

AURIANT
MINING

6 months 2015 Interim Results
Analyst Web Conference
20 August 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)**

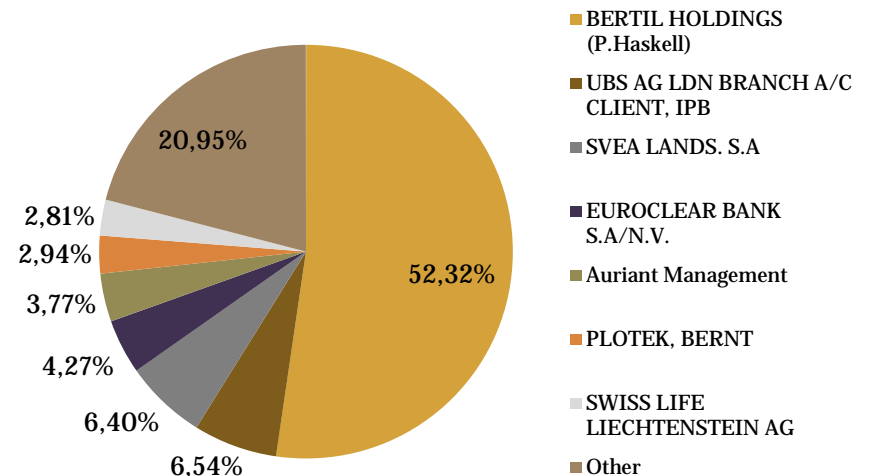
2013 production– **1,142 kg (36,716 oz)**

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

Headquartered in **Stockholm, Sweden**

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

Shareholder structure as of June 30, 2015

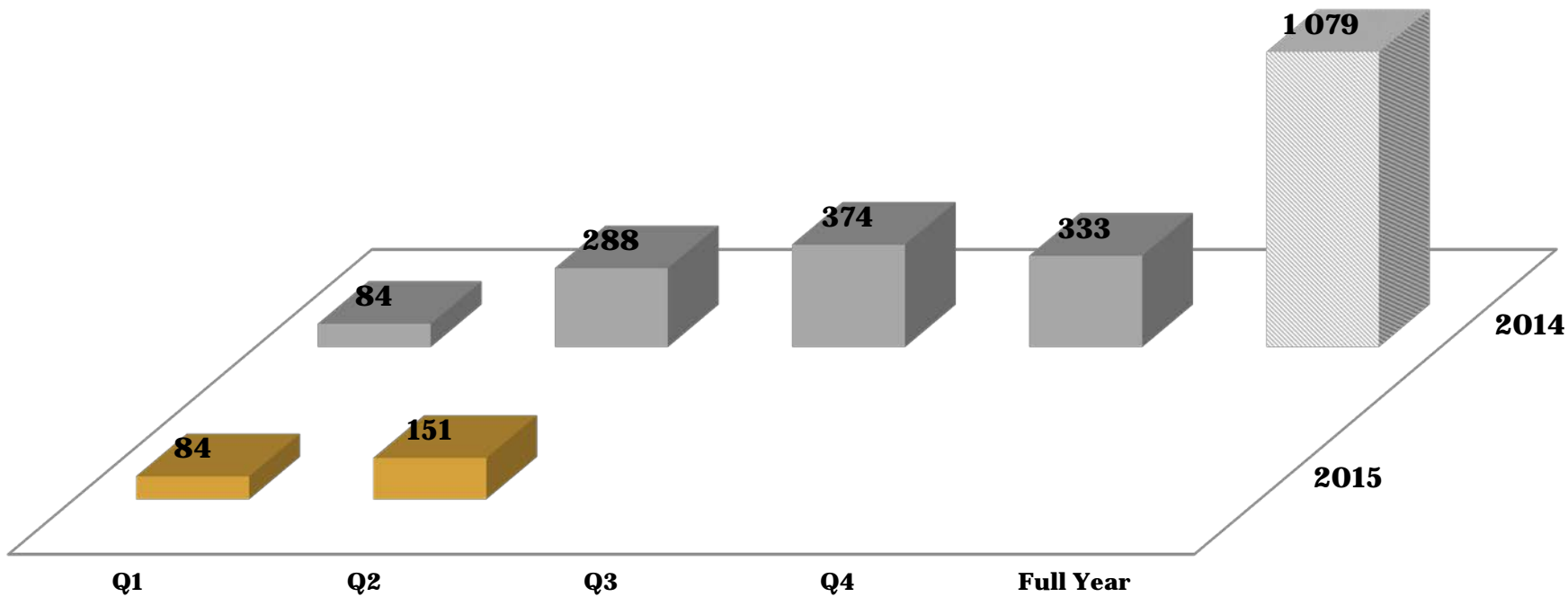


Management shareholding

- As of June 30, 2015 Auriant Mining management holds **670 934 shares – 3.77% of total**
- Total amount of options holds by company's management is **1,181,768**
- Total management shareholding on a fully diluted basis - **9.76%**

Quarterly production

kg



H1 2015

Key Performance Indicators

Tardan

Key highlights	H1 2015	H1 2014	Change	Change
	Actual	Actual		%
Stripping, 000'm ³	1,435	1,265	170	13%
Ore mined 000't	208	114	94	82%
Ore heap leach stacked, 000't	188	124	65	52%
Tailings heap leach stacked, 000't	17	20		
Ore grade, g/t	2.4	1.75	1	39%
Gold produced through heap leach, kg	211	229	-18	-8%
Ore processed through grav. plant, 000't	12	-		
Ore grade, g/t	5.0	-		
Gold produced through grav. plant, kg	21	-		
Total Gold produced, kg	232	229	3	1%
Total Gold produced, Oz	7,431	7,363	68	1%
Gold Sales, kg	229	223	6	3%
Gold Sales, oz	7,359	7,171	188	3%
Gold Sales, th'USD	8,838	9,229	-391	-4%
Price realised (net of comission)	1,201	1,287	-86	-7%
Total cash cost per oz	1,117	1,455	-338	-23%

- As compared to H1 2014 Tardan (our main production site) made 13% more striping and mined 82% more ore;
- At Tardan gold production in H1 2015 (232 kg) is almost the same as in prior period (229 kg); In H1 2014 considerable part of gold was produced from 2013 heap leach. In June 2015 amount of gold staked on the heap, but not recovered yet increased compared to June 2014.
- Cash costs per oz in H1 2015 are 23% lower compared to the same period of 2014;
- 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\$.

H1 2015 Income Statement

	Q2 2015	Q2 2014	H1 2015	H1 2014	Change	Change, %
	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	%
Revenue, including:	5,849	9,489	10,313	13,470	(3,157)	-23%
<i>Revenue from gold sales</i>	<i>4,955</i>	<i>9,489</i>	<i>9,119</i>	<i>13,470</i>	<i>(4,351)</i>	<i>-32%</i>
<i>Revenue from management services</i>	<i>894</i>	<i>-</i>	<i>1,194</i>	<i>-</i>	<i>1,194</i>	<i>0%</i>
Cost of sales	(6,104)	(12,998)	(10,082)	(20,604)	10,522	-51%
Gross profit	(255)	(3,509)	231	(7,134)	7,365	-103%
General and administrative expenses	(1,118)	(1,395)	(1,910)	(2,774)	864	-31%
Other operating income	311	218	398	411	(13)	-3%
Other operating expenses	(41)	(422)	(286)	(689)	403	-58%
Operating profit/(loss)	(1,103)	(5,108)	(1,567)	(10,186)	8,619	-85%
Forex income	525	673	420	274	146	53%
Financial expenses,	(1,722)	(2,167)	(3,809)	(5,312)	1,503	-28%
<i>Interest expenses</i>	<i>(1,827)</i>	<i>(2,566)</i>	<i>(3,809)</i>	<i>(5,312)</i>	<i>1,503</i>	<i>-28%</i>
Profit/(Loss) before income tax	(2,405)	(7,001)	(4,956)	(15,224)	10,268	-67%
Income tax	(1,112)	316	(895)	3,093	(3,988)	-129%
Net profit/(loss) for the period	(3,517)	(6,685)	(5,851)	(12,131)	6,280	-52%
EBITDA	896	(3,277)	2,280	(6,661)	8,941	134%

	H1 2015	H1 2014	Change	Change
	US\$ 000	US\$ 000	US\$ 000	%
Hard rock gold revenue	9,119	10,194	(1,075)	-11%
Alluvial gold revenue	-	3,276	(3,276)	-100%
Alluvial gold costs	-	(2,464)	2,464	100%
Management services	1,194	-	1,194	100%
Revenue*	10,313	11,006	(693)	-6%
Cost of sales hard rock	(10,082)	(18,140)	8,058	-44%
Gross profit	231	(7,134)	7,365	-103%

In H1 2015, Chukotka management project (Valunisty) with income of US\$ 1.2 m replaced Alluvial production with net income of US\$ 0.8 m in H1 2014. Net revenue decreased by 6% compared to H1 2014 mainly as result of drop in gold prices.

* Net of Alluvial costs.

Tardan cash costs analytics H1 2015

	Tardan H1 2015	Tardan H1 2014	Change, %	
a	Stripping, 000m3	1,435	1,265	13%
b	Ore mined, 000m3	67	37	81%
c	Rock mass total, 000m3 (a+b)	1,502	1,302	15%
d	Ore mined, 000t	208	114	82%
	Stripping ratio actual (a/d)	6.9	11.1	-38%
e	Mining costs, 000\$	5,185	5,800	-11%
	Minning costs, \$/m3 (e/c)	3.5	4.5	-23%
f	Stripping asset	(1,430)	(2,029)	-29%
g	Total period mining costs (e+f)	3,755	3,771	0%
	Ore stacked, 000t	197	124	
	Grade in ore, g/t	2.4	1.6	
h	Gold in ore, g	476,095	194,680	
	Tailings stacked, 000t	17	20	
	Grade in tailings, g/t	3.3	2.9	
i	Gold in tailings, g	54,089	58,000	
	Ore processed through gravatational plant, 000t	12	-	
	Grade in ore, g/t	5.0	-	
	Gold in ore, g	61,115	-	
j	Total gold, g	591,298	252,680	
	Total ore and tailings processed, 000t	225	144	
k	Gold produced, kg	231	229	1%
	Gold produced, oz	7,432	7,363	1%
l	Cost of processing, 000\$	2,968	4,436	-33%
	Cost per oz, \$/oz	399	602	-34%
m	Refining & Transportation, 000\$	42	77	-45%
n	Local General and Administrative expenses, 000\$	1,059	1,882	-44%
o	MRET, 000\$	475	551	-14%
	Total cash costs, 000\$ (g+l+m+n+o)	8,300	10,715	-23%
	Cash Cost per oz, \$	1,117	1,455	-23%

Amount of rock mass mined in H1 2015 is up by 15% and ore mined by 82% as compared to last year. At the same time period mining costs are the same. As a result a cost of tonn of ore decreased by 41%.

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 1H 2015 we stacked more than twice of gold on the heap leach while production from the heap leach was almost unchanged. This gold will be recovered in Q3 and Q4 of 2015

Consolidated statement of financial position

	June 30, 2015	June 30, 2014	December 31, 2014
	US\$ 000	US\$ 000	US\$ 000
ASSETS			
FIXED ASSETS			
Intangible fixed assets	33,416	25,608	33,928
Tangible fixed assets	31,343	35,982	34,162
Stripping assets	4,622	-	3,192
Financial fixed assets	9,536	13,477	10,298
Total fixed assets	78,917	75,067	81,580
CURRENT ASSETS			
Materials	1,069	2,317	1,335
Work in progress	7,021	5,345	3,460
Finished products	97	1,126	41
Stripping asset	-	4,101	-
Current receivables	4,666	4,587	4,013
Advanced paid	806	1,933	677
Cash and cash equivalents	157	257	603
Total current assets	13,816	19,666	10,129
TOTAL ASSETS	92,733	94,733	91,709
Share capital	30,738	30,738	30,738
Additional paid in capital	29,220	24,961	24,997
Retained earnings	(68,444)	(58,133)	(62,593)
Translation difference reserve	(11,461)	(8,165)	(11,220)
Total equity	(19,947)	(10,599)	(18,078)
Long term liabilities			
Deferred tax	2,621	2,850	2,719
Loans and notes payable	17,788	15,961	17,094
Lease payable	1,363	2,417	1,761
Debt to shareholder	40,319	41,336	43,464
Other long-term liabilities	6,229	1,387	6,060
Total long term liabilities	68,320	63,951	71,098
Current liabilities			
Trade accounts payable	3,894	5,462	2,271
Bank loans payable	30,873	29,217	28,256
Lease payable	907	799	753
Shareholder loans payable	5,311	-	4,088
Other current liabilities	3,375	5,903	3,321
Total current liabilities	44,360	41,381	38,689
TOTAL EQUITY AND LIABILITIES	92,733	94,733	91,709

Additional stripping asset capitalized as of June 30, 2015 in amount of US\$ 1.4 m as result of significant volume of mining works and improved access to future ore.

The work in progress balance increased due to seasonality.

US\$ 4.1 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 H1 2015 the Group received financing of US\$ 2.3 m from PSB and US\$ 1.0 m from P. Haskell.

Consolidated cash flow statement

	Q2 2015 US\$ 000	Q2 2014 US\$ 000	H1 2015 US\$ 000	H1 2014 US\$ 000	Change US \$ 000	Change %
CONSOLIDATED CASH FLOW STATEMENT						
Operating activities						
Receipts from customers	5,324	9,489	9,718	13,470	(3,752)	-28%
VAT and other reimbursement	917	1,893	1,943	4,488	(2,545)	-57%
Payments to suppliers	(5,346)	(9,980)	(8,303)	(14,355)	6,052	-42%
Payments to employees and social taxes	(2,266)	(3,533)	(3,990)	(6,793)	2,804	-41%
Income tax paid	(13)	(0)	(13)	(0)	(13)	100%
Other taxes paid	(658)	(942)	(1,216)	(1,656)	440	-27%
Net cash flows from/(used in) operating activities	(2,041)	(3,073)	(1,860)	(4,847)	2,987	-62%
Investing activities						
Purchase and construction of property plant and equipment	(15)	(2,230)	(56)	(2,598)	2,542	-98%
Exploration and research works	-	(59)	-	(419)	419	-100%
Investments in JV	-	(45)	-	(121)	121	-100%
Net cash flows used in investing activities	(15)	(2,334)	(56)	(3,139)	3,083	-98%
Financing activities						
Proceeds from borrowings	8,601	17,485	15,763	32,135	(16,372)	-51%
Repayment of borrowings	(5,386)	(17,840)	(12,481)	(23,787)	11,306	-48%
Interest paid	(577)	(661)	(1,193)	(949)	(244)	26%
Lease payments	(439)	(464)	(667)	(1,014)	347	-34%
Other finance expenses	(7)	-	(10)	-	(10)	100%
Net cash from/(used in) financing activities	2,193	(1,481)	1,412	6,385	(4,973)	-78%
Net increase in cash and cash equivalents	138	(6,887)	(504)	(1,601)	1,096	-69%
Net foreign exchange difference	(42)	143	58	202	202	100%
Cash and cash equivalents at 1 April/1 January	61	7,001	603	1,656	(1,399)	-85%
Cash and cash equivalents at 30 June	157	257	157	257	(100)	-39%

6 months Summary

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

- Gold grades increased by 59% and were 2.46 g/t compared to H1 2014 (1.55 g/t).
- The volume of ore mined (208,000 tonnes) increased by 82% from H1 2014.

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

- Mining costs per m3 by -23%;
- Stripping ratio by -38%;
- Processing per oz of gold produced by -34%;
- Total cash costs (TCC) by -23%;

- **Consolidated Profit & Loss KPI:**

- Gross profit significantly improved and was positive in H1 2015 at US\$ 0.2 m compared to a loss in H1 2014 of US\$ -7.1 m;
- Consolidated operating loss significantly decreased from US\$ -10.2 m in H1 2014 to US\$ -1.6 m;
- The Group's EBITDA for the period was positive at US\$ 2.3 m compared to negative in H1 2014 of US\$ -6.6 m;
- Group admin costs decreased by 31%;
- 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.

Thank you

Sergey Ustimenko
CFO

Sergey.Ustimenko@Auriant.com

Denis Alexandrov
CEO

Denis.Alexandrov@Auriant.com

Auriant Mining AB

Box 55696

102 15 Stockholm, Sweden

Tel: +7 495 660 2220

www.auriant.com