.

Mikhail Damrin, CEO of Kopy Goldfields, commented the results: *“We have now finalized the exploration season and are receiving results from Alex Stewart Lab in Moscow from our six current projects. We will consider further exploration on Kavkaz during 2012. Our aim together with SRK Consulting was to develop a model of the gold structure and develop a 3D block model (Figure 1), in order to estimate potential scale of mineralization. The exploration has confirmed that the mineralization extends beyond Kavkaz boundaries into Uspenskoye- project. Further drilling will be required before mineral resources could be reported within the JORC code. However, now we have a good understanding over the resource potential for the structure and we are satisfied with the first results.”*

Figure 1. Explored areas within Kavkaz MFS (2), CAS (1) and Quartz Zone 1 (3)

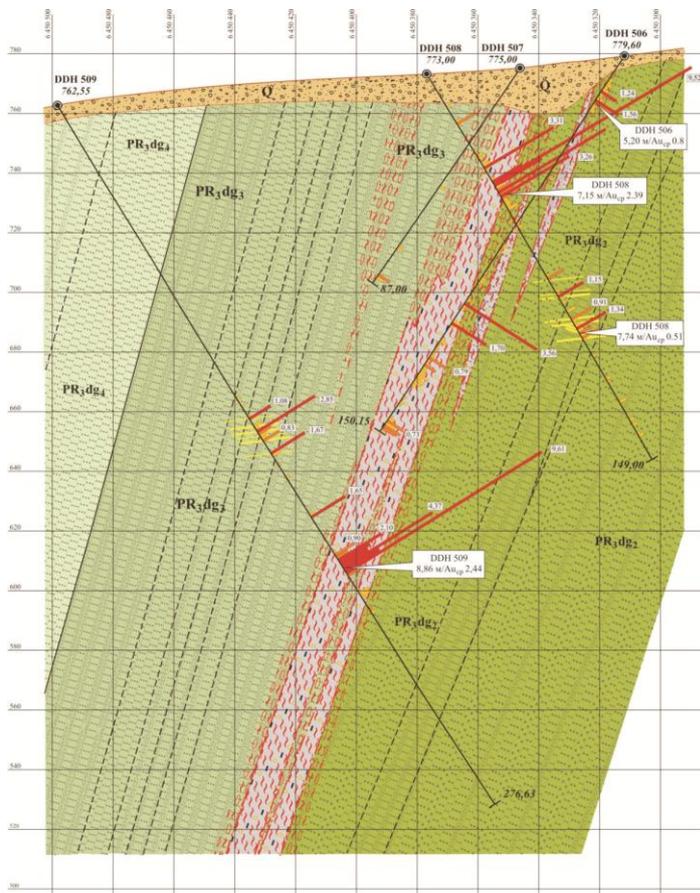
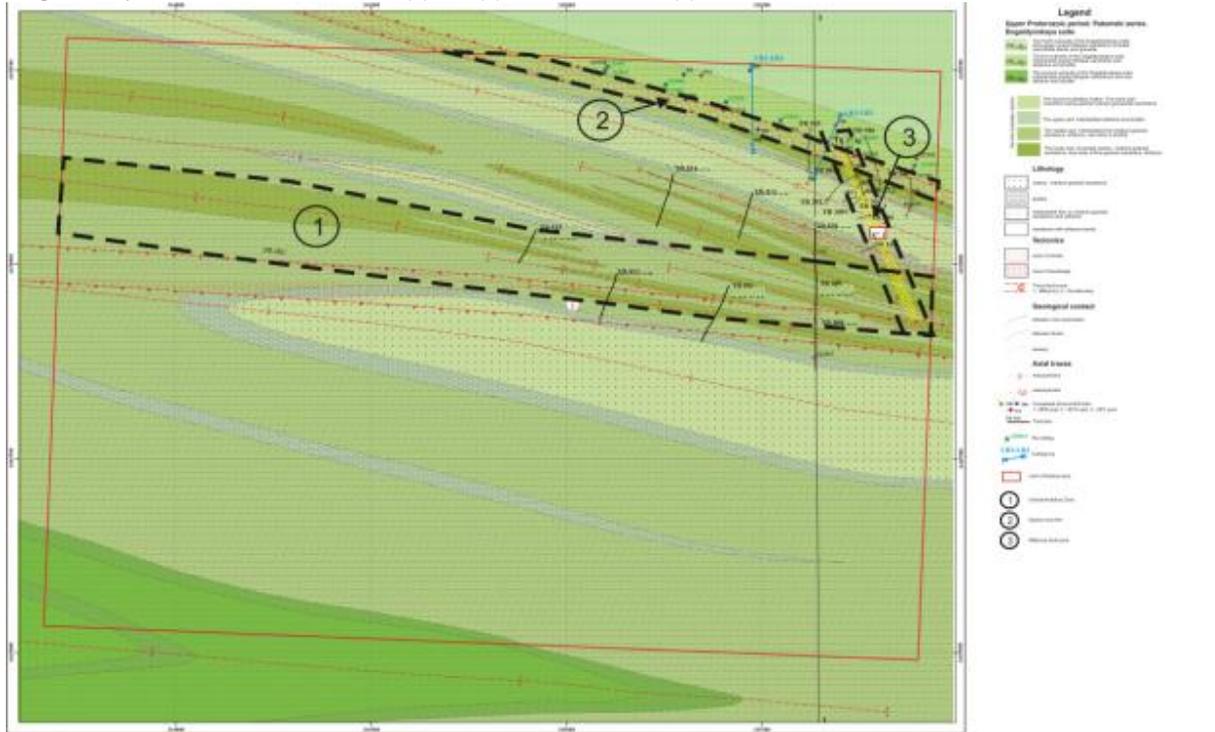
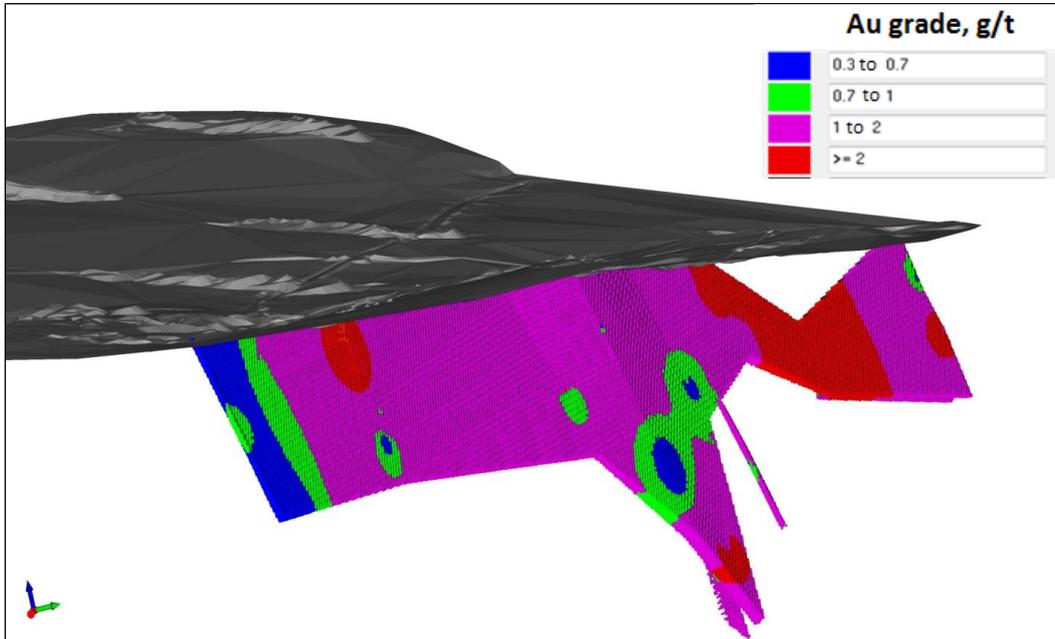


Figure 2. Drill holes on MFS (2)

Figure 3: Block Model the Milliony Fault Structure. Different colors of the blocks represents different grades. Black color is the ground. In order build the block modelMicromine Software was used to build a wireframe model of mineralization bodies. The wireframe was built with the triangulation method.



For further and deeper information about the history, geology and methods used, please read the extensive report on our website www.kopygoldfields.com/projects/kavkaz or attached.

Table2. Drill results from Kavkaz, Milliony Fault Structure (MFS) (above cut-off 0,5 g/t)

Drillhole	From (m)	To (m)	Length (m)	Au (g/t)
513	35.03	36.03	1.00	0.63
	41.90	42.80	0.90	1.31
	87.50	88.50	1.00	0.74
514	62.10	63.20	1.10	0.65
	110.20	114.20	4.00	2.22
	119.20	121.05	1.85	1.27
	143.70	144.80	1.10	1.93
515	41.90	42.95	1.05	0.97
	43.90	46.90	3.00	1.27
516	109.40	112.20	2.80	2.94
	116.35	118.35	2.00	0.47
	119.35	121.15	1.80	0.83
	126.90	127.90	1.00	2.79
	129.90	131.90	2.00	1.72
121517	48.00	51.68	3.68	0.69
121518	89.85	94.90	5.05	1.41
121520	62.10	70.55	8.45	0.69
121521	33.02	37.45	4.43	1.26
121522	37.70	43.65	5.95	2.05
	51.00	51.90	0.90	1.17
	53.70	55.54	1.84	1.44
122001	29.90	32.90	3.0	0.89

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	38.90	39.90	1.0	1.99
	45.90	47.90	2.0	1.22
122002	58.30	68.30	10.0	2.79
	79.30	84.30	5.0	0.89
122010	92.50	93.50	1.00	0.82
122014	68.30	69.30	1.00	3.38
	72.30	75.30	3.00	0.82

Table 3. Drill results from Kavkaz, The Central Anticline Structure (CAS) (above cut off 0,5 g/t)

Drillhole	Depth(m)	From (m)	To (m)	Length(m)	Au (g/t)
512	180.60	23.15	25.15	2.00	1.01
		71.17	75.88	4.71	0.38
		105.84	106.84	1.00	57.32
		114.16	115.08	0.92	1.18
		131.61	132.56	0.95	1.67
		157.42	158.39	0.97	0.53
		160.33	161.30	0.97	0.90
		163.10	164.00	0.90	0.78

The technical information in this press release was reviewed by Alexander Mikhailov, from Kopy Goldfields AB. Alexander is an exploration geologist with 28 years of professional experience in the gold exploration. Graduated from the Moscow Mineral Exploration Institute (The leading Soviet mineral exploration training establishment) in 1982. Fellow of the London Geological Society (1008536) and Society of Exploration Geochemistry.

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About Kopy Goldfields AB

Kopy Goldfields AB (publ), listed at NASDAQ OMX 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 100% of seven bedrock exploration- and production licenses. The long term target is to develop a gold exploration and production company with resources of 5Moz supporting annual gold production of 0.2 Moz.

Kopy Goldfields AB applies International Financial Reporting Standards (IFRS), as approved by the European Union. Mangold Fondkommission acts as Certified Adviser and Liquidity Provider, contact number: +46 8-503 015 50.

The share

Ticker: KOPY

www.nasdaqomxnordic.com/firstnorth/

Outstanding shares: 9 327 193

Map over Russia and the licensearea. Kavkaz is no 2.

