

Kopy Goldfields AB (publ)  
Press release 26/2012  
Stockholm, November 16, 2012

## KOPY GOLDFIELDS - Interim report at September 30, 2012

### Summary of key ratios, third quarter 2012

- The Company does not yet report any revenue
- Net income MSEK -3.4 (2.3)
- Earnings per share before and after dilution SEK -0.21 (0.34)
- Cash flow from operating activities of MSEK -2.5 (-0.2)
- Evaluation work and licenses MSEK 12.0 (8.0)
- Cash and cash equivalents amounted to MSEK 6.8 (20.0) at period end

### Highlights during third quarter 2012

**In August 2012, positive results from the drilling program on the Krasny license were released and doubled the confirmed mineralization strike length to 510 meters.**

- 23.6 meters @ 5.28 g/t, 43 m @ 2.82 g/t, 10 m @ 3.7 g/t, 31.2 m @ 2.81 g/t.
- The mineralisation is open along strike and to depth.
- The results are in line with exploration model derived from previous drilling campaign.

**Based on the encouraging results released in August, a follow up drilling program was performed during the third quarter and finalized on September 24, 2012. Intermediate results are positive and confirm that the structure extends further to the west for additionally 700 meters and also comes closer to surface.**

- The target is to both further estimate the strike continuation of gold mineralization and in detail test the grade of the superficial part of the fold structure.
- Totally 10,211 meters of core drilling and 1,161 meters of trenching have been performed in different stages on Krasny during 2012.
- The results are currently being analyzed and the exploration model is being updated. Intermediate results are positive and confirm that the structure extends to the west for additionally 700 meters and is also coming closer to surface.
- All results are expected to be released by the end of November.

**Russian resource compliance reporting for the Kopylovskoye and Kavkaz projects has been finalized.**

- The target is to develop the projects further under joint-venture agreements or to sell them.
- Discussions are being held with several potential investors.

**Further cost reductions were implemented targeting to reduce administration costs both in Sweden and in Russia.**

- Operating expenses excluding depreciation and write-downs amounted to MSEK 6.8 (6.9) for the third quarter and MSEK 20.3 (27.2) for the nine months.

### Significant events after the reporting period

On November 5, 2012, an Extra General Meeting was held and resolved to authorize the Board to decide on issuance of 15,000,000 new shares with preferential rights for existing shareholders until next AGM. The EGM also resolved on implementing an incentive program for management and key employees through an issue of maximum 688,449 warrants.

On November 7, 2012, the Board decided, with authorization from the EGM, to issue maximum 3,264,517 units with preferential rights for existing shareholders. Each unit has a subscription price of SEK 7.60 and consists of two new shares in the Company and one warrant. The warrant has duration of one year and is provided for free and entitles the holder to subscribe for one new share in the company at a subscription price of SEK 4.00. The prospectus will be released on November 16, 2012 and the subscription period is November 19 –

December 4, 2012. The proceeds from the rights issue, if fully subscribed, may provide the Company with approximately MSEK 24.8 before transaction costs. Assuming full exercise of the warrants, the Company may be added an additionally MSEK 13.0.

**For more information, please contact:**

Mikhail Damrin, CEO, +7 916 808 12 17, [mikhail.damrin@kopygoldfields.com](mailto:mikhail.damrin@kopygoldfields.com)

Tim Carlsson, CFO, + 46 702 31 87 01, [tim.carlsson@kopygoldfields.com](mailto:tim.carlsson@kopygoldfields.com)

**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 major owner is Eldorado Gold Corp. The company holds 100% of nine bedrock exploration- and production licenses on 486 sq km. 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. Aqurat Fondkommission acts as Certified Adviser, contact number: +46 8-544 987 55.

**The Share**

Ticker: KOPY

[www.nasdaqomxnordic.com/firstnorth/](http://www.nasdaqomxnordic.com/firstnorth/)

Outstanding shares: 16 322 587