



# Year-End Report 2020

25 March 2021

KOPY GOLDFIELDS

# Today's presenters



Mikhail Damrin  
CEO



Tim Carlsson  
CFO, Vice President

## 2020 was truly a “game changer” 1(2)

- ▶ Reverse takeover of Amur Zoloto was announced in May and completed in September followed by a successful integration of the two companies. It transformed Kopy from a junior exploration company to a mid-size, seasoned gold producer
- ▶ Gold production increased despite Covid-19
- ▶ Announcement of long-term production target of >100 koz of gold and gold equivalent by 2025
- ▶ New unsecured finance facility of TRUB 3,125,000 (TUSD 42,301) for funding the investment program

| TUSD                 | 2020   | 2019   | Change |
|----------------------|--------|--------|--------|
| Gold production, koz | 53.11  | 52.26  | +2%    |
| Revenue              | 98,841 | 70,114 | +41%   |
| EBITDA               | 45,620 | 27,310 | +67%   |
| Profit before tax    | 24,728 | 11,719 | +111%  |
| Debt/EBITDA          | 0.92   | 1.60   | -42%   |



## 2020 was truly a “game changer” 2(2)

- ▶ New estimation of Mineral Resources and Reserves corresponding to a 32% increase of Resources since 2019
- ▶ The Krasny project near feasibility stage, will be our priority exploration target during 2021
- ▶ Construction and development activities started for the production growth projects: Yubileyniy capacity increase to 250 ktpa, Perevalnoe Heap Leach and Maluytka Heap Leach



## KOPY GOLDFIELDS AT A GLANCE

# Locations

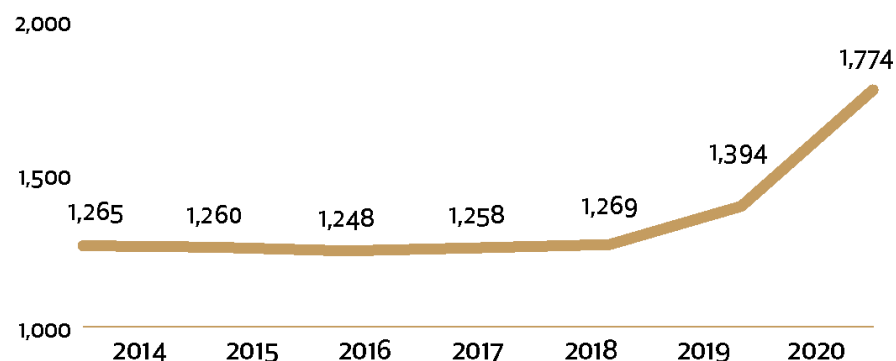


- ▶ Kopy Goldfields is a leading Swedish mid-cap gold exploration and production company operating in Russia
- ▶ Proven track record of successful gold exploration with active gold production since 1970s (longest operational history among peers!)
- ▶ Assets include multiple exploration projects, one pre-development and one development project, four producing mines and two processing plants
- ▶ Listed on Nasdaq First North Growth Market Stockholm since 2010. 5,500 shareholders

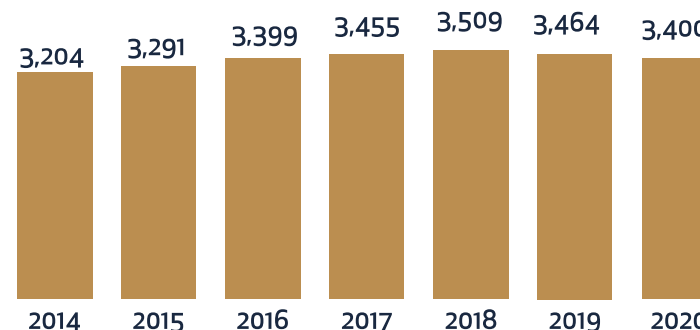
# Gold price at a multi-year high

- ▶ Average gold price in 2020 was 27% higher than in 2019
- ▶ With peak in 2018 of 3,509 tons of gold, worldwide gold mining output has fallen by 3% during 2019 and 2020 to 3,400 tons. This trend will continue as lack of exploration activities in the 2010s resulted in both fewer new discoveries and fewer new mines started which will further lead to disbalances between demand and supply

Average gold price (USD/OZ)



Worldwide gold mining output (million tonnes)



The price on March 24  
was  
**1,731 USD/oz**

KOPY GOLDFIELDS



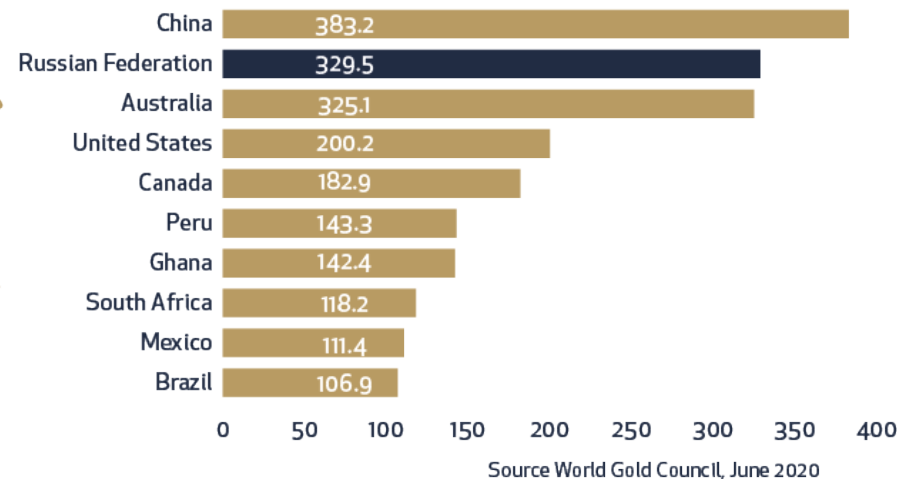
# One of the most attractive regions for gold

The weak RUB/USD rate (-19.3% in 2020) is another favorable macroeconomic factor for Kopy Goldfields, as the Company's cost base is denominated in RUB.

RUB-USD FX rates 2014-2021



Top 10 Gold Producing Countries in 2019



## Why Russia – 8 reasons

- Gold rich with great exploration potential
- Support of local authorities
- Talented, skilled human resources
- Low taxes and favorable tax legislation, incl. tax benefits for mining project in Siberia and Far East
- Straight-forward permit process
- Low production costs
- Favorable currency conditions
- Established market infrastructure

# Strategies for efficient and continuous growth

## MERGERS & ACQUISITION

constantly reviewing arising M&A opportunities

## DISCIPLINED CAPITAL ALLOCATION

investment options with the best possible risk-adjusted return on capital, a selective CAPEX allocation while maintaining a solid balance sheet

## SOLID GOVERNANCE MODEL

ensuring successful value creation for all stakeholders, putting safety first

## UNIQUE QUALITY ASSET BASE

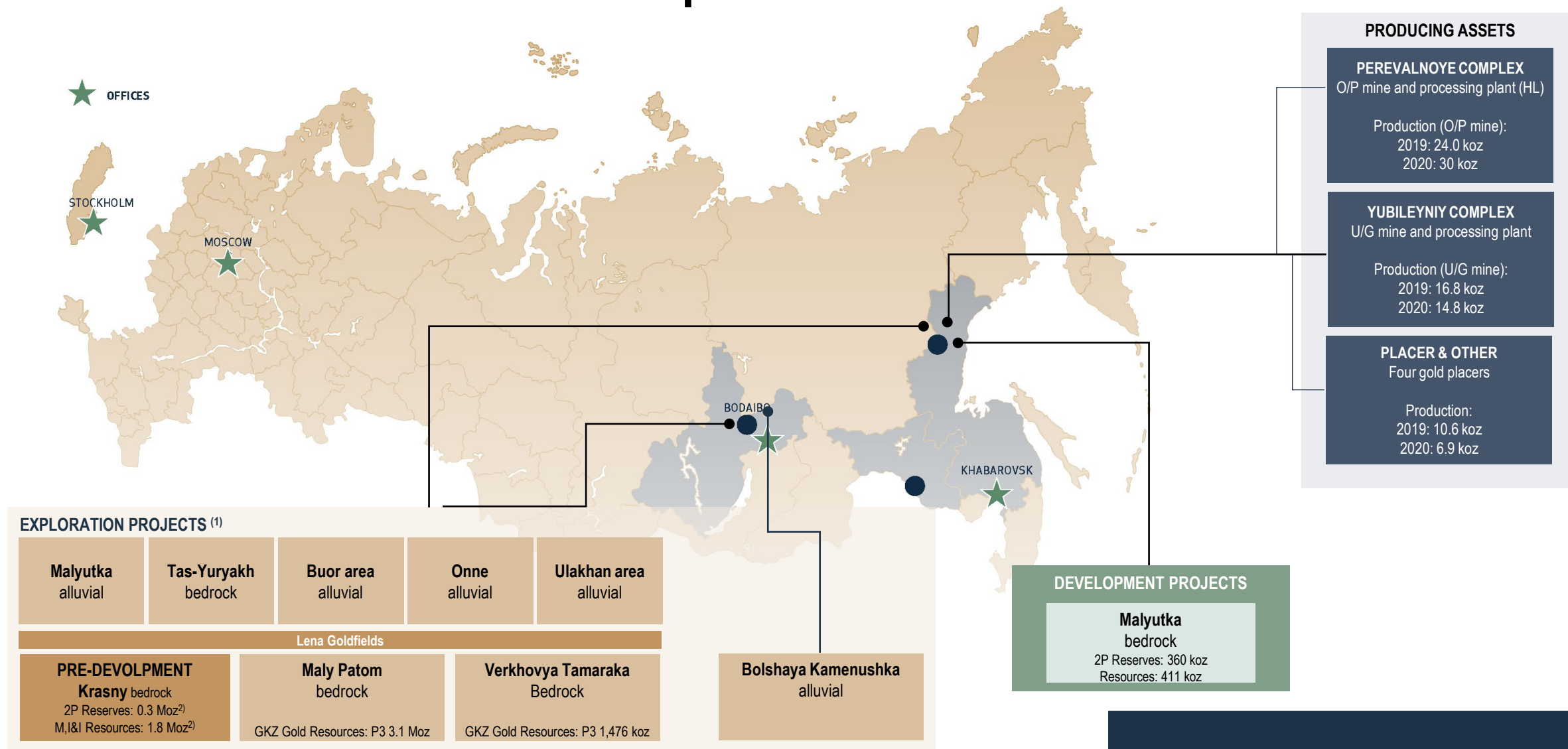
with projects at every stage of reserves development

## OPERATIONAL EXCELLENCE

A collective body of experience that is unique in a highly complex industry (40+ years)



# KOPY GOLDFIELDS – Assets portfolio overview



KOPY GOLDFIELDS

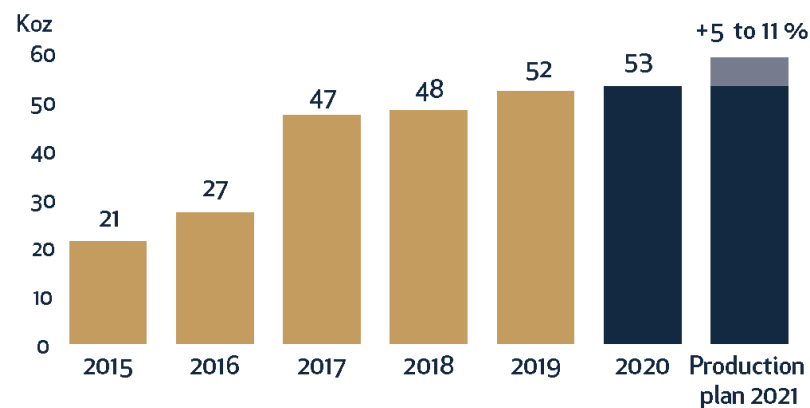
1) Selected exploration projects  
2) Kopy Goldfields owns 49%, figures show 100%

# Production

## Kopy Goldfields has four producing mines

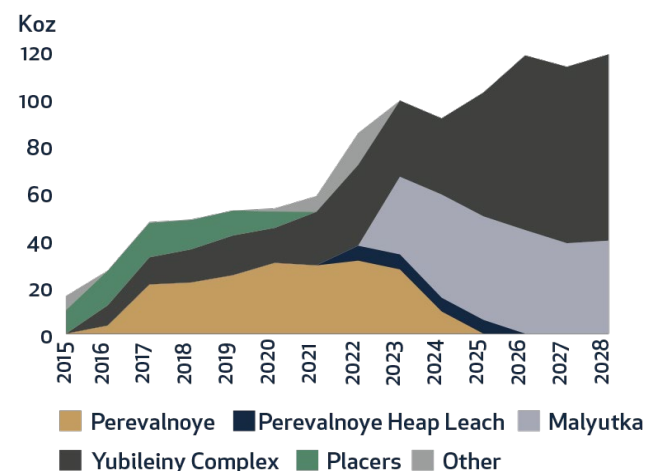
- ▶ 2 hard rock mines, Krasivoye in Yubileyniy underground mine and Perevalnoye open pit
- ▶ 2 operating alluvial mines, placers in Buor-Sala and Kagkan-Chudny
- ▶ 2 processing plants

### Total gold and gold equivalent production



Gold equivalent includes silver production recalculated into gold based on the relation between gold and silver prices

### Production outlook, gold and gold equivalent



Attractive growth and exploration potential in our robust asset portfolio

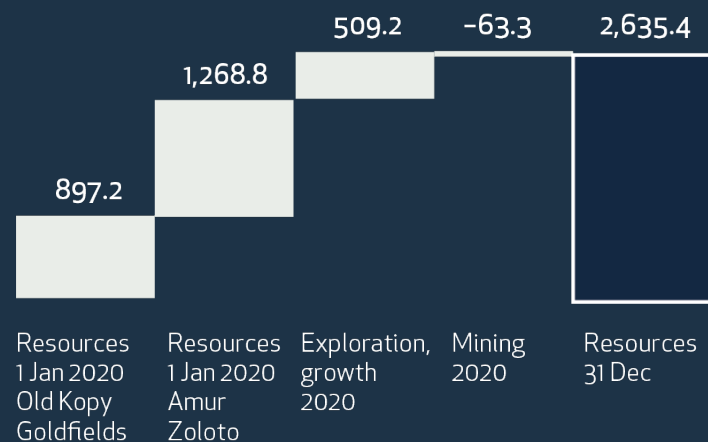
Production target  
**>100** koz of gold  
by **2025**

**KOPY GOLDFIELDS**

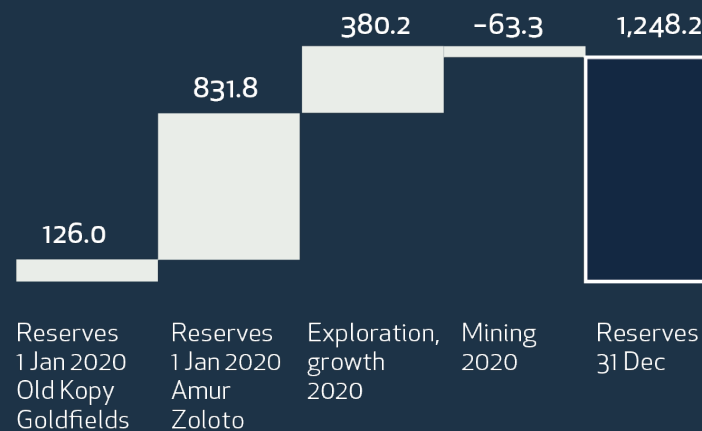
# Resources and reserves

- ▶ New estimation of Mineral Resources and Reserves corresponding to a 32% increase in Resources since 2019
- ▶ Exploration activities are on-going with a target to update resources and reserves by the end of 2021

Development of resources 2020, koz



Development of reserves 2020, koz

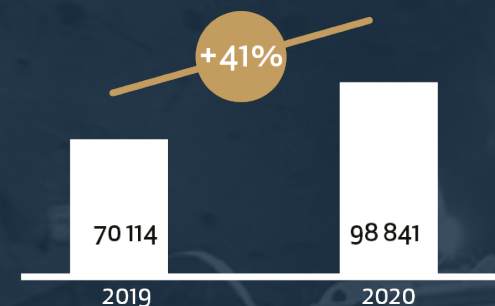




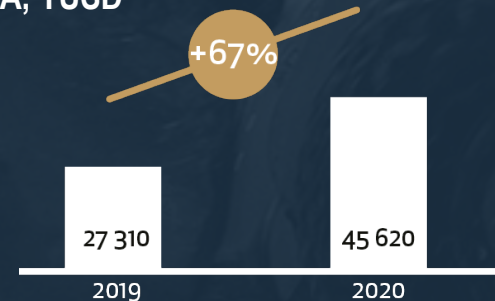
# Summary of financial information

|  | Jul-Dec<br>2020 | Jul- Dec<br>2019 | Change | Jan-Dec<br>2020 | Jan-Dec<br>2019 | Change |
|--|-----------------|------------------|--------|-----------------|-----------------|--------|
| Gold production (GE), koz                              | 29.0            | 26.3             | +10%   | 53.1            | 52.3            | +2%    |
| Gold sales, koz  | 28.9            | 26.1             | +11%   | 55.4            | 48.7            | +14%   |
| Average realized gold price, USD/oz                    | 1 878           | 1 495            | +26%   | 1 773           | 1 400           | +27%   |
| Total Cash Costs (TCC), USD/oz                         |                 |                  |        | 836             | 738             | +13%   |
| All-in-sustaining costs (AISC), USD/oz                 |                 |                  |        | 1 096           | 1 050           | +4%    |
| Revenue, TUSD  | 54 606          | 40 215           | +36%   | 98 841          | 70 114          | +41%   |
| Gross profit, TUSD                                     | 21 095          | 12 291           | +72%   | 40 973          | 23 298          | +76%   |
| EBITDA, TUSD   | 27 815          | 15 392           | +81%   | 45 620          | 27 310          | +67%   |
| EBITDA margin, %                                       | 51%             | 38%              |        | 46%             | 39%             |        |
| Profit for the period (after tax), TUSD                | 9 429           | 4 662            | +102%  | 19 153          | 9 160           | +109%  |
| Earnings per share, USD                                | 0.01            | 0.01             |        | 0.02            | 0.01            |        |
| Equity per share, USD                                  | 0.11            | 0.07             |        | 0.11            | 0.07            |        |
| Cash & cash equivalents at the end of the period, TUSD | 10 388          | 396              |        | 10 388          | 396             |        |
| Gold in stock ready for sale, TUSD                     | 4 918           | 7 614            |        | 4 918           | 7 614           |        |
| Net Debt, TUSD   | 41 938          | 43 619           |        | 41 938          | 43 619          |        |
| Net debt/ EBITDA, x                                    | 0.92            | 1.60             |        | 0.92            | 1.60            |        |

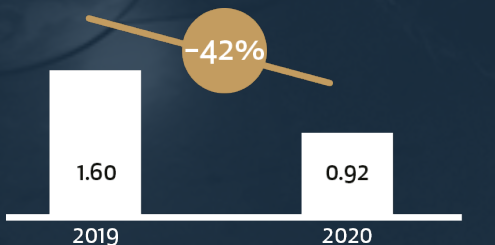
Revenues, TUSD



EBITDA, TUSD



Net Debt/EBITDA,x



2021

## Ambitious agenda ahead

- ▶ Financial performance, solid balance sheet, debt availability support organic growth plans to develop significant gold asset base
- ▶ On track towards 2025 production target of +100 koz, 2021 guidance 56-59 koz
- ▶ Total CAPEX until 2025 is estimated at 130 MUSD, out of which 55 MUSD will be invested in 2021
- ▶ Production expansion initiated at existing mines, with expected increase in gold produced in 2021
- ▶ ESG framework development and implementation initiated
- ▶ Kopy Goldfields is preparing for Main Market listing on Nasdaq Stockholm, pre-listing review started



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Q&A

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