

Kopy Goldfields AB (publ)
Press release 6/2016
Stockholm, April 11, 2016

Krasny license: Operational update March 2016

Kopy Goldfields AB (publ) (“Kopy Goldfields” or the “Company”) hereby provides an operational update of the Krasny project:

- **The Russian GKZ reserve report was formally approved by the Russian authorities on March 30, 2016. The report awards the Krasny mineralization to be a deposit with totally 9,767 kg of gold reserves under the C2 category (314 koz).**
- **An Expansion drilling program was commenced on December 14, 2015 and finalized on February 25, 2016. In total, 16 drill holes were completed, accounting for 3,504 meters of core drilling. All 36,653 fire assay tests for gold have been received.**
- **A second Metallurgical processing test for the oxidized ore, based on new samples, was commenced in January 2016 and completed in March 2016, showing better recovery results than the first test.**
- **The drafting of a JORC report was started in November 2015, and is currently under completion. The final report is expected during April 2016.**

This operational update further develops the information provided in press release 21/2015, dated December 2, 2015, press release 22/2015, dated December 9, 2015 and press release 3/2016, dated March 2, 2016.

Drilling Exploration results

By the end of February 2016, all drilling operations for the Expansion drilling program were completed, totaling 16 drill holes and 3,504 meters of core drilling (see Figure 3 in Attachment 1 for location of the drill holes). During March 2016, all assay tests have been completed and received. Based on the assay results, we are able to delineate the extension of the upper mineralization within the Krasny deposit along the strike. Although the Upper gold mineralization continues further to the West and to the East beyond the drill profiles #35 and #59 respectively, the grade is falling below the cut-off. The strike extension of the Lower gold mineralization was not targeted with this drilling program and is left for future explorations during 2016.

The most important outcome of the expansion drilling is the new confirmation of a significant gold mineralization in the Lower structure, intersected by the holes #141755 and #141745 (both cross sections are presented on the Figure 4). Hole #141755, drilled in profile 46 demonstrated 111 meters of gold mineralization with an average grade of 2.54 gr/t. Hole #141745, drilled in profile 48 disclosed 58 meters of gold mineralization with an average grade of 1.81 gr/t. Both results do confirm the initial geological modelling for the Lower structure which was the basis for the resource estimation of the Lower structure back in 2013 and the results are also far above the average gold grade and thickness of the Upper gold mineralization.

The Lower structure was explored by Kopy Goldfields during 2011-2012, before GV Gold joined the project, and was covered by the JORC resource report for Krasny project published in early 2013. Since then, the gold price has fallen from 1,670 USD/oz used for the JORC calculations, to the current 1,230 USD/oz. For that reason, the Lower mineralization was assumed not be economical and hence not the target of the Stage 1 and 2 Exploration program developed during 2014-2015, which was instead solely devoted to the Upper mineralization. Following the completion of Stage 2 drilling in September 2015 and upon receipt of the strong mineral processing test results for the primary ore (the upper mineralization is represented by partially oxidized and partially primary rock, while the

lower mineralization is represented by the primary rock only) in December 2015, production scenarios and pit optimization were modeled for both Upper and Lower structures. Modelling results now confirm that the Lower gold mineralization is potentially minable at the current market conditions. This result may radically increase the potential of the Krasny project by significantly expanding the gold reserve and including the Lower mineralization for production.

A new drilling program is discussed for 2016, targeting to explore the Lower mineralization. Development of the Upper structure into production will continue in parallel with exploration of the Lower structure.

Mineral processing results

During December 2015 – March 2016, a second mineral processing test of the oxidized rock from the Upper mineralization on Krasny has been developed using a new sample of 640 kg. The test was performed by Irgiredmet engineering consultancy in Irkutsk, which performed all the previous mineral processing tests for Krasny. The gold recovery via gravitation-flotation-leaching process totaled 78-79% (based on two experiments). This result is better than the previous results of 75% gold recovery that was released in early December 2015. The next step is to develop a detailed processing flow chart during the 2016 feasibility study activities.

Mineral resource reporting

A mineral reserve report (“GKZ report”) for the Krasny deposit, which was prepared in accordance with the Russian Statutory Reserve Committee (“GKZ”) reporting regulations, was reviewed during the first quarter 2016 by industry experts appointed by the GKZ authorities in Irkutsk. On March 30, 2016, the report was formally approved by the Federal Agency on Subsoil Usage (subsidiary of the Russian Ministry on Natural Resources) in Krasnoyarsk. The report classifies the Krasny mineralization to be a deposit with total ore reserves under the C2 category of 6,317 ktons with an average grade of 1.55 gr/t, that makes 9,767 kg of gold (314 koz). The report recommends the deposit for pilot gold production.

The GKZ reserve report exceeds the threshold for Kopy Goldfields to qualify for the conditional consideration payment under the Shareholders agreement between Kopy Goldfields and GV Gold. The remaining required documentation is now being prepared.

In parallel to the GKZ-report, a report on mineral resources in accordance with the JORC provisions (“JORC report”) is being developed. The drafting of the JORC report was started in November 2015, and is currently under completion internally. The final report is expected during April 2016.

Next steps

Following the completion of the resent exploration activities and reserve reporting, the Krasny project now moves into Pre-/Feasibility Studies. Currently, a detailed plan for 2016 and a general development plan for Krasny until production start is being finalized. For 2016, this will preliminary include further explorations for the Upper and Lower structures, development of the detailed mineral processing flow chart and FS report preparations.

We forecast the following events during the next few months:

- Completion of JORC report in April 2016
- Commence the Krasny 2016 Development Program in April-May 2016

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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 in total 1,963 sq km, of which the Krasny licenses (bedrock and alluvial) are held 49% by the company. The preliminary forecast is to be in production in 2018. 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: 59,899,541

Attachment 1

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

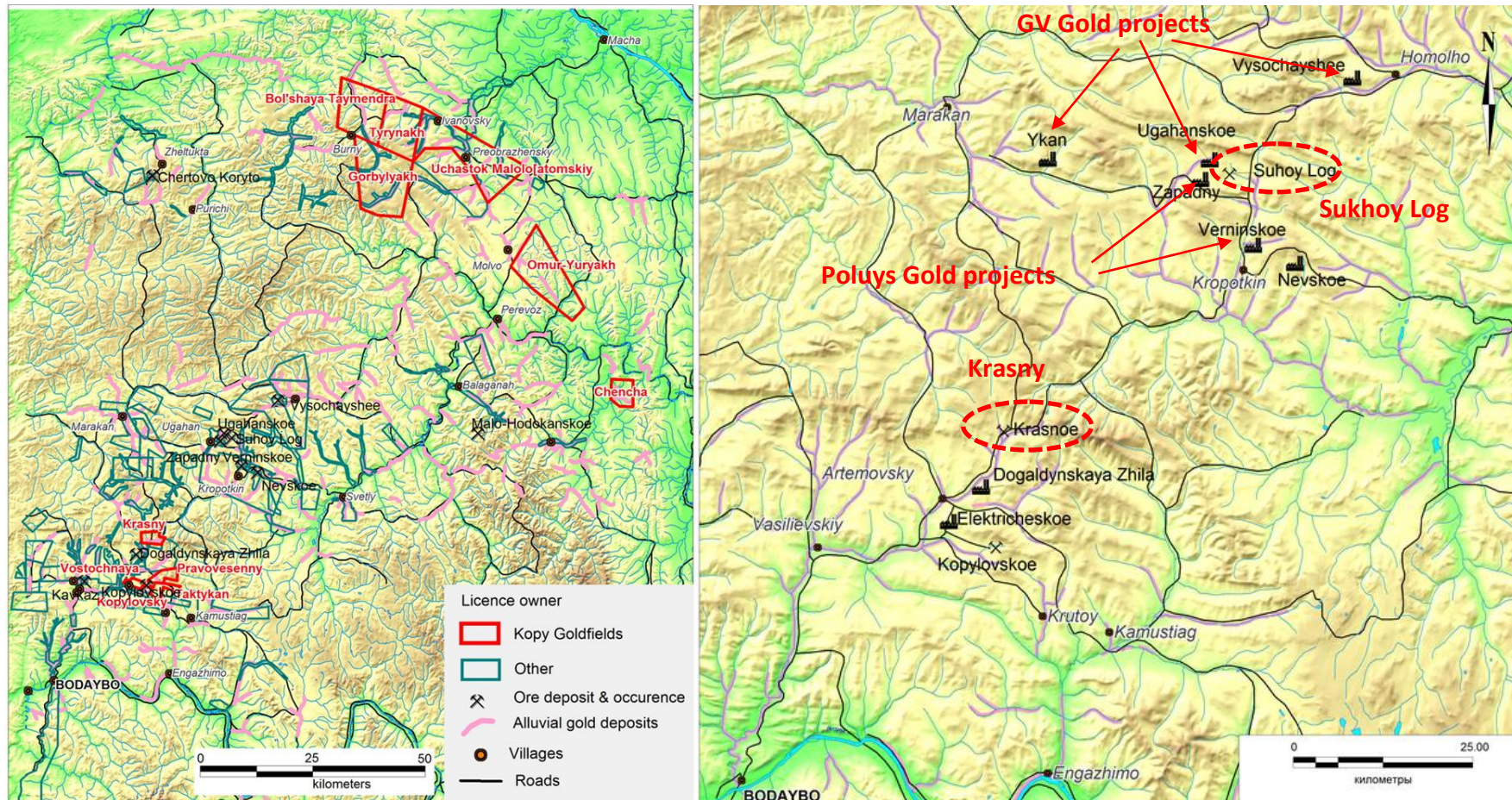
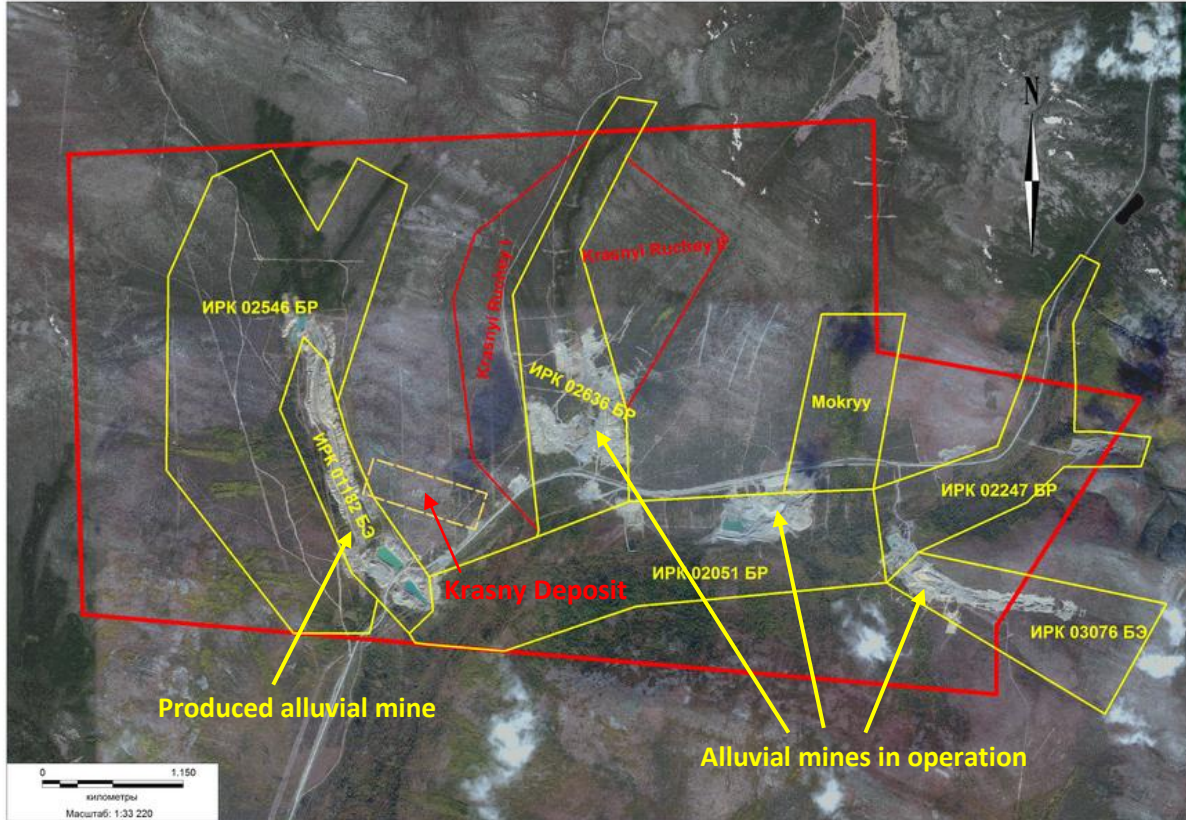


Figure 2. Map of Krasny license area

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.

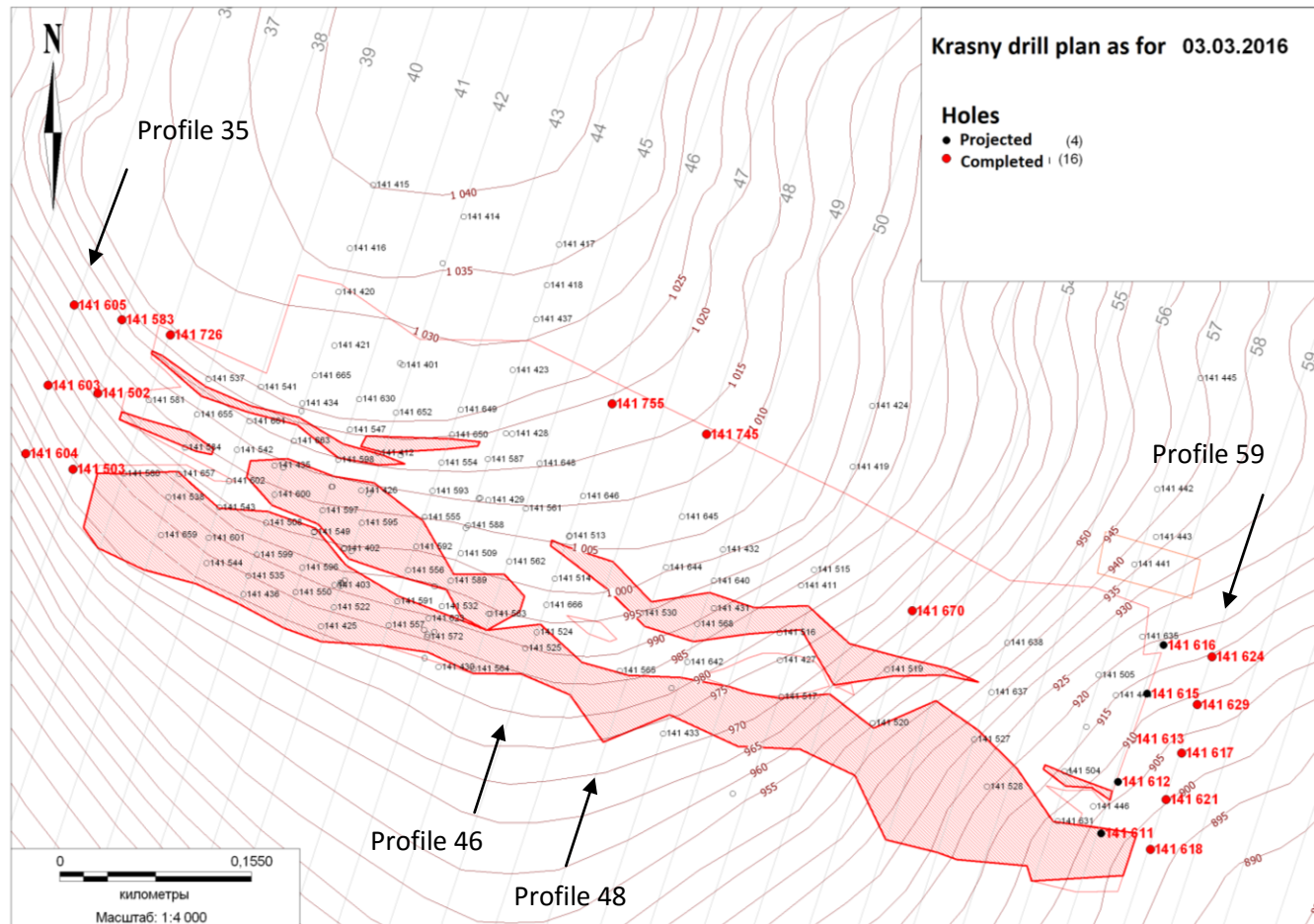


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GOLD EXPLORATION

Figure 3. Location of drill holes at the Krasny deposit following the completion of Expansion drilling program

Projections of ore bodies to the surface are marked with pink color; position of drill holes (only Expansion drilling) are marked according to the legend



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GOLD EXPLORATION

Figure 4

Geological cross sections along Profile 46 and 48 in the central part of Krasny deposit, with location of former and new drill holes, boundaries of the projected open pit and outline of gold mineralization.

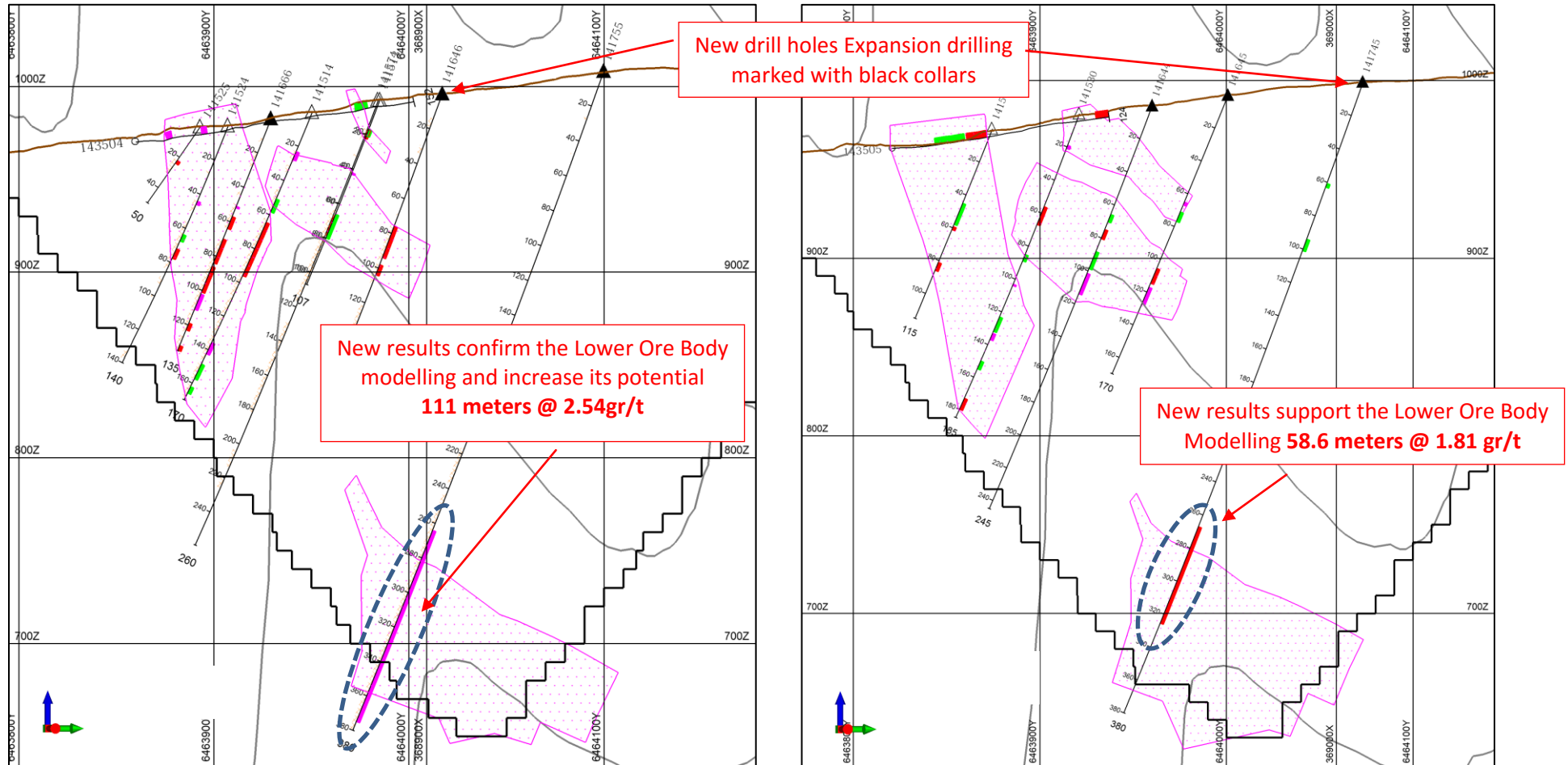


Table 1

Mineralized intervals with gold grades above cut off 0.4 grams/ton, based on Expansion drilling results

# Hole	From (m)	To (m)	Length (m)	Au, gr/t
141503	22	23	1	2,97
141503	33	37	4	0,515
141583	81	86	5	0,44
141604	19	24	5	1,094
141604	35	38	3	1,045
141605	13	16	3	0,683
141613	50	51	1	8,67
141613	62	65	3	0,737
141613	78	80	2	2,28
141617	50	52	2	1,56
141617	65	67	2	1,105
141621	36	42	6	0,42
141621	46	53	7	0,444
141624	92	93	1	7,43
141624	125	134	9	0,426
141624	136	143	7	0,527
141624	153,5	167	13,5	0,74
141629	81	83	2	1,115
141629	102	110	8	2,18
141629	128	129	1	2,03
141629	147	154	7	0,831
141755	264	375	111	2,544
141745	60,6	63	2,4	0,947
141745	94	101	7	0,656
141745	267	325,6	58,6	1,814