

**AURIANT**  
MINING

**3 months 2015 Interim Results**  
**Analyst Web Conference**  
**1 June 2015**

# Disclaimer

Statements and assumptions made in this Presentation with respect to Auriant Mining AB's ("Auriant") current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of Auriant. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", "strategy", "forecast" and similar expressions. These statements reflect Auriant's management's expectations and assumptions in light of currently available information. In the light of the many risks and uncertainties surrounding any gold production and exploration company at an early stage of its development, the actual results could differ materially from those presented and forecasted in this Presentation. Auriant do not assume any unconditional obligation to update any such statements and/or forecasts immediately.

# Auriant Mining overview

## General information

**Auriant Mining AB** is a Swedish junior mining company focused on gold production in Russia

Auriant Mining AB is one of **only a few publicly listed junior** mining companies in Russia

Gold Reserves – ~**1.3 Moz** according to Russian C1+C2 categories

**2012** production – **642 kg (20,640 oz)**

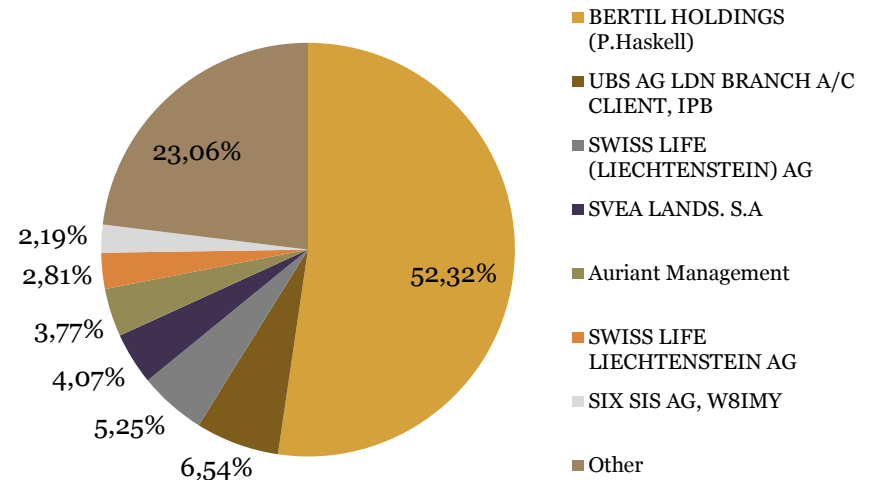
**2013** production – **1,142 kg (36,716 oz)**

**2014** production – **1,079 kg (34,691 oz)**

Headquartered in **Stockholm, Sweden**

Auriant Mining is listed on **NASDAQ OMX First North Premier**

## Shareholder structure at the end of 2014

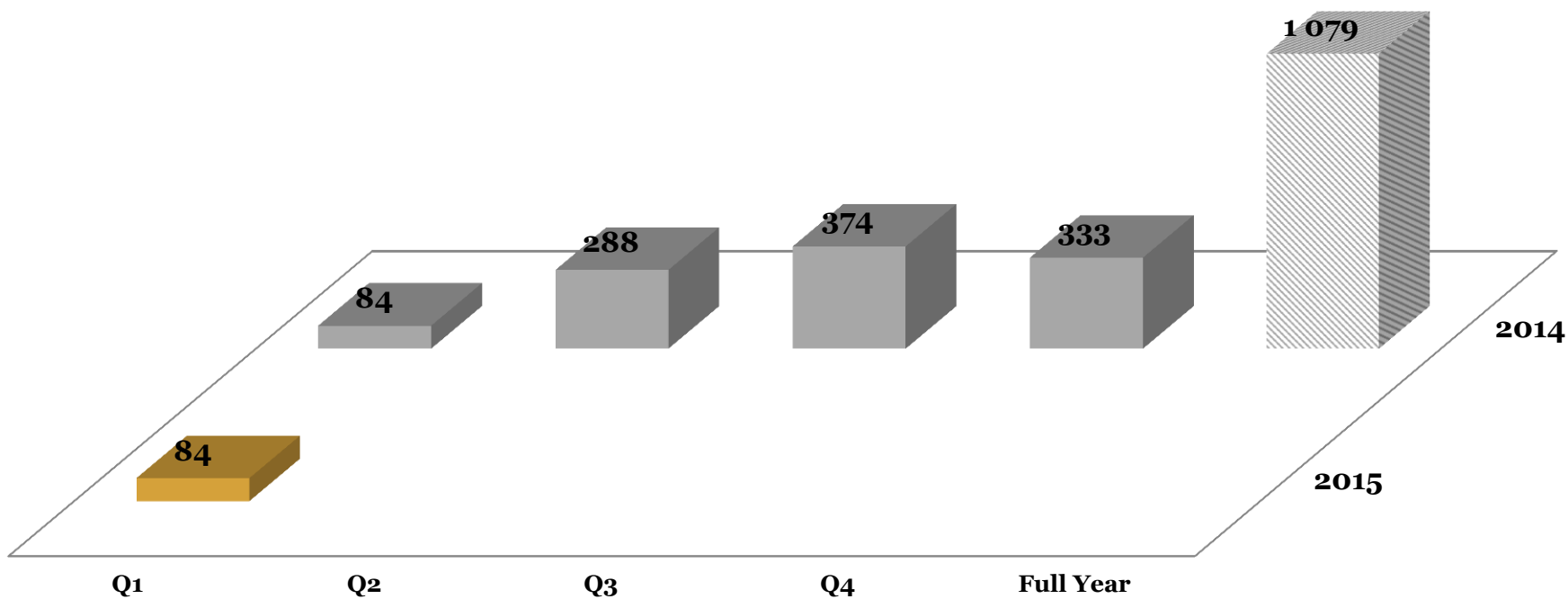


## Management shareholding

- As of March 31, 2015 Auriant Mining management holds **670 934 shares – 3.8% of total**
- Total amount of options holds by company's management is **1,221,768**
- Total management shareholding on a fully diluted basis - **9.95%**

# Quarterly production

*kg*



# Q1 2015

## Key Performance Indicators

### Tardan

Key highlights	Q1 2015	Q1 2014	Change	Change, %
Stripping, 000'm3	803	459	344	75%
Ore mined 000't	80	45	35	79%
Ore heap leach stacked, 000't	12	5	7	153%
Tailings heap leach stacked, 000't	-	-	-	-
Ore grade, g/t	1.84	1.85	0	0%
Gold produced through heap leach, kg	66	74	-8	-11%
Ore processed through gravitational plant, 000't	9	-		
Ore grade, g/t	5.1	-		
Gold produced through gravitational plant, kg	15	-		
<b>Total Gold produced, kg</b>	<b>81</b>	<b>74</b>	<b>7</b>	<b>9%</b>
<b>Total Gold produced, Oz</b>	<b>2,591</b>	<b>2,379</b>	<b>212</b>	<b>9%</b>
Gold Sales, kg	101	83	18	21%
Gold Sales, oz	3,241	2,674	567	21%
Gold Sales, th'USD	3,951	3,434	517	15%
Price realised (net of comission)	1,219	1,284	-65	-5%
<b>Total cash cost per oz</b>	<b>1,033</b>	<b>1,857</b>	<b>-824</b>	<b>-44%</b>

**Total gold production in the first quarter was 84 kg (2,699 oz) including Solcocon – which was the same as in Q1 2014: 84 kg (2,690 oz).**

**The majority of our costs are denominated in roubles and revenue is denominated in US dollars, the rouble devaluation as well as cost efficiency programmes resulted in a significant reduction of our cash costs in US\$.**

# Q1 2015 Income Statement

	Q1 2015	Q1 2014	Change	Change %
	US\$ 000	US\$ 000	US\$ 000	%
Revenue, including:	4,464	3,981	483	12%
<i>Revenue from gold sales</i>	4,164	3,981	183	5%
<i>Revenue from management services</i>	300	-	300	100%
Cost of sales	(3,978)	(7,579)	3,601	-48%
Gross profit	<b>486</b>	<b>(3,598)</b>	<b>4,084</b>	<b>-114%</b>
General and administrative expenses	(792)	(1,379)	587	-43%
Other operating income	87	193	(106)	-55%
Other operating expenses	(245)	(294)	49	-17%
Operating profit/(loss)	<b>(464)</b>	<b>(5,078)</b>	<b>4,614</b>	<b>-91%</b>
Financial expenses, including	(2,087)	(3,145)	1,058	-34%
<i>Forex result</i>	(105)	(399)	294	-74%
<i>Interest expenses</i>	(1,982)	(2,746)	764	-28%
Profit/(Loss) before income tax	<b>(2,551)</b>	<b>(8,223)</b>	<b>5,672</b>	<b>-69%</b>
Income tax	217	2,777	(2,560)	-92%
Net profit/(loss) for the period	<b>(2,334)</b>	<b>(5,446)</b>	<b>3,112</b>	<b>-57%</b>

Revenue from gold and gold equivalents increased by US\$ 0.183 m, or 5%, compared to the same period last year. Gold sales increased by 13% from 92.1 kg (2,961 oz) in Q1 2014 to 104.5 kg (3,361 oz) in Q1 2015. However, the increase was partially offset by a reduction of the average realized gold price from US\$ 1,345 in Q1 2014 down to US\$ 1,239 in the current period.

The cost of sales in Q1 2015 amounted to US\$ 3.978 m which was a reduction of 48% compared to the same period in 2014 US\$ 7.579 m. This reduction in costs correlates closely with Tardan's (main producing site) average cash cost per ounce, which decreasing from US\$ 1,857/oz in Q1 2014 down to US\$ 1,033/oz in Q1 2015, or by 44%.

The interest expense for the reporting period amounted to US\$ -1.982 m as compared to US\$ -2.746 m for the respective period of 2014. Interest expenses reduced by 28% mainly as result of shareholder's bond interest rate reduction from 18% p.a. in Q1 2014 to effective 7.3% p.a. in Q1 2015 (the bond carries an interest rate of 2% p. a. since March 2015; in the period from May 2014 to February 2015 it was 10% p.a.; prior to May 2014 it was 18% p. a.).

# Tardan cash costs analytics Q1 2015

	Q1 2015	Q1 2014	Change, %	
a	Stripping, 000 m3	803	459	75%
b	Ore mined, 000 m3	26	15	79%
c	<b>Rock mass total, 000 m3 (a+b)</b>	<b>829</b>	<b>473</b>	<b>75%</b>
d	Ore mined, ooot	80	45	78%
	<b>Stripping ratio actual (a/d)</b>	<b>10.0</b>	<b>10.2</b>	<b>-2%</b>
e	<b>Mining costs, 000\$</b>	<b>2,189</b>	<b>1,971</b>	<b>11%</b>
	Minning costs, \$/m3 (e/c)	2.6	4.2	-37%
f	Stripping asset	(1,298)	(1,367)	-5%
g	<b>Total period mining costs (e+f)</b>	<b>891</b>	<b>604</b>	<b>47%</b>
	Ore stacked, ooot	12	5	140%
	Grade in ore, g/t	1.84	1.85	
h	Gold in ore, g	21,888	9,250	
	Tailings stacked, ooot	-	-	
	Grade in tailings, g/t	-	-	
i	Gold in tailings, g	-	-	
	Ore processed through gravitatonal plant, ooot	9	-	
	Grade in ore, g/t	5.1	-	
	Gold in ore, g	45,356	-	
j	Total gold, g	67,245	9,250	
	Total ore and tailings processed, ooot	21	5	320%
k	Gold produced, kg	81	74	9%
	Gold produced, oz	2,591	2,379	9%
l	<b>Cost of processing, 000\$</b>	<b>1,089</b>	<b>2,612</b>	<b>-58%</b>
	Cost per oz, \$/oz	420	1,098	-62%
m	<b>Refining &amp; Transportation, 000\$</b>	<b>18</b>	<b>23</b>	<b>-22%</b>
n	<b>Local General and Administrative expenses, 000\$</b>	<b>459</b>	<b>836</b>	<b>-45%</b>
o	<b>MRET, 000\$</b>	<b>218</b>	<b>344</b>	<b>-37%</b>
	<b>Total cash costs, 000\$ (g+l+m+n+o)</b>	<b>2,675</b>	<b>4,419</b>	<b>-39%</b>
	<b>Cash Cost per oz, \$</b>	<b>1,033</b>	<b>1,857</b>	<b>-44%</b>

The majority of our costs are denominated in roubles and revenue is denominated in US dollars, the rouble devaluation as well as cost efficiency programmes resulted in a significant reduction of our cash costs in US\$.

# Consolidated statement of financial position

	March 31, 2015	December 31, 2014
	US\$ 000	US\$ 000
<b>ASSETS</b>		
<b>FIXED ASSETS</b>		
Intangible fixed assets	33,641	33,928
Tangible fixed assets	32,698	34,162
Stripping assets	4,468	3,192
Financial fixed assets	10,070	10,298
<b>Total fixed assets</b>	<b>80,877</b>	<b>81,580</b>
<b>CURRENT ASSETS</b>		
Materials	1,245	1,335
Work in progress	4,501	3,460
Finished products	39	41
Current receivables	3,691	4,013
Advanced paid	690	677
Cash and cash equivalents	61	603
<b>Total current assets</b>	<b>10,227</b>	<b>10,129</b>
<b>TOTAL ASSETS</b>	<b>91,104</b>	<b>91,709</b>
Share capital	30,738	30,738
Additional paid in capital	25,040	24,997
Retained earnings	(64,927)	(62,593)
Translation difference reserve	(11,628)	(11,220)
<b>Total equity</b>	<b>(20,777)</b>	<b>(18,078)</b>
<b>Long term liabilities</b>		
Deferred tax	2,684	2,719
Loans and notes payable	18,745	17,094
Lease payable	1,498	1,761
Bond payable to shareholder	44,245	43,464
Other long-term liabilities	6,024	6,060
<b>Total long term liabilities</b>	<b>73,196</b>	<b>71,098</b>
<b>Current liabilities</b>		
Trade accounts payable	3,454	2,271
Bank loans payable	27,084	28,256
Lease payable	841	753
Shareholder loans payable	4,187	4,088
Other current liabilities	3,119	3,321
<b>Total current liabilities</b>	<b>38,685</b>	<b>38,689</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>91,104</b>	<b>91,709</b>

Additional stripping asset capitalized as of March 31, 2015 in amount of US\$ 1.3 m as result of significant volume of mining works.

The work in progress balance increased due to seasonality.

As of 31 March 2015 total bank debt was equal to \$45.5 m.

Trade payables increased as result of growth of production activity.



# Consolidated cash flow statement

	<b>Q1 2015</b>	<b>Q1 2014</b>	<b>Change</b>	<b>Change</b>
	US\$ 000	US\$ 000	US\$ 000	%
<b>Operating activities</b>				
Receipts from customers	4,464	3,981	483	12%
VAT and other reimbursement	1,026	2,556	(1,531)	-60%
Payments to suppliers	(2,957)	(4,653)	1,695	-36%
Payments to employees and social taxes	(1,724)	(3,302)	1,578	-48%
Income tax paid	-	-	-	0%
Other taxes paid	(558)	(713)	155	-22%
<b>Net cash flows from/(used in) operating activities</b>	<b>251</b>	<b>(2,130)</b>	<b>2,380</b>	<b>-112%</b>
<b>Investing activities</b>				
Purchase and construction of property plant and equipment	(41)	(349)	308	-88%
Exploration and research works	-	(364)	364	-100%
Investments in JV	-	(76)	76	-100%
<b>Net cash flows used in investing activities</b>	<b>(41)</b>	<b>(789)</b>	<b>748</b>	<b>-95%</b>
<b>Financing activities</b>				
Proceeds from borrowings	7,128	14,622	(7,494)	-51%
Repayment of borrowings	(7,209)	(5,523)	(1,686)	31%
Interest paid	(458)	(284)	(173)	61%
Lease payments	(229)	(551)	322	-59%
Other finance expenses	(3)	-	(3)	100%
<b>Net cash from/(used in) financing activities</b>	<b>(770)</b>	<b>8,264</b>	<b>(9,034)</b>	<b>-109%</b>
			-	
Net increase in cash and cash equivalents	(561)	5,345	(5,906)	-111%
Net foreign exchange difference	19	-	19	100%
Cash and cash equivalents at 1 January	603	1,656	(1,053)	-64%
<b>Cash and cash equivalents at 31 March/31 December</b>	<b>61</b>	<b>7,001</b>	<b>(6,940)</b>	<b>-99%</b>

# 3 months Summary

- **Volumes are up:**

- stripping by 75%;
- processing by 320%;

- **Costs are down (Tardan):**

- mining costs per m3 by -37%;
- processing per oz of gold produced by -62%;
- total cash costs (TCC) by -44%;
  
- Group admin costs by -43%

- **Decreased interest rate:**

- Shareholder bond the bond carries an interest rate of 2% p. a. since March 2015; in the period from May 2014 to February 2015 it was 10% p.a.; prior to May 2014 it was 18% p. a.

# Thank you

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