

AURIANT
MINING

12 months 2013 Interim Results
Analyst Web Conference
February 28, 2014

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

Gold Reserves – **32 tons (1 Moz)** according to Russian C1+C2 categories

2012 production – **642 kg**

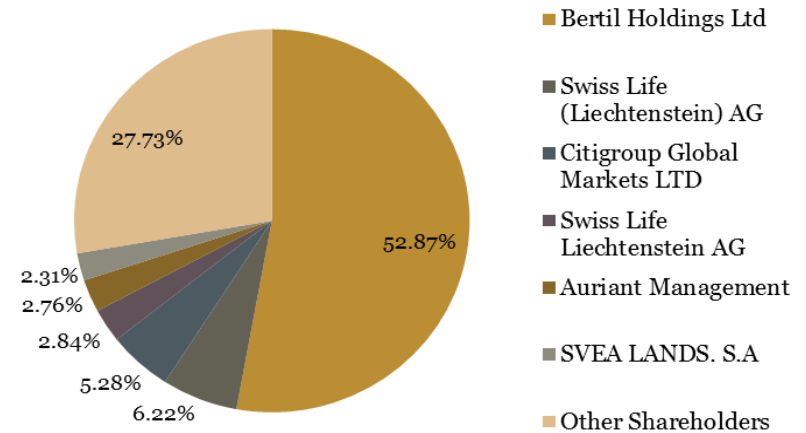
2013 production – **1,142 kg**

Headquartered in **Stockholm, Sweden**

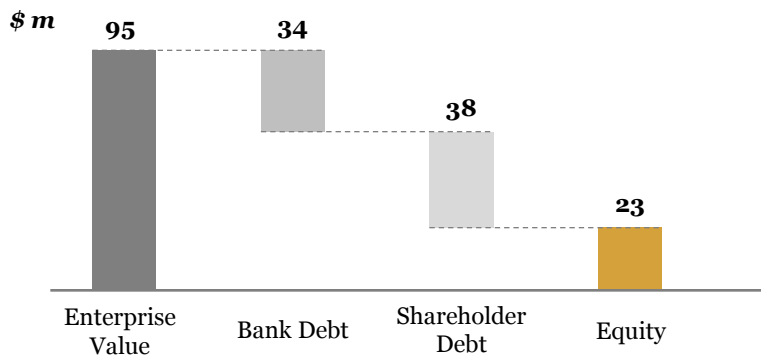
Auriant Mining is listed at **NASDAQ OMX First North Premier**

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

Shareholder structure



Capital structure

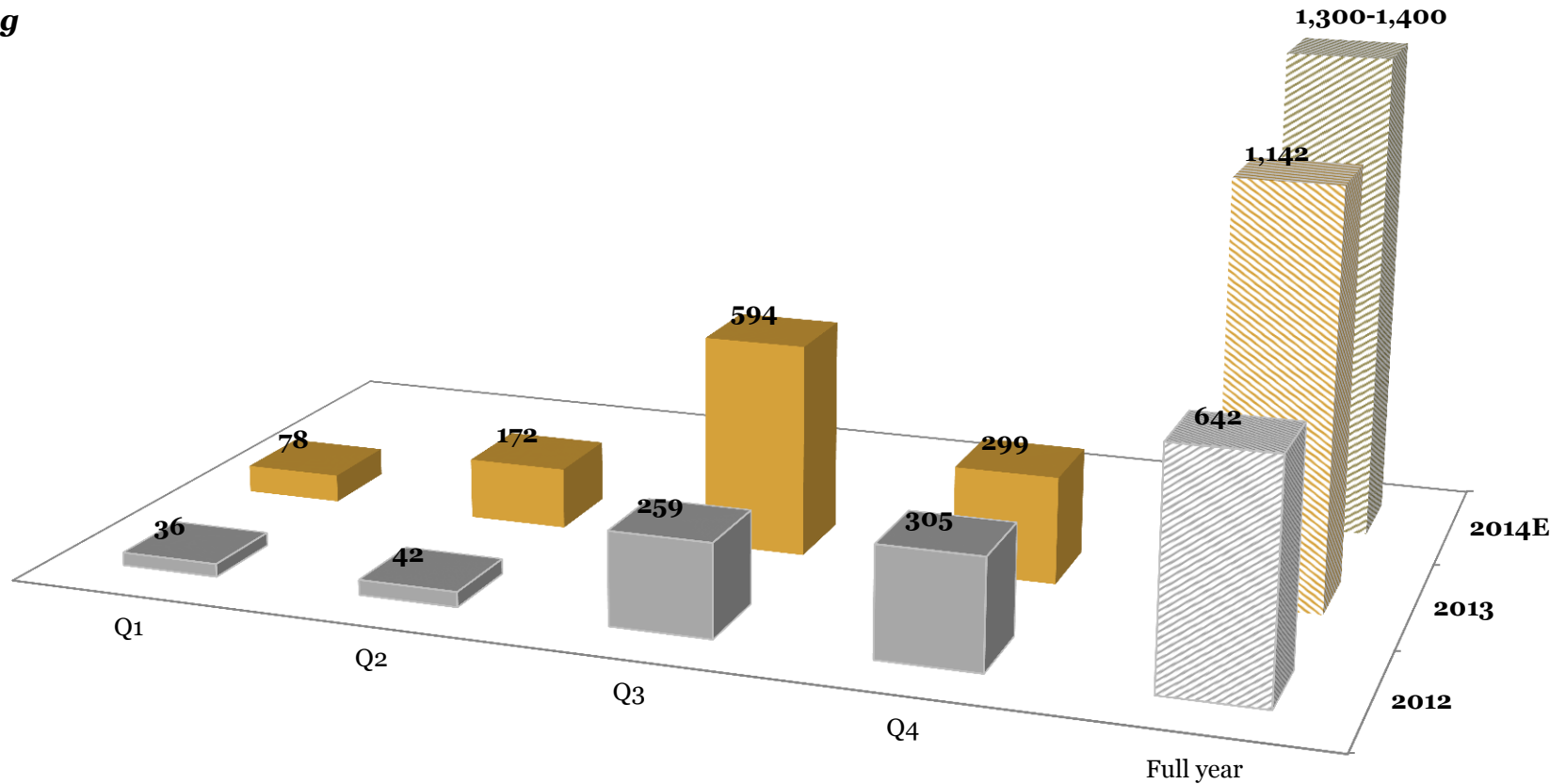


Management shareholding

- As of March 2013 Auriant Mining management holds **690 229 shares – 3.9% of total**
- Total amount of warrants holds by company's management is **1,157,768**
- Total management shareholding on a fully diluted basis - **9.7%**

Quarterly production growth

kg



- The Group met production targets for 12m – total production was **1,142 kg (36,716 oz)**, **78% more than in 2012**
- Plan to increase production in 2014 to **1,300 - 1,400 kg**

12m 2013 Production Key Performance Indicators

\$US 000		Tardan		Solcocon		Total		Change, %
		12m 2013	12m 2012	12m 2013	12m 2012	12m 2013	12m 2012	
Mining								
Waste stripping	000 m ³	1,940	424	344	581	2,284	1,005	127%
Ore mined	000 tonnes	269	168.5	212	123	481	292	65%
Average grade	g/t	1.60	2.0	1.42	2.01			
Heap leach								
Crushing								
Ore	000 tonnes	282	240.7	168	131	450	372	21%
Grade	g/t	1.56	2.01	1.37	1.64			
Stacking								
Ore	000 tonnes	282	234	168	131	450	365	23%
Grade	g/ton	1.56	1.8	1.37	1.64			
Tailings	000 tonnes	141.5	54.4			142	54	
Grade	g/t	3.15	3.6					
Gold produced from heap leaching	kg	658	357	107	116	765	473	62%
Gravitation								
Throughput	000 tonnes	-	34.3					
Average grade	g/ton	-	4.5					
Extraction	%	-	35%					
Gold produced from Gravitation	kg	-	55			-	55	-
Production Hard Rock	kg	658	412	107	116	765	528	45%
Production Alluvial	kg	-	-	377	114	377	114	231%
Total Production	kg	658	412	484	230	1,142	642	78%

12m 2013 Production Key Performance Indicators

- Total mining volumes **increased by 121% to 2,470,000 m³**
- Total ore processed **increased by 41% to 592,000 tonnes**
- Overall gold production **increased by 78% and reached 1,142 kg (36,716 oz)**

Tardan

- Gold grade in ore mined **dropped by 20%**
- Usage of additional tailings with average **grade 3.15 g/t** allowed an **increase in the average grade of stacked ore to 2.09 g/t**
- Overall gold production **increased by 84% and reached 658 kg (21,155 oz)**

Solcocon

- Gold grade in ore mined **dropped by 30%**
- Hard rock gold production **decreased by 8% to 107 kg (3,440 oz)**
- Alluvial gold production **increased by 231% to 377 kg (12,120 oz)**
- Overall gold production **increased by 110% to 484 kg (15,561 oz)**

Restatement of 2012 accounts

Rationale

1. Need to comply with the new IFRIC (International Financial Reporting Interpretation Committee) 20 standard “Stripping Costs in the Production Phase of a Surface Mine”, which entered into effect 1 January 2013
2. Need to develop proper cost accounting base in order to benchmark cash costs going forward

Effects

1. Expense of prior years stripping, according to IFRIC 20, reposted to 2012 – **US\$ 1.67 mln**
2. Accrual of bonuses for 2012 reposted to 2012 – **US\$ 1 mln**
3. Tailings accumulated since the start of operation of the gravitational plant at Tardan not expensed, value of **US\$ 5.7 mln** in retained earnings and **US\$ 2.3 mln** in the Income statement

12m 2013 Income Statement

<i>\$US 000</i>	12m 2013	12m 2012
Hard rock gold revenue	34,370	29,533
Alluvial gold revenue	16,132	6,401
Total revenue	50,502	35,934
Alluvial gold cost	-13,136	-4,828
Total income	37,366	31,106
Cost of Hard Rock production	-42,631	-33,082
Gross profit	-5,265	-1,976
Management company	-6,693	-6,214
Other operating income	1,652	3,302
Other operating expenses	-3,070	-6,450
Operating profit/loss	-13,376	-11,338
Net financial items	-11,095	-4,881
Profit/loss before income tax	-24,471	-16,219
Income tax	4,673	-34
Net profit/loss for the period	-19,798	-16,252

<i>\$US 000</i>	12m 2013	12m 2012	Change
Cost of Hard Rock production, incl.	42,631	33,082	28%
Cost of production	34,682	25,843	34%
DD&A	7,949	7,239	10%

<i>Production KPI's</i>		12m 2013	12m 2012	Change
Total rock mass mined	000 m ³	2,470	1,117	121%
Ore processed	000 t	592	419	41%
Gold produced	000 oz	24.6	16.9	45%

- Operating expenses grew mostly due to significant increase in mining volumes and heap leach production of gold

Operating cost breakdown

<i>\$US 000</i>	12m 2013	12m 2012	Change	
Cost of hard rock sales, incl.:	34,682	25,843	7,839	
Change in stock of finished and semi-finished goods	1,065	848	217	
External expenses	6,208	2,206	4,002	Increase of blasting and drilling services and hiring of transportation contractors at Tardan
Mineral extraction and other taxes	2,810	2,518	292	
Materials	11,216	10,301	915	
Employee benefit expenses	13,383	9,969	3,414	Average number of employees grew from 675 to 869

Group EBITDA contribution analysis

	US\$ 000
Group EBITDA total:	(5,396)
incl:	
Tardan	3,821
Solcocon	(5,168)
Alluvial production	2,996
Net EBITDA from producing assets	1,649
Moscow	(5,374)
Sweden	(1,334)
Others	(336)

Group Hard rock cash costs

			Total Hard Rock	Tardan	Solcocon hard rock gold
Direct Mining costs					
Rock mass	US\$ 000		12,532	9,780	2,752
	000 m3		2,446	2,031	415
	\$/m ³		5.1	4.8	6.6
Stripping capitalised	US\$ 000		(1,966)	(1,966)	-
Cost of ore	US\$ 000		10,566	7,814	2,752
Ore	000 t		481	269	212
	\$/t		22	29	13
Direct Processing costs					
Cost of ore and tailings processed	US\$ 000		10,566	7,814	2,752
Ore and tailings used in recovery	000 t		592	424	168
Cost of processing	US\$ 000		15,650	13,166	2,484
	\$/t		26	31	15
Indirect costs	US\$ 000		5,687	2,888	2,799
Cash operating costs					
	US\$ 000		31,903	23,868	8,035
	\$/oz		1,297	1,119	2,335
Taxes	US\$ 000		2,779	2,339	440
Total cash costs	US\$ 000		34,682	26,207	8,475
	\$/oz		1,410	1,239	2,463
EBITDA	US\$ 000		(1,347)	3,821	(5,168)

Consolidated statement of financial position

<i>US\$ 000</i>	December 31, 2013	December 31, 2012
	US\$ 000	US\$ 000
ASSETS		
FIXED ASSETS		
Intangible fixed assets	25,772	23,357
Tangible fixed assets	37,898	37,057
Financial fixed assets	10,576	7,118
Total fixed assets	74,246	67,532
CURRENT ASSETS		
Inventories	9,436	12,714
Stripping asset*	2,038	-
Current receivables	6,321	5,667
Cash and cash equivalents	1,656	3,417
Total current assets	19,450	21,799
TOTAL ASSETS	93,696	89,330
Equity	1,146	23,694
Non-controlling interest	-	-
Total equity	1,146	23,694
Long term liabilities	12,726	39,578
Current liabilities	79,824	26,058
TOTAL EQUITY AND LIABILITIES	93,696	89,330

Increase due to the capitalization of exploration costs at Tardan in the amount of US\$ 3.451 and at Solcocon in the amount of US\$ 1.46

Acquisition of additional vehicle mining fleet and modernization of pit roads at Tardan and renovation of equipment and new stacks at Solcocon

Reclassification of the part of bank debt from short term into long term with additional borrowings form banks and shareholder

*Stripping expenses were capitalised in the total amount of \$2.0 mln in 2013

Consolidated cash flow statement

	12 months 2013	12 months 2012
	<i>US\$ 000</i>	<i>US\$ 000</i>
Operating activities		
Receipts from customers	50,502	33,838
VAT and other reimbursement	8,397	5,773
Payments to suppliers	(39,671)	(24,510)
Payments to employees and social taxes	(17,551)	(15,039)
Income tax paid	-	(83)
Other taxes paid	(2,703)	(2,952)
Net cash flows used in operating activities	(1,026)	(2,973)
Investing activities		
Proceeds from sale of property, plant and equipment	-	4
Proceeds from exercise of share options	320	-
Purchase and construction of property plant and equipment	(5,811)	(4,157)
Exploration and research works	(4,357)	(549)
Investments in JV	(312)	(867)
Net cash flows used in investing activities	(10,161)	(5,569)
Financing activities		
Proceeds from borrowings	50,850	32,867
Repayment of borrowings	(34,342)	(19,099)
Interest paid	(3,333)	(1,974)
Lease payments	(3,213)	(1,286)
Other finance expenses	(210)	(292)
Net cash from financing activities	9,752	10,217
Net increase in cash and cash equivalents	(1,435)	1,675
Net foreign exchange difference	(326)	55
Cash and cash equivalents at 1 October / 1 January	3,417	1,687
Cash and cash equivalents at 31 December	1,656	3,417

Summary

- 12m gold production **increased by 78%** compared with previous year
- Cumulative 12m 2013 gold production was **1,142 kg (36,716 oz)** – in line with expectations
- All major **CAPEX has been undertaken**
- **Positive Net EBITDA from producing assets** for 12m 2013 of **US\$ 1.649**
- **Exploration drilling** at Tardan is complete, results to be reported by April
- **Decreased interest rate** on shareholder loan to **10% p.a.**
- **Refinancing of bank debt** in progress
- Outlook for 2014 production in a range of **1,300 – 1,400 kg**

Thank you

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