

## Year End report January-December 2011

*The Fourth quarter was a promising quarter for Kopy Goldfields. Eldorado Gold became the major owner and its representatives joined the Technical Committee, which is advising the Board of Directors on technical development and acquisitions. Interesting exploration results were announced for Krasnyy which led to more drilling in 2012 and extensive gold mineralisation was found on Zolotoy site which make a potential target for further exploration. Further, the company identified several targets to acquire during 2012 and on March 5, 2012, acquisitions of two new licenses of totally 232 km<sup>2</sup> were announced.*



## Highlights during fourth quarter 2011

### Krasny-license returned significant gold intersects and gold grades after 2 571 meter of core drilling. Further exploration drilling is commenced to evaluate the mineral potential

- Historical mineral resources of 653 000 Oz (C2+P1).
- 47,4 meter @ 2,51 g/t gold including 26 meters @ 4,05 g/t gold, 2 meters @5,94 g/t gold and 10 meters@2,30 g/t gold.
- The mineralisation is open in all directions.
- 2 500 meter of core drilling was commenced in February 2012.

### Kavkaz- and Kopylovskoye-cluster is ready for pre-feasibility studies

- The Kavkaz- license returned gold mineralization with intercepts of 1.0 meters @ 3.38 g/t gold, 10 meters @2.79 g/t gold and 2.8 meters @ 2.94 g/t gold.
- The mineralisation is open in all directions.
- Obrucheva- project returned a gold mineralization area with intersect of 2 meters @ 1.5 g/t gold and Uspenskoye-project returned an intersect of 2 meters@6 g/t which is part of the extension from the Kavkaz-license.
- New geophysical survey of the Vostochnaya-license, which is part of the Kopylovskoye-cluster, confirmed historic mineralisation and structures.
- Next step is to find a joint venture partner for pre-feasibility studies and production.

### Additional exploration on Zolotoy-project during 2012

- The Zolotoy- project returned a continuous zone of disseminated gold mineralization with a surface length of two kilometres along strike and a width up to 700 meter.
- 35 meters@ 0.71 g/t gold, 17.5 meters @0.71 g/t gold and 11.5 meters @ 1.05 g/t gold. 3 meter @ 3.28 g/t, 1 meter @ 1.90 g/t and 5 meter @ 1.68 g/t.
- The structure is open in all directions.

### The new Canadian shareholder Eldorado Gold provides financial stability and adds exploration and technical competence

- The Canadian gold producing company Eldorado Gold Corp paid 12 SEK per share for the additional share issue of 1.000.000 shares and became the major owner with 29% of the shares.
- Representatives of Eldorado Gold joined the Technical Committee which is advising the Board on technical development and acquisitions.

### A new Finance Director contributes with experience

- Tim Carlsson joined the company as new CFO and was previously authorized public accountant at KPMG.

Financial Information	Fourth quarter		Jan-Dec	
	2011	2010	2011	2010
Evaluation work and licenses, MSEK	12,7	10,6	36,5	43,0
Cash & cash equivalents at end of period, MSEK	20,4	0,9	20,4	0,9
Profit/loss after financial items, MSEK	-10,1	-1,9	-94,2	-13,2
Net income for the period, MSEK	-11,1	2,6	-91,5	-8,6
Net income for the period per share, SEK	-1,23	0,71	-12,65	-2,85

## Significant events after the reporting period

- Assay results received in January 2012 for 600 meter of core drilling on Krasny completed in December 2011, confirmed further mineralized zones of up to 86 meter at average gold grade 1.5 g/t included intercepts of 39.10 meter at average 2.45 g/t.
- Acquisition of two licenses which cover 232 km<sup>2</sup> and doubles the current exploration area was announced on March 5, 2012
- Peter Geijerman has resigned from the Board by voluntary resignation.

## Comments from CEO

Dear Shareholders,

Fourth quarter was a promising period for Kopy Goldfields in 2011. All our previous efforts through 2011 started to return results.

Based on the strong results from the initial drilling at Krasny-license, we proceeded with further drilling of two prospecting boreholes to get more intersections with the identified mineralized zone within the existing drill profile. Drilling was carried out in December, which is one of the most cold months during winter in Bodaibo with temperature normally below minus 30 degrees Celsius. The results are very promising. The thickness of the structure is greater than it was historically reported. With similar grades we potentially expect more resources than previously stated. We have now commenced further drilling on Krasny-license with 2 200 meters drill program.

Having become the largest shareholder in Kopy Goldfields, Eldorado Gold is getting involved and contributes a lot into the technical and corporate development. The current exploration program on Krasny and other properties was reviewed and recommended by Technical Committee before it was approved by the Board of Directors. All new acquisitions are discussed and agreed also with the Technical Committee. Eldorado Gold shares and actively supports our belief into the unique exploration potential of Lena Goldfields.

In first part of 2012 we will focus on development of our most prospective license; Krasny: drill and estimate a mineral resource. Further we will try to acquire through auctions additional areas within Lena Goldfields to become a major exploration player within the area. Kopylovskoye and Kavkaz will be ready for Joint Venture production and we will further reduce our administration costs.

Thank you very much for the faith and support of our projects.

Best regards,

Mikhail Damrin

## Kopy Goldfields creates value through prospecting and exploration in Lena Goldfields

### History of Kopy Goldfields

Kopy Goldfields AB (publ) (ticker: KOPY) is a public junior listed Swedish gold exploration company, listed on Nasdaq OMX First North, Stockholm. The Company was established in 2007 after having acquired a gold deposit, with the name Kopylovskoye. During the last four years the company has acquired eight additional licenses (whereof two announced in March 2012) and developed a portfolio of 20 exploration targets hence the company decided to change name from Kopylovskoye AB to Kopy Goldfields AB (publ). Kopy Goldfields AB is the holding company for six Russian subsidiaries: OOO Kavkaz Gold, OOO Kopylovskoye, OOO Krasny, OOO Prodolny, OOO Resurs and OOO Kopylovskoye Management and the Swedish subsidiary Kopy Development AB.

### Business concept and targets

Kopy Goldfields vision is to become a world-class exploration and production company. The company's business concept is to identify and develop bedrock gold projects located within the established area of alluvial gold mining in Lena Goldfields in Bodaibo area of Irkutsk Region in Russia from exploration into production. The long-term target is to develop 5 Moz of mineral resources and to be able to produce 0.2 Moz of gold annually.

### Operating in one of the world's most gold rich areas

Following the last acquisition of two more exploration licenses, Kopy Goldfields has identified 20 bedrock gold targets within the existing license area. During the summer season of 2011 Kopy Goldfields was focused on making assessment of exploration potential of the most interesting gold mineralization within all seven exploration licenses. All projects are located in Lena Goldfields famous for a long history of alluvial gold mining. Our exploration projects are in different development stages.

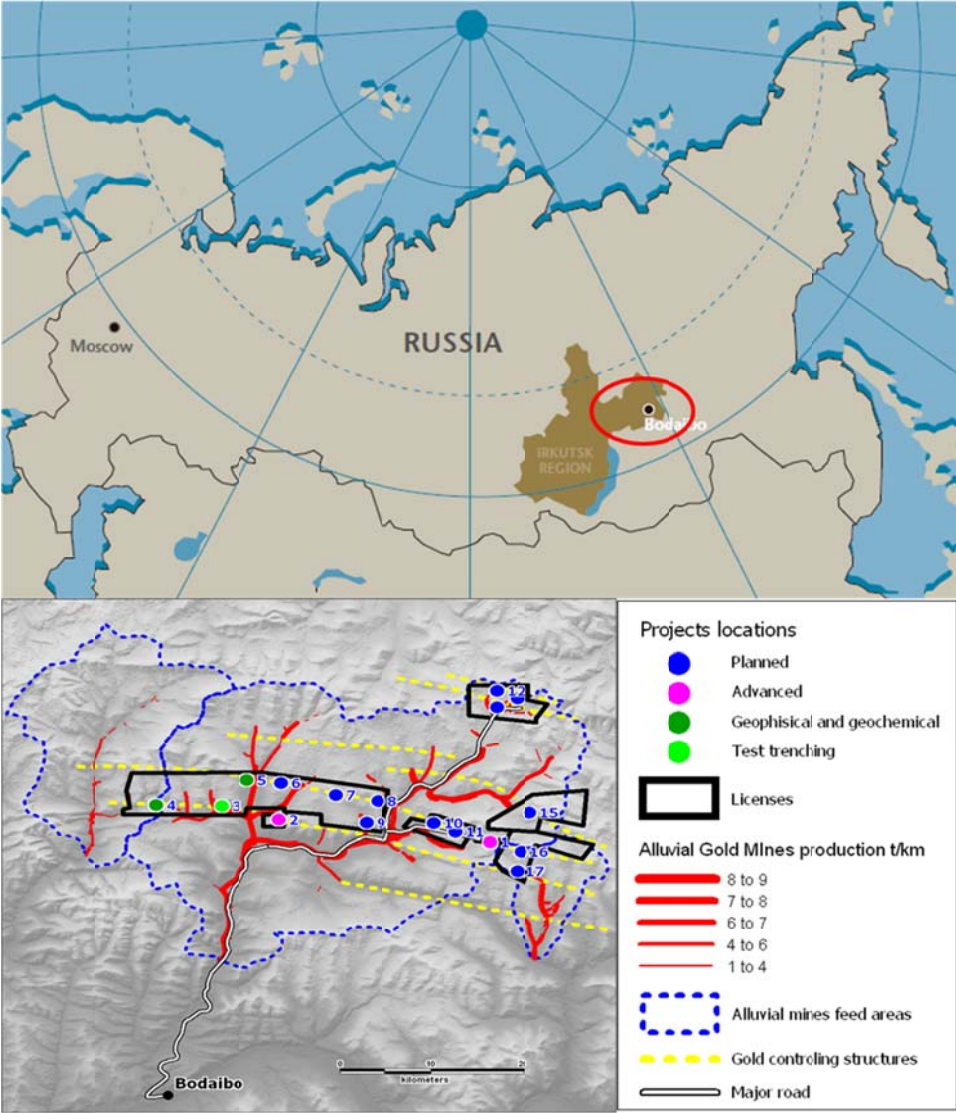
- The Krasny-license were drilled 2 571 meter in 2011. The results returned thicker intersect and similar gold grades compared to the historic mineral resource of 653 000 Oz (Russian C2 and P1 resources). 2 000+ meter of core drilling has been commenced to further evaluate the gold mineralisation.
- The Kopylovskoye-license announced a mineral resource estimation of 37 000 Oz@1.31 g/t gold Indicated resources and 80 000 Oz@1.07 g/t gold Inferred resources in accordance with the JORC Code in June 2011 signed by SRK Consulting. Kopylovskoye belongs to a cluster of similar geologically mineralizations located within two to five kilometres distance from each other within Kopylovskoye, Vostochnaya, Takhtykan and Pravovesenniy properties all belonging to Kopy Goldfields..
- Kavkaz is in the advanced exploration phase together with Zolotoy, Uspenskoye and Obrucheva mineralization within Prodolny-license, see previous press releases in Q4 2011, and has released positive results of gold mineralisation which are open in all directions.
- Takhtykan-license, Bannoye East and Bannoye mineralisation at Vostochnaya-license and Gromovsky North at Prodolny license will be evaluated for further exploration during 2012.

Exploration activities during 2011	Total	Kopy- lovskoye	Kavkaz	Krasnyy	Uspen- skoye	Zolotoy	Obru- cheva	Vosto- chnaya
Reversed Circulation drilling (meters)	6 486	4 880	948		315	343		
Diamond drilling (meters)	5 256		1 602	2 571	300	783		
Trenching (meters)	4 270				1 680	2 080	510	
Tomography (kilometers)	14	1	2	3	3	3		2
Geophysics (km <sup>2</sup> )	10			4				6
Soil sampling (km <sup>2</sup> )	3					3		

# Kopy Goldfields has a pipeline of 20 projects within 9 licenses on 486 km<sup>2</sup>

## Well developed infrastructure and trusted by local authorities

The licenses (apart from the two licenses acquired in 2012) are geographically concentrated within a 40 x 20 km large area, within 40 to 75 km distance to the area’s main town Bodaibo. The distance from the deposits to the main road is between one and ten km. From Kavkaz in the west to Takhtykan in the east the distance is only 25 km, creating a good opportunity for servicing several deposits from one processing plant. The infrastructure is well developed with water supply, electricity and federal roads to the deposits. The deposits are located approximately 100 km from Sukhoy Log (60 Moz) which is the largest undeveloped gold deposit in Russia. Artemovskiy district (Lena Goldfields) is the target exploration area with 20 Moz of historic alluvial gold production. All our subsidiaries in Russia closely follow Russian environmental and safety requirements and are on good record with local authorities.



## Outlook 2012

The company has developed a plan for 2012 together with the Technical Committee. The focus is to create value on Krasny and drill the project in two stages to be able to estimate a mineral resource. The company plans to acquire additional licenses within Lena Goldfields and prepare a Joint Venture production for Kopylovskoye and Kavkaz. The company intends to further reduce administration costs.

## Fourth quarter 2011

During the period the Company invested 12,7 MSEK (10,6) in exploration and evaluation work. Of the exploration and evaluation work 2,6 MSEK (4,6) consisted of work performed by the company for its own use and capitalised.

During the fourth quarter the Company received 12 MSEK from a second new share issue to Eldorado Gold Corp.

Operating expenses amounted to 14,4 MSEK (4,9) of which 3,9 MSEK (5,2) were personnel costs. Operating expenses include write-down of exploration licenses and evaluation work amounting to 4,3 MSEK, which is an adjustment of the incorrect reversal made in the third quarter of the same amount..

Net tax expenses amounted to -1,0 MSEK (4,5) and is related to changes in deferred tax liability.

Net income for the period amounted to -11,2 MSEK (2,6) which equals 1,23 SEK per share (0,71).

## January –December 2011

The Company has not yet started production and does therefore not report any net revenue.

During the period the Company invested 36,5 MSEK (43,0) in exploration work and acquisitions of licenses, whereof 36,4 MSEK (34,5) was exploration work and 0,1 MSEK (8,5) was acquisition of new licences. The new license was acquired on a public auction. Of the exploration work 15,0 MSEK (13,8) consisted of work performed by the company for its own use and capitalised. During the second quarter the book value of the Kopylovskoye project was written off with 74,7 MSEK to fair value based on an impairment test with the new information from new resource report . The exploration licenses and evaluation work after the write down amounts to 104,7 MSEK in the balance sheet (144,8).

Operating expenses amounted to 112,1 MSEK (24,0) of which 74,7MSEK was value adjustment of exploration licences work and 19,5 MSEK (16,0) were personnel costs.

Net tax revenue amounted to 2,7 MSEK (4,6) and is related to reduced deferred tax liability attributable to the impaired capitalized Kopylovskoye project costs. The company does not record any deferred tax assets related to tax loss carry forwards.

Net income for the period amounted to -91,5 MSEK (-8,6) which equals -12.65 SEK per share (-2,85).

During the period January – December the Russian ruble depreciated against the Swedish krona by approximately 3,5%, and the depreciation during the corresponding period last year amounted to 6,5%. Since a large portion of the Groups assets are denominated in rubles, the Company reports translation differences of -1,9 MSEK (-11,7) in the consolidated statement of comprehensive income for the period January – December.

Cash and cash equivalents amounted to 20,4 MSEK (0,9) at the end of the period.

Cash flow for the period amounted to 19,5 MSEK (4,8). During the period the proceeds from the rights issue completed in December 2010 were received. The Company received 41,9 MSEK after set off of loans and net of issue costs. In the first quarter the Company also settled the remainder of the short term loans received during the autumn 2010 from a number of the larger shareholders, directors of the board and management. The remainder of the loans that were settled amounted to 4.0 MSEK. During the third and fourth quarter the Company received totally 29 MSEK from two new rights issues to Edorado Gold Corp. The company has also received 10,2 MSEK in new long term loans from the major shareholders.

Equity amounted to 121,9 MSEK (186,5) at the end of the period which equals 13,07 SEK per share (28,14).

Equity asset ratio was 86,3% (88,8%) at the end of the period.



The average number of employees during the period was 93 (79). 35 persons were permanent employees and 58 persons were temporary employees involved in seasonal exploration work. The increase in employees during the period is due the drilling activities on Kopylovskoye and Kavkaz. Number of employees at period end was 60 (47).

### **Going concern**

Gold exploration is a capital intensive activity and as noted above the Company does not yet have any revenue. As described in the 2010 annual report and prospectuses published in 2010 the Company will require additional financing to continue the operations for the next 12-month period. The Board believe that financing primarily should be done via new share issues possibly supplemented by bridge financing. The Board has intensified the work for further financing during the first quarter 2012. Given the estimated values of the Company's licenses and probable additionally raised capital the Board's assessment is that the Company can continue on a going concern.

### **Significant events after the reporting period**

- Gold intersects within two additional drill holes on Krasnyy was reported with mineralized zones of up to 86 meter at average gold grade 1.5 g/t included intercepts of 39.10 meter at average 2.45 g/t and 7 meter at average 5.2 g/t. This was the second part of the drilling campaign on Krasnyy.
- 2 200 meter of additional drilling was commenced early February 2012 on Krasnyy.
- On March 5, 2012, the Acquisition of two licenses of total 232 km<sup>2</sup> was announced.

### **The Parent Company**

Total assets at period end amounted to 239,2 MSEK (293,1). Cash and cash equivalents amounted to 19,6 MSEK (0,6). Net income for the period amounted to -80,5 MSEK (-5,0). After the write-down of the Kopylovskoye-project made on Group level, a corresponding write-down has been done in the Parent Company of loans to subsidiaries and shares in subsidiaries amounting to 45,5 MSEK and 27,2 MSEK respectively,

### **Dividend**

The Board will propose to the Annual General Meeting on May 3, 2012 that no dividend is paid.

### **Risks and uncertainties**

A detailed description of the Company's risks is included in the 2010 annual report of Kopy Goldfields. There have not been any significant changes in significant risks and uncertainties during the period. The risks include, among others, geological risks, risks related to the deposits, supplier and contractor delivery risk, impairment test risks, gold price risks, currency exchange risk and political risks,

This report has not been reviewed by the Company's auditors.

Stockholm March 28, 2012  
Kopy Goldfields AB (publ)

The Board of Directors

## Upcoming financial reporting

May 16, 2012  
August 24, 2012

Quarterly report Jan-March 2012  
Half-year report

## Annual Report

The 2011 Annual Report will be published on the webpage [www.kopygoldfields.com](http://www.kopygoldfields.com) on April 11, 2012.

## Annual General Meeting

The Annual General Meeting is planned to be held on May 3, 2012 at 3 pm in the Company's Head office at Skeppargatan 27, 4<sup>th</sup> floor in Stockholm.

## For more information, please contact:

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Ticker codes:

KOPY (Nasdaq OMX First North)

## Publication under Swedish law

Kopy Goldfields AB (publ) is publishing this information in accordance with the Swedish Financial Markets Act (Sw. Lag om värdepappersmarknaden) and/or the Swedish Financial Trading Act (Sw. Lag om handel med finansiella instrument). This information was released for publication on March 28, 2012 at 08.45 CET.

Kopy Goldfields is since June 3, 2011, applying the internationally accepted JORC code to verify the mineral resources and ore reserves. SRK Consulting acts as consultant and will approve the mineral resources according to the JORC Code. Kopy Goldfields AB applies International Financial Reporting Standards (IFRS), as approved by the European Union. Mangold Fondkommission acts as Certified Adviser.

This interim report and additional information are available on [www.kopygoldfields.com](http://www.kopygoldfields.com)

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This report is an in-house translation of the original in Swedish

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## Condensed Consolidated Income Statement

KSEK	Oct-Dec		Jan-Dec	
	2011	2010	2011	2010
Net turnover	0	0	0	0
Other revenue	1 691	189	3 236	433
<b>Total revenue</b>	<b>1 691</b>	<b>189</b>	<b>3 236</b>	<b>433</b>
Work performed by the company for its own use and capitalized	2 636	3 362	15 049	12 582
Other external costs	-6 261	361	-17 865	-8 046
Personnel costs	-3 873	-5 235	-19 504	-15 962
Depreciation and write-downs of intangible and fixed assets	-4 298	-2	-74 714	-5
<b>Total operating expenses</b>	<b>-14 432</b>	<b>-4 876</b>	<b>-112 083</b>	<b>-24 013</b>
<b>Operating result</b>	<b>-10 105</b>	<b>-1 325</b>	<b>-93 798</b>	<b>-10 998</b>
Financial items	-21	-590	-401	-2 217
<b>Result after financial items</b>	<b>-10 126</b>	<b>-1 915</b>	<b>-94 199</b>	<b>-13 215</b>
Tax	-1 026	4 536	2 654	4 605
<b>NET INCOME FOR THE PERIOD</b>	<b>-11 152</b>	<b>2 621</b>	<b>-91 545</b>	<b>-8 610</b>
<i>Earnings per share before and after dilution</i>	<b>-1,23</b>	<b>0,71</b>	<b>-12,65</b>	<b>-2,85</b>
<i>Average number of shares before and after dilution*</i>	<b>9 040 236</b>	<b>3 686 633</b>	<b>7 235 292</b>	<b>3 024 366</b>
<i>Number of shares at the end of the period</i>	<b>9 327 193</b>	<b>6 626 937</b>	<b>9 327 193</b>	<b>6 626 937</b>

\*The calculation of average number of shares and shares number of shares at the end of the period have taken the reverse splits that were completed in August 2010 into account.

## Consolidated Statement of Comprehensive Income

KSEK	Oct-Dec		Jan-Dec	
	2011	2010	2011	2010
Net income for the period	-11 152	2 621	-91 545	-8 610
<i>Other comprehensive income</i>				
Exchange differences	6 611	228	-1 920	-11 683
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-4 541</b>	<b>2 849</b>	<b>-93 465</b>	<b>-20 293</b>

## Condensed Consolidated Balance Sheet

KSEK	Note	2011	2010
		Dec 31	Dec 31
<b>ASSETS</b>			
Non-current assets			
<i>Intangible fixed assets</i>			
Exploration licenses and evaluation work		104 700	144 839
<i>Tangible fixed assets</i>			
Buildings and Machinery and equipment		9 015	6 182
<b>Total non-current assets</b>		<b>113 715</b>	<b>151 021</b>
<i>Current assets</i>			
Inventory		1 776	715
Receivables	5	5 392	57 303
Cash & cash equivalents		20 386	916
<b>Total current assets</b>		<b>27 554</b>	<b>58 934</b>
<b>TOTAL ASSETS</b>		<b>141 269</b>	<b>209 955</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	6, 7	<b>121 926</b>	<b>186 469</b>
<b>Total non-current liabilities</b>		<b>12 096</b>	<b>5 393</b>
<b>Total current liabilities</b>		<b>7 247</b>	<b>18 093</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>141 269</b>	<b>209 955</b>

## Condensed Consolidated Cash Flow Statement

KSEK	Note	2011	2010
		Jan-Dec	Jan-Dec
<b>Cash flow from operating activities</b>		<b>-25 363</b>	<b>-9 064</b>
<b>Cash flow from investing activities</b>		<b>-38 010</b>	<b>-47 996</b>
<b>Cash flow from financing activities</b>		<b>82 855</b>	<b>52 293</b>
<b>Cash flow for the period</b>	5, 6	<b>19 482</b>	<b>-4 767</b>
Cash at the beginning of the period		916	5 702
Exchange differences on cash		-12	-19
Cash at the end of the period		20 386	916

## Condensed Consolidated Statement of Changes in Equity

KSEK	Note	2011	2010
		Jan-Dec	Jan-Dec
<b>Equity at the beginning of the period</b>		<b>186 469</b>	<b>105 510</b>
Share issue		29 006	47 889
Not yet registered share issue		-64 797	64 797
Registration share issue	6	64 797	-
Issue costs		-522	-11 434
Warrants	7	438	-
Net income for the period		-91 545	-8 610
Other comprehensive income for the period		-1 920	-11 683
<b>Equity at the end of the period</b>		<b>121 926</b>	<b>186 469</b>

## Parent Company Condensed Income Statement

KSEK	Oct-Dec		Jan-Dec	
	2011	2010	2011	2010
Revenue	660	1 420	3 183	3 043
Operating expenses	-2 666	-2 881	-12 650	-9 214
<b>Operating result</b>	<b>-2 006</b>	<b>-1 461</b>	<b>-9 467</b>	<b>-6 171</b>
Financial items	-26 643	238	-70 987	1 196
<b>Result after financial items</b>	<b>-28 649</b>	<b>-1 223</b>	<b>-80 454</b>	<b>-4 975</b>
Tax	0	0	0	0
<b>NET INCOME FOR THE PERIOD</b>	<b>-28 649</b>	<b>-1 223</b>	<b>-80 454</b>	<b>-4 975</b>

## Parent Company Condensed Balance Sheet

KSEK	Note	2011	2010
		Dec 31	Dec 31
<b>ASSETS</b>			
<i>Financial fixed assets</i>			
Shares in group companies		210 733	195 707
Receivables, group companies		2 282	44 262
<b>Total non-current assets</b>		<b>213 015</b>	<b>239 969</b>
<i>Current assets</i>			
Receivables	5	6 607	52 520
Cash & cash equivalents		19 626	646
<b>Total current assets</b>		<b>26 233</b>	<b>53 166</b>
<b>TOTAL ASSETS</b>		<b>239 248</b>	<b>293 135</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	6, 7	<b>226 896</b>	<b>278 797</b>
<b>Total non-current liabilities</b>		<b>10 230</b>	<b>-</b>
<b>Total current liabilities</b>		<b>2 122</b>	<b>14 338</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>239 248</b>	<b>293 135</b>

## Notes

### **Note 1 Information about the Company**

Kopy Goldfields AB (publ), corporate identity number 556723-6335, with registered office in Stockholm, Sweden, is a public company listed on Nasdaq OMX First North. The Company's and its subsidiaries' operations are described in the "Kopy Goldfields creates value through prospecting and exploration in Lena Goldfields" section in this report.

### **Note 2 Accounting principles**

The interim report for the period ended December 31, 2011 has been prepared in accordance with IAS 34 and the Swedish Annual Reports Act (*Sw. Årsredovisningslagen*). The interim consolidated financial statements have been prepared, consistently with the 2010 consolidated financial statements, in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and by the Swedish Annual Reports Act. The parent company's financial statements have been prepared in accordance with the Swedish Annual Reports Act and the recommendations "RFR 2 on Financial Reporting for Legal Entities" issued by the Swedish Financial Reporting Board (*Sw. Rådet för finansiell rapportering*).

The same accounting principles have been applied during the period as were applied during the financial year 2010 and in the way they were described in the 2010 annual report. A number of new amendments to the IFRS and interpretations by the International Financial Reporting Interpretations Committee (IFRIC) went into effect on January 1, 2011. None of the changes that have gone into effect have had any significant effect on Kopy Goldfields financial reports.

The interim report does not contain the entirety of the information that appears in the annual report and, accordingly, the interim report should be read in conjunction with the 2010 annual report.

### **Note 3 Segment reporting**

The Company applies IFRS 8 for segment reporting. All of the exploration activity within Kopy Goldfields is exposed to similar risks and possibilities and is performed within Russia. The Company's operations constitute one segment and segment information is therefore not disclosed.

### **Note 4 Related party transactions**

In January 2011 the Company repaid short term loans of 4 MSEK that had been received during the autumn 2010 from major shareholders, directors of the board and management. Long-term loan commitments of 12.7 MSEK were approved with major shareholders in August 2011 to secure further financing with 7 % interest rate and two years duration. The loans received amount to 10,2 MSEK since the Company has decided not to ask for the remaining 2,5 MSEK from Commodity Quest.

### **Note 5 Receivables**

The proceeds from the rights issue completed in December 2010, which were reported as current receivables, were received in the January 2011. The Company received net 41.9 MSEK after set off of loans and net of issue costs.

### **Note 6 Registration of share issue**

The rights issue completed in December 2010 was registered with the Swedish Companies Registration Office in the beginning of 2011.

### **Note 7 Warrants**

The Extra General Meeting on July 27, 2011 approved a long-term incentive program for key personnel within the company through issuance of warrants. The warrants were issued to the subsidiary Kopy Development from which the participants bought the warrants to market value. The exercise date is October 15, 2013 and strike price is 7,10 SEK. Each warrant entitles the subscriber to subscribe for one share in the Company, which means that the share capital can be increased by 1 626 148,74 SEK at maximum.

### **Note 8 Contingent liabilities**

The Company has no Contingent liabilities on the balance day. The dispute with a former consultant as described in the annual report 2010 was solved during the second quarter.