

Koza Altın İşletmeleri A.S. (Koza Gold)

Full Year 2018 Production and Updates Total Gold Reserves to 2.4 Moz

Koza Gold is pleased to announce full year gold production of 263,435 Oz for 2018 and provides an update of the company's Ore Reserves and Mineral Resources as at 31 December 2018.

As shown in Table 1, the year-end Ore Reserves are equal to **2.4** million ounces of gold (comprising Proven reserves of **1.1** million ounces of gold and Probable reserves of **1.3** million ounces of gold).

The primary reason for the decrease in the year-end 2018 resources and reserves is the removal of the Sogut projects due to ongoing litigation concerning the contract between the former owner of the license and Koza Gold. At this time, the license is still held by Koza Gold pending a decision of the Supreme Court. However, in the interest of full disclosure, the Sogut resources and reserves were removed from the tabulations contained herein.

Table 1: Koza Gold's Ore Reserves as at 31 December 2018

Proven					Probable					Total				
kt	Au g/t	Ag g/t	Au Koz	Ag Koz	kt	Au g/t	Ag g/t	Au Koz	Ag Koz	kt	Au g/t	Ag g/t	Au Koz	Ag Koz
12,526	2.72	1.1	1,094	441	34,756	1.18	1.1	1,317	1,260	47,283	1.59	1.1	2,411	1,701

Notes:

- 1) JORC (2012) definitions were followed for Ore Reserves.
- 2) Ore Reserves audited by SRK Consulting (US) Inc.
- 3) Ore Reserves include stockpiles and are based on Measured and Indicated Mineral Resources.
- 4) Metal price assumption for Ore Reserves was US\$1,200/oz Au.
- 5) The exchange rate used for financial analysis was TL:USD of 7:1.
- 6) Tonnage and grade measurements are in metric units. Contained gold is reported as troy ounces.
- 7) Summation errors may be present due to rounding.

As shown in Table 2, the year-end Measured and Indicated resources are equal to **3.5** million ounces of gold (comprising Measured resources of **1.7** million ounces of gold and Indicated resources of **1.8** million ounces of gold). The year-end Inferred resource is **5.1** million ounces.

Table 2: Koza Gold's Mineral Resources, Including Ore Reserves, as at 31 December 2018

Measured					Indicated					Inferred				
Kt	Au g/t	Ag g/t	Au Koz	Ag Koz	Kt	Au g/t	Ag g/t	Au Koz	Ag Koz	Kt	Au g/t	Ag g/t	Au Koz	Ag Koz
14,985	3.56	1.5	1,714	732	43,965	1.26	1.3	1,787	1,851	148,075	1.06	0.7	5,066	3,255

Notes:

- 1) JORC (2012) definitions were followed for Mineral Resources.
- 2) Mineral Resources audited by SRK Consulting (US) Inc.
- 3) Mineral Resources include stockpiles and are reported inclusive of Ore Reserves.
- 4) Metal price assumption for Mineral Resources was US\$1,300/oz Au.
- 5) Tonnage and grade measurements are in metric units. Contained gold is reported as troy ounces.
- 6) Summation errors may be present due to rounding.

The estimates of Ore Reserves and Mineral Resources have been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 (JORC Code) and have been independently reviewed by SRK Consulting (US) Inc. Table 3 summarizes Koza Gold's Ore Reserve and Mineral Resources for 2017 and 2018. The 2018 Ore Reserves have

decreased by approximately 1.8 million gold ounces compared to the 2017 Ore Reserves. The year-end 2018 Ore Reserves plus the 2018 mined gold ounces represents a change of about -36% compared to the year-end 2017 Ore Reserve.

Table 3: Comparison of Koza Gold's Reserves and Resources for 2017 vs. 2018

	2017 (M oz)	2018 (M oz)	2018 Mined Gold Ounces (M oz)	Adj. Change (%)
Proven and Probable Reserves	4.2	2.4	0.28	-36%
Total Resources (incl. Reserves)	12.2	8.6	0.28	-27%

Between December 2017 and December 2018, Koza Gold drilled 58,167 meters of core from the surface, the results of which were analysed by ALS Chemex Laboratory. Koza Gold also carried on its drilling programme at its underground mines and drilled a total of 26,788 meters in 2018.

Koza Gold's historic Ore Reserves are presented in Table 4.

Table 4: Koza Gold's Historic Ore Reserves

(M oz Gold)	2008	Sep- 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
P&P Reserves	1.5	1.9	2.1	2.3	3.7	3.5	4.2	4	3.7	4.2	2.4

About Koza Gold

Koza Altin Isletmeleri A.S. (Koza Gold) engages in exploring and operating open pit and underground gold mines. The company has operational mines located at Ovacik (Bergama-Izmir), Cukuralan (Bergama-Izmir), Mastra (Mastra-Gümüşhane), Kaymaz (Kaymaz-Eskisehir) and Himmetdede (Himmetdede-Kayseri) all in Turkey. It sells unprocessed bullion comprising gold and silver to gold refineries located in Turkey. The company is headquartered in Ankara, Turkey and is listed on the Istanbul Stock Exchange. (KOZAL:Istanbul).

The information disclosed herein covers 12 project areas of Koza Gold. The company holds 195 licensed areas throughout Turkey.