

AURIANT
MINING

9 months 2015 Interim Results
Analyst Web Conference
27 November 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)**

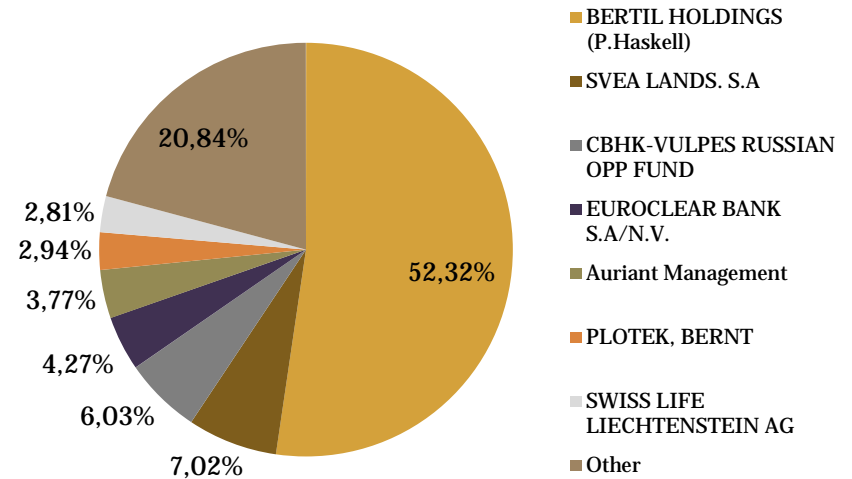
2013 production– **1,142 kg (36,716 oz)**

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

Headquartered in **Stockholm, Sweden**

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

Shareholder structure on September 30, 2015

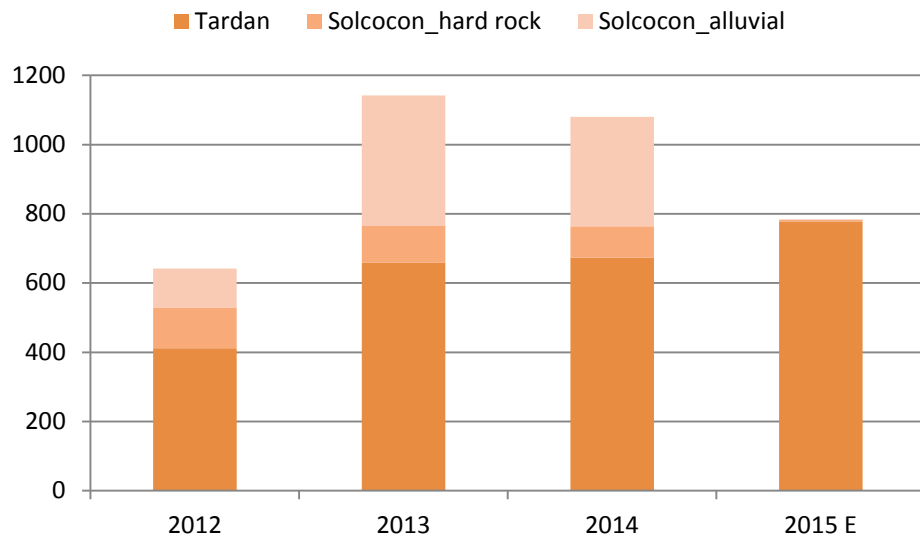


Management shareholding

- As of September 30, 2015 Auriant Mining management holds **670 934 shares – 3.77% of total**
- Total amount of options holds by company's management is **1,731,768**
- Total management shareholding on a fully diluted basis - **12.3%**

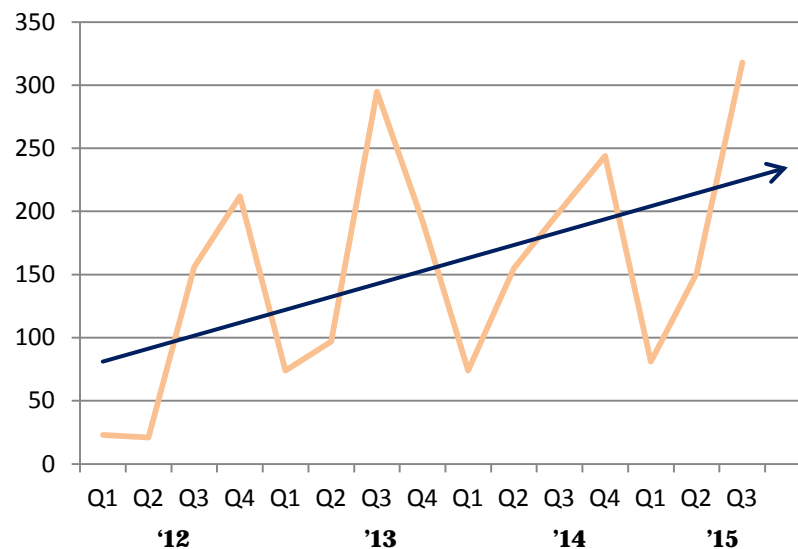
Production

Group production, kg



Tardan production Q-by-Q, kg

CAGR is 23.55%



Production	9m 2012	9m 2013	9m 2014	9m 2015
Tardan	200	466	429	550
Solcocon (hard rock)	81	72	64	6
Solcocon (alluvial)	56	306	254	0
Total	337	844	747	556

Total Group production decreased by 25%, or 191 kg, compared to 2014. The decrease, however, is fully attributable to Solcocon, which was temporarily stopped in 2015. Our main producing asset, Tardan, increased its production by 28%, or 121 kg, and continues on upward trend.

9 months 2015

Tardan Key Performance Indicators

Key highlights	9m 2015	9m 2014	Change	Change %
	Actual	Actual		
Stripping, 000'm ³	2,150	2,395	-245	-10%
Ore mined 000't	367	225	142	63%
Ore heap leach stacked, 000't	329	226	103	46%
Tailings heap leach stacked, 000't	52	80		
Grade, g/t	2.5	1.8	0.7	39%
Gold produced through heap leach, kg	510	429	81	19%
Ore processed through grav. plant, 000't	29	-		
Ore grade, g/t	4.9	-		
Gold produced through grav. plant, kg	40	-		
Total Gold produced, kg	550	429	121	28%
Total Gold produced, Oz	17,671	13,779	3,892	28%
Gold Sales, kg	521	427	94	22%
Gold Sales, oz	16,752	13,735	3,017	22%
Gold Sales, th'USD	19,469	17,593	1,876	11%
Price realised (net of comission)	1,162	1,281	-119	-9%
Total cash cost per oz	855	1,140	-285	-25%
EBITDA, US\$ m	7.9	0.0	7.9	

At 9 months 2015 compared to the same period of 2014:

- Gold production increased by 28%;
- Gold sales prices decreased by 9%;
- Cash costs per oz are 25% lower;
- EBITDA is positive and amounts to US\$ 7.9 m.

9 months 2015

Consolidated Income Statement

	Q3 2015	Q3 2014	9 months 2015	9 months 2014	Change	Change %
	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	%
Revenue, including:	12,301	15,871	22,614	29,341	(6,727)	-23%
<i>Revenue from gold sales</i>	<i>10,795</i>	<i>15,871</i>	<i>19,914</i>	<i>29,341</i>	<i>(9,427)</i>	<i>-32%</i>
<i>Revenue from management services</i>	<i>1,506</i>	<i>-</i>	<i>2,700</i>	<i>-</i>	<i>2,700</i>	<i>0%</i>
Cost of sales	(9,594)	(14,265)	(19,676)	(34,869)	15,193	-44%
Gross profit	2,707	1,606	2,938	(5,528)	8,466	-153%
General and administrative expenses	(795)	(1,092)	(2,705)	(3,866)	1,161	-30%
Other operating income	286	336	684	747	(63)	-8%
Other operating expenses	(334)	(327)	(620)	(1,016)	396	-39%
Operating profit/(loss)	1,864	523	297	(9,663)	9,960	-103%
Forex income	-	-	198	-	198	100%
Financial expenses, including	(1,973)	(4,959)	(5,560)	(9,997)	4,437	-44%
<i>Forex result</i>	<i>(222)</i>	<i>(2,698)</i>	<i>-</i>	<i>(2,424)</i>	<i>2,424</i>	<i>-100%</i>
<i>Interest expenses</i>	<i>(1,751)</i>	<i>(2,261)</i>	<i>(5,560)</i>	<i>(7,573)</i>	<i>2,013</i>	<i>-27%</i>
Profit/(Loss) before income tax	(109)	(4,436)	(5,065)	(19,660)	14,595	-74%
Income tax	1,024	2,308	129	5,401	(5,272)	-98%
Net profit/(loss) for the period	915	(2,128)	(4,936)	(14,259)	9,323	-65%
EBITDA	4,505	2,398	6,785	(4,263)	11,048	259%

	9 m 2015	9 m 2014	Change	Change %
	US\$ 000	US\$ 000	US\$ 000	%
Hard rock gold revenue	19,914	20,035	(121)	-1%
Alluvial gold revenue	-	9,306	(9,306)	-100%
Alluvial gold costs	-	(7,011)	7,011	-100%
Management services	2,700	-	2,700	100%
Revenue*	22,614	22,330	284	1%
Cost of sales hard rock	(19,676)	(27,858)	8,182	-29%
Gross profit	2,938	(5,528)	8,466	-153%

1. In 9 months 2015 Chukotka management project (Valunisty) with income of US\$ 2.7 m replaced Alluvial production with net income of US\$ 2.3 m in 9 months 2014.
2. G&A expenses decreased by 30% or by US\$ 1.2 m
3. Financial expenses decreased by 44% or by US\$ 4.4 m
4. First time Net profit is positive for the quarter.

* Net of Alluvial costs.

Tardan cash costs analytics 9 months 2015

	Tardan 9m 2015	Tardan 9m 2014	Change, %
a Stripping, 000m3	2,150	2,395	-10%
b Ore mined, 000m3	119	73	63%
c Rock mass total, 000m3 (a+b)	2,269	2,468	-8%
d Ore mined, 000t	367	225	63%
Stripping ratio actual (a/d)	5.9	10.6	-45%
e Mining costs, 000\$	7,101	9,018	-21%
Mining costs, \$/m3 (e/c)	3.1	3.7	-14%
f Stripping asset	11	(3,698)	-100%
g Total period mining costs (e+f)	7,112	5,320	34%
Ore stacked, 000t	329	226	
Grade in ore, g/t	2.4	1.5	
h Gold in ore, kg	791	341	
Tailings stacked, 000t	52	80	
Grade in tailings, g/t	2.9	2.6	
i Gold in tailings, kg	153	212	
Ore processed through grav. plant, 000t	30	-	
Grade in ore, g/t	4.9	-	
Gold in ore, kg	144	-	
j Total gold, kg	1,088	553	
Total ore and tailings processed, 000t	411	306	34%
k Gold produced, kg	550	429	28%
Gold produced, oz	17,672	13,780	28%
l Cost of processing, 000\$	5,240	6,601	-21%
Cost per oz, \$/oz	297	479	-38%
m Refining & Transportation, 000\$	87	107	-19%
n Local General and Administrative expenses, 000\$	1,469	2,621	-44%
o MRET, 000\$	1,204	1,064	13%
Total cash costs, 000\$ (g+l+m+n+o)	15,111	15,713	-4%
Total Cash Cost per oz, \$	855	1,140	-25%

As result of improved access to the ore in 9m 2015 stripping ratio decreased down to 5.9 from 10.6 in 9m 2014. The volume of ore mined increased by 63%. Almost all mining costs in 9m 2015 were accounted for as current expenses and amount of stripping asset capitalized is close to nil.

Increased grade lead to decrease in costs per oz of gold produced

High grade ore was processed through gravitational plant re-launched in 2015. Tails of gravitation process goes on the heap leach – total recovery then reaches up to 80%. Cost of production on gravitational plan is less then on the heap leach thus reducing cost per oz.

In 9m 2015 the volume of ore and tailings processed increased by 34%. The volume of gold produced increased by 28% accordingly. Part of the gold will be recovered in Q4 of 2015.

Consolidated statement of financial position

	September 30, 2015	September 30, 2014	December 31, 2014
	US\$ 000	US\$ 000	US\$ 000
ASSETS			
FIXED ASSETS			
Intangible fixed assets	32,538	25,843	33,928
Tangible fixed assets	29,805	35,518	34,162
Stripping assets	2,725	-	3,192
Financial fixed assets	8,653	13,701	10,298
Total fixed assets	73,721	75,062	81,580
CURRENT ASSETS			
Materials	1,038	1,942	1,335
Work in progress	5,462	6,281	3,460
Finished products	527	524	41
Stripping asset	-	5,060	-
Current receivables	4,992	6,100	4,013
Advanced paid	420	848	677
Cash and cash equivalents	168	2,561	603
Total current assets	12,607	23,316	10,129
TOTAL ASSETS	86,328	98,378	91,709
Share capital	307	30,738	30,738
Additional paid in capital	59,796	24,975	24,997
Retained earnings	(67,529)	(60,261)	(62,593)
Translation difference reserve	(14,288)	(8,165)	(11,220)
Total equity	(21,714)	(12,713)	(18,078)
Long term liabilities			
Deferred tax	2,453	2,833	2,719
Loans and notes payable	20,241	17,821	17,094
Lease payable	956	2,797	1,761
Debt to shareholder	40,422	42,387	43,464
Other long-term liabilities	6,094	1,200	6,060
Total long term liabilities	70,166	67,038	71,098
Current liabilities			
Trade accounts payable	1,745	6,833	2,271
Bank loans payable	27,133	27,692	28,256
Lease payable	836	1,402	753
Shareholder loans payable	5,437	2,503	4,088
Other current liabilities	2,725	5,623	3,321
Total current liabilities	37,876	44,053	38,689
TOTAL EQUITY AND LIABILITIES	86,328	98,378	91,709

Stripping asset is accounted for and amortized in line with ore mining activity as result of improved access to the ore.

Increase in work in progress relates to increased amount of gold stacked on the heap but not yet recovered

In Q3 2015 the Company registered a reduction of its Share capital in 100 times and funds of US\$ 30.5 m were transferred from Share capital line and recorded as additional paid in capital

US\$ 4.3 m of bond liability was accounted for as additional paid in capital in accordance with bond option agreement with the Shareholder, approved by AGM 2015.

In 9m 2015 the Group received financing of US\$ 2.5 m from Promsvyazbank and US\$ 1.0 m from P. Haskell. US\$ 0.9 m were repaid to Promsvyazbank during 9 months 2015.

Consolidated cash flow statement

CONSOLIDATED CASH FLOW STATEMENT	Q3 2015	Q3 2014	9m 2015	9m 2014	Change	Change
	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US \$ 000	%
Operating activities						
Receipts from customers	12,117	15,884	21,835	29,328	(7,493)	-26%
VAT and other reimbursement	960	2,783	2,903	7,249	(4,346)	-60%
Payments to suppliers	(6,344)	(12,163)	(14,647)	(26,769)	12,122	-45%
Payments to employees and social taxes	(2,626)	(3,828)	(6,616)	(10,682)	4,066	-38%
Income tax paid	-	-	(13)	(0)	(13)	100%
Other taxes paid	(1,201)	(1,365)	(2,417)	(3,043)	626	-21%
Net cash flows from/(used in) operating activities	2,906	1,311	1,046	(3,918)	4,964	-127%
Investing activities						
Purchase and construction of property plant and equipment	(32)	(74)	(88)	(2,621)	2,533	-97%
Exploration and research works	(29)	(62)	(29)	(475)	446	-94%
Investments in JV	-	(43)	-	(163)	163	-100%
Net cash flows used in investing activities	(60)	(178)	(116)	(3,259)	3,143	-96%
Financing activities						
Proceeds from borrowings	11,751	10,869	27,515	42,788	(15,273)	-36%
Repayment of borrowings	(12,506)	(8,230)	(24,987)	(31,865)	6,878	-22%
Interest paid	(1,700)	(536)	(2,893)	(1,488)	(1,405)	94%
Lease payments	(337)	(826)	(1,004)	(1,853)	849	-46%
Other finance expenses	(19)	-	(29)	-	(29)	100%
Net cash from/(used in) financing activities	(2,811)	1,277	(1,399)	7,582	(8,981)	-118%
Net increase in cash and cash equivalents	35	2,410	(470)	405	(875)	-216%
Net foreign exchange difference	(24)	(202)	35	499	(464)	-93%
Cash and cash equivalents at 1 July/1 January	157	353	603	1,656	(1,053)	-64%
Cash and cash equivalents at 30 September	168	2,561	168	2,561	(2,393)	-93%

Receipts of Q3 2015 were used in financing activity repayments including US\$ 0.9 m of principal amount.

9 months Summary

- **Volumes are up (Tardan):**

- Gold grades increased by 60% and were 2.50 g/t compared to 9 months 2014 (1.56 g/t).
- The volume of ore mined (367,000 tonnes) increased by 63% from 9 months 2014.

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

- Mining costs per m3 by -14%;
- Stripping ratio by -45%;
- Processing per oz of gold produced by -38%;
- Total cash costs (TCC) by -25%;

- **Consolidated Profit & Loss KPI:**

- Gross profit significantly improved and was positive in 9 months 2015 at US\$ 2.9 m compared to a loss in 9 months 2014 of US\$ -5.5 m;
- Consolidated operating profit in 9 months 2015 at US\$ 0.3 m is on breakeven, compared to operating loss of same period of 2014 in amount of US\$ -9.7 m;
- The Group's EBITDA for the period was positive at US\$ 6.8 m compared to negative in 9 months 2014 of US\$ -4.3 m;
- Group admin costs decreased by 30%;
- Shareholder 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.; the majority Shareholder has been offered an option to redeem US\$ 20 m of the outstanding bond amount in the form of cash or new shares, or a combination of both. The conversion date is at the discretion of the Shareholder until December 31, 2018.

Thank you

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