

## **Notice to attend the Annual General Meeting in Auriant Mining AB (publ.)**

The shareholders in Auriant Mining AB (publ.) ("Company"), 556659-4833, are hereby given notice to attend an Annual General Meeting on Tuesday, May 12, 2015 at 2.30 p.m. in Näringslivets Hus, Storgatan 19, 114 85 Stockholm. Registration for the meeting commences at 2.00 p.m.

### **NOTICE**

Shareholders wishing to participate in the meeting must:

(i) Be entered in the shareholders' register kept by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organization) on the record day Wednesday May 6, 2015. Shareholders who have had their shares registered in the name of a nominee must, well in advance of May 6, 2015, through the nominee, temporarily register the shares in their own name in order to be entitled to participate in the meeting.

(ii) Notify the Company of their attendance no later than 4 pm on May 6, 2015, via email at the address [agm@auriant.se](mailto:agm@auriant.se), via tel 08-624 26 80 or via letter to Auriant Mining AB, Box 55696, 102 15 Stockholm, Sweden. Notification must include full name, personal ID number or corporate registration number, address and telephone number and, if applicable, information about proxy, representative and assistant.

In order to facilitate entry to the meeting, notification should, when appropriate, be accompanied by powers of attorney, registration certificate and other authorization documents. Forms for power of attorney can be downloaded from the Company's website [www.auriant.com](http://www.auriant.com). A person representing a legal entity must present a registration certificate, not older than one year, or equivalent documentation indicating the signatory right.

### ***Number of shares and votes***

At the time of issuing the notice to attend the Annual General Meeting, the Company has a total 17,802,429 registered shares, with one vote per share.

### ***Shareholders' information right***

According to Chapter 7 section 32 of the Swedish Companies Act (2005:551), shareholders present at the Annual General Meeting have the right to request information regarding the matters on the agenda or the company's financial situation.

### **PROPOSED AGENDA**

- 1) Opening of the Annual General Meeting.
- 2) Election of the chairman of the meeting.
- 3) Preparation and approval of the voting register.
- 4) Approval of the agenda.
- 5) Election of one or two persons to attest the minutes of the meeting.
- 6) Determination of whether the meeting has been duly convened.
- 7) Presentation of the annual report and audit report and the consolidated accounts and group audit report and in connection with this:
  - a) address by the chairman of the board and report on the board's work;

- b) address by the CEO;
- c) report by the auditor regarding the audit work.
- 8) Resolution on:
  - a) adoption of profit and loss account and balance sheet and consolidated profit and loss account and consolidated balance sheet,
  - b) allocation regarding the Company's profit/loss in accordance with the adopted balance sheet,
  - and
  - c) discharge of liability for the board members and the managing director.
- 9) Report regarding the work of the nomination committee.
- 10) Resolution on the number of board members and deputies.
- 11) Resolution on remuneration to the board of directors, deputy and the auditor.
- 12) Election of board members, deputy and chairman of the board.
- 13) Election of auditors.
- 14) Resolution on nomination committee.
- 15) Resolution on guidelines for remuneration to executive management.
- 16) Resolution on reduction of the share capital and alteration of the articles of association in connection thereto.
- 17) Resolution on the incentive program for members of the management and other key employees – employee stock options and warrants 2015/2020 series I.
- 18) Resolution on issue of convertibles 2015/2018.
- 19) Resolution on the incentive program for members of the board - stock options and warrants 2015/2020 series II.
- 20) Closing of the Annual General Meeting.

## **PROPOSALS BY THE NOMINATION COMMITTEE**

The nomination committee consisting of Erik Wigertz, chairman of the committee (representing Bertil Holdings Ltd), Peter Hamberg (representing Niclas Eriksson with the family), Bernt Plotek (representing Svea Lands S.A.) and Lord Peter Daresbury, chairman of the board of directors of Auriant Mining AB, have submitted the following proposals:

### ***2. Election of the chairman of the meeting***

The nomination committee proposes that advocate Jonas Rogberg be appointed chairman of the meeting.

### ***10. Resolution on the number of board members and deputies***

The nomination committee proposes that the board shall consist of four (4) members with one (1) deputy board member.

### ***11. Resolution on remuneration to the board of directors, including deputies, and the auditor***

The nomination committee proposes that the remuneration to the chairman of the board shall be SEK 250,000 and SEK 200,000 to each of the other ordinary board members, and SEK 100,000 to the deputy board member. If any committee is established by the board, it is proposed that remuneration to each member of the committee shall be paid in the amount of 25,000 SEK per annum for participation in it.

Fees to the auditor shall be based on approved invoices in accordance with contract.

### **12. Election of board members, deputies and chairman of the board**

The nomination committee proposes re-election of Lord Peter Daresbury, Andre Bekker, Preston Haskell and Ingmar Haga as members of the board, and re-election of James Provoost Smith as deputy board member. The nomination committee proposes that the chairman is to be elected by the board among themselves until the end of the next Annual General Meeting.

### **13. Election of auditors**

The nomination committee proposes re-election of the accounting firm Öhrlings PricewaterhouseCoopers AB and Martin Johansson as principal auditor.

### **14. Resolution on nomination committee**

It is proposed by the nomination committee that it shall consist of the chairman of the board and three members, each representing one of the three owners with the largest voting power. The selection of the three largest shareholders shall be made on the basis of the share register of the Company kept by Euroclear Sweden AB as of the last banking day in September 2015. At the earliest convenient date after the end of September 2015 the Chairman of the Board shall contact the three shareholders with the largest number of voting rights, as determined above, and will request that they each appoint a member to the nomination committee. If any of the shareholders decline their right to appoint a member to the nomination committee, the shareholder with the next largest voting power shall be provided with the opportunity to appoint a member. Unless the nomination committee members decide otherwise, the chairman of the nomination committee shall be the member that represents the shareholder with the largest voting power in the Company. If a member leaves the nomination committee before its work is completed and if the nomination committee considers that there is a need to replace this member, then the nomination committee shall appoint a new member.

The nomination committee shall prepare the following proposals to be submitted to the 2016 Annual General Meeting for resolution:

- a) proposal regarding chairman of the Annual General Meeting,
- b) proposal regarding the number of board members,
- c) proposal regarding election of board members, deputies and chairman of the board of directors,
- d) proposal regarding directors' fees for each of the directors and deputies as well as remuneration for committee work,
- e) proposal regarding election of auditors,
- f) proposal regarding auditor's fees, and
- g) proposal regarding nomination committee.

No remuneration shall be paid to the members of the nomination committee. The nomination committee may charge the Company reasonable costs for travelling and investigations.

## **PROPOSALS BY THE BOARD OF DIRECTORS**

### **8b. Resolution on allocation of profit/loss for 2014**

The board of directors and the managing director propose that the Company's non-

restricted equity of SEK -120,756,969 is carried forward and that no dividend is paid for the financial year.

### ***15. Resolution on guidelines for remuneration to the executive management***

The board of directors proposes that the Annual General Meeting approves the guidelines for remuneration to the executive management of the Auriant Mining group ("Group"), essentially containing the following:

The guidelines shall apply to remuneration and other employment terms and conditions for the managing director and other members of the Group's management ("Group Management") and shall apply until the Annual General Meeting of 2016.

#### **Guidelines**

The guidelines shall apply to all employment contracts which are entered into after the meeting's resolution and in those cases where amendments are made to the existing terms and conditions after that point in time. The Company shall aim to offer a total remuneration, which is reasonable and competitive based on the circumstances in the individual country and in that respect shall also be able to offer a so-called "Sign on" bonus in order to recruit the best personnel. The remuneration shall vary in relation to the performance of the individual and the Group. It is proposed that the total remuneration to the Group Management shall consist of the components stated below.

#### **Fixed salary**

The fixed salary ("Base Salary") shall be adjusted to the market and be based on responsibility, competence and performance. The fixed salary shall be revised every year.

#### **Variable salary**

The variable salary shall relate to the Company's return on production result, reserves and production goals, and specific goals within each executive's area of responsibility. The variable salary shall be paid annually and shall amount to a maximum of one annual Base Salary.

#### **Long-term incentives**

The board of directors intends, on a regular basis, to assess the need of long-term incentive programs that shall be proposed to the general meeting.

#### **Insurable benefits**

Old-age pension, healthcare benefits and medical benefits shall, if applicable, be prepared in a manner that reflects the rules and practice in the home country. If possible, the pension plans shall be premium determined. In individual cases, depending on the tax and/or social insurance laws which apply to the individual, other adjusted pension plans or pension solutions may be approved.

#### **Other benefits**

The company shall be able to provide individual members of the Group Management or the entire Group Management with other benefits. These benefits shall not constitute a substantial part of the total remuneration. The benefits shall further correspond to what is normal on the market.

### **Termination and severance pay**

Notice of termination of employment shall be no more than twelve months upon termination initiated by the Group and no more than six months upon termination initiated by a member of the management. Severance pay may only be paid out upon termination by the Company or when a member of the Group Management resigns due to a significant change of his/her working conditions, which means the he/she cannot perform adequately.

### **Derogation from the guidelines**

The board of directors shall be entitled to derogate from these guidelines if special reasons exist in an individual case.

### **16. Resolution on reduction of the share capital and alteration of the articles of association in connection thereto.**

The board proposes that the Annual General Meeting resolves to:

A) Alter the articles of association so that Section 4 states that the share capital amounts to no less than SEK 2 000 000 and no more than SEK 8 000 000.

B) Reduce the share capital in accordance with the following:

1. The reduction shall take place for transfer to a fund.
2. The share capital of the Company will be reduced by SEK 198 274 553.
3. The reduction will be effected without retirement of shares.

After the proposed reduction resolution, the share capital will amount to SEK 2 002 773.25.

A resolution by the Annual General Meeting in accordance with items (A) and (B) above shall be valid only where supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the meeting. A resolution in accordance with item (B) is valid only provided that a resolution in accordance with item (A) has been adopted.

### **17. Incentive program for members of executive management and other employees - employee stock options and warrants 2015/2020 series I.**

The board proposes that the Annual General Meeting establishes an incentive program to a number of employees of the Group.

The reason for the proposal and the deviation from the shareholders' preferential rights is the following. The board of directors has found it both a pressing matter and in the interests of all shareholders to increase the responsibility and create a greater participatory interest for the members of the management and other key employees of the Group as regards the Company's and its subsidiaries' development and to ensure that these important employees share the goal of generating profitable and value creating growth. It is furthermore pressing to motivate continued employment in the Group. Based on this background the board of directors proposes the following incentive scheme, which is presented below.

The offer shall be addressed to 15 people.

The persons invited to participate in the program shall be divided into two groups as follows:

Group 1, members of the management

CEO, Denis Alexandrov, will be offered 120,000 employee stock options

CFO, Sergey Ustimenko, will be offered 90,000 employee stock options

Head of HR, Sergey Shumilov, will be offered 90,000 employee stock options

Acting Chief Operating Officer, Sergey Baikarov, will be offered 90,000 employee stock options

Chief Geologist, Igor Pashkov, will be offered 70,000 employee stock options

Group General Counsel, Ekaterina Babaeva, will be offered 90,000 employee stock options

Group 2, other key employees

Anton Glazunov will be offered 35,000 employee stock options; Alexander

Zabolotsky will be offered 30,000 employee stock options; Vladimir Churin, Anatoly

Petrenko, Alexander Fedotov, Elena Babkina, Marina Makarova, Oksana Novoselova

will be offered 10,000 employee stock options per person; and Ekaterina Popova will

be offered 5,000 employee stock options.

The participants of the program will be offered to, free of charge, acquire employee stock options. Each employee stock option carries the right for the holder to purchase one (1) share in the Company. Each share shall be transferred at a price equal to average closing market price of the Company's shares during the twenty (20) trading days preceding 12 May 2015 (the date of Annual General Meeting) but not less than the quotient value of the share. The employee stock options may be used until 12 May 2020 with the right for the holder of the employee stock options to call upon the warrant right from the date of vesting and until 12 May 2020.

The employee stock options are not transferrable other than to a legal person appointed by the person participating in the incentive program and which is controlled by him or for which he is the ultimate beneficial owner. Full use of the employee stock options requires that the person in question remains employed by the Group until such time when all employee stock options granted to such person have been vested. One third of the granted employee stock options will be vested on 12 May 2016, one third on 12 May 2017 and the final third on 12 May 2018.

It is suggested that the scope of the program shall not exceed 680,000 employee stock options.

In order to secure that the Company can fulfill its obligations to deliver shares when a holder of the employee stock options wishes to subscribe for them, it is proposed by the Board to the Annual General Meeting to approve the issue of maximum 680,000 warrants and to approve that they be further transferred as follows. The right to subscribe for warrants shall, with deviation from the preferential rights of the shareholders belong to the wholly owned subsidiary LLC "Auriant Management" for transfer (i) directly to the abovementioned persons participating in the program or such legal person as the respective individual may appoint and which is controlled by

him or of which he is the ultimate beneficial owner and (ii) to another wholly owned subsidiary of the Company and thereafter to persons mentioned above. Subscription for warrants shall be possible to be made latest on 30 June 2015. The warrants shall be issued free of charge and shall also be transferred in accordance with the above provisions free of charge. Each warrant gives the right to subscribe for one (1) share in the Company, each with a quotient value of app. SEK 0.1125. Subscription for shares through exercise of warrants for subscription shall be possible to make from the date of registration with the Companies Registration Office until 12 May 2020.

Subscription for shares shall be made at a strike price per share equal to average market closing price of the Company's shares during the twenty (20) trading days preceding 12 May 2015 (the date of Annual General Meeting), but not less than the quotient value of the share. At full use of the warrants the Company's share capital may be increased by no more than app. SEK 76,500.

The proposal is conditioned upon a decision by the Annual General Meeting, in accordance with item 16 on the agenda, to reduce the share capital and adopt new articles of association in accordance therewith.

The reason for deviation from the shareholders' preferential rights is to implement the incentive program mentioned above.

## **PROPOSALS FROM SHAREHOLDERS**

### ***18. Resolution on issue of convertibles 2015/2018.***

Shareholders representing 52.32 % of the shares and votes in the company proposes that the Annual General Meeting resolves that the company via setoff raise a convertible loan in a nominal amount not exceeding USD 20,000,000 through a private placement in respect of no more than 45,078,664 convertibles, entailing an increase in the share capital of not more than SEK 5,450,759 at full conversion whereof SEK 5,071,347 relates to conversion of the nominal amount of the convertibles and SEK 379,412 relates to potential conversion of interest. The proposal is conditioned upon a decision by the Annual General Meeting, in accordance with item 16 on the agenda, to reduce the share capital and adopt new articles of association in accordance therewith.

The right to subscribe for the convertibles shall vest in Golden Impala Limited. The reason for deviating from the shareholders' pre-emption rights is to improve the financial position of the company, through a refinancing of existing loans from Golden Impala Limited.

The nominal amount of the convertible shall be app. USD 0.444 (20 000 000 ÷ 45,078,664) or multiples thereof. The loan carries an annual interest rate of two (2) per cent. The subscription price for the convertibles shall be equal to the nominal amount of the convertibles.

Subscription shall take place within three weeks of the date of the resolution to issue convertibles. Payment for the convertibles subscribed for shall be made through setoff within four weeks of the time of subscription. The board of directors shall be entitled to extend the subscription period and the time for payment.

Conversion into shares may take place during the period commencing from the date of registration at the Swedish Companies Registration Office of the resolution regarding the issue up to and including December 31st 2018 at a conversion price of SEK 3.7002 per share. Conversion shall take place at an exchange rate of SEK 8.34 per USD 1.

***19. Resolution on the incentive program for the members of the board - stock options and warrants 2015/2020 series II.***

The Company has been successful in recruiting Non-Executive Directors who are highly qualified and experienced. For a company the size of Auriant to be able to attract such quality individuals, a key factor has been the potential offering of warrants. Furthermore, this method of reward will save cash for the Company that, as a growing junior mining company, has limited free cash flow and thus, is not in a position to offer higher Board fees or synthetic stocks to Board members. The ownership of these warrants will also align the interest of the Non-Executive Directors to those of the shareholders. It should also be noted that in the world mining industry, share options are widely used for motivation of board members. Hence a shareholder representing 52.32% of the shares and votes in the Company proposes the incentive scheme, which is presented below.

The offer shall be addressed to the following members of the Board who are proposed for re-election, namely Andre Bekker, Peter Daresbury, and Ingmar Haga.

The extent of the program is proposed to be no more than 170,000 stock options, where Peter Daresbury will be offered 70,000 stock options and Andre Bekker and Ingmar Haga will be offered 50,000 stock options each.

The participants of the program shall be offered to, free of charge, acquire stock options. Each stock option carries the right for the holder to purchase one (1) share in the Company. Each share shall be transferred at a price per share equal to average closing market price of the Company's shares during the twenty (20) trading days preceding 12 May 2015 (the date of Annual General Meeting) but not less than the quotient value of the share. The stock options may be used until 12 May 2020 with the right for the holder of the stock options to call upon the warrant right from the date of vesting and until 12 May 2020.

The stock options are not transferrable other than to a legal person appointed by the person participating in the incentive program and which is controlled by him or for which he is the ultimate beneficial owner. Full use of the stock options requires that the person in question remains a member of the Board of Directors of the Company until such time when all stock options granted to such person have been vested. One third of the granted stock options will be vested on 12 May 2016, one third on 12 May 2017 and the final third on 12 May 2018.

In order to secure that the Company can fulfill its obligations to deliver shares when a holder of the Stock Options wishes to subscribe for them, it is proposed by the shareholder to the Annual General Meeting to approve the issue of maximum 170,000 warrants and to approve that they be further transferred as follows.

The right to subscribe for warrants shall, with deviation from the preferential rights of the shareholders belong to the wholly owned subsidiary LLC "Auriant



Management” for transfer (i) directly to Andre Bekker, Peter Daresbury and Ingmar Haga or such legal person as the respective individual may appoint and which is controlled by him or of which he is the ultimate beneficial owner and (ii) to another wholly owned subsidiary of the Company and thereafter to persons mentioned above. Subscription for the warrants shall be made latest on 30 June 2015. The warrants shall be issued free of charge and shall also be transferred in accordance with the above provisions free of charge. Each warrant gives the right to subscribe for one (1) share in the Company, each with a quotient value of app. SEK 0.1125. Subscription for shares through exercise of warrants for subscription shall be possible to make from the date of registration of the warrants with the Companies Registration Office until 12 May 2020. Subscription for shares shall be made at a strike price per share equal to the average market closing price of the Company’s shares during the twenty (20) trading days preceding 12 May 2015 (the date of Annual General Meeting), but not less than the quotient value of the share. At full use of the warrants the Company’s share capital may be increased by no more than app. SEK 19,125.

The proposal is conditioned upon a decision by the Annual General Meeting, in accordance with item 16 on the agenda, to reduce the share capital and adopt new articles of association in accordance therewith.

The reason for the deviation from the preferential rights of the shareholders is to implement the stock option program described above.

### **Available documents**

Accounts, audit reports, statement of the auditor and complete proposals for resolutions will be available at the offices of Ekenberg & Andersson Advokatbyrå at Riddargatan 12, 7 tr, Stockholm and at the Company's website [www.auriant.com](http://www.auriant.com) as of April 21, 2015 and will be sent in connection therewith to the shareholders who so request and state their postal address. The documents will also be available at the Annual General Meeting.

Stockholm in April 2015

Board of Directors