

INVITATION TO SUBSCRIBE FOR SHARES IN AURIANT MINING

The English version of this prospectus is an unofficial translation of the Swedish original and in case of any discrepancies between the Swedish version and the English translation, the Swedish version shall prevail. Distribution of this unofficial translation of the prospectus is subject to limitations in certain jurisdictions, please see “Important information on the next page”.

IMPORTANT INFORMATION TO INVESTORS

This document is an unofficial translation of the Swedish language Prospectus that has been prepared in compliance with the standards and requirements of the Swedish Financial Instruments Trading Act (Sw: *lagen (1991:980) om handel med finansiella instrument*) (the “**Trading Act**”), Directive 2003/71/EC of the European Parliament and the Council (the “**Prospectus Directive**”) and the Commission Regulation (EC) No. 809/ 2004 (including the Commission Regulation (EC) No. 486/2012). The Prospectus in the Swedish language has been approved and registered by the Swedish Financial Supervisory Authority (Sw: *Finansinspektionen*) (“**SFSA**”) pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Trading Act. Approval and registration by the SFSA does not mean that the SFSA guarantees that the factual information provided is correct and complete.

The Swedish language Prospectus and the offering to subscribe for Shares in Auriant Mining hereunder (the “**Offering**”) are governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with the Swedish language Prospectus or the Offering.

No action has been, or will be taken, by Auriant Mining to permit a public Offering in any jurisdiction other than Sweden. Neither the subscription rights, the BTAs nor the Offer Shares (together the “**Securities**”) have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”). The Offering is not offered to persons in the United States, Canada, Japan, New Zealand, Hong Kong, Switzerland, Singapore, South Africa or Australia or to persons whose participation in the Offering would require additional prospectuses, registrations or other actions in addition to those required under Swedish law. Accordingly, the Swedish language Prospectus or this unofficial translation may not be distributed in any country or jurisdiction where the distribution or the Offering requires such measures or would conflict with regulations in such jurisdiction. Any subscription for the Shares in violation of the above restrictions may be deemed to be invalid. Persons receiving a copy of the Swedish language Prospectus or this unofficial translation must inform themselves about and comply with the restrictions. Violations of the restrictions may be a criminal offence under securities laws or regulations.

An investment in the Securities is associated with certain risks, see the section “Risk factors”. Anyone making an investment decision must rely on its own assessment of Auriant Mining and the Offering, including facts and risks involved, and investors must not rely on any other information than in the Swedish language Prospectus or this unofficial translation and any supplements to the Prospectus. Before making any investment decision, potential investors should consult their own professional advisers, and carefully review and consider the investment decision. No person has been authorized to provide any additional information or make any statements other than those contained in the Swedish language Prospectus. Should such information or statements nevertheless be furnished, it or they must not be relied upon as having been authorized or approved by Auriant Mining and Auriant Mining takes no responsibility and accepts no liability for such information or statements. Neither the publication of the Swedish language Prospectus or this unofficial translation, nor any transaction being the result of the Prospectus will, under any circumstances, imply that the information in the Swedish language Prospectus or this unofficial translation is correct and current as at any date other than the date of the publication of the Swedish language Prospectus, or that there have not been any changes in Auriant Mining’s business since the date of the Swedish language Prospectus. If the information in the Swedish language Prospectus becomes subject to any material changes after the publication of it, such material change will be made public in accordance with the provisions governing the publication of supplements to prospectuses in the Trading Act and may not be translated.

No representation or warranty, expressed or implied, is made by Mangold as to the accuracy or completeness of any of the information set out in the Swedish language Prospectus or this unofficial translation and nothing in the Prospectus is or shall be relied upon as a promise or representation from Mangold, whether as to the past or the future.

Auriant Mining reserves the right, in its sole and absolute discretion, to reject or revoke any subscription for new Shares that it or its agents believe may give rise to a breach or violation of any law, rule or regulation.

Forward-looking statements and market data

The Swedish language Prospectus and this unofficial translation contain certain forward- looking statements that reflect Auriant Mining's current views or expectations with respect to future events and financial and operational development. The words "intend", "estimate", "expect", "may", "plan", "anticipate" or similar expressions regarding indications or predictions of future developments or trends and which are not based on historical facts constitute forward-looking information. Although Auriant Mining believes that these statements are based on reasonable assumptions and expectations, Auriant Mining cannot give any assurances that such statements will materialize. Forward-looking statements are in its nature involved with both known and unknown risks and uncertainties, since they are depending on future events and circumstances. Forward-looking statements do not constitute any representations and warranties of future development and the outcome could differ materially from the information set out in the forward-looking statements.

Factors could cause Auriant Mining's future earnings and development to differ from the forward- looking statements include e.g. those described in the section "Risk factors". The forward-looking statements included in this Prospectus apply only to the date of the publication of this Prospectus. Auriant Mining undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or similar circumstances other than as required by applicable law.

The Swedish language Prospectus and this unofficial translation contain market data and industry forecasts, including information from third parties related to the sizes of the markets in which the Group operates. Although Auriant Mining regards these sources as reliable and accurately reproduced in the Prospectus, the information has not been independently verified by Auriant Mining and therefore its accuracy and completeness cannot be guaranteed. However, as far as Auriant Mining is aware and can ascertain by comparison with other information published by these sources, no details have been omitted in a manner that would render the reproduced information inaccurate or misleading. Certain information and statements in the Prospectus pertaining to the industry in which the Company's operations are conducted and Auriant Mining's position in relation to its competitors are not based on published statistics or information from independent third parties, but rather reflect Auriant Mining's best estimates based on information obtained from industry or business organizations and other contacts. Although Auriant Mining considers these internal analyses to be reliable, they have not been verified by an independent source and Auriant Mining cannot guarantee their accuracy.

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INTRODUCTION

CERTAIN DEFINITIONS

Alluvial Gold

Gold sands; small particles of free gold deposited alongside of ancient river beds with sands.

Auriant Mining, the Company or the Group

Means Auriant Mining AB (publ), with company number 556659-4833 and incorporated and registered in Sweden or the group of which Auriant Mining AB (publ) is the parent company.

Euroclear Sweden

Means Euroclear Sweden AB, company number 556112-8074.

First North Premier or Nasdaq First North Premier

Means Nasdaq First North Premier Stockholm, a Swedish MTF (multi trading facility) operated by Nasdaq Stockholm AB.

JORC

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves.

Mangold

Means Mangold Fondkommission AB, with company number 556585-1267 who acts as financial adviser in connection with the Offering and as the Certified Adviser of the Company on Nasdaq First North Premier.

Prospectus

Means this unofficial translation of the Swedish language prospectus that has been approved and registered by the Swedish Financial Supervisory Authority.

RUB

Means Russian Rouble, the official currency of the Russian Federation.

SEK

Means Swedish Krona.

The Offering

Means the offering to participate in the rights issue in Auriant Mining according to the information in this Prospectus.

The Offer Shares

Means the new shares that may be subscribed for in the Offering.

USD

Means US dollars

SUMMARY OF THE OFFERING

Price per share in the Offering	2.50 SEK
Size of the Offering	178 MSEK
Subscription period	23 August – 8 September 2017
Approximate date for when the outcome of the Offering is made public	12 September 2017
Payment	According to the instructions on the contract note
Marketplace	Nasdaq First North Premier Stockholm

INDICATIVE TIME SCHEDULE FOR THE OFFERING

Record date for the Offering	18 August 2017
Trading period for the Subscription Rights	23 August – 6 September 2017
Trading starts in Intermediary Shares (BTA)	23 August 2017
The Subscription Period for the Offering	23 August – 8 September 2017
Announcement of the outcome of the Offering	12 September 2017
Last day of trading in the Intermediary Shares on Nasdaq First North Premier Sweden	Week 38
Exercise period for the warrants	19–30 March 2018

FINANCIAL CALENDAR

Interim report for the period January – September 2017

30 November 2017

Year-end report for the period January–December 2017

28 February 2018

OTHER INFORMATION

ISIN code for the share: SE0001337213

ISIN code BTA 1: SE0010245431

ISIN code BTA 2: SE0010245449

ISIN code subscription right: SE0010245423

Ticker: AUR

SUMMARY

Prospectus summaries consist of information requirements presented in “items”. The items are numbered in sections A-E (A.1-E.7). The summary in this prospectus includes all of the items required in a summary for the relevant type of security and issuer. However, since certain items are not applicable to all types of prospectuses, there may be gaps in the numbering of these items. Even if an item is required to be included in the summary for the relevant type of security and issuer, it is possible that no relevant information is available regarding the item. In such a case, the information is replaced by a brief description of the item together with the indication “not applicable”.

Section A – Introduction and warnings

A.1	Warning	This summary should be read as introduction to this Prospectus. Any decision to invest in the Offer Shares should be based on consideration of this Prospectus as a whole by the potential investor. Certain terms used in this summary are defined elsewhere in this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the applicable national legislation, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or if it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Offer Shares.
A.2	Consent for financial intermediaries	Not applicable. Financial intermediaries are not entitled to use this Prospectus for subsequent resale or final placement of securities.

Section B – The Company

B.1	Legal and commercial name	The Company is registered as Auriant Mining AB (publ) with company number 556659-4833. The Company is listed on Nasdaq First North Premier Stockholm and is trading under the ticker AUR.
B.2	Domicile, legal form, legislation and country of incorporation	The Company is headquartered in Stockholm, Sweden. The Company is a limited liability company incorporated under the laws of Sweden.
B.3	Current operations and principal activities	Auriant Mining is a Swedish junior gold mining company with operations in Russia. The operations involve exploration and production of gold, primarily in the Republic of Tyva in eastern Siberia. The Company currently has two producing mines, Tardan and Solcocon and three exploration properties, Kara-Beldyr, Uzhunzul and Solcocon (hard rock gold fields). In 2017, Auriant Mining re-started the alluvial outsourced operations at Solcocon.
B.4a	Significant recent trends affecting the Company and	Small increases in the global gold production has been observed during recent years. Although, the global demand for gold have seen signs of a small decrease. The decrease is mainly attributable to private consumption which is correlated with the economic slowdown during recent years as well as in the industrial sector. Increase in demand for gold from central banks is a recent trend which is expected to last. The price of

	the industry in which it operates	<p>gold is on a historical high level, although still relatively far from its peak at the end of 2011.</p> <p>Auriant Mining is not aware of any trends, uncertainties, potential liabilities or other requirements, commitments or events that would have a significant impact on the Company's business outlook in the current year.</p> <p>The Company does not know any public, economic, tax policy, monetary policy or others actions that, directly or indirectly, materially affect or could affect the Company's operations in the current year.</p>																																							
B.5	Group structure	<p>Auriant Mining AB (publ) is the parent company of a group of companies with the following structure:</p> <pre> graph TD AM[Auriant Mining AB (publ)] TGD[LLC Tardan Gold] GRE[LLC GRE 324] RL[LLC Rudtehnologiya] LM[LLC Auriant Management] AC[Auriant Cyprus Ltd.] UZ[LLC Uzhunzhul] AE[Awilla Enterprises Ltd.] KB[LLC Kara-Beldyr] AM -- 100% --> TGD AM -- 100% --> GRE AM -- 100% --> RL AM -- 100% --> LM AM -- 100% --> AC TGD -- 99% --> UZ TGD -- 1% --> AM AC -- 30% --> AM AC -- 70% --> AE AE -- 100% --> KB </pre>																																							
B.6	Major shareholders	<p>The table below provides information about the Company's shareholders as of 30 June 2017. All outstanding shares in the Company are of the same type, with equal voting rights. As far as the Board of Directors of the Company is aware, at the time of this Prospectus, there are no shareholder agreements or other agreements between shareholders that seek to jointly influence the Company or in other way control the Company.</p> <table> <tr> <th>Shareholder</th><th>Number of shares</th><th>% of all shares and votes</th></tr> <tr> <td>Bertil Holding Limited</td><td>9,314,968</td><td>52.32</td></tr> <tr> <td>Avanza Pension</td><td>690,402</td><td>3.88</td></tr> <tr> <td>UBS AG</td><td>435,442</td><td>2.45</td></tr> <tr> <td>Svea Lands S.A</td><td>298,765</td><td>1.68</td></tr> <tr> <td>Bernt Plotek</td><td>269,967</td><td>1.52</td></tr> <tr> <td>BNY Mellon SA/NV</td><td>250,644</td><td>1.41</td></tr> <tr> <td>Ekaterina Babaeva</td><td>235,492</td><td>1.32</td></tr> <tr> <td>Anders Tommy Gustafsson</td><td>171,740</td><td>0.96</td></tr> <tr> <td>Jonas Looström</td><td>162,134</td><td>0.91</td></tr> <tr> <td>Martin Pettersson</td><td>141,200</td><td>0.79</td></tr> <tr> <td>Other shareholders</td><td>5,831,675</td><td>32.76</td></tr> <tr> <td>Total</td><td>17,802,429</td><td>100</td></tr> </table>	Shareholder	Number of shares	% of all shares and votes	Bertil Holding Limited	9,314,968	52.32	Avanza Pension	690,402	3.88	UBS AG	435,442	2.45	Svea Lands S.A	298,765	1.68	Bernt Plotek	269,967	1.52	BNY Mellon SA/NV	250,644	1.41	Ekaterina Babaeva	235,492	1.32	Anders Tommy Gustafsson	171,740	0.96	Jonas Looström	162,134	0.91	Martin Pettersson	141,200	0.79	Other shareholders	5,831,675	32.76	Total	17,802,429	100
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B.7	Selected	Consolidated income statement																																							

	historical key financial information and description of significant changes in the financial position and operating results during the period covered by the historic information and thereafter	KUSD	1 January-30 June 2017	1 January-30 June 2016	1 January-31 December 2016	1 January-31 December 2015	1 January-31 December 2014
			IFRS unaudited	IFRS unaudited	IFRS audited	IFRS audited	IFRS audited
		Revenue	12,562	15,663	43,380	33,429	42,627
		Cost of sales	-11,975	-11,130	-25,962	-28,683	-48,752
		Gross profit	587	4,533	17,418	4,746	-6,125
		General and administrative expenses	-1,512	-1,232	-2,725	-3,768	-4,976
		Other operating income	656	487	961	953	769
		Other operating expenses	-109	-87	-238	-1,012	-919
		Items affecting comparability (Impairment of assets)	-	-	-	-14,216	-
		Operating profit/(loss)	-378	3,701	15,416	-13,297	-11,251
		Financial income	-	13	18	-	-
		Financial expenses	-3,013	-3,697	-7,287	-7,683	-10,001
		Forex result	267	-15	-308	602	-5,010
		Profit/(Loss) before income tax	-3,124	2	7,839	-20,378	-26,262
		Income tax	363	-2,152	-1,355	-1,116	9,671
		Net profit/(loss) for the period	-2,761	-2,150	6,484	-21,494	-16,591
		Consolidated statement of financial position (balance sheet)					
			30 Jun 17	30 Jun 16	31 Dec 2016	31 Dec 2015	31 Dec 2014
			IFRS	IFRS	IFRS	IFRS	IFRS
		KUSD	unaudited	unaudited	audited	audited	audited
		ASSETS					
		NON CURRENT ASSETS					
		Mining permits and capitalised exploration costs	22,400	22,404	22,575	23,081	33,928
		Tangible fixed assets	20,077	23,374	21,897	24,506	34,162
		Stripping assets	5,466	3,731	4,001	2,335	3,192
		Deferred tax assets	5,502	4,854	5,211	6,270	10,298
		Total non current assets	53,445	54,362	53,684	56,192	81,580
		CURRENT ASSETS					
		Inventories	9,065	6,674	7,883	4,833	4,836
		Accounts receivable trade	562	375	186	2,272	41
		Other current receivables	3,714	3,389	3,795	2,974	3,972

Continued.

Continued.	Prepaid expenses	1,098	1,144	1,025	338	677
	Cash and cash equivalents	60	2,184	4,173	43	603
	Total current assets	14,499	13,765	17,062	10,460	10,129
	TOTAL ASSETS	67,944	68,128	70,746	66,652	91,709
	EQUITY AND LIABILITIES					
	EQUITY					
	Share capital	307	307	307	307	30,738
	Additional paid in capital	59,802	59,800	59,808	59,838	24,997
	Translation difference reserve	-12,991	-13,557	-12,910	-15,714	-11,220
	Retained earnings	-80,364	-86,237	-77,603	-84,087	-62,593
	TOTAL EQUITY	-33,246	-39,687	-30,398	-39,656	-18,078
	LONG TERM LIABILITIES					
	Deferred tax liabilities	1,658	1,986	1,777	2,224	2,719
	Provisions	744	756	714	659	846
	Bank loans and other notes	12,390	16,656	14,832	20,073	17,094
	Debt to shareholder	44,281	42,287	43,285	41,293	43,464
	Other long-term liabilities	10,373	5,722	6,387	6,058	6,975
	Total long term liabilities	69,446	67,408	66,995	70,307	71,098
	CURRENT LIABILITIES					
	Trade and other accounts payable	2,137	3,037	1,616	3,525	3,532
	Bank loans payable	26,219	30,243	24,549	24,537	28,256
	Shareholder loans payable	-	5,813	6,063	5,563	4,088
	Other current liabilities	3,388	1,316	1,921	2,376	2,813
Total current liabilities	31,744	40,407	34,149	36,001	38,689	
TOTAL EQUITY AND LIABILITIES	67,944	68,128	70,746	66,652	91,709	

		Consolidated Cash flow statement					
		KUSD	1 January-30 June 2017	1 January-30 June 2016	1 January-31 December 2016	1 January-31 December 2015	1 January-31 December 2014
			IFRS unaudited	IFRS unaudited	IFRS audited	IFRS audited	IFRS audited
		Operating activities					
		Receipts from customers	12,562	18,505	45,544	32,042	42,627
		VAT and other reimbursement	1,943	1,515	3,295	3,915	8,200
		Payments to suppliers	-8,843	-10,007	-19,893	-18,524	-37,735
		Payments to employees and social taxes	-4,570	-4,315	-7,595	-8,860	-14,022
		Income tax paid	-65	-27	-27	-13	-
		Other taxes paid	-1,105	-1,676	-3,897	-3,446	-4,371
		Net cash flows from/(used in) operating activities	-78	3,996	17,429	5,113	-5,301
		Investing activities					
		Purchase and construction of property plant and equipment	-260	-1,025	-1,448	-89	-2,687
		Exploration and research works	-368	-465	-943	-29	-703
		Investments in JV	-	-	-	-	-168
		Net cash flows used in investing activities	-628	-1,490	-2,391	-117	-3,558
		Financing activities					
		Proceeds from borrowings, net	-	2,500	2,500	1,000	15,046
		Repayment of borrowings, net	-1,500	-1,176	-7,723	-745	-2,039
		Interest paid	-1,172	-1,377	-4,554	-4,535	-3,708
		Lease payments	-637	-548	-1,134	-1,288	-2,263
		Other finance income/expenses	-	14	14	-37	-
		Net cash from financing activities	-3,309	-587	-10,899	-5,604	7,036
		Net increase in cash and cash equivalents	-4,015	1,918	4,140	-609	-1,823
		Net foreign exchange difference	-98	223	-10	49	770
		Opening balance cash and cash equivalents	4,173	43	43	603	1,656
		Closing balance cash and cash equivalents	60	2,184	4,173	43	603

Continued.

Continued.	Key financials					
	The following key financials, such as Auriant Mining have defined them, should not be compared with other key figures with similar names used by other companies. This is due to that the key ratios are not always defined in the same way and other companies may calculate them differently than Auriant Mining. Auriant Mining believes that these key ratios provide a better understanding of the Company’s economic trends. The Company has and will continue to report the following key figures in the Company’s financial information to the market in order to make it easier for investors to evaluate the Company based on the key figures Auriant Mining presents to the market. The following key financials and alternative key financials are presented below.					
		1 January-30 June 2017	1 January-30 June 2016	1 January-31 December 2016	1 January-31 December 2015	1 January-31 December 2014
	Key financials for the income statement					
	Revenue, KUSD	12,562	15,663	43,380	33,429	42,627
	EBITDA, KUSD	2,507	7,137	22,004	10,267	-4,085
	EBITDA margin (%)	20%	46%	51%	31%	-10%
	Operating profit/(loss) (EBIT), KUSD	-378	3,701	15,416	-13,297	-11,251
	Operating income-margin (%)	-3%	24%	36%	-40%	-26%
	Net profit/(loss), KUSD	-2,761	-2,150	6,484	-21,494	-16,591
	Net profit/(loss) margin (%)	-22%	-14%	15%	-64%	-39%
	Key financials of the capital structure					
	Total equity, KUSD	-33,246	-39,687	-30,398	-39,656	-18,078
	Equity ratio (%)	Neg.	Neg.	Neg.	Neg.	Neg.
	Data per share					
	Amount of shares	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429
	Equity per share, USD	-1,87	-2.23	-1.71	-2.23	-1.02
	Earnings per share, USD	-0,16	-0.12	0.36	-1.21	-0.93
	Personnel					
	Average number of employees	516	498	508	612	802
	EBITDA					
	The Company has chosen to report the key ratios EBITDA and EBITDA margin as these show underlying earnings of operations, free from the effect of depreciations, which provides a more comparable profit measurement over time as depreciations relate to historical investments.					

KUSD	1 January- 30 June 2017	1 January- 30 June 2016	1 January-31 December 2016	1 January-31 December 2015	1 January-31 December 2014
Operating profit/loss	-378	3,701	15,416	-13,297	-11,251
Depreciations and write-offs of tangible and intangible fixed assets	2,885	3,436	6,588	23,564	7,166
EBITDA	2,507	7,137	22,004	10,267	-4,085
EBITDA margin	20%	46%	51%	31%	-10%
Definition of key financials					
Amount of shares					
Number of shares at the end of the period					
Earnings per share, USD					
Earnings per share is calculated on the number of shares at the end of the period.					
Definition of alternative key financials not defined by IFRS					
Equity per share, USD					
Equity per share is calculated on the number of shares at the end of the period. Equity share is commonly used for valuation of the share.					
EBITDA					
EBITDA is earnings before interest, tax, depreciation, amortization and any impairment. Due to the nature of business the Company considers forex as a non cash item, thus EBITDA is calculated as Operating profit less depreciation, amortisation and any impairment. EBITDA is presented as this shows the underlying earnings of the operations, eliminated from the effect of depreciation, which gives a more comparable profit margin over time as depreciation relates to historical investments.					
EBITDA margin					
EBITDA margin is a percentage of Operating profit less depreciation, amortisation and any impairment (EBITDA) of net sales. It shows how much profit the Company earns before payment of interest and income tax. This key figure is used for analysis of value creation.					
Operating income margin					
Operating income margin is Operating profit as a percentage of net sales, indicating which proportion remains to cover interest, tax and generate profits after the Company's expenses have been paid. Moreover, the alternative key figure can be used to follow the Company's development and compare companies in the same industry.					
Net profit /(loss) margin					
Profit after financial items as a percentage of net sales. Profit margin shows how much profit per revenue and how much of revenue there are to develop business, amortize or distribute to shareholders.					
Equity ratio					
Shareholders' equity in relation to the balance sheet in total, which indicates the proportion of assets financed by equity. The size of the equity in relation to other liabilities describes the Company's long-term ability to pay and is therefore of interest in connection with negotiations regarding loans with the bank.					
Significant events after 31 December 2016					
In 2016, the Company received a letter from Kronofogdemyndigheten, Swedish enforcement authority,					

		<p>(further - KFM) regarding KFM's decision to take ownership of the debt owed by Auriant Mining to Mr. Preston Haskell, a related party. As of December 31, 2016 the loan liability to Mr. Preston Haskell was 6.063 MUSD. In 2017 Auriant Mining reached an agreement with KFM regarding a repayment schedule for the debt. Under the agreement, the debt will be paid by the Company to KFM in accordance with the following schedule: 1.0 MUSD in Q3 2017, 1.0 MUSD in Q4 2017, 2.0 MUSD in the 2nd half of 2018, and the remaining amount by the end of 2019. From 2017 the interest rate on the debt is 2 per cent p.a.</p> <p>In July 2017, Tardan Gold LLC concluded a facility agreement with the Russian VTB Bank that enabled it to repay amounts owed under previous credit lines with the PSB group bank. The maximum credit under the loan facility is USD 37,548,500 and it carries an interest rate of 8.32 per cent per annum.</p> <p>In August 2017, the Extraordinary General Meeting of Auriant Mining resolved on the Offering. The Offering is expected to consist of a maximum of 71,209,716 new shares. The Offer Shares would represent approximately 80 per cent of all shares in the Company if the Offering should be fully subscribed. That will eliminate part of the claim and is planned to also provide the Company with new capital for required investments. The remaining part of the claim will be replaced with a simple promissory note or bond.</p>																											
B.8	Selected key pro forma financial information	Not applicable. No pro forma financial information has been included in this Prospectus.																											
B.9	Profit forecast or estimate	<p>Profit forecast</p> <table border="1"> <tr> <td>USD</td><td>Note</td><td>2017</td></tr> <tr> <td>EBITDA</td><td>A</td><td>13,712,000</td></tr> </table> <p>Profit forecast assumptions</p> <p>The most important profit forecast assumptions are a gold production of 0.9 tonnes hard rock gold and 64 kilograms of alluvial gold, an average gold price of 1,240 USD/oz and average exchange rate between RUB/USD at 59. The profit forecast of approximately 13,7 MUSD in EBITDA can be derived through an operating profit of approximately 6,9 MUSD and depreciation, amortization and write downs of approximately 6,8 MUSD.</p> <p>NOTE A</p> <p>EBITDA is profit before interest, tax, depreciation and amortization and any impairment losses. Due to its design, the Company regards foreign currency as an item that does not directly affect cash flow, and EBITDA is therefore calculated as operating profit less depreciation, amortization and any impairment. EBITDA is presented as it shows the underlying result of operations, with the effect of depreciation eliminated, which gives a more comparable profit margin over time when depreciation relates to historical investments.</p> <table> <tr> <td>KUSD</td><td>2017</td><td>2016</td></tr> <tr> <td>Total revenues</td><td>38,287</td><td>43,080</td></tr> <tr> <td>Cost of sales, inclusive depreciation, amortization and write downs</td><td>-30,139</td><td>-25,962</td></tr> <tr> <td>Other operation costs</td><td>-1,273</td><td>-2,002</td></tr> <tr> <td>Operating profit/(loss)</td><td>6,875</td><td>15,416</td></tr> <tr> <td>Depreciation, amortization and write downs</td><td>-6,837</td><td>-6,588</td></tr> <tr> <td>EBITDA</td><td>13,712</td><td>22,004</td></tr> </table>	USD	Note	2017	EBITDA	A	13,712,000	KUSD	2017	2016	Total revenues	38,287	43,080	Cost of sales, inclusive depreciation, amortization and write downs	-30,139	-25,962	Other operation costs	-1,273	-2,002	Operating profit/(loss)	6,875	15,416	Depreciation, amortization and write downs	-6,837	-6,588	EBITDA	13,712	22,004
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B.10	Qualifications in audit reports	Not applicable. There are no qualified opinions in the audit reports on the historical financial information in this Prospectus.
B.11	Working capital statement	<p>Without the Offering, a shortage of working capital is estimated at approximately 1.0 MUSD around March-April 2018 and to a large extent is explained by the seasonal production pattern, assuming production of 0.9 ton of hard rock gold and 60 kg of alluvial gold in 2017 and total production of 1 ton in 2018, average price per ounce USD 1,200 and RUB/USD exchange rate of 59.</p> <p>The Group is carrying out the Offering, among other things, for the purposes of ensuring sufficient working capital. The proceeds from the Offering together with the Company's available cash flows from operating activities provide the Company with sufficient working capital to meet its current requirements and to cover the working capital needs for a period of at least 12 months as of the date of this Prospectus. As the Offering is 80 per cent subscribed with underwriting commitments the Company strongly believes that the Rights Issue will be sufficient action to cover working capital needs. If the parties that issued subscription commitments would not fulfill their obligation and the Offering will not be subscribed, or the Group will not be able to finally obtain extended loan repayment schedule from a new finance provider the Group would have to consider financing its working capital shortage with (a) an attempt to amend existing loan repayment schedule in a way to reduce cash outflow and compensate working capital deficit; (b) short term debt; (c) a cut off its investing program; (d) obtaining better credit terms from its suppliers. The Company was successful in managing its working capital demand previously, however this is not a guarantee that the Company will be able to do this in future. Ultimate consequence of non-financing is that the Company should be forced to apply for corporate insolvency</p>

Section C – Securities

C.1	Type and class of securities	Shares in Auriant Mining AB (publ) with ISIN code SE0001337213.
C.2	Currency	Auriant Mining's share is denominated in Swedish crowns, SEK.
C.3	Share and share capital	The number of shares in Auriant Mining totals 17,802,429 before the Offering. The registered quote value per share is approximately 0.11 SEK.
C.4	Description of the rights attached to the securities	In the Offering, shareholders in the Company have preferential subscription right in accordance with the Companies Act. At the Annual General Meeting, each share entitles to one vote. Each share entails equal rights to share of the Company's assets and earnings. The right to dividend goes to the person who was registered in the register of shareholders held by Euroclear Sweden at the record day.
C.5	Restrictions on free transferability	Not applicable. The Offer Shares, subscription rights and intermediary shares are freely transferable.
C.6	Admission for trading	Auriant Mining's shares are traded at Nasdaq First North Premier Stockholm.
C.7	Dividend policy	Auriant Mining has not so far paid any dividends to the Company's shareholders, and the Board of Directors does not currently intend to propose a dividend. In consideration of future dividends, the Board of Directors will consider a number of factors, primarily the Company's earnings, financial position, future capital requirements and cash flows. There is no guarantee that for a particular year any dividend at all will be proposed or decided on.

Section D – Risks

D.1	Key information on the key risks specific to the Company and its industry	<p>Auriant Mining's operations are associated with risks that could have a material adverse effect on the Company's operations, financial position and earnings, which may reduce the value of the Company's shares and that a shareholder may lose all or part of its invested capital. The main risks related to the Company's business and industry are:</p> <ul style="list-style-type: none"> • Risks related to currency rate fluctuations as the Group's revenue from gold sales is linked to USD, whereas most of the Group's operating expenses are denominated in RUB. • Risks related to gold price since the Company derives all of its revenue from the sale of gold and accordingly, the financial result is dependent on the price of gold. • Risks related to interest rates since the Group capital structure comprises of debt, any changes in the interest rate will affect the Group's financial position. • Risks related to credit risk since the Group is related to counterparty transactions and therefore affected by their credibility. • Risks related to liquidity since the Company is dependent on bank terms of their loans to ensure liquidity. • Risks related to operations since the Company's is dependent on production equipment in order to conduct its business. • Risks related to the market since any restriction on buying gold or changes in regulations made by the Central Bank of the Russian Federation will affect the Company. • Political related risks since political decisions such as sanctions made by the EU or by certain countries on Russian parties or others may restrict the Company from accessing Western capital markets etc. • Risks related to environment, health and safety since any violations of safety or environmental rules etc. will affect the Company. • Risks related to mining and production, exploration risks and lifetime of the mines since future gold production is difficult to estimate in current assets and exploration of new mines involves a high degree of risk and uncertainty.
D.3	Risks relating to the securities	<p>The main risks related to Auriant Mining's share and the Offering are:</p> <ul style="list-style-type: none"> • Risks related to the development of the stock, which means that the share price may develop negatively. An investor may suffer from capital losses when selling the share. • Risks relating to an owner with large influence, which means that the main owner has significant influence on the Company and may affect such matters that are subject of voting at general meetings. • Risks related to limited liquidity in the Company's securities, meaning that it may involve difficulties for shareholders to sell larger stakes without affecting the price of the share. • Risks related to that subscription commitments and underwriting commitments are not secured.

Section E – The Offering

E.1	Net proceeds and costs of the Offering	<p>If the Offering is fully subscribed, the Company expects to receive cash proceeds of approximately 85 MSEK from the Offering, before deducting the estimated costs in connection with the Offering, including underwriting fees and compensation (assuming that the underwriters decide to get underwriting fee in cash), which will amount to approximately 18.9 MSEK if the Offering is fully subscribed. In addition, the main shareholder has committed to set off approximately 74.5 MSEK of its claim against the Company by way of a subscription commitment. If the Offering is fully subscribed the main owner will continue to subscribe to its pro rata ownership through setting off its claim debt. The remaining part of the convertible debt will be replaced by a simple promissory note or bond and will not result in any future dilution.</p>
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E.2a	Reasons for the offering and use of proceeds	<p>In 2016 the Company became profitable (EBITDA 22 MUSD), reflecting the concentration on production at Tardan and the management's focus on reducing cost. However without the Offering a shortage of working capital is estimated at approximately 1.0 MUSD around March – April 2018. In order to ensure sufficient working capital and enable future growth by investments, new capital is required.</p> <p>The Offering of approximately 178 MSEK will eliminate part of the convertible debt and also provide the Company with new capital for required investments. The remaining part of the convertible loan will be replaced with a simple promissory note or bond. The reduction of the indebtedness will reduce Auriant Mining's dependency on the main owner, lower the financial risk, as well as create a more solid balance sheet. Furthermore, the proposed upgrading in the Tardan production facility will significantly expand the production capability, extend the lifetime of the asset, increase the recovery potential as well as decrease cost of production.</p> <p>The Company will use the net cash proceeds from the Offering to (1) ensure sufficient working capital and (2) upgrade the Tardan production facilities by introducing Carbon-In-Leach (CIL) technology, which will increase the recovery rate from 60 per cent to about 90 per cent. The total cost is expected to be approximately 114 MSEK, of which approximately 65 MSEK will be financed through the Offering. In addition, at least 74.5 MSEK of the convertible loan of Bertil Holdings Ltd will be set off through a subscription commitment in the Offering.</p>
E.3	Terms and conditions of the offer	<p>The Rights Issue</p> <p>On 3 August 2017, the extraordinary general meeting decided on a rights issue of up to 71,209,716 new shares with preferential subscription rights for current shareholders meaning that the new shares are primarily offered for the subscription of the Company's shareholders in proportion to their shareholdings. The subscription price is 2.50 SEK per share, which corresponds to approximately 178 MSEK. The Offering may increase the share capital by up to approximately 7,833,069 SEK from approximately 2,002,773 SEK to approximately 9,835,842 SEK. Number of shares may increase by up to 71,209,716 from 17,802,429 to 89,012,145, each one with a quota value of approximately 0.11 SEK.</p> <p>Warrants</p> <p>In addition, for every one (1) subscribed and allotted share in the Offering the subscriber may subscribe for one (1) warrant free of charge that will entitle the holder to subscribe for one (1) new share. The exercise period for the warrants is expected to be between 19 March 2018 and 30 March 2018. The strike price of the warrants will be the VWAP (Volume Weighted Average Price) of Auriant Mining's share for 10 trading days prior to the exercise period of the warrants with a discount of 25 per cent, with a minimum strike price of 2.50 SEK and a maximum strike price of 3.50 SEK.</p> <p>Possible arranged directed share issues in connection with the Offering</p> <p>The underwriters are entitled to use their underwriting fee to pay for subscribed new shares in a directed issue by set-off, to be arranged for the underwriters, if necessary, after the Offering. In such case, the underwriting fee is twelve (12) per cent of the given underwriting guarantee, meaning a maximum of approximately 8.15 MSEK. The subscription price in the directed issue is defined as the volume weighted average price on First North Premier during the Subscription Period.</p> <p>Preferential rights to subscribe</p> <p>In accordance with the shareholders' preferential subscription right, Auriant Mining will give all shareholders registered in Auriant Mining's shareholder register one (1) book-entry subscription right per each share held on the Offering record date 18 August 2017. Each one (1) Subscription Right entitles the holder to subscribe for four (4) Offer Shares.</p> <p>Subscription Price</p> <p>The Subscription Price of the Offer Shares is 2.50 SEK per Offer Share, brokerage fees do not apply. The subscription price has been determined by the Board of Directors based on the market price of the Company's share, current market conditions and business's development.</p> <p>Record date</p> <p>The record date with Euroclear to determine who will receive subscription rights in the Offering will be 18 August 2017. The last day for trading in the Company's share including the right to participate in the</p>

		<p>Offering will be 16 August 2017. The first day for trading in the Company's share excluding the right to participate in the Offering will be 17 August 2017.</p> <p>Trading with subscription rights Trading with subscription rights will take place on Nasdaq First North Premier and will commence on 23 August 2017, and will end on 6 September 2017. The ISIN-code for the subscription rights is SE0010245423.</p> <p>Subscription Period The subscription period for the Offer Shares will commence on 23 August 2017, and will end on 8 September 2017. After the subscription period unexercised subscription rights will be void and without value. Unexercised subscription rights will, without notification from Euroclear, be deregistered from the VP account. To prevent loss of value of the subscription rights they must be exercised to subscribe for Offer Shares by 8 September 2017 or sold by 6 September 2017. The Board of Directors of Auriant Mining is entitled to extend the time during which the application for subscription and payment can be made. An extension of the subscription period and payment shall be decided at the latest before the subscription period or the payment period respectively have ended and shall be made public through a press release.</p>
E.4	Material interests / conflicting interests relating to the issue	Mangold Fondkommission AB gives financial advice and other services to Auriant Mining in connection with the Offering. Mangold Fondkommission AB receives a fee that has been agreed upon in advance for these services, and a part of the fee is tied to the amount of proceeds in the Offering. Therefore, it is in Mangold Fondkommission AB's interest that the Offering is successful.
E.5	Lock-ups	Not applicable. To the knowledge of the Board of Directors there are no lock-up commitments from existing shareholders.
E.6	Dilution	As a result of the Offering, the number of the Company's shares may increase from 17,802,429 to a maximum of 89,012,145 shares. Shareholders who choose not to subscribe for shares in the Offering may suffer a maximum dilution of their ownership and voting share of approximately 80 per cent from the Offer Shares and then an additional maximum dilution of approximately 44 per cent from the exercise of warrants, resulting in a total maximum dilution of approximately 89 per cent.
E.7	Expenses charged from the investor	Not applicable. The Company does not charge investors any costs.

RISK FACTORS

An investment in Auriant Mining's shares involves various risks. A number of factors affect, or could affect, Auriant Mining's business, both directly and indirectly. Described below, in no particular order and without claim to be exhaustive, are the risk factors and significant circumstances considered to be material to Auriant Mining's business and future development. The risks described below are not the only risks that Auriant Mining and its shareholders may be exposed to. The Company is exposed to risks that lie within the Company's control, and to risks that Auriant Mining itself cannot impact. Moreover, there are certain risks associated with the Offering. Additional risks that are not currently known to Auriant Mining, or that Auriant Mining currently believes are immaterial, may also materially and adversely affect the Company's business, financial condition or result of operations. Such risks may cause the price of Auriant Mining's shares to fall significantly, and investors could potentially lose all or part of their investment.

RISKS RELATED TO THE INDUSTRY AND AURIANT MINING

Currency risk

The Company's income is subject to exchange rate fluctuations. The Group's revenue from gold sales is linked to USD, whereas most of the Group's operating expenses are denominated in RUB. Accordingly, an appreciation of the Russian Rouble against the USD may negatively affect the Group's margins by increasing the USD value of its RUB-denominated costs. Fluctuations on the exchange market may lead to material adverse effect on the Company's business, financial condition and results of operations.

Gold price risk

The Company derives substantially all of its revenue from the sale of gold. Accordingly, its financial results largely depend on the price of gold. The gold market is cyclical and sensitive to changes in general economic conditions, and may be subject to significant volatility. As a result, it is not possible to forecast accurately the price of gold. The price of gold is influenced by various factors, many of which are outside of control of the Company, including, but not limited to:

- speculative trading activities in gold;
- currency exchange rates, particularly movements in the value of the USD against other currencies;
- the overall level of forward sales by gold producers;
- the overall level and cost of production;
- actual or expected inflation and interest rates;
- global and regional supply and demand, and expectations of future supply and demand

Significant sustained declines in the price of gold may render any of the gold exploration or development activities undertaken by the Company less profitable or unprofitable and may have a material adverse effect on the Company's business, financial position and results of operations.

Interest rate risk

The Company's interest-bearing loans are comprised of loans in Russian banks and loans from shareholders/related parties. Currently, all interest bearing loans have fixed interest rates during the terms of the loans and, therefore, the Group is not currently directly exposed to an interest rate risk in the short term. The Company is on regular basis engaged in negotiations with existing finance providers in order to roll current obligations over to next periods and maintain optimal debt repayment pattern. Conditions of the loans can be changed or adjusted during these negotiations, including potential interest rate raise. In case that the Company is unable to find alternative finance

sources that may lead to raise in interest rate expenses, which may have a material adverse effect on the Company's business, financial position and results of operations.

Credit Risk

As a rule, surplus liquidity is to be kept on current bank accounts or invested in savings accounts or overnight deposits, as the case may be. Accounts and deposits are opened in the same banks, which provide financing to the Company. With respect to gold sales, there are generally no receivables arising out of these transactions, since the Company sells gold to the bank, which holds a special license for conducting operations with precious metals. In the course of a transaction the Company either receives a pre-payment from the bank once refinery reports receiving Dore bar from the Company or, if gold is not sold on a pre-payment basis, the buyer settles its obligation on the same day. Provisions for bad debts are reported based on individual estimation of possible payment from each counterparty. Counterparty's default may lead to material adverse effect on the Company's business, financial condition and results of operations.

Liquidity risk

The Company is leveraged and a substantial amount of its debt is short term. The banking system in the Russian Federation remains under on-going development providing limited liquidity to Russian enterprises at interest rates usually higher than those in EU or US. For enterprises similar to the Company in size of operations the banking system usually does not provide sufficient long term liquidity. Duration of banking obligation rarely exceeds five years, and normally varies between one and three years, with substantial funds provided to the borrowers as working capital financing facilities with tranches of less than one year. The Company on an ongoing basis negotiates with financing banks a repayment pattern, which will allow the Company to finance its operating and investing activities and service its debt. If the Company is unable to negotiate with banks a schedule of repayment allowing it to finance its operating and financing activities and meet its other obligations when due it may have a material adverse effect on the Company's business, financial condition and results of operations.

Operational risks – equipment failures, dependence on external contractors, production curtailments or shutdowns, obtaining necessary permit and approvals

The Company's operations are materially dependent on outside contractors, including, but not limited to, providers of transportation and excavation services (in addition to transportation and excavation made using own fleet of equipment), drilling, blasting, equipment maintenance services, electricity and other utilities supply, transportation of materials to the mine, etc. As a result the Company's operations are subject to risks, including but not limited to:

- inability to negotiate provision of relevant services on terms acceptable to the Company;
- inability to replace or a delay in replacement of a contractor and its operating equipment in the event that an agreement with the contractor is terminated or the contractor goes out of business (is declared bankrupt);
- failure of a contractor to perform under its agreement;
- failure of a contractor to comply with applicable legal and regulatory requirements.

The occurrence of any one of, or a combination of, the risks mentioned above could have a material adverse effect on the Company's business, financial position and results of operations.

In case of a major production equipment failure the Company may experience plant shutdowns or periods of reduced production. It may lead to a decrease in production and, correspondingly, sales revenue as well as to an increase in cost of production. As a result of this the Company's profitability could be adversely affected and it would have an adverse effect of the Company's business, financial position and result of operations.

Besides licenses for exploration and mining of natural resources, the Company must obtain additional permits and approvals to be able to actually carry out mining and production activities. For newly explored deposits, those permits and approvals include, without limitation, approval of resources with GKZ (State Resource Committee); approval of project documentation for open pit construction and operation; renting land to be used for mining activities and related activities; permits for potentially hazardous activities (such as blasting operations and

operations with poisonous materials); environmental safety review, etc. In particular, at present the Company is seeking to obtain the necessary permits and approvals, including GKZ resources approval, for the Pravoberezhniy deposit located in the Greater Tardan area, in order to commence mining operations at the deposit in the beginning of Q2 2018. Failure to obtain the necessary permits and approvals in time may lead to interruption in production and adversely affect the Company's business, financial position and results of operations.

Market risks

The Company is not subject to a material market risk when selling its product (fine gold and silver). Fine gold and silver in bullions are sold to banks domiciled in Russia and possessing a special license to operate with precious metals granted by the Central Bank of the Russian Federation (CBR). The products are sold at current London price for USD. The Company sells its product either on a prepayment basis or buyer's obligations are settled on the same date as the sale transaction occurs. Historically banks never limited their buying operations and bought as much fine gold and silver as was offered for sale. However no assurance can be given that they will do so in future. Any suspension of buying gold or changes in respective regulations and/or licensing procedures by CBR may have an adverse effect on the Company's business financial position and results of operations.

Political risks

The Russian Federation is a federation of sub-federal political units, consisting of republics, territories, regions, cities of federal importance and autonomous regions and districts, some of which have the right to manage their internal affairs pursuant to agreements with the federal government and in accordance with applicable laws. Since 1991, Russia has been moving from a one-party state with a centrally planned economy to a federal republic with democratic institutions and a market-oriented economy. From 2001 until 2013, the political situation in Russia became more stable and conducive to investment. Such stability, however, has been negatively affected by economic sanctions imposed in 2014 and in subsequent years by the United States and the EU and by the on-going economic recession.

The events in Ukraine and Crimea and the resulting change in its legal status brought about a negative reaction from the EU, the United States and a number of other countries. The United States, the EU and several other countries have imposed sanctions on a number of Russian officials and individuals, former Ukrainian officials, and several Russian companies, banks and businessmen, establishing that entities and individuals in those sanctioning jurisdictions may not in certain circumstances do business with them or provide funds or economic resources to them, with assets in the relevant sanctioning jurisdictions being subject to seizure and the individuals being subject to visa bans. In addition, "sectoral" sanctions have been imposed, whose principal consequences are that several leading Russian state-owned banks have been restricted from accessing Western capital. Similar sanctions have been imposed on major companies in the oil and gas and defense sectors of the Russian economy, a number of companies involved in design and construction of the Kerchenskiy bridge to Crimea, and certain other companies. "Sectoral" sanctions also prohibit supply of certain types of goods and technologies to the relevant companies. The U.S. sanctions regime also permits sanctions to be applied against companies in the engineering and the metals and mining sectors, although such sanctions are not currently in effect against any Russian metals and mining companies. The current sanctions regime is a result of multiple extensions by the sanctioning jurisdictions in the scope and, the term of sanctions, the most recent of which were made by the U.S in August 2017.

As the Company's production and exploration assets are located in the Russian Federation, if the sectoral sanctions were to be expanded to the companies in the metals and mining sector, then the Company could be restricted from accessing Western capital markets and/or from acquiring equipment, which could cause difficulties in the implementation of investment projects. An expansion of the sanctions to companies in the metals and mining sector may have an adverse effect on the Company's business financial position and results of operations.

Legal risks

Maintenance of licences risks

Federal Agency for Subsoil Use (Rosnedra) may suspend or revoke the Company's subsoil use licences if it recognizes their violation, revealed by Federal Service for Supervision of Natural Resource Usage (Rosprirodnadzor) or other authorized governmental body, which can lead to a complete halt of the Company's projects.

Community risks

The Company's projects can be delayed or stopped due to community and environmental activists' protests and, as a result, denial of regional authorities to conclude or prolong land lease agreements, which are essential for mining.

Red tape risks

Lack or delay in obtaining and renewing of various types of mining approval documentation can lead to delays or suspension of the Company's projects and operations.

Environmental, health and safety risks

The Company is subject to extensive environmental, health and safety controls and regulations, and any breach of these regulations could result in fines and material breach of these regulations could result in the suspension of operations, which could have a material adverse effect on its reputation, operating results and financial condition.

The Company is subject to extensive environmental controls and regulations in Russia. Its operations involve the use of environmentally toxic and hazardous materials, such as cyanides and diesel fuel and lubricants, as well as processes that could lead to the discharge of materials and contaminants into the environment, disturbance of land, potential harm to flora and fauna and other environmental concerns. In addition, environmental hazards may exist on the Company's properties, or may be encountered when its products are in transit. Environmental laws and regulations are continually changing and are generally becoming more restrictive. The licenses under which the Company operates include conditions regarding environmental compliance. The terms of the Company's subsoil licenses contain site clean-up, restoration and rehabilitation obligations due in future that are mandatory for the Company. The Company could be held liable for losses associated with environmental hazards caused by its misconduct and subsequent rehabilitation, which may have an adverse impact on Group's operations, financial results and financial position.

In addition, if operations of a company violate environmental requirements or are harmful to the environment or any individual or legal entity, the environmental authorities may suspend such operations for up to 90 days or a court action may be brought to limit or ban such operations and require the company to remedy the effects of the violation. Under the Russian law, any company or individual violating industrial safety rules may incur administrative or civil liability, and individuals may also incur criminal liability. A company that violates safety rules that results in health problems for an individual may also be obliged to compensate the individual for lost earnings, as well as for other damages and, in certain cases, its activity may be suspended. Any suspension or other sanction could have a material adverse effect on the Company's business, results of operations and financial position.

Mining and production risks, exploration risks and lifetime of the mines

The Company's operations, like those of any other gold mining company, are subject to all of risks normally associated with the exploration, development and production of gold, any of which could result in production shortfalls or damage to persons, property or the environment. The Group engages in open pit mining. Risks associated with open pit mining operations include flooding, collapses of the open pit wall or shelf, accidents associated with the operation of mining transportation equipment, accidents associated with open pit blasting operations, accidents associated with crushing equipment operations, mineralized solutions leakages or pipeline breakages.

The volume of ore and grades in that ore, which the Company mines and expects to be mined in future may not conform to current expectations. Like any gold mining company, the future financial condition of the Company will depend on its ability to economically mine its resources. Ore resources estimates of any gold mining company are

inherently imprecise and depend to some extent on statistical inferences drawn from limited drilling and other testing, which may ultimately prove unreliable. Ore resources estimates and classifications are also affected by economic factors, such as gold prices.

Gold exploration and the development of mines involve a high degree of risk and uncertainty. To maintain future gold production beyond the life of the current resources the Company will need to extend its mineral base through geological exploration. Gold exploration may require substantial expenditure and involves a high degree of risk, and exploration projects are frequently unsuccessful and few prospects that are explored are developed into productive mines. The long-term success of the Group's operations will be related to the cost and success of its exploration programs.

In the event that any of abovementioned risks materializes this may lead to material adverse effect on the Company's business, financial condition and results of operations.

RISKS RELATED TO THE OFFERING AND THE SHARES

There is a risk that the Company may not receive the required capital in full from the Offering

There is a risk that the Offering will not be fully subscribed. The Company has received subscription commitments from one existing shareholder and underwriting commitments from external investors worth a minimum of approximately 142.4 MSEK (see the section "Subscription undertaking and underwriting agreements" in the Prospectus). The parties who have made subscription undertakings and underwriting agreements have thereby committed to subscribe for 80 per cent of the Offering.

If the Offering is not subscribed in full, it may influence the Company's results and financial position as the Company does not receive proceeds of approximately 85 MSEK, which are expected from the Offering. Should the capital received from the Offering be significantly lower than expected, this could influence the Company's ability to use the proceeds as planned, for investments to increase its capacity and to secure its working capital, which could lead to the Company ending up in payment difficulties. Consequently, the market price of the shares could fall below the Subscription Price of the Offering. In these circumstances, investors who have participated in the Offering by subscribing for Offer Shares may suffer a direct, unrealised loss pursuant to their investment.

There is a risk that an active public market for the Company's shares and/or subscription rights may not develop

The Company intends to apply for the listing of the Offer Shares and subscription rights on Nasdaq First North Premier. The trading with subscription rights starts on 23 August 2017 and ends on 6 September 2017. There can be no assurance as to the liquidity of the Company's shares or subscription rights.

The subscription rights will expire and have no value if they are not exercised during the Subscription Period

The Subscription Period will commence on 23 August 2017 and end on 8 September 2017. When choosing to exercise the subscription rights, the subscription right holder shall give his/her account operator or subscription venue instructions concerning the Offering within the Subscription Period and observe any special deadlines set by account operators. At the end of the Subscription Period, all unexercised subscription rights will expire and have no value.

The market price of the shares and subscription rights could fluctuate considerably

The market price of the Company's shares and subscription rights could be subject to fluctuations in response to factors such as actual or anticipated variations in the Company's operating results, announcements of innovations, introductions of new products or services by the Company or its competitors, changes in estimates by financial analysts, conditions and trends in the gold market, currency exchange rates, regulatory developments, general market conditions or other factors. In addition, international financial markets have from time to time experienced price and

volume fluctuations that were unrelated to the operating performance or prospects of individual companies. The above-mentioned changes and market fluctuations may result in increased volatility in the market price of the shares, and the price of the shares may fall below the Subscription Price.

Dilution of the shareholding

Shareholders that choose not to subscribe for shares in the Offering will have a lower portion of Auriant Mining's share capital and votes after the Offering.

Not all foreign shareholders may be able to exercise their subscription rights

Certain shareholders, who live or have their registered address in certain countries outside Sweden, may not be able to exercise their preferential subscription rights, because the shares have not been registered as stipulated in the securities-related legislation of the country in question or in another corresponding manner, unless an exception from the registration and other such requirements set in the applicable laws can be applied.

Future issues or sales of a substantial number of shares or rights entitling to shares could have a negative effect on the market price of the shares and cause dilution; the Company may arrange a directed issue in connection with the Offering

Future issues or sales of a substantial number of shares or rights entitling to shares, or the perception that such issues or sales may occur in the future, can have a material adverse effect on the market price of the shares as well as on the Company's ability to acquire equity financing. Additionally, any future rights issues or targeted issuances of shares or rights entitling to shares will dilute a shareholder's proportion of the shares and votes to the extent that the shareholder decides not to, or is not entitled to, subscribe to those shares or rights entitling to shares. It is also possible that the Company will use its shares as a means of payment in future acquisitions, which could have a material adverse effect on the market price of the Company's share.

There is a risk that underwriters and shareholders who have given subscription undertakings will not fulfil their obligations towards the Company

The Company has received subscription undertakings from current shareholders and underwriting commitments from external investors worth approximately 142.4 MSEK (see the section "Subscription undertaking and underwriting agreements" in the Prospectus). The parties that have given subscription undertakings and underwriting commitments have thus undertaken to subscribe for 80 per cent of the Offering. The underwriting guarantees received are referred to as "base underwriting commitments". If the Offering is not subscribed to 80 per cent, the Board of Directors of the Company has the right, but not the obligation, to allocate an amount of Offer Shares, to the providers of underwriting commitments in accordance with the terms of the underwriting agreements, that is equal to the amount that the total amount of subscriptions of other subscribers than the providers of underwriting commitments has come short from the above mentioned amount, however up to the maximum amount of the underwriting. The Company has not received nor requested securities from the parties that have undertaken to subscribe for Offer Shares in the Offering on the basis of subscription undertakings and underwriting commitments. Although the Company trusts the parties from which it has received the subscription undertakings and underwriting commitments, there is a risk that parties that have given a subscription undertaking or underwriting commitment will not fulfil their obligations towards the Company, since the commitments are not assured through bank guarantees, deposits or similar arrangement. Because of this, there is a risk that underwriters who have given subscription undertakings will not fulfil their obligations towards the Company.

INVITATION TO SUBSCRIBE FOR SHARES IN AURIANT MINING AB (PUBL)

The Extraordinary General Meeting of Auriant Mining resolved on 3 August 2017 on an issue consisting of maximum 71,209,716 new shares at a subscription price of 2.50 SEK per share, corresponding to approximately 178 MSEK, with preferential rights for the Company's current shareholders (the "Offering").

Auriant Mining's shareholders receive subscription rights for subscription for Offer Shares in proportion to the number of shares they hold on the record date 18 August 2017. For each existing share in the Company held on the record date one (1) subscription rights will be obtained. One (1) subscription right will entitle the holder to subscribe for four (4) Offer Shares at a subscription price of 2.50 SEK per share. The subscription period for the Offer Shares commences on 23 August 2017 and ends on 8 September 2017, or a later date that the Board of Directors may decide. The subscription rights are freely transferable and will be traded on Nasdaq First North Premier during the period from 23 August 2017 until 6 September 2017. In addition, for every one (1) subscribed and allotted share in the Offering the subscriber will receive one (1) warrant free of charge that will entitle the holder to subscribe for one (1) new share.

If the Offering is fully subscribed, the Company expects to receive cash proceeds of approximately 85 MSEK from the Offering, before deducting the estimated expenses in connection with the Offering, including underwriting fees and compensation (given that the underwriters decide to get underwriting fee in cash), will amount to approximately 18.9 MSEK if the Offering is fully subscribed.

As a result of the Offering, the Company's share capital may increase by no more than approximately 8,011,093 SEK from approximately 2,002,773 SEK to approximately 10,013,866 SEK. The number of shares may increase by up to 71,209,716, from 17,802,429 to 89,012,145. Shareholders who choose not to subscribe for shares in the Offering may suffer a maximum dilution of their ownership and voting share of approximately 80 per cent from the Offer Shares and then an additional maximum dilution of approximately 44 per cent from the possible exercise of 71,209,716 warrants, the exercise period being between 19 March 2018 and 30 March 2018, resulting in a total maximum dilution of approximately 89 per cent. Shareholders have the opportunity to sell their subscription rights in order to receive financial compensation for the dilution, see also the section "Terms and Conditions". In addition, external underwriters may choose to receive shares in the Company as underwriting compensation instead of cash. For this the Board of Directors has received from the EGM an authorization to issue up to 8,000,000 additional shares.

The Company's main owner has made a subscription commitment of approximately 74.5 MSEK, corresponding to approximately 42 per cent of the Offering. In addition, the Company has entered into underwriting agreements with external parties for approximately 67.9 MSEK, corresponding to approximately 38 per cent of the Offering, which may be claimed if the Offering is not fully subscribed. The total fees in connection with the Offering, including underwriting fees and compensation (assuming that the underwriters decide to get underwriting fee in cash), will amount to approximately 18.9 MSEK if the Offering is fully subscribed. For more information on entered subscription commitments and underwriting commitments see "Subscription undertaking and underwriting agreements" under the section "Legal considerations and supplementary information".

In light of the above, hereby current shareholders, institutional investors and the public in Sweden are invited to subscribe for shares in the Company under the terms of this Prospectus.

Stockholm, 22 August 2017

Auriant Mining AB (publ)

The Board of Directors

BACKGROUND AND RATIONALE FOR THE OFFERING

The Company has a substantial mineral base comprising 53 tonnes of gold partially classified under JORC and partially classified under Russian national resource classification system commonly referred to as GKZ.

The concentration on improving efficiency at Tardan and management's focus on reducing costs over the last few years has made the Company profitable (EBITDA in 2016 was 22 MUSD). On the back of this successful turnaround, Auriant Mining is now ready to expand. In order to enable future growth, new capital is required for capital investments. However, the current level of debt is preventing the Company from obtaining loan financing on favourable terms.

The Company aims to further increase operations efficiency at Tardan by upgrading the gold production facilities and changing the ore processing and gold extraction technology from current heap leaching to CIL (carbon-in-leach). This will increase recoveries and result in higher gold production over the mine life. Laboratory test indicate that the CIL process will achieve 90 per cent gold recovery compared to an average 65 per cent in current heap leach processing. It is expected that the shift to the new technology will be made in 2018 and will result in 1.5 tonnes of additional gold production out of existing resources over the mine life. Additionally the new technology will allow the Company to reprocess heap leach tailings with residual grades above 1 grams per tonne with additional production of up to 1 tonne of gold.

Without the Offering, a shortage of working capital is estimated at approximately 1.0 MUSD around March – April 2018. Because of this, the Board of Directors of the Company is now proposing to carry out a rights issue of approximately 178 MSEK. If the Offer is fully subscribed it will eliminate approximately 93.1 MSEK (74,5 MSEK through subscription commitment) of the convertible loan of Bertil Holdings Ltd. and also provide the Company with new capital for required investments. The remaining part of the convertible loan will be replaced with a simple promissory note or bond. The reduction of the indebtedness will reduce Auriant Mining's dependency on the main owner, lower the financial risk, as well as create a more solid balance sheet. The issue proceeds from the warrants may then provide the Company with an additional 178-249 MSEK in 2018, depending on the strike price. The capital from the accompanying warrant program will be used to (1) complete the CIL implementation and (2) strengthen the Company's balance sheet even further as well as enable further growth.

If the Offering is fully subscribed, the Company expects to receive cash proceeds of approximately 85 MSEK from the Offering, before deducting the estimated expenses related to the Offering payable by the Company of approximately 18.9 MSEK in total transaction cost.

The Company will use the net cash proceeds from the Offering to (1) ensure sufficient working capital, which is expected to be approximately 1.0 MUSD and (2) commence the upgrade of the Tardan production facilities by introducing Carbon-In-Leach (CIL) technology, which will increase the recovery rate from 60 per cent to about 90 per cent. The total cost is expected to be approximately 114 MSEK of which 65 MSEK will be financed through the Offering.

The Board of Auriant Mining AB (publ) is responsible for the contents of the Prospectus. The Board hereby assures that all reasonable precautionary measures have been taken to ensure that the information in the Prospectus, as far as the Board knows, is in accordance with the actual circumstances and that nothing has been omitted that could affect its meaning. In the event that information comes from third parties, the information has been reproduced correctly and, as far as the Company is aware and can be assured by comparison with other information published by a third party concerned, no information has been left out in a manner that would render the information given incorrect or misleading.

Stockholm, 22 August 2017

Auriant Mining AB (publ)

The Board of Directors

MESSAGE FROM THE CHAIRMAN

Auriant Mining is a junior gold producer incorporated in Sweden with mining operations in Russia. The Company is involved in exploration and production of gold, primarily in the Republic of Tyva, in Eastern Siberia. Other gold exploration properties are located in the Republic of Khakassia and in Zabaykalskiy Kray (sub-federal units of the Russian Federation).

The Company has a substantial mineral base comprising 53 tonnes of gold partially classified under JORC and partially classified under the Russian national resource classification system, commonly referred to as GKZ.

In 2016, the Company achieved its priority aim of producing 1 tonne of gold. Total gold production in 2016 amounted to 1,078 kg, which is a historical record for hard rock gold production at our flagship Tardan mine. In 2016, the Company produced revenues of 43.4 MUSD, EBITDA of 22.0 MUSD (51 per cent margin) and net profit of 6.5 MUSD (15 per cent margin).

The Company aims to expand its operations, increase production efficiency and reduce debt. We are going to upgrade the Tardan production facilities by implementing a Carbon-In-Leach technology to increase the recovery rate, and thus, achieve higher production efficiency.

The Board of Directors of the Company proposes to carry out a rights issue of approximately 178 MSEK that will eliminate part of the Company's debt and also provide the Company with new capital for investment. The reduction of the indebtedness will reduce Auriant Mining's dependence on the majority shareholder, and create a more robust balance sheet. Upgrading the Tardan production facility will lead to extended mine life, higher gold production over its lifetime and decreased cost of production as a result of a higher recovery rate.

We believe that the Company is well positioned to turn its resource potential into increased production volumes on the back of its strategy and investment plans.

Peter Daresbury

Chairman of the Board

TERMS AND CONDITIONS FOR THE RIGHTS ISSUE

The Rights Issue

On 3 August 2017, the Extraordinary General Meeting resolved on a rights issue of up to 71,209,716 new shares with preferential right for subscription for the Company's current shareholders meaning that the new shares are offered for subscription of the Company's shareholders in proportion to their shareholdings. The Offering may increase the share capital by up to approximately 8,011,093 SEK from approximately 2,002,773 SEK to approximately 10,013,866 SEK. The number of shares may increase by up to 71,209,716, from 17,802,429 to a total of 89,012,145, each with a quota value of 0.1125 SEK.

Warrant program

In addition, for every one (1) subscribed and allotted share in the Offering the subscriber may subscribe for one (1) warrant free of charge that will entitle the holder to subscribe for one (1) new share. The maximum total amount of warrants in the Offering is 71 209 716. The exercise period for the warrants is between 19 March 2018 and 30 March 2018. The strike price for the warrants will be the VWAP of Auriant Mining's share 10 tradingdays prior to the exercise period of the warrants with a discount of 25 per cent, with a minimum strike price of 2.50 SEK and a maximum strike price of 3.50 SEK.

Possible arranged directed share issues in connection with the Offering

The Company has chosen to ensure that at least approximately 142.4 MSEK is raised before the deduction of the estimated expenses of the Offering, totalling to approximately 18.9 MSEK, by obtaining underwriting commitments. The underwriters may choose between receiving their remuneration in shares and warrants or in cash. The Board of Directors will use the authorisation granted at the Extraordinary General Meeting on 3 August 2017 to resolve on issues of shares and warrants should one or several of the underwrites choose such remuneration. A maximum number of 8,000,000 shares may be issued in new share issues and/or through the exercise of warrants under the authorisation. The Board of Directors intends for any possible such issue of shares and warrants to be resolved in close connection to the allotment of share in the Rights Issue.

In case the underwriters choose to receive remuneration in shares and warrants then they are entitled to remuneration amounting to twelve (12) per cent of the amount of the underwriting commitment (as compared to nine (9) per cent if they choose cash), meaning approximately 8.15 MSEK. The subscription price in the directed issue is defined as the volume weighted average price on First North Premier during the subscription period in the Rights Issue.

Subscription undertakings

The Company's main shareholder, Bertil Holdings Ltd, has committed to subscribe for approximately 41.86 per cent of the Offer Shares offered in the Offering by means of set off, which means it has committed to subscribe for Offer Shares in the Offering for approximately 74.5 MSEK). The subscription commitment was signed in June 2017 and is not secured through bank guarantee, deposits or similar arrangements. The Company has received the following binding commitments to subscribe for Offer Shares in the Offering:

	Subscription undertaking (Offer Shares)	Subscription undertaking (SEK)
Shareholder subscribing for Offer Shares		
Bertil Holdings Ltd	29,807,897	74,519,922
Total (Set off)	29,807,897	74,519,922

Underwriting commitments

A consortium of underwriters have committed to subscribe for Offer Shares corresponding to about 38.14 per cent of the Offering, meaning they have underwritten the Offering to a total of approximately 67.9 MSEK. The underwriting commitments were signed in June 2017 and are not secured through bank guarantee, deposits or similar arrangements. The Company has received the following binding underwriting commitments to subscribe for Offer Shares in the Offering:

Underwriter subscribing for shares	Underwriting commitment (Offer Shares)	Underwriting commitment (SEK)
GoMobile nu AB, Skärviksvägen 5, 182 61 Djursholm	4,400,000	11,000,000
John Fällström, Linnégatan 83, 114 60 Stockholm	4,400,000	11,000,000
Kivsvalk AB, Sandhammsgatan 42, 115 60 Stockholm	3,600,000	9,000,000
Mangold Fondkommission AB, Engelbrektsplan 2, 114 34 Stockholm	2,839,876	7,099,690
LMK Venture Partners AB, Box 2025, 220 02 Lund	2,200,000	5,500,000
Christoffer Bergfors, Torstenssongatan 3, 114 56 Stockholm	1,640,000	4,100,000
Waros Energi AB, Tullvaktsvägen 2, 115 56 Stockholm	1,600,000	4,000,000
Tuida Holding AB, Kevinge strand 38, 182 57 Danderyd	1,080,000	2,700,000
Bosmac Invest AB, Karlplan 6, 114 60 Stockholm	800,000	2,000,000
ALB Finansrådgivning AB, Engelbrektsplan 2, 114 34 Stockholm	720,000	1,800,000
Formue Nord Markedsneutral A/S, Nytorg 11 4 sal, 9000 Aalborg	440,000	1,100,000
Michael Zhan, Drottninggatan 71 C, 111 36 Stockholm	440,000	1,100,000
Fredrik Lundgren, Erik Dahlbergsallén 15, 115 20 Stockholm	440,000	1,100,000
City Capital Partners AB, Erikbergsgatan 10, 114 30 Stockholm	440,000	1,100,000
Lannion AB, Albavägen 20, 181 33 Lidingö	440,000	1,100,000
Lusam Invest AB, Erik Dahlbergsallén 15, 115 20 Stockholm	240,000	600,000
Thomas Krishan, Drottsvägen 5, 182 64 Djursholm	240,000	600,000
Varsity Capital Group AB, Östermalmsgatan 84, 11450 Stockholm	240,000	600,000
Micha Gottfarb, Valhallavägen 46, 114 22 Stockholm	240,000	600,000
Hörsmölla AB, Herseudsvägen 14 F, 181 50 Lidingö	240,000	600,000

Charlotte O'Bric, 90 Trees Road Mount Merion, Dublin, Ireland	240,000	600,000
Jan Blomquist, Öringebacken 4, 135 49 Tyresö	240,000	600,000
Total	27,159,876	67,899,690

Preferential rights to subscribe

In accordance with the shareholders' preferential subscription right, all shareholders of Auriant Mining registered in Auriant Mining's shareholder register will receive one (1) book-entry subscription right per each share held on the Offering record date 18 August 2017. Each one (1) Subscription Right entitles the holder to subscribe for four (4) Offer Shares.

Subscription without Preferential Right

Intention to subscribe for new shares without preferential right in the Offering is made through an application form "Application to subscribe for new shares without subscription rights".

Subscription Price

The Subscription Price of the Offer Shares is 2.50 SEK per Offer Share, brokerage fees do not apply. The subscription price has been determined by the Board of Directors based on the market price of the Company's share, current market conditions and business development.

Record date

The record date with Euroclear to determine who will receive subscription rights in the Offering will be 18 August 2017. The last day for trading in the Company's share including the right to receive subscription rights will be 16 August 2017. The first day for trading in the Company's share excluding the right to receive subscription rights will be 17 August 2017.

Trading with subscription rights

Trading with subscription rights will take place on First North Premier and will commence on 23 August 2017 and will end on 6 September 2017. The ISIN code for the subscription rights is SE0010245423.

Subscription Period

The subscription period for the Offer Shares will commence on 23 August 2017, and will end on 8 September 2017. After the subscription period unexercised subscription rights will be void and without value. Unexercised subscription rights will, without notification from Euroclear, be deregistered from the VP account. To prevent loss of value of the subscription rights they must be exercised to subscribe for Offer Shares by 23 August 2017 or sold by 6 September 2017. The Board of Auriant Mining is entitled to extend the time during which the application for subscription and payment can be made. An extension of the subscription period and payment period shall be decided at the latest before the subscription period or the payment period, respectively, have ended and shall be made public through a press release.

Dilution of the shareholding

As a result of the Offering, the number of the Company's shares may rise from 17,802,429 to a maximum of 89,012,145 shares. Shareholders who choose not to subscribe for shares in the Offering may suffer a maximum dilution of their ownership and voting share of approximately 80 per cent from the Offer Shares and then an additional dilution of maximum approximately 44 per cent from the exercise of 71,209,716 warrants with an exercise period between 19 March 2018 and 30 March 2018, resulting in a total maximum dilution of approximately 89 per cent. The Offering as well as any future new issues of shares may lead to a dilution of such an issue if the shareholder chooses not to exercise their right to subscribe for shares. The same applies if the issue is directed to other shareholders.

Directly registered shareholders

The shareholders or representatives of shareholders who on the record date are registered in the Company's share register, will be provided with a printed issue statement with an attached payment slip from Euroclear. The pre-printed issue statement will include the number of assigned subscription rights. Those who are included in the share register special list of creditors and others will not receive an issue statement but will be notified separately. No separate notice confirming the registration of subscription rights in the shareholder's VP-account will be sent out.

Shares held by a nominee

Shareholders whose holdings of shares in the Company are registered with a bank or other nominee on the Record Date will not receive an issue statement or an application form from Euroclear. Subscription and payment will instead take place in accordance with the instructions given by each nominee.

Exercising subscription rights

Subscription of Offer Shares with subscription rights shall be made through cash payment no later than 6 September 2017. Note that subscription of Offer Shares made through payment also includes an instruction to Mangold Fondkommission AB to subscribe for the corresponding number of warrants on behalf of the subscriber.

Subscription and payment in cash should either be done with the pre-printed payment slip that accompanies the issue statement or with the payment slip attached to the special application form according to the following:

1) Pre-printed payment form

If all of the received subscription rights are exercised for subscription of new shares, only the pre-printed payment slip should be used as a basis for subscription through cash payment. Special application form should then not be used. No additions or changes may be made in the pre-printed payment slip.

Note that the subscription application is binding.**2) Special application form**

If a different number of subscription rights than is shown in the printed issue statement is used for subscription, the special application form should be used for subscription through cash payment.

Subscription through payment shall be made in accordance with the instructions on the special application form. The pre-printed payment form must therefore not be used. Incomplete or incorrectly completed application forms may be disregarded. Special application form can be obtained from Mangold by phone, email or by downloading it from Mangold's website. Completed application forms should be mailed or delivered to the address below and be at Mangold no later than 6 September 2017. Application forms sent by post should be sent in good time to ensure delivery before the specified deadline. It is only allowed to submit one (1) application form. In the event that more than one (1) application form is submitted, only the last received will be considered. Other application forms will thus be disregarded.

Note that the application for subscription is binding.

Mangold Fondkommission AB
Subject: Auriant Mining
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102 15 Stockholm
Address: Engelbrektsplan 2
E-mail: ta@mangold.se
Phone: +46 8-503 01 595
Fax: +46 8-503 01 551
Website: www.mangold.se

Subscription without subscription rights (notice of interest)

The notice of interest to subscribe for Offer Shares and warrants without subscription rights can be made to any amount and will take place from 23 August 2017 until 8 September 2017. Subscription applications without subscription rights are done by filling out and signing the application form for subscription of Offer Shares and warrants without subscription rights, and then sent to Mangold at the address above. The application form can be ordered from Mangold via phone, email or by downloading it from Mangold's website, www.mangold.se. The application form can also be filled out and submitted electronically to Mangold through the website. No payment shall be made in connection with the notice of subscription of Offer Shares without preferential rights, but rather in accordance with what is stated below. The application form must be with Mangold no later than 8 September 2017. In the event that more than one (1) application form is submitted, only the last received will be considered. Other notices of interest to subscribe for Offer Shares without subscription rights will therefore not be considered. There is no limitation in the lowest or highest amount of securities a notice of interest can contain.

Note that the application for subscription is binding.

Allocation

If not all shares are subscribed for pursuant to subscription rights, the board of directors shall decide on allotment of shares subscribed for without the use of subscription rights up to the maximum amount of the issue, and the board of directors shall firstly allot shares to those who have also subscribed for shares pursuant to subscription rights, and in case full allotment is not possible, allotment in proportion to the number of shares subscribed for by them pursuant to subscription rights, and where this is not possible, by drawing of lots and secondly allot shares to those who have subscribed for shares without the use of subscription rights and where this is not possible, allotment in proportion to the number of shares they have subscribed for, and where this is not possible, by drawing of lots, and thirdly allot shares to guarantors in accordance with subscription guarantee agreements.

One warrant shall be allotted for each subscription and allotted share in the Rights Issue.

Notification regarding allotment of shares without preferential rights

Notification about any allotment of shares that have been subscribed for without using preferential rights are provided by sending the allotment outcome in the form of a contract note. Payment shall be made no later than three (3) business days after the issuance of the contract note. Only applicants who have been allotted shares will be notified. In case the payment is not made in time, the shares may be distributed to someone else. Should the sale price of such transfer be less than the Offering price, the one that initially received an allotment of these shares will be liable for all or part of the price difference. The allotment does not depend on when during the subscription period the application was received. In the event of overallotment, there might be no allotment at all or made with a smaller amount of shares than what has been applied for.

Shareholders resident outside Sweden

Shareholders residing outside Sweden (except shareholders resident in the United States, Canada, Japan, New Zealand, Hong Kong, Switzerland, Singapore, South Africa or Australia or any other country where participation in the Offering is wholly or partially subject to legal restrictions) who have the right to subscribe in the Offering may turn to Mangold on the phone number above for information on subscription and payment. Please note that the Offering pursuant to this Prospectus is not addressed to persons resident in the United States (including its territories and provinces, every state in the United States and the District of Columbia), Australia, Singapore, New Zealand, Japan, Canada, Switzerland, Hong Kong, South Africa or other countries where participation requires an additional prospectus, registration or other measures than those required by Swedish law.

Shareholders resident in certain unauthorized jurisdictions outside Sweden

Allocation of subscription rights and the issue of new shares upon exercise of subscription rights to persons residing in other countries may be affected by securities legislation in such countries. For this reason, the shareholders who have their shares in the Company directly registered in VP-accounts with registered addresses in the United States (including its territories and provinces, every state in the United States and the District of Columbia), Australia, Singapore, New Zealand, Japan, Canada, Switzerland, Hong Kong, and South Africa will not receive an issue

statement. They will not receive any subscription rights on their respective VP-accounts. The subscription rights that would otherwise have been delivered to such shareholders will be sold and the proceeds, net of expenses, then be paid out to the shareholders. Amounts of less than 500 SEK will not be paid.

Intermediary shares ("BTA")

Subscription through payment is registered with Euroclear as soon as possible, normally a few business days after payment. Then the subscriber receives a VP-notice confirming the booking of the BTA in the subscriber's VP account.

Intermediary shares are called BTAs on the VP-account until the issue is registered with SCRO (Bolagsverket). According to the Companies Act, under certain conditions, part of the share issue is registered at SCRO. If this possibility of partial registration is utilized in the present issue, several series of BTA will be issued. The first series will be denominated "BTA 1" in VP system. BTA 1 will be converted into shares as soon as the first possible partial registration occurred. A second series of BTA ("BTA 2") will be issued for subscriptions which occurred at such time that shares could not be included in the first registration and be converted into shares as soon the issue is finally registered which is expected at the end of September 2017. The shareholder who has its shares registered through a bank or broker receives information from each nominee.

Trading in BTA

Trading in intermediary shares will take place on First North Premier from 23 August 2017 until the Offering is registered with SCRO, which is expected to happen in mid September 2017. ISIN for BTA 1 is SE0010245431 and ISIN for BTA 2 is SE0010245449.

Delivery of Offer Shares

As soon as the share capital increase has been registered with the SCRO, BTA is converted to shares without special notification from Euroclear. However, the partial registration of the issue may occur with SCRO, in that case the conversion into shares is made in connection with the partial registration. For the shareholders whose shares are held in a trust, information will be obtained from the respective managers. Trading in the Offer Shares will begin on Nasdaq First North Premier in late September 2017. The underwriters are entitled to use their underwriting fee to pay for subscribed new shares in a directed issue by set-off, to be arranged for the underwriters, if necessary, after the Offering. In such case, the underwriting fee is twelve (12) per cent of the amount of the underwriting commitment, meaning a maximum of approximately 8 MSEK. See also the section "Possible arranged directed share issues in connection with the Offering" in the Prospectus. The subscription price in the directed share issue is defined as the volume weighted average price on First North Premier during the Subscription Period.

Announcement of the results in the Offering

As soon as possible after the subscription period has ended and around 12 September 2017, the Company is expected to disclose the outcome of the Offering. The announcement will be published by press release and be available on the Company's website.

Right to dividend on the Offer Shares

The Offer Shares will entitle to dividend for the first time at the record date for dividend nearest occurring after the new shares have been entered in the share register kept by Euroclear.

Interest and potential conflicts of interest in connection to the Offering

Mangold provides financial advice to Auriant Mining in connection with the Offering, has been helpful in connection with the preparation of this Prospectus and also act as the issuer in the Offering. Mangold receives a fee for these services, a fee that has been agreed upon in advance. Part of the fee is connected to the amount of the proceeds from the Offering. Because of this it's in Mangold's interest that the Offering becomes a success.

Other information

The Board of Auriant Mining is not entitled to cancel, revoke or temporarily withdraw the Rights Issue to subscribe for Offer Shares and warrants in the Company in accordance with the terms of this Prospectus. The Board of Auriant

Mining is entitled to extend the time during which the application for subscription and payment can be made. The Company is not entitled to reduce the number of shares that a subscription based on subscription rights refers to.

In case an excess amount has been paid for the Offer Shares, the Company will ensure that the excess amount is repaid. No interest is payable for the excess amount. The subscription for Offer Shares is irrevocable and the subscriber can not cancel or modify a subscription for Offer Shares. Incomplete or incorrectly completed application form may be left without consideration or subscription will be made with a lower amount. If the subscriptions are paid late, are insufficient or incorrectly paid, the subscription can be left without consideration or subscription will be made with a lower amount. Repayment allowance that has not been claimed will then be refunded. No interest will be paid for such cash.

MARKET OVERVIEW

Certain information set forth in this section has been derived from external sources, as well as publicly available reports from a variety of sources such as institutions and research firms. Industry surveys and publications generally state that the information contained therein has been derived from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company believes that these industry publications, surveys and forecasts are reliable but has not independently verified them and cannot guarantee their accuracy or completeness. The projections and forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences.

For centuries, gold has functioned as a store of value, as well as a form of money and it has been used to produce jewelry. Until recently, many economies used gold as the basis for international monetary standards, and it remains a popular investment tool.

In 2016, total demand for gold equaled 4,309 tonnes, the main components of which were jewelry (47.4 per cent of total demand), Investments in Gold-backed ETFs or bar and coins (23.9 per cent), industrial demand (15.0 per cent) and purchase by central banks (8.9 per cent).¹

Gold production

In 2015 total gold supply accounted for 4,348 tonnes, including 3,211 tonnes of gold mine production and 1,127 tonnes of gold produced from scrap.²

Gold deposits are located throughout the world. In 2015, global gold mine production reached 3,211 tonnes, a 2 per cent increase compared to 2014. The increase in gold mine production was mainly driven by investments made during the period of high gold prices. The biggest gold producer remained China with a 14 per cent share in global production in 2015. Among the leading producers, the highest percentage growth was in Kazakhstan (+29 per cent), Indonesia (+20 per cent) and Mexico (+18 per cent), mainly due to the ramp-up of recently launched operations. The largest decreases in mine output in 2015 were recorded in Ghana (-11 per cent), Chile (-8 per cent) and Colombia (-6 per cent). Countries with the largest gold mine reserves are Australia, Russia and South Africa.³

In 2015, Russia retained its position as the third-largest gold-producing country in the world in terms of production. According to Metals Focus' Gold Focus report dated June 2016, mine production in Russia amounted to 269 tonnes, an increase of 1 per cent as compared to 2014 levels. Miners there were helped by the increasing rouble gold price (which rose 20 per cent in the second half versus the first half of 2015), while a mild start to the winter prolonged the operating window of some seasonal assets.⁴

The top five gold producers globally, measured by the amount of JORC proven and probable reserves based on the most recent publicly available company reports, were: Barrick Gold (92 million ounces), Newmont Mining Corp. (74 million ounces), Newcrest Mining (69 million ounces), Polyus Gold (64 million ounces) and AngloGold (52 million ounces).

Based on Metals Focus' Precious Metals Investment Focus report dated 26 September 2016 and Gold Focus 2016 report and publicly available reports, the top ten gold producers globally, as measured by the amount of gold produced in 2015, were: Barrick Gold (6.1 million ounces), Newmont Mining (5.0 million ounces), AngloGold (4.0 million ounces), Goldcorp (3.5 million ounces), Kinross Gold Corp (2.6 million ounces), Newcrest Mining (2.5

¹ World Gold Council, Gold Demand Trends Full Year 2016

² Metals Focus' Gold 2016

³ EY: Overview of the gold mining industry in Russia 2015

⁴ EY: Overview of the gold mining industry in Russia 2015

million ounces), Gold Fields (2.2 million ounces), Navoi MMC (2.0 million ounces), Polyus Gold (1.8 million ounces) and Agnico Eagle Mines (1.7 million ounces).⁵

Supply and demand of gold

Supply

The supply of gold in 2015 decreased by 3 per cent year-on-year to 4,348 tonnes, as a result of decreased recycled output and a switch to negative net producer hedging, partly offset by higher mine production.

Mine production represents the main source of gold supply, accounting for 74 per cent of the global supply of gold in 2015. Global mine production in 2015 reached an all-time high of 3,211 tonnes, up for 2 per cent year-on-year mainly driven by the investments made during previous years in an environment of higher gold prices.

Another important source of the world's gold supply is scrap, which represented 26 per cent of the global gold supply in 2015. As a result of the decreasing average gold prices, supply of gold from scrap dropped by percent to 1,127 tonnes in 2015, which marked the fourth consecutive year of decline after reaching record highs in 2011, when individuals used the opportunity to sell accrued scrap at higher prices. After an increase in 2014, producer hedging activity turned negative in 2015, with net hedging declining to nine tonnes.⁶

Demand

The demand for gold in 2015 decreased by 2 per cent year-on-year to 4,359 tonnes, as all areas except for the net physical investment recorded year-on-year declines.

The jewelry sector remained the largest consumer of gold accounting for 56 per cent in total demand. Consumption of gold by the sector fell by 3 percent year-on-year to 2,439 tonnes. Similarly to 2014, decline in demand in the jewelry market was mainly attributable to a 7 per cent year-on-year decline in demand from China, one of the leading jewelry manufacturing markets, resulting from a general economic slowdown and an overall change in consumer preferences. The significant decline in demand in Russia, Turkey and the Arab countries were due to the worsening economic environment.

Demand for gold in the industrial sector continued to decline, registering a 4 per cent year-on-year drop mainly due to the persistent trends of substituting gold with other metals.

Demand from central banks remained strong at 566 tonnes, although that represented an increase of 3 per cent over 2014. This support was provided by two large participants, China and Russia, with both seeking to diversify their reserves from the USD.⁷

Investment demand

The investment demand for gold includes the demand for gold bullion, coins, medals and “gold” financial instruments, such as traded index funds and exchange-traded funds (“ETFs”). According to Metals Focus’ Gold Focus report dated June 2016, in 2015 net physical investments into bars and coins increased by 1 per cent to 1,021 tonnes. As for ETFs, outflows from them continued in 2015 for the third consecutive year, although their quantity was modest at 134 tonnes.

Investment demand in physical bars and coins accounted for 23 per cent of the total global demand for gold and amounted to 1,021 tonnes. The largest contributor to the year-on-year growth in bar and coins investment was China, although that was due to a low-base effect in 2014. North America and Europe also provided notable increases in physical investments in gold, although for different reasons. The U.S. demand picked up mostly due to a decrease in

⁵ Metals Focus’ Gold focus report 2016

⁶ Metals Focus’ Gold focus report 2016

⁷ Metals Focus’ Gold focus report 2016

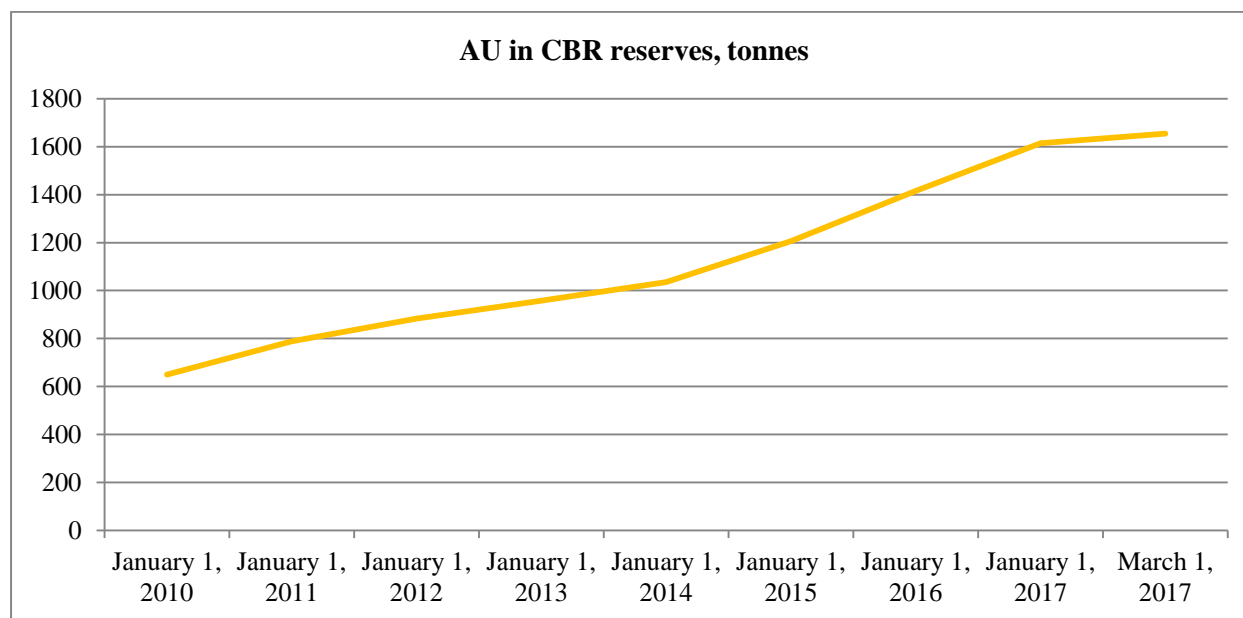
gold price during the summer months, while in Europe, gold buying was attributable to concerns about the prospects of the euro and the European Central Bank's monetary easing.

Net outflow from ETFs in 2015 amounted to 134 tonnes compared to the outflow of 185 tonnes in 2014, as prices started to stabilize in an attempt to find a bottom.⁸

Investment demand in the Russian Federation

The Central Bank of the Russian Federation remains one of the largest buyers of physical gold worldwide, seeking to diversify its reserves from USD. The following chart illustrates dynamic of physical gold in CBR reserves and purchases over last 8 years.⁹

Date	January 1, 2010	January 1, 2011	January 1, 2012	January 1, 2013	January 1, 2014	January 1, 2015	January 1, 2016	January 1, 2017	March 1, 2017
AU in CBR reserves, tonnes	649	789	883	958	1035	1207	1415	1614	1655
Net purchase, tonnes		140	94	75	77	172	208	199	40



Pricing and trading

Unlike most commodities, gold is not consumed, and most above-ground stocks of gold can be brought back to market. As a result, variations in new gold output from mines in any given time period may not have an immediate material impact on the gold price, as the amount of gold produced in any single year represents a small portion of the total potential supply of gold available for sale. During 2014 and 2015, the major factors influencing the gold prices included improving economic expectations in the United States and changes in the U.S. monetary policy, which put significant pressure on gold, restraining investment demand. However, intensifying concerns over the global

⁸ Metals Focus' Gold focus report 2016

⁹ EY: Overview of the gold mining industry in Russia 2015

economic slowdown, loosening of the monetary policy in other major advanced and several emerging economies and increasing geopolitical risks supported the price.

The price of gold has historically been significantly affected by macroeconomic factors, such as interest rates dynamics, inflation, exchange rates, reserve policy and the overall global political and economic situation. Gold is often purchased as a store of value in periods of price inflation and weakening currency.

London has the world's largest pool of gold liquidity, with trading conducted primarily via an over-the-counter format in 400 ounce gold bars with a purity of 9,950 parts per 10,000 or higher. The London Bullion Market (LBMA) fixes the gold price twice daily in London (at 10.30 am and 3.00 pm) using prices derived from five fixing members of the LBMA. These price fixings are used as a key indicator for gold market participants around the world. Leading gold futures markets are the COMEX in New York and TOCOM in Tokyo.

After the highly volatile 2013, in 2015 the gold prices started to stabilize with most aspects of supply and demand adjusting to the new lower-price environment. Macroeconomic factors, including increasing expectations of a potential increase in interest rates and a stronger USD, remained among the key factors affecting the gold price dynamics. In the United States, gold traded lower on the back of its decreasing appeal as an asset class, with lower expected risk from systematic financial instability and continued low inflationary pressures. The gold price usually decreases as higher rates and growing U.S. economy imply better returns from fixed income and equity markets. Factors affecting the gold price outside the United States included the launch of the European quantitative easing program in 2015, higher geopolitical tensions and a slowdown in emerging economies resulting in the devaluation of many currencies against the USD.¹⁰

In 2016, gold prices soared in the first half of the year on fears of a global recession and uncertainty surrounding the Brexit vote. Between January and July, gold prices advanced more than 23 per cent to around \$1,380 per ounce.

In the second half of the year, gold prices declined slightly on improving U.S. economic data, but cratered after Donald Trump won the election. Gold ended the year up roughly 8.5 per cent. That's a good year for a commodity like gold, but it still ended the year on a down note.¹¹

Gold mining in Russia

According to the Union of Gold Producers of Russia, Russia has 5,926 gold deposits (532 of them are hard rock deposits). Total Russia's resources and reserves are: 131,000 tonnes of gold. You can see the resources/reserves map below:

¹⁰ Metals Focus' Gold focus 2016

¹¹ Metals Focus' Gold focus 2016

Au

Au



The chart displays two data series from 1995 to 2015:

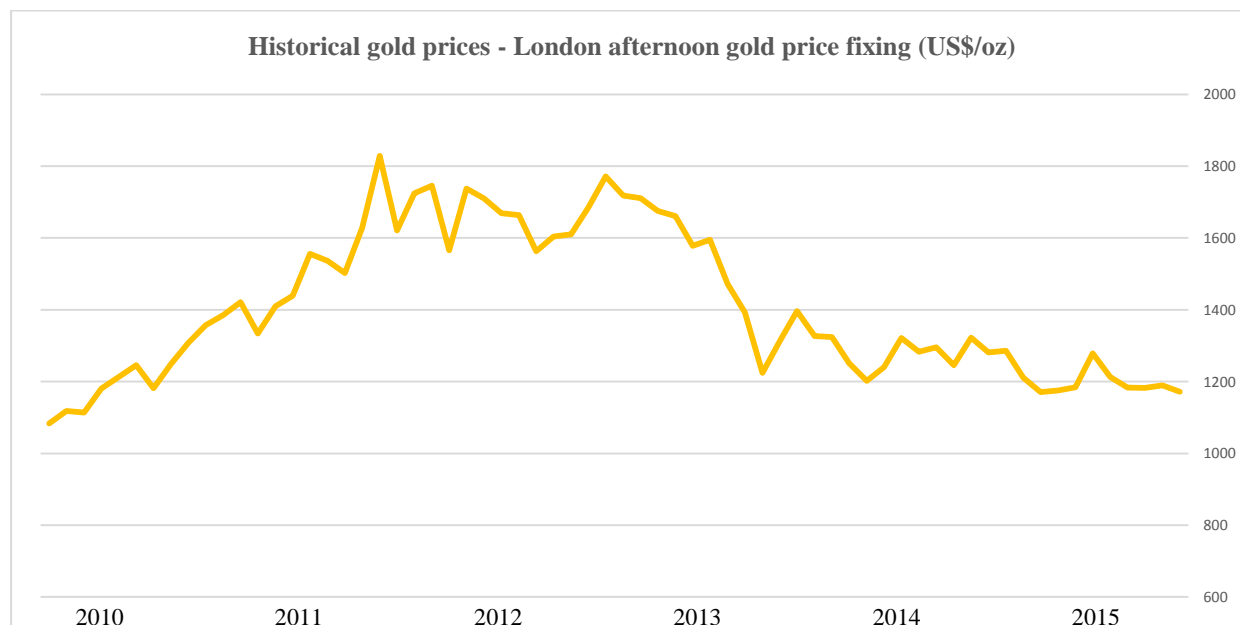
- Volume (Tonnes):** Represented by yellow bars. The values start at 131.9 in 1995, dip slightly to 114.9 in 1998, then generally increase to a peak of 294.3 in 2015.
- Value (\$):** Represented by a black line. The value starts at approximately \$75 million in 1995, remains relatively flat until 2005, then rises sharply to a peak of approximately \$325 million in 2012, before declining to approximately \$225 million in 2015.

Year	Volume (Tonnes)	Value (\$)
1995	131.9	75
1996	123.3	75
1997	124.1	65
1998	114.9	55
1999	123.5	50
2000	142.7	50
2001	154.4	45
2002	170.9	65
2003	176.9	85
2004	174.1	100
2005	168.1	105
2006	164.3	145
2007	162.8	155
2008	184.6	185
2009	205.4	205
2010	202.5	255
2011	224.7	305
2012	288.5	325
2013	294.3	285
2014		255
2015		225

According to Union of Gold Producers of Russia, Russia produced 293 tonnes of gold in 2015 (including byproduct and secondary gold production), which places the country to the third place in the world.

In 2016 288.5 tonnes of gold were produced in Russia (including byproduct and secondary gold production). Annual average price of gold in 2015 was 1,160 US\$/oz, in 2016 1,251 US\$/oz. In rubles those numbers were 71,100 RUB/oz in 2015 and 83,600 RUB/oz in 2016.¹²

Year	2011	2012	2013	2014	2015	2016
Average gold price (US\$/oz)	1,571	1,669	1,411	1,266	1,160	1,251



Source: *Metals Focus' Gold focus 2016*

Russian gold mining companies with foreign participation

The gold mining industry in Russia and the CIS has been open to foreign investment since the mid-1990s. Today, we can say that the Russian gold mining industry is much better integrated into the global economy than other national industry sectors. The companies with foreign participation considered in this overview have different ownership structures.

For example, Chukotskaya Mining & Geological Co., a leading gold mining company in Russia, is wholly owned by major global gold producer Kinross Gold Corp., and for that reason we refer particularly to the latter in our overview. A number of smaller companies have the same foreign ownership. Other companies (including Polyus Gold, Polymetal, and Petropavlovsk) are technically registered in foreign jurisdictions, and as a result of listing abroad have significant foreign ownership, while being largely controlled by their Russian shareholders.

There are also companies with a smaller share of foreign ownership. The main difference between companies with and without foreign participation is their management and corporate reporting system. For companies with foreign

¹² EY: Overview of the gold mining industry in Russia 2015

participation, their system is equivalent with international standards and practices, and very similar to the one used in international companies around the world.

The share of Russian companies with foreign participation in total gold mined in Russia has been growing since the mid 1990s, and it remained relatively high in 2008-14, accounting for 54-60 per cent of the aggregate gold mined in Russia. In 2014, these companies accounted for 59.7 per cent of total gold mining and production in Russia.

In 2016, shares of Russian companies with foreign participation and their assets in Russia were traded on the following platforms: Polymetal Int., Polyus Gold Int., Petropavlovsk Plc and Nord Gold N.V. were traded on the London Stock Exchange (LSE); Kinross Gold Corp. was traded on the New York Stock Exchange (NYSE); Auriant Mining was on the Stockholm Stock Exchange; and Mangazeya Mining Ltd. was on the Toronto Stock Exchange (TSX-V). Highland Gold Mining and TransSiberian Gold were listed on the Alternative Investment Market (AIM), which is part of the London Stock Exchange.

Over the past 10-15 years, the number of Russian companies with foreign participation and foreign companies with Russian shareholders and assets in Russia has grown steadily; the same can be said for their gold mine production in Russia.¹³

Russian licenses and mining tax regulations

There are 3 types of licenses: exploration license, production license and combined license.

Exploration license is for a geological survey and assessment of a subsoil plot, usually granted for up to 5 years, or up to 7 years if the subsoil plot is located in one of the specified Siberian and Far-Eastern regions. Production license is for detailed exploration and production of natural resources, term is stated in the license. Combined license is for geological survey and assessment, detailed exploration and production of natural resources. All of Auriant Mining's licenses are combined licenses.

Taxes applicable for gold mining companies in Russia are as follows:¹⁴

Tax	Tax Rate	Tax Base
Corporate profit tax ("CPT")	20% for participants of Regional Investment Projects in a number of Far Eastern and Siberian regions tax rate may be equal to 0% during the first five years from the date when the first income from sales of goods under an investment project is generated, and 10% during the following five-year period.	Mining company's taxable profit
Mineral extraction tax ("MET")	6% (gold)/6,5% (silver)	Market value of gold produced.
Value added tax ("VAT")	0% on sales of fine gold and silver to the State Depository of Precious Metals, banks and refineries located in Russia (VAT paid to suppliers by gold producers is fully refunded from the state budget). 18% in all other cases.	n/a

¹³ EY: Overview of the gold mining industry in Russia 2015

¹⁴ Statistic of Central Bank of Russian Federation (CBR)

Withholding tax on dividends paid to a foreign parent company	<p>General tax rate is 15%, however double taxation treaties (“DTTs”) provide for reduced rates. Russia has DDTs with 80 countries, including Sweden.</p> <p>Based on provision of existing DTT between Russia and Sweden dividends are taxed at 5% rate.</p>	Dividends declared from Russian subsidiary to Swedish holding company
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Markets

BUSINESS OVERVIEW

Overview of the Company

Auriant Mining is a junior gold producer incorporated in Sweden with mining operations in Eastern Siberia, Russia. Currently, the group is comprised of the Swedish parent company, Auriant Mining AB (publ), which controls six subsidiaries in Russia and participates in two companies incorporated under the laws of Cyprus (for more details please refer to *Company's structure* below). The Russian subsidiaries are limited liability companies ("LLC"). The operations involve exploration and production of gold, primarily in the Republic of Tyva, in Eastern Siberia in Russia.

From March 29, 2005 until July 2010, Auriant Mining was listed on Nordic Growth Market stock exchange in Sweden and since July 19, 2010, Auriant Mining is listed on the Nasdaq First North Premier stock exchange in Sweden.

The operations of the Company are performed via the subsidiaries. The group's main assets comprise a number of subsoil use licenses held by the various subsidiaries. The licenses areas are located in the Russian Federation in Eastern Siberia in different federal districts - Tardan and Kara-Beldyr in Republic of Tyva, Staroverinskaya (commonly referred to as Solcocon) in Zabaykalskiy Kray and Uzhunzhul in Republic of Khakassia. All subsidiaries operating respective license areas are wholly owned by Auriant Mining AB.

The Company in 2016 had one producing mine – Tardan, operating on hard rock gold. Total production in 2016 amounted to 1,078 kg of gold, which is 32 per cent higher than in 2015 (817 kg). Over last five years, 2012–2016, Tardan demonstrated steady growth in production from 412 kg to 1,078 kg.

Company's mineral base comprises 53 tonnes of gold partially classified under JORC and partially classified under the Russian national resource classification system commonly referred to as GKZ (Gosudarstvenniy Komitet po Zapasam, or State Resource Committee).

In 2016 Company's revenue amounted to 43.4 MUSD (2015: 33.4 MUSD), EBITDA amounted to 22.0 MUSD (2015: 10.3 MUSD), and net profit amounted to 6.5 MUSD (2015: net loss 21.5 MUSD). Company's net equity deficit as at the end of 2016 was 30.4 MUSD.

Significant events in Auriant Mining's history

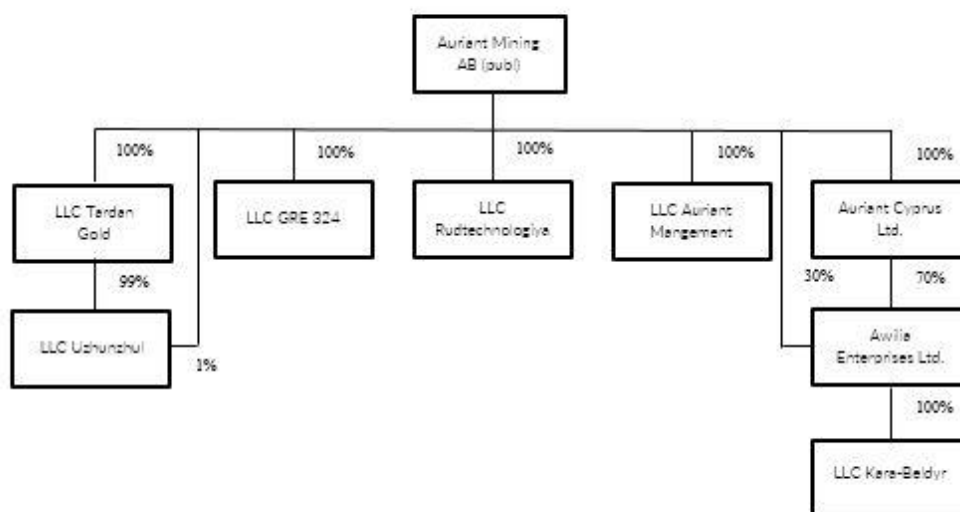
Year	Event
2004	The Company was founded
2005	Listing of the Company's share on Nordic Growth Market (NGM).
2007	Gravitational gold production started at Tardan
2010	Listing of the Company's share on Nasdaq First North Premier.
2012	The Company changed name - from Central Asia Gold AB (publ) to Auriant Mining AB (publ)
2012	Denis Alexandrov was appointed as CEO of Auriant Mining AB
2012	Heap leach gold production started at Tardan mine

2014	The Company acquired the shares in Kara-Beldyr from Centerra Gold (in exchange for future royalty payments).
2014	Tardan announced results of exploration on Barsuchiy deposit adding 2.5 tonnes of gold to reserves
2014	Mining operations at Solcocon were temporarily put on hold
2016	Sergey Ustimenko was appointed CEO in Auriant Mining AB.
2016	Tardan produced more than 1 ton of gold
2017	Tardan announced results of exploration on Pravoberezhniy deposit adding 4.9 tonnes of gold to reserves
2017	Kara Beldyr announced results of exploration – total resources (indicated and Inferred) under JORC amount to 25.6 tonnes of gold
2017	Solcocon mine restarted its alluvial gold mining operations and recommenced its exploration program
2017	The Company announces the rights issue to finance upgrade of Tardan production facilities to start CIL

Company's structure

Company	Location	Operations	Ownership
Auriant Mining AB (publ)	Stockholm, Sweden	Parent company, supports the subsidiaries with financing, investor relations and strategic decisions, etc.	
Subsidiaries			
LLC Tardan Gold	Kyzyl, Republic of Tyva, Russia	Licence holder and operator of production and exploration at the Tardan license area.	100% owned by Auriant Mining AB
LLC GRE 24	Chita, Zabaikalsky region, Russia	License holder of the Staroverinskaya license area (commonly referred to as Solcocon).	100% owned by Auriant Mining AB
LLC Rudtechnology	Kalga, Kalganskiy district, Zabaikasky region, Russia	Owner and operator of the equipment and production at the Solcocon heap leaching plant.	100% owned by Auriant Mining AB
LLC Uzhunzhul	Abakan, Republic of Khakassia, Russia	License holder and operator of the exploration at the Uzhunzhul license area.	99% owned by LLC Tardan Gold, 1% owned by Auriant Mining AB
LLC Auriant Management	Moscow, Russia	Management company for the Russian subsidiaries.	100% owned by Auriant Mining AB

Awilia Enterprises Ltd.	Limassol, Cyprus	Owner of the operating company, LLC Kara-Beldyr.	100% owned by Auriant Mining AB (directly and through Auriant Cyprus Ltd)
Auriant Cyprus Ltd.	Limassol, Cyprus	Co-owner of Awilia Enterprises Ltd (holds 70% in Awilia)	100% owned by Auriant Mining AB
LLC Kara-Beldyr	Kyzyl, Republic of Tyva, Russia	License holder and operator of the exploration at the Kara-Beldyr license area.	100% owned by Awilia Enterprises Ltd.



Company's resources as at the end of 2016

AURIANT LICENSES RESERVES&RESOURCES				
Classification	Ore Tonnage (t'000)	Au		
		g/t	('000 oz)	kg
KARA-BELDYR (License# K3JI 00384 БЭ) – resources classified under JORC				
Measured	-	-	-	-
Indicated	9,540	2.63	807	25,101
Measured + Indicated	9,540	2.63	807	25,101
Inferred	480	3.55	55	1,711
Total (Measured + Indicated + Inferred)	10,020	2.68	862	26,811
GREATER TARDAN (License# K3JI 00367 БР)				
BARSUCHY DEPOSIT (Classified under GKZ)				
Total (C ₁ + C ₂ Reserves)	129	5.16	21	666
PRAVOBEREZHNY (Classified under JORC)				
Measured	-	-	-	-
Indicated	1,480	3.23	153	4,780
Measured + Indicated	1,480	3.23	153	4,780
Inferred	30	3.48	3	104
Total (Measured + Indicated + Inferred)	1,510	3.23	156	4,884
TARDAN DEPOSIT (License# K3JI 00322 БР) – (Classified under GKZ)				
Total (C ₁ + C ₂ Reserves)	893	4.92	141	4,390
Total Greater Tardan	2,532	3.92	318	9,940
SOLOCON (STAROVERINSKAYA AREA (license# ЧИТ 12355 БР))				
BOGOMOLOVSKOE DEPOSIT (Classified under GKZ)				
Total (C ₁ + C ₂ Reserves)	1,933	3.65	227	7,060
KOZLOVKOE DEPOSIT (Classified under GKZ)				
Total (C ₁ + C ₂ Reserves)	1,059	8.14	277	8,615
PLACER DEPOSITS (Classified under GKZ)				
Total (C ₁ + C ₂ Reserves)	811	1.17	30	946
Total Staroverinskaya	3,803	4.11	534	16,621
GRAND TOTAL (ALL AURIANT LICENSES)				
Total Classified under JORC (Measured + Indicated + Inferred)	11,530	2.75	1,018	31,696

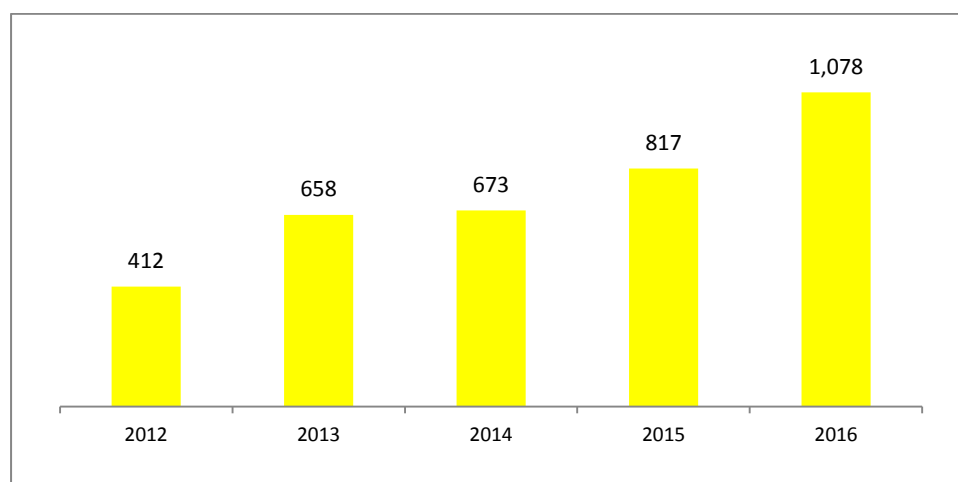
Total Classified under GKZ (C ₁ + C ₂ Reserves)	4,014	5.16	666	20,731
TOTAL resources and reserves classified under JORC and GKZ (hard rock gold)	15,544	3.37	1,684	52,427
TOTAL (hard rock and alluvial placers)			1,715	53,373

The information about the Company's gold reserves and resources is determined partly by the Russian National Resources Agency (GKZ) which established reserves and resources in accordance with the Russian national classification system. There are no material differences between classification systems. The Company's resource estimates according to JORC have been made by an independent mining company Wardell Armstrong International and resource estimates determined by GKZ have been made by the Company and confirmed by GKZ. Updates to reserves and resources are made annually, less any resources used during the year or if necessary. The information about the Company's resources and reserves above is as of December 31, 2016.

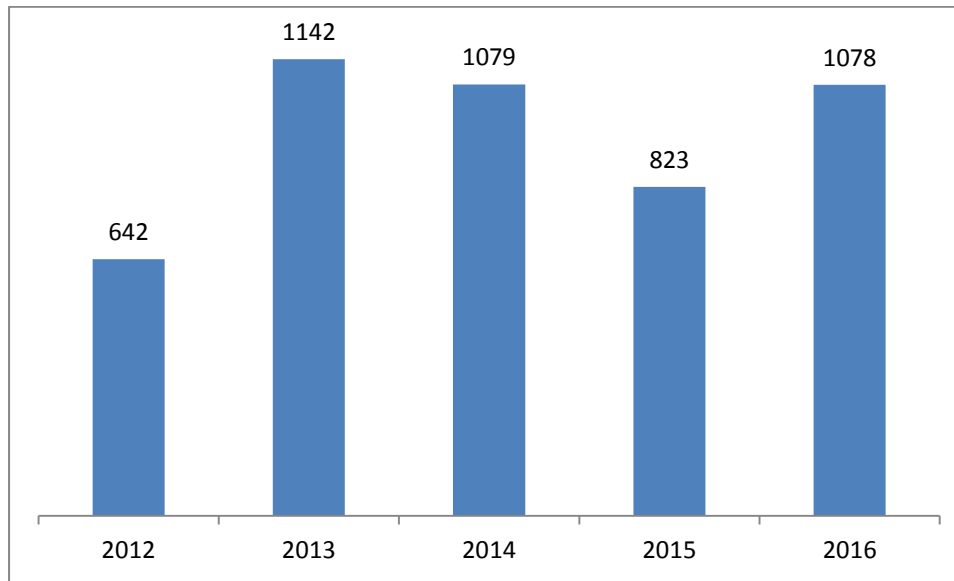
Company's 2012-2016 gold production

	2012, kg	2013, kg	2014, kg	2015, kg	2016, kg
Tardan (gravitational)	55	-	34	90	145
Tardan (heap leach)	357	658	639	727	933
Total Tardan	412	658	673	817	1,078
Solcocon	116	107	91	6	-
Solcocon (alluvial)	114	377	316	-	-
Total Solcocon	230	484	407	6	-
Total	642	1,142	1,079	823	1,078
Total from 2012 to 2016					4,764

2012-2016 Tardan historical production



2012 – 2016 Total historical production



2016 detailed production overview

- Total 2016 gold production, including gravitational plant production, was on target and increased by 31 per cent to 1,078 kg (34,669 oz).
- Tardan gravitational plant produced 145 kg (4,657 oz) of gold, an increase of 60 per cent compared to 2015 – 55 kg (1,754 oz). Heap leach production at Tardan increased by 28 per cent to 933 kg (30,011 oz), compared to 727 kg (23,372 oz) in 2015.
- Gold grade in the ore mined in 2016 was 4.04 grams per tonne, a 33 per cent increase on that achieved in prior period (3.03 grams per tonne).
- In 2016, the drilling programme at the Pravoberezhny deposit within Greater Tardan area was completed. A preliminary estimate of additional resources discovered during this drilling campaign amounts to 4.9 tonnes of gold with an average grade of 3.23 grams per tonne.
- Forecast gold production for 2017 is 0.96 tonne (0.9 tonnes from hard rock plus 60 kilograms from alluvial compared to previous 1 tonne from hard rock).

Production unit	12m 2016		12m 2015		Change		
	kg*	oz	kg*	oz	kg*	oz	%
<i>Hard rock</i>							
Tardan (gravitational)	145	4,657	90	2,904	55	1,754	60%
Tardan (heap leach)	933	30,011	727	23,372	207	6,640	28%
Solcocon	-	-	6	193	-6	-193	-100%
Total	1,078	34,669	823	26,468	255	8,201	31%

*Rounded to the nearest amount

Tardan

		12m 2016	12m 2015	Change	
Mining					
Waste stripping	000 m ³	3,085	2,941	144	5%
Ore mined	000 tonnes	418	449	-31	-7%
Average grade	g/t	4.04	3.03	1.01	33%
Gravitation					
Throughput	000 tonnes	77	46	31	67%
Average grade	g/t	7.48	6.55	0.93	14%
Recovery	%	25.0%	29.7%	-4.7%	-16%
Gold produced	kg*	145	90	55	60%
Heap leach					
Crushing					
Ore	000 tonnes	322	428	-106	-25%
Grade	g/t	3.22	2.60	0.62	24%
Stacking					
Ore	000 tonnes	322	428	-106	-25%
Grade	g/t	3.22	2.60	0.62	24%
Tailings	000 tonnes	63	66	-3	-4%
Grade	g/t	4.83	3.06	1.77	58%
Gold in ore and tailings stacked	kg*	1,342	1,314	29	2%
Gold produced	kg*	933	727	207	28%
Warehouse on December 31					
Ore	000 tonnes	23	4	19	425%
Grade	g/t	3.28	3.05	0.23	7%
Tailings	000 tonnes	31	17	14	85%
Grade	g/t	4.91	4.67	0.24	5%

*Rounded to the nearest amount

Company's assets



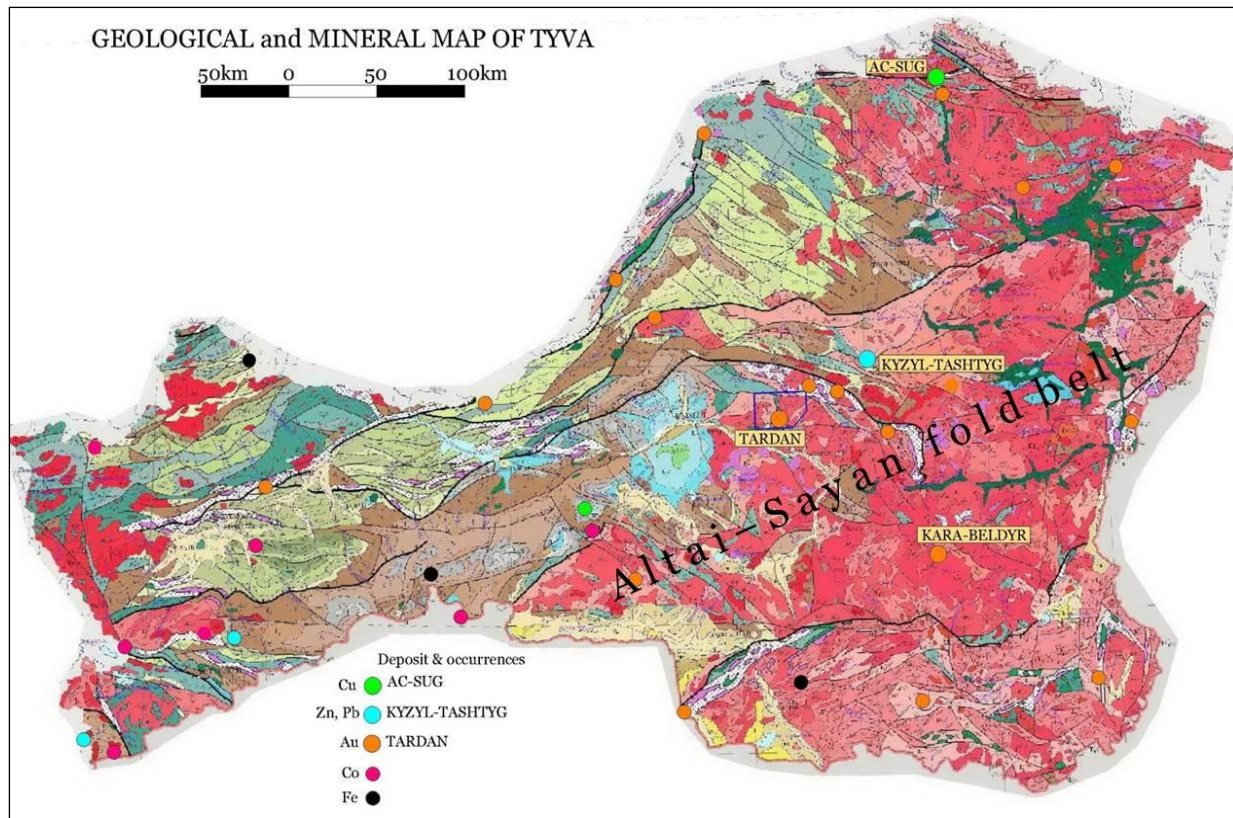
TARDAN

License

The Greater Tardan area covers 524 square kilometres and contains two licenses. The first is an exploration and mining license for the Greater Tardan license area (*see geological map of Tardan license area*), issued on 22 August 2007 and valid till 1 August 2032 and in good standing (license# K3JI 00367 БР). The second is an exploration and mining license, located within the Greater Tardan license area, for the Tardan deposit and current mine, and covers 3.32 square kilometres. The Tardan exploration and mining license, which is in good standing, was issued on 27 July 2004 and is valid till 1 October 2028 (license# K3JI 00322 БР). The Tardan area has good infrastructure and is located only 80 kilometres to the east of Kyzyl, the capital of the Republic of Tyva.

Geology of the Greater Tardan License Area

Regionally, the two license areas (Greater Tardan and the Tardan deposit) are located within the southern Altai-Sayan fold belt, a complex deformed series of Cambrian and Silurian intrusive, sedimentary and metamorphic rocks. Skarn development occurs throughout the region, typically along or proximal to the contact with the Tannuolsky intrusive complex. The Altai-Sayan fold belt was subjected to multi-stage deformation, with peak deformation related to the collision of the Kazakhstan and Siberian continents during the Carboniferous-Permian period. The region is transected by a series of northwest, north-northwest and east-southeast trending faults of likely strike slip origin.



The Greater Tardan license features Lower Cambrian (metasandstones, chlorite schists, quartz porphyries, limestones), and Silurian rocks (conglomerates and gravelites with limestones).

Intrusive rocks are represented by meta-gabbro, granites, and gabbro. The majority of the gold occurrences and the Tardan deposit are located on the contact of the Kopto-Baisyutskiy intrusive massif of diorites and gabbro-diorites.

The tectonic structure is grouped into three fault systems: east-west (Kaakhemsky, Bai-Syutskiy) northwest (Sorulug-Khem, Kyzltorgskiy and Tardanskiy), and northeast strikes. The northwest faults are grouped into one tectonic zone controlling the majority of the skarn gold mineralization. These prospects, all of which are of the same skarn type as found at the Tardan deposit, hold the greatest potential for increasing reserves for the current heap leach operation at the Tardan mine in the short term.

Within the Greater Tardan area there are several gold mineralization types:

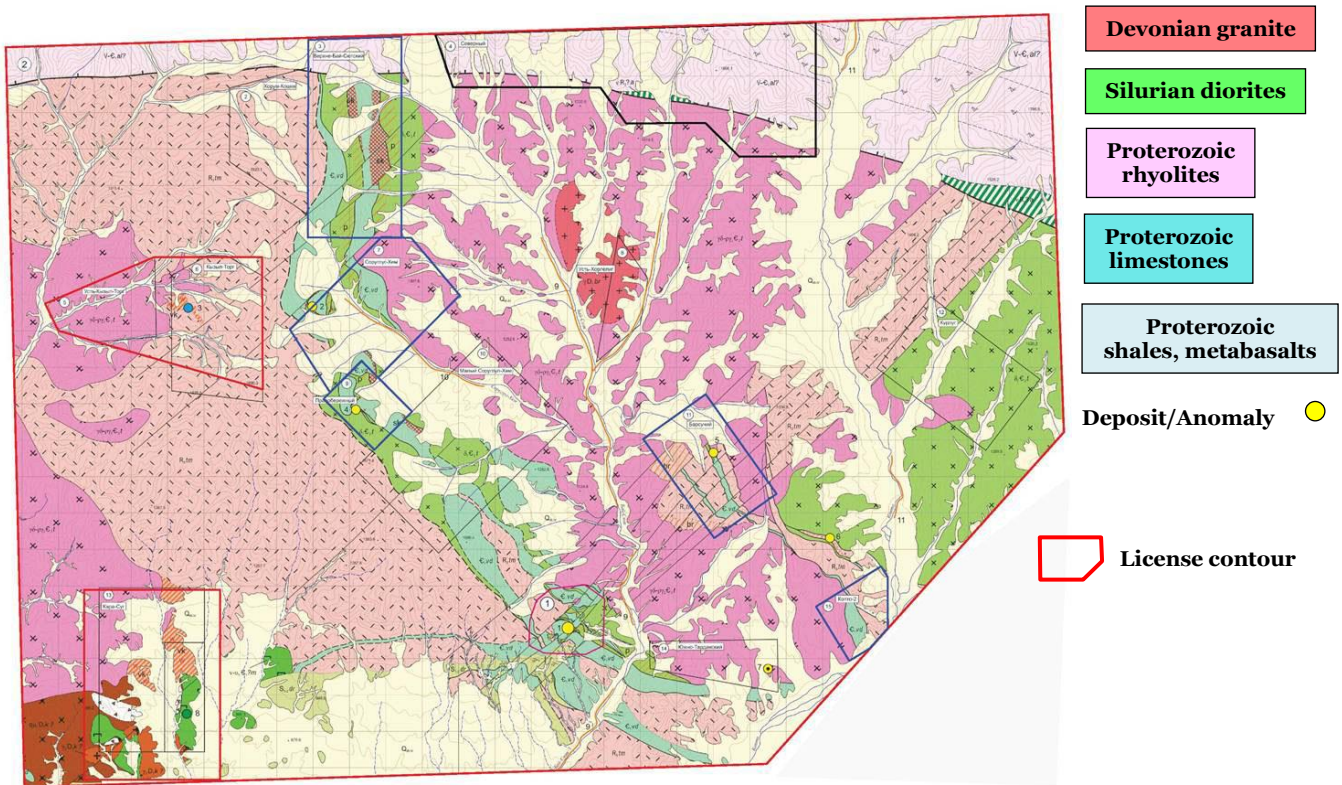
Gold bearing skarns. At the moment this is the best understood type of gold mineralization within the license area. Deposits and occurrences of this type, Tardan, Barsuchy, Pravoberezhniy, and others, are confined to the skarn zones at the contact of intrusive rocks of the Tannuolsky complex and limestones of the Vadibalinskoy formation of the Lower Cambrian. The Central zone includes the Tardan deposit, Sorulug-Khem, Pravoberezhniy, V.Bai-Syutskiy occurrences. Parallel to the Central zone geologists have identified the Eastern zone including Kopto, Barsuchy, Kopto-2 occurrences. In the short term, these occurrences represent major prospects for increasing the reserves of the Tardan mine.

Porphyry type. In the western part of the Greater Tardan license there are known occurrences of porphyry copper-gold ore bodies, mostly in the area of Kara-Sug. The area is characterized by the presence of features of porphyry copper mineralization:

- Presence of porphyry intrusions
- Argillitic alteration
- Halos of pyrite mineralization
- Copper mineralization (chalcopyrite, malachite, azurite) often in economic concentrate

Black shale type. The geological setting shows that in the northern part of the license area there might be gold black shale mineralisation. In this area is the Severny prospect, characterized by the presence of gold sulphide mineralization (Sukhoi Log type). In addition to placer gold, the area features gold soil anomalies, halos of altered rocks (beresite) and quartz veinlets. The long term potential of the license area is associated with the exploration of copper-porphyry (Kara-Sug, Kyzyl-Torg, etc.), and black shale formation (Severny) occurrences. These deposit types (porphyry and black shale) are usually large-volume, with low gold grades.

Geological Map of Tardan License Area



Geology of the Tardan deposit

The Tardan deposit itself is a block bounded by tectonic fractures which are part of the Baisyutskiy shear fracture. The total area of the block is approximately 4.0 square kilometres and is underlain by volcanic and carbonate sediments of the Tumattayginskaya and Vadibalinskaya formations with intrusions of the Tannuolskiy complex.

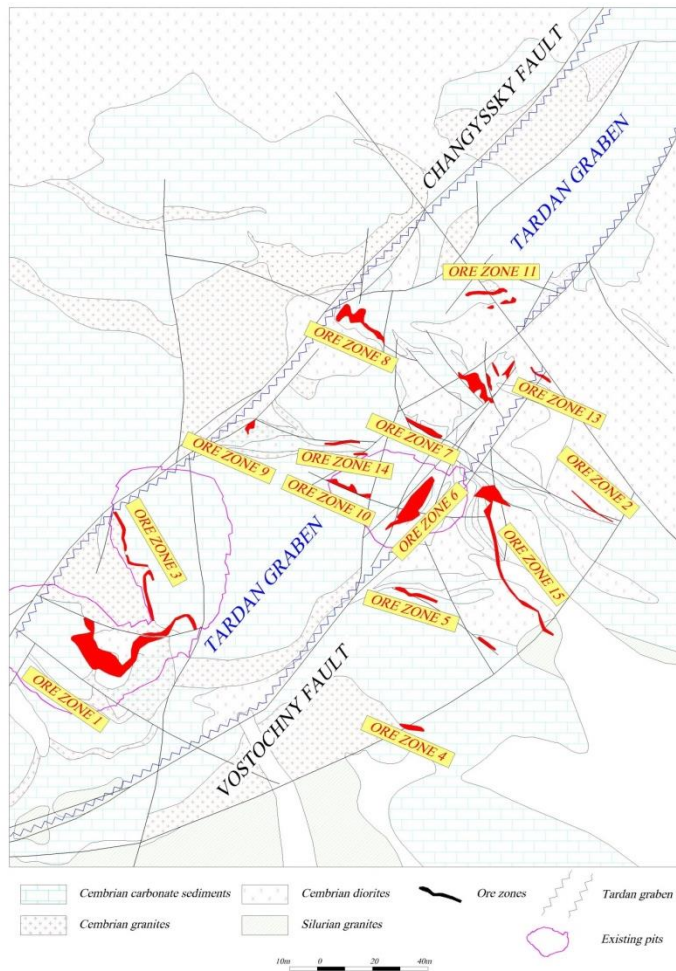
The most common rock type is marbleized limestone of the Cambrian Vadibalinskaya formation. Approximately 20-25 per cent of the Tardan deposit area is underlain by granitoids of the Cambrian Tannuolskiy complex of which diorites are the most common.

The major structural elements of the deposit are faults on the contacts of granites (diorites) with the host and carbonate rocks.

The main tectonic features can be grouped into three main systems:

- Northeast striking Changysskiy and East faults
- Northwest striking faults with a gentle dip to the southwest
- Northwest striking faults

Geology of the Tardan deposit



The relatively simple structure of the deposit is influenced by the Changyssky fault zone of a northeastern direction (40-50°). This fault zone defines the setting of the Tardansky graben, which results in a pronounced asymmetry in the structural plan of the Tardan deposit ore field.

The Tardansky graben is located in the central part of the deposit, and extends diagonally from ore zone 1 to the north-eastern part of the license area and further to the northeast to the Barsuchy prospect. The width of the graben varies from 590 meters in the vicinity of ore zone 1 to 460 meters in the northeastern part. On the northwest the graben is bounded by the Changyssky fault, in the southeast - by the Vostochny fault. The Tardansky graben includes ore zones 1, 3, 6, 26, 15, and these are the main minable gold reserves of the Tardan deposit.

The tectonic faults of the Tardan ore field are represented by thrusts and shifts. According to the geological structure, the structural features and mineral composition of the ore field correspond to gold skarn type deposits.

Previous exploration work in the ore field identified 14 ore zones containing 41 ore bodies. Another two ore zones, 6a and 15, were explored in 2013. The ore zones bring together a group of ore bodies, placed in a single metasomatic-hydrothermal field and tectonic structure, with common strike and dipping, and separated from each other by large blocks of unaltered rocks.

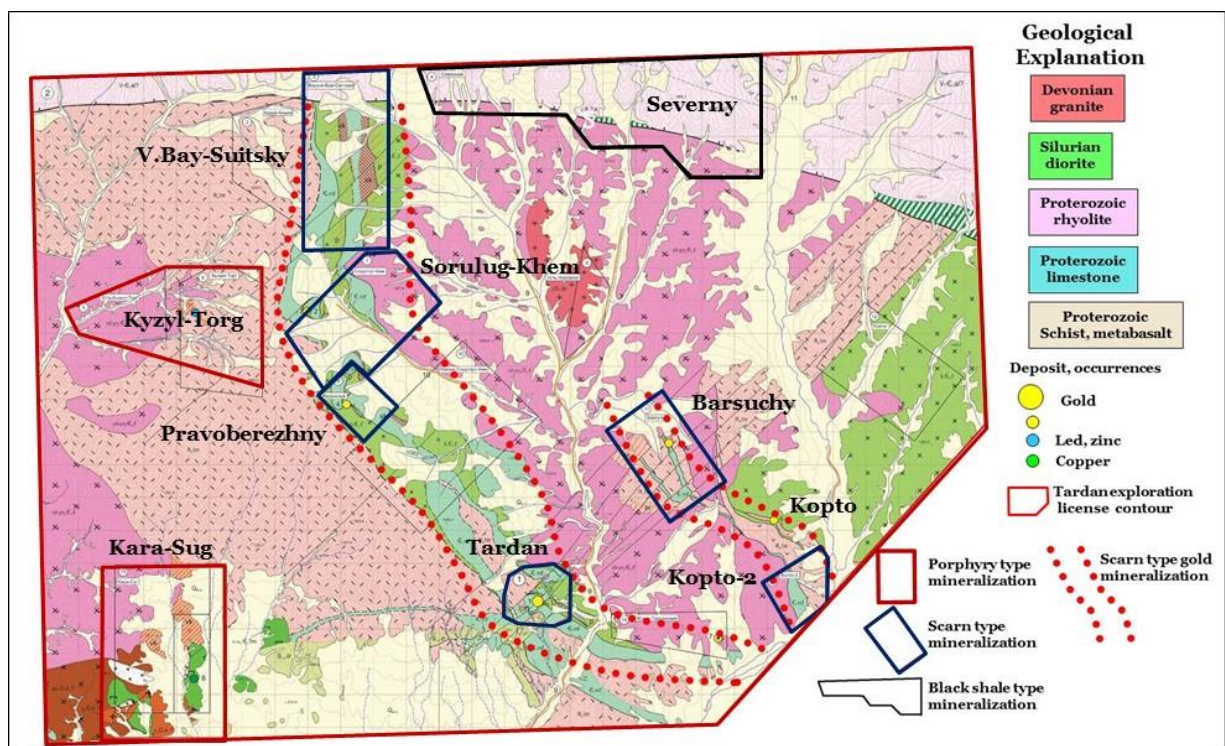
Virtually all of the ore zones are located in contact limestones of Vadibalinskaya formations and diorite sills of the Tannuolsky complex.

The width of the various ore zones, which include several individual ore bodies, varies from a few metres to 30 -50 metres, with strike lengths of hundreds of metres.

The ore bodies are linearly elongated bodies of hydrothermally altered sulphide skarns with complex inner morphology. The length of the ore bodies is between 20 and 150 m, with the width between 1 and 13 metres.

Greater Tardan

Geological Map of Greater Tardan



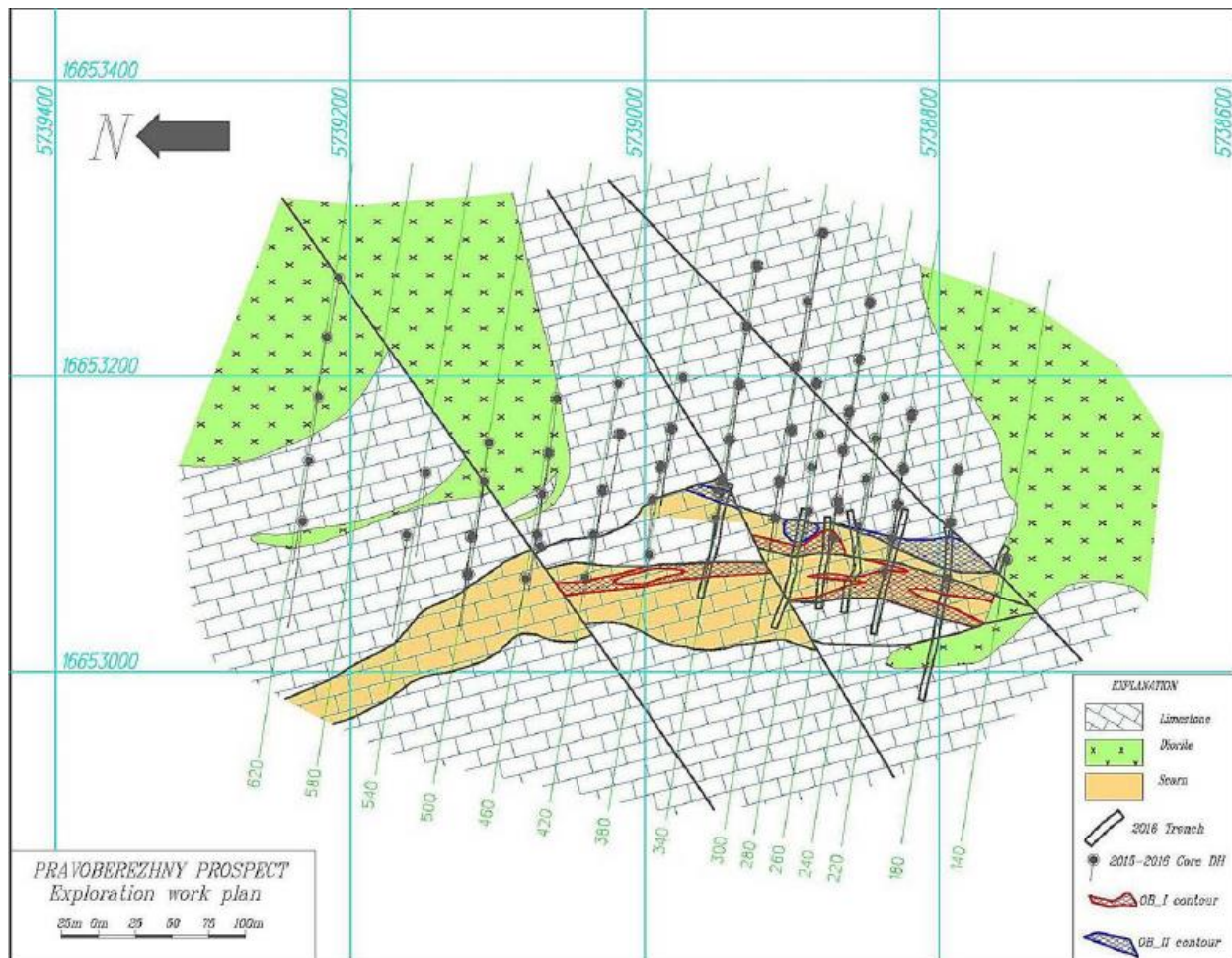
Barsuchy

Barsuchy is located on the left bank of Bai–Syut river, 4 kilometres northeast of Tardan deposit.

Territorial Reserves Commission (Krasnoyarsk) in 2014 approved the classification of 466,000 tonnes of ore and 2,517 kg of gold as C1 reserves, and officially acknowledged the opening of Barsuchy as a gold deposit.

Work started at Barsuchy in 2015 and continued throughout 2016. The work was successful in improving gold grades and made it possible re-launch the gravitational plant and increase gold production level.

Pravoberezhny



The Pravoberezhny deposit is located within the Greater Tardan license area, 15 kilometers northwest from the Tardan mine.

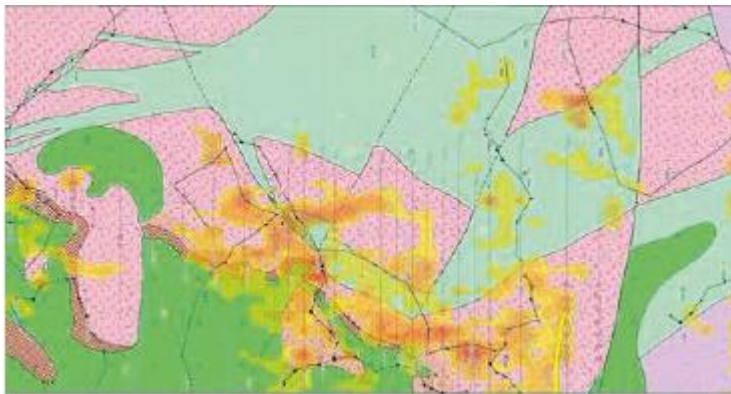
According to the JORC resource estimate, Pravoberezhny Indicated resources amount to 153 thousand ounces of gold (4.8 tonnes) and Inferred resources amount to 3 thousand ounces (0.1 tonnes). Total gold resources at Pravoberezhny deposit amount to 166 thousand ounces of gold (4.9 tonnes) with an average grade of 3.23 grams per tonne.

The ore bodies outcrop at surface and the resource is very shallow. The entire Pravoberezhny ore body is expected to lie within the planned open pit contour. A relatively simple morphology of the ore body and surrounding geology provides for a low stripping ratio, expected to be less than 1:4. Mining of the deposit could start in the beginning of 2019.

Bay-Suit

The gold mining potential of this site is marked by the occurrence of lithochemical gold-bearing metamorphic zones and the presence of alluvial gold mineralization in the head of the Bai-Suit brook. The geology is characterized by skarn zones in the contacts between intrusive rocks (diorites) and limestones.

Bay-Suit is the next exploration target for Auriant Mining.



Production

All mining at the Tardan deposit is done by open pit mining. The ore bodies are relatively deep, averaging about 150 m in depth, and hence, requiring substantial stripping. Ore and waste are primarily mined by using explosives, but depending on the rock type, some minimal mining is also done with bulldozers with no need for blasting. Once the ore is broken loose, it is loaded onto large dump trucks by excavators and hauled to the heap leaching site. Waste material from stripping is piled near the open pits with bulldozers. Mining is carried out in two 11 hour shifts per day.

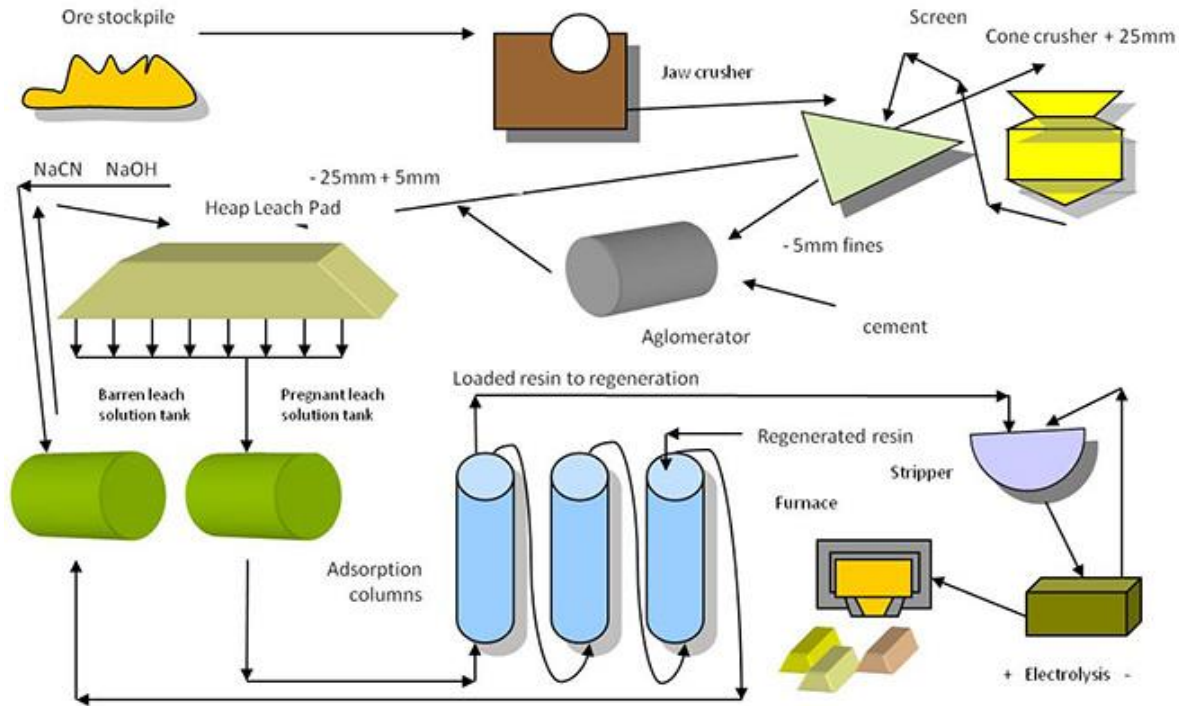
Ore processing

At Tardan there are two plants for processing ore and extracting gold.

Gravitational Plant.

The gravitational plant was re-commissioned in 2015. It was designed to process high grade ore and is based on a technique of mechanical extraction of gold from the ore. The ore is initially crushed and then milled to 74 microns grain size and then passed through a magnetic separator which takes out ore that contains iron, and thereby increases the gold content of the residue. The ore is then fed into a Knelson centrifugal separator that further concentrates the gold. Following this separation the gold slurry is fed to vibrating gravity tables that collect the gold particles. The gold particles are then smelted on site into dorè bars.

Heap Leaching



Heap leaching is a relatively simple method of producing gold from suitable ore. The mined ore is crushed to 10 millimeters grain size or less, mixed with stockpiled gravitational tailings in a ratio of 60:40 ore to tailings. Following this the mixture is then coated (agglomerated) with cement, turning the crushed material into a granular form which ensures that fine ore particles do not clog the irrigation systems and prevent the heap from collapsing. Following cement agglomeration, the ore is transported via a conveyor to a radial stacker which stacks the ore on to the heap leach pad, up to a height of 7 metres. The heap leach pad is a specially prepared area, with a gentle slope, that is covered by a thick non-permeable layer of polymer film that ensures no solution passes into the soil. The heap is then irrigated with pipes and sprinklers that contain a weak sodium cyanide solution. This solution percolates through the ore in a 120 day cycle and dissolves gold into solution. The solution drains away at the bottom of the heap and is then piped to the heap leaching plant where gold is extracted from the solution using activated carbon in large sorption columns. The solution, is then recycled back to the heaps. From the sorption columns gold is then desorbed from the activated carbon using a hot caustic solution, and then goes through an electrolysis operation where gold is deposited on cathodes, which are then smelted into doré bars containing not less than 70 per cent gold (along with copper, iron and silver). The gold doré is then shipped to specialized precious metals refineries in Russia where it is smelted into pure gold.

Seasonality

Given the climatic conditions, gold production is seasonal. This is primarily due to the need to use cement agglomeration of the crushed ore prior to stacking. As the cement uses water, in very cold weather even warmed water freezes meaning that agglomeration cannot take place, and hence no stacking occurs, however irrigation of the heaps continues throughout the winter as the cyanide solution can be warmed. As no fresh ore is stacked, gold production drops significantly during the December – May period.

KARA-BELDYR

License

The Kara-Beldyr exploration and mining license area is a 34 square kilometres site situated in the Republic of Tyva, 166 kilometres east-southeast of Kyzyl, the capital city of the Tyva Republic and approximately 110 kilometers from the Company's producing mine at Tardan. The Kara-Beldyr exploration and mining license was issued on 26 June 2008 and is valid until 20 February 2027.

In 2008, Auriant Mining entered into a joint venture agreement with Centerra Gold (KB) Inc. for the exploration and development the Kara-Beldyr deposit whereby Centerra earned a 70 per cent interest in Kara-Beldyr in exchange for funding the exploration program. In 2014 exploration program was substantially completed. In 2014 Auriant Mining acquired Centerra's 70 per cent interest and became the sole owner of the property. According to the terms of the acquisition agreement, Auriant will pay Centerra Gold a 3.5 per cent Net Smelter Royalty on any future mineral production from the Kara-Beldyr property.

Geological Setting (according to JORC resource estimate report made by Wardell Armstrong International)

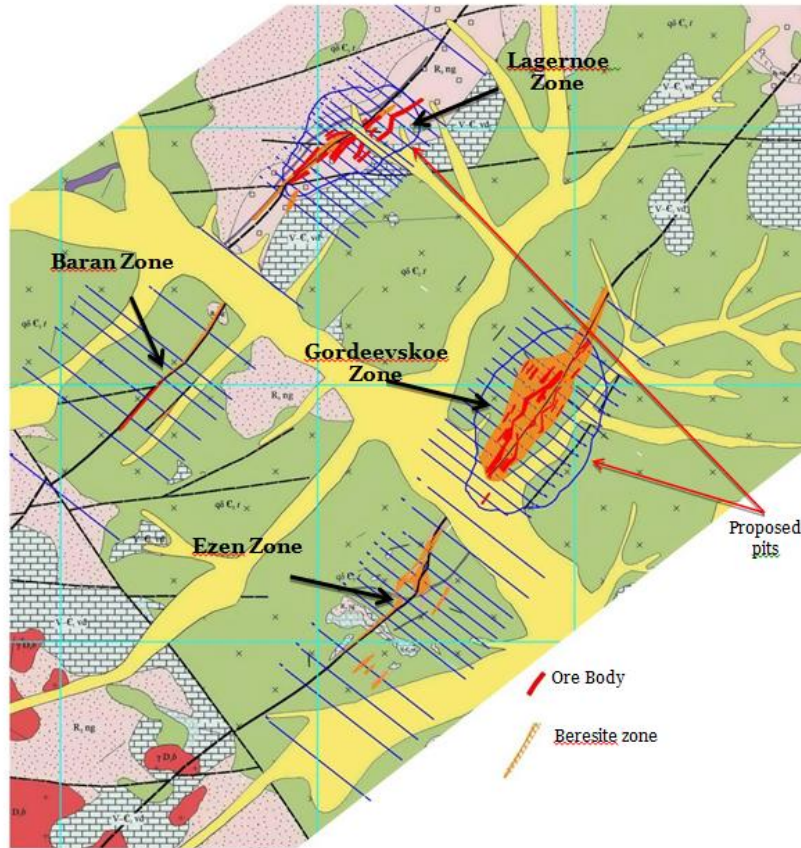
The Kara-Beldyr orogenic Au project consists of fault controlled Devonian age gold-silver mineralisation associated with metasomatised quartz diorites of Late Riphean age at Gordeyevskoye and Late Riphean and Cambrian-Vendian conglomerates and dolomites at Lagerny.

The major controlling structures to mineralisation are large sub-vertical northeast-southwest trending fault structures identified during detailed exploration. These faults are interpreted to be transform faults off the Baikal rift zone.

The Kara-Beldyr Au project consists of two major zones, Gordeyevskoye and Lagerny, which have been well explored. Both zones focus on steeply dipping northeast southwest trending fault zones and dip towards the southeast.

Mineralised zones are lens shaped and occur roughly parallel to the Glavny fault at Gordeyevskoye and are hosted in metasomatised zones within quartz-diorites. Metasomatic alteration forms a zone 40-110 meters thick and has been traced for a distance larger than 2 kilometers. Metasomatic intensity is reasonably constant along strike and can occur within the granodiorite intrusions and the quartz diorite host rocks but gold mineralisation can be sporadic. With increasing distance from the faults the metasomatic zones change from pyrite-ankerite-sericite-quartz to propylitic zones to a veinlet zone consisting of quartz and carbonate-feldspar-quartz veins.

Lagerny is located approximately 1.5 kilometers to the northwest of Gordeyevskoye with a similar structural trend and controlling fault structure. The Lagerny zone extends roughly 700 meters along strike and ranges from 50 meters to 150 meters thick. Host rocks are Late Riphean conglomerates and sandstones tectonically overlying Vendian-Low Cambrian dolomitic marbles with mineralisation occurring in metasomatic zones of quartz-sericitic alteration.



Mineral Resource Estimate

The Mineral Resource Estimate is based on Au and Ag estimates within a 5m x 20m x 5m blockmodel. Grades are estimated from composited samples by ordinary kriging using modelled variograms where possible and Inverse Distance Weighting where modelled variograms were deemed not to be robust. Modelled wireframes were treated as hard boundaries and top-cuts were applied to data where appropriate.

The final model was verified visually and statistically and classification was applied following the guidelines of the JORC Code (2012). WAI considers that the Kara-Beldyr deposit has been sufficiently explored to assign Indicated and Inferred mineral resources as defined by JORC Code (2012). Ag was classified to Inferred only due to irregular sampling and less rigorous QAQC procedures being applied than for Au.

Prospects for eventual economic extraction were tested by running open pit optimisation and application of suitable economic and technical parameters. The Mineral resource is shown in the following table combined for both the Gordeyevskoye and Lagerny zones.

JORC KB Resources

Mineral Resources Estimate. Kara-Beldyr, Russia (Gordeyevskoye and Lagerny Zones Combined).

28th February 2017 (In Accordance With the Guidelines of the JORC Code (2012))

Combined potential Open Pit and Underground Mineral Resources – Reported to Cut-off Grade

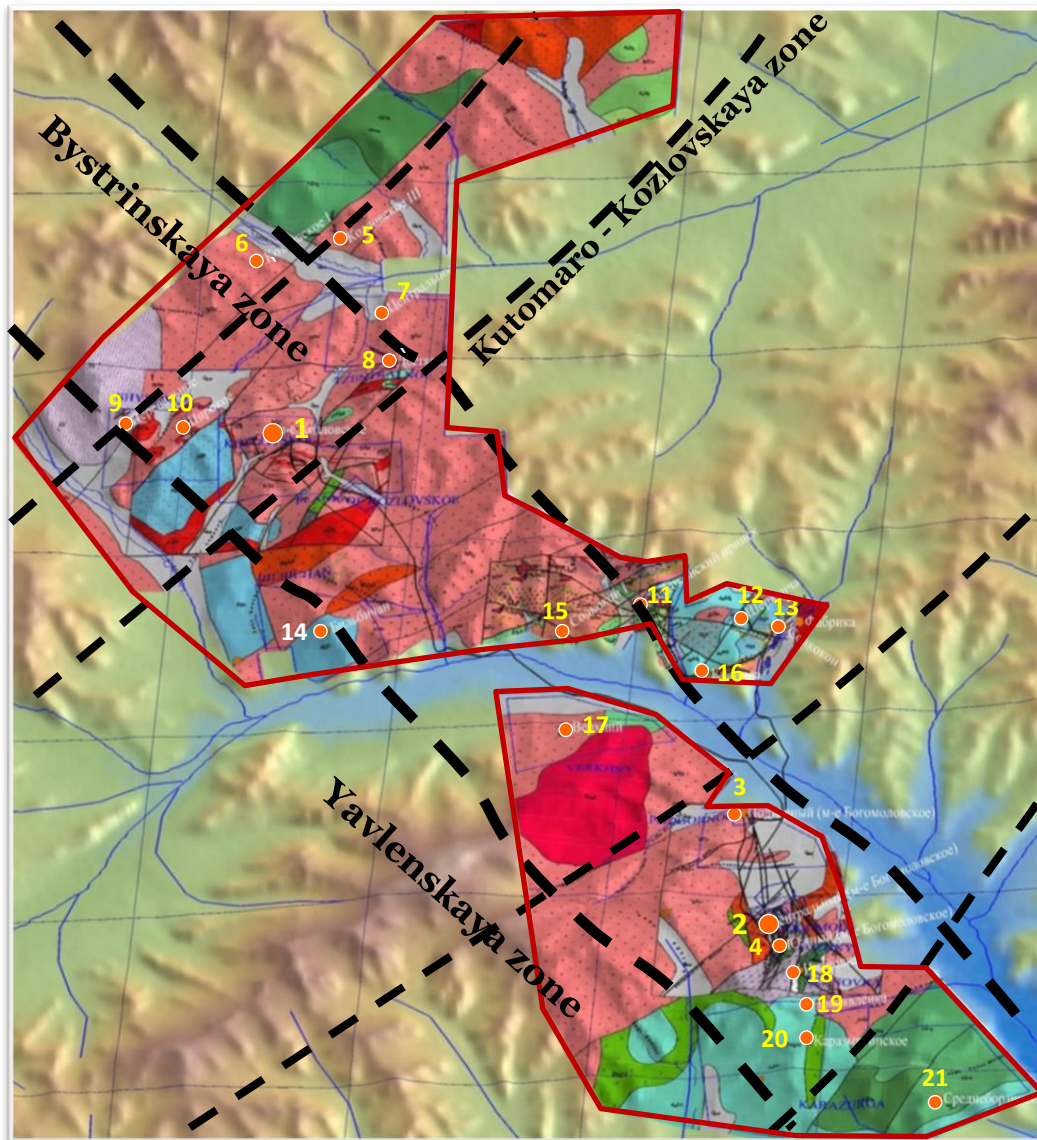
of 0.5 grams per tonne Au and 1.8 grams per tonne of Ag Respectively)

Classification	Tonnage (Mt)	Au			Ag		
		g/t	Metal (’000oz)	Metal (kg)	g/t	Metal (’000oz)	Metal (kg)
Measured	-	-	-	-	-	-	-
Indicated	9.54	2.63	807	25.101	3.49	1,069	33.250
Inferred	0.48	3.55	55	1.711	3.44	53	1.648
Total	10.02	2.67	862	26.812	3.48	1,122	34.898

SOLCOCON (STAROVERINSKAYA LICENSE)

License

The Staroverinskaya license for exploration and mining of hard rock and placer gold in the Zabaikalsky region was awarded on 19 May 2004 and is valid till 15 May 2029. The license area is 220.4 square kilometers in size.



Gold deposits

Kozlovskoe - 1
Bogomolovskoe, includes:
Centralny - 2; Podgorny - 3;
Yuzhny - 4

Gold occurrences

Kozlovskoe-III - 5
Kozlovskoe-I - 6
Centralnoe - 7
Degtyanka - 8
Perevalnoe - 9
Shirokoe - 10
Solkoconsky priisk - 11
Scherkuncha - 12
Solkocon - 13
Bilbichan - 14
Solkocon-I - 15
Kulinda - 16
Verkhny - 17
Ivanovskoe - 18
Novoyavlenskoe - 19
Karazuyrnga - 20
Sredneborzinskoe - 21

Geology

The Staroverinskaya license area is situated in the central part of the Argun micro-continent, part of the Mongol-Okhotsk belt. The Zabaikalsky Region where Staroverinskaya is located includes such world class gold deposits as Baley, Taseevskoye, Bystrinskoye, Klyuchevskoye, all of which contain resources in excess of 3 Moz.

The Staroverinskaya license area features sediments of different ages, from Precambrian to lower Cretaceous. These sediments are characterised by different lithology. These are carbonate rocks and terrigen sediments (sandstones, siltstones and conglomerates), as well as volcanic deposits (rhyolites, tuffs, trachyandesites, and trachybasalts).

The most promising formations for localisations of gold deposits are the Cambrian and Jurassic carbonate sediments.

Intrusive rocks underlay a large part of the license area and are represented by a Late Permian monzodiorite-granite complex and mid-late Jurassic Shahtaminskiy monzodiorite-granodiorite-granite complex. They are represented by quartz-diorites, diorites, monzodiorites and appear to be prospective for the mineralization of gold bearing ore.

The major tectonic features of the area are the northwest-southeast fault zones (Bystrinskoye) and the northeast-southwest fault zones (Kutomaro-Kozlovskaya and Smirnovsko-Mikhaylovskaya). These are large (hundreds of kilometres long) structures. These first-order fault zones are accompanied by second and third order faults which play an important role in the localization of gold and polymetallic mineralization. Exploration undertaken by Auriant has identified three highly prospective ore fields, namely Yavlinskoye, Bilbichan-Solkokonskoye, and Kozlovskoye.

All of the gold deposits and occurrences in the general vicinity can be divided into four types, depending on the composition of the ores and their localization.

The first type is gold skarn deposits. The Zhelezny Kryazh deposit belongs to this type. It is located in the northeastern part of the area outside the property. Mineralization is associated with magnetite skarns.

The second type is gold-arsenic. This type includes the Kozlovskoye deposit and a number of other nearby ore occurrences. Ore bodies are composed of beresites, mineralized with disseminated sulphides. The main ore minerals are arsenopyrite, pyrite, galena and gold.

The third type is gold-polymetallic deposits as represented by the Smirnovskoe deposit, which is located in the far eastern part of the license outside the license area. These ore types are located on the contacts of the dolomitic limestone and intruding Jurassic granites. The southern portion of the license area primarily features deposits of this type.

The fourth mineralized type is gold-quartz-tourmaline. Gold occurrences of this type are widely distributed and common in the license area. They include the Podgornoye deposit, part of the Bogomolovskoye deposit, and a number of other occurrences.

In a number of large gold deposits (for example the Bogomolovskoye deposit) several mineralization types are identified.

Solcocon mine

Currently hard rock mining at the Solcocon mine has been suspended. The mine was producing gold using heap leach technology, however with a lack of oxidized ore suitable for heap leaching, recovery rate decreased significantly making the mine uneconomical. In December 2016 the Company completed laboratory testing of ore

from the Bogomolvskoye deposit to establish expected gold recovery rates for different processing technologies. The tests indicated that recovery rate for CIL technology is 84 per cent.

UZHUNZHUL

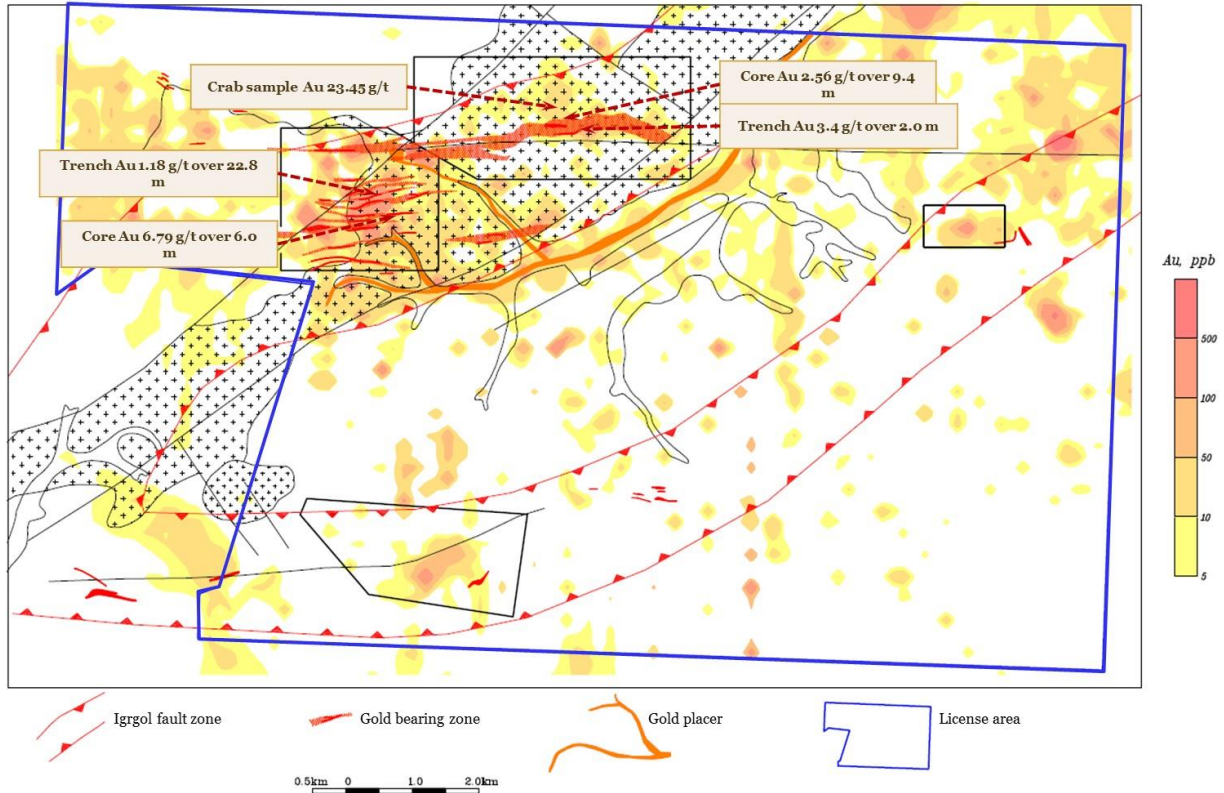
License

The 135.5 square kilometers license area is located in the Republic of Khakassia (which adjoins the Republic of Tyva), 80 kilometers from the capital city Abakan, an economically well-developed region, with large mining and metallurgical companies. The license for the exploration and mining of hard rock gold in the Uzhunzhul ore cluster was awarded 20 November 2008 and is valid until 21 September 2031.

The Nemir-Chazygolskoye ore field, which covers the eastern part of the license area, is itself located on the southeast flank of the Uybatsky gold bearing area. The Yurkovsky, Vostochny, and Paraspan occurrences have been discovered within the Uzhunzhul license area. In addition, the license area features placer deposits of gold.

The ore field is in the contact zone of the Basino-Uzhunzhul granite massif and extends in a northeast direction for 20 kilometres with a width ranging from 4 to 10 kilometers.

Uzhunzhul License Area



Intrusive rock cover a significant part of the license area and is divided into five types, all of which form intrusive massifs extending in a northeast direction and small stocks of syenite, granite, granodiorite, gabbro, gabbro-diorite and diorite porphyry.

The northeast strike faults trend in the same direction as the Uybatsky zone structures. Numerous faults are associated with mylonites and cataclastic rocks, and are associated with dykes, alteration zones, gold, lead-zinc, copper and molybdenum mineralization. Northwest and north-south faults are less well developed. They, as a rule, cross and displace fault zones of other directions.

Within the license area sulphidic metasomatites are located within fault zones, developing along contacts with granite massifs and are characterized by intensive pyrite mineralization and silicification. The depth of the oxide zone is 130 - 150 meters from the surface.

Beresitic and propylitic zones are widely represented in the intrusive rocks, developing along northeast and east-west faults. The width of such zones varies from tens of centimetres to tens of metres, and up to 3 - 4 kilometres in length. The producing Kuznetsovskoye mine is located several kilometres southeast of the border of the Uzhunzhul license.

The Irgol fault zone controls the gold ore bearing structure on the license area. It represents a set of faults running in a northeast and east west direction. All of the gold ore bearing bodies occur within this zone.

The license area features predominantly two ore types: gold-quartz and gold-quartz-sulphide. Gold-quartz ore types are localized within the intrusive massif. Gold-quartz-sulphide ore types are found in the contact parts of the intrusive massifs.

Gold-quartz ore types occur primarily in the Vostochny Flank and Yurkovsky occurrences.

The Yurkovsky prospect contains 12 gold-bearing zones found in steeply dipping tectonic cracks that run in a northeast and east-west direction. The length of the zones varies from 400 meters to 2,500 meters, and are up to 350 meters deep. The widths of the ore zones vary from 0.3 meters up to 150 meters. The zones are composed of beresite and propylite with gold-quartz veinlets.

The main mineral found in the ore is pyrite, with occurrences of arsenopyrite, chalcopyrite, galena, and native gold. The maximum gold grade in the ore bodies is 150 grams per tonne, with averages from 3.0 up to 35.3 grams per tonne depending on the zone.

The Vostochny Flank occurrence incorporates ore bodies with widths varying between 4.2 meters and 47 meters, and lengths up to 520 meters. Gold grade vary up to 4.8 grams per tonne. The Paraspan occurrence has grades up to 30 grams per tonne.

Historically, placer mining on the current Uzhunzhul license area started in 1835, with approximately 1.9 tonnes of gold mined to date.

According to company's internal estimates, most promising prospects for discovering gold deposits within the Uzhunzhul area are the Yurkovsky, Vostochny Flank, Vostochny and Paraspan occurrences.

Strategy

The Company's strategy is focused on creating value by organic growth through: a) increasing operational efficiency at its operating mine Tardan; b) development of the Kara-Beldyr mine project (where exploration is complete) and; c) continuing brown field exploration efforts at the, Solcocon mine, with the goal to increase gold resources to justify further mine development.

The Company aims to increase efficiency of operations at Tardan by upgrading the gold production facilities and by changing the processing technology from current heap leaching to CIL (carbon-in-leach). This will result in increased recovery and higher gold production over the mine life. The Company expects that the shift to the new technology will be made in 2018.

Kara-Beldyr has 26.8 tonnes of gold in resources (both Indicated and Inferred under JORC), out of which 25.1 tonnes are Indicated category. Exploration and technology testworks are complete. Starts of design of the mine is subject to financing availability. It is expected that after inception of the design stage the mine would be able to commence production in 4 years. Targeted production volume is on average 2 tonnes per year, over the life time of the mine.

Solcocon has 16.6 tonnes of gold in resources and has a significant exploration potential. In 2017–2019 exploration efforts will be focused on the Bogomolovskoye deposit, its flanks and deeper horizons. Existing gold resources at Bogomolovskoye deposit amount to 7.0 tonnes. In 2014, exploration work was performed in the southern flank of the deposit. In total, 25 boreholes were drilled, with a total length of 2,337 meters (2,300 samples), 19 trenches were made with the total length of 2,769 meters (2,411 channel samples). Mineralized zones with gold ore content were uncovered in the boreholes and trenches. In 2017 – 2019, these gold zones will be further explored with the aim to increase gold resources of the Bogomolovskoye deposit to justify further mine development (targeting 20 tonnes of gold). If those gold resources could be proven at Solcocon, then a mine project with a production capacity of up to 2 tonnes a year could be envisioned.

Employees

Total average number of employees for 2015 was 508 (102 women) and for 2016 - 612 (94 women).

SELECTED FINANCIAL INFORMATION

Below is Auriant Mining's financial development presented in summary for the financial years 2016, 2015 and 2014, as well as the first six months of the financial years 2017 and 2016. The audited accounts for the Group have been prepared in accordance with the International Financial Reporting Standards as defined by the European Union ("IFRS").

The information for the interim period 1 January-30 June 2017 and the corresponding period in 2016 has been taken from the Company's unaudited interim reports for the period 1 January-30 June 2017 and for 1 January-30 June 2016, which have been prepared in accordance with IFRS. This section should be read in conjunction with the sections "Comments on the financial information" and "Other financial information", as well as the audited annual accounts and the unaudited interim reports that have been incorporated into this Prospectus by reference. No further financial information besides what appears in this section of the Prospectus has been audited or inspected by the Company's auditor.

CONSOLIDATED PROFIT AND LOSS STATEMENT

KUSD	1 January-30 June 2017	1 January-30 June 2016	1 January-31 December 2016	1 January-31 December 2015	1 January-31 December 2014
	IFRS	IFRS	IFRS	IFRS	IFRS
	unaudited	unaudited	audited	audited	audited
Revenue	12,562	15,663	43,380	33,429	42,627
Cost of sales	-11,975	-11,130	-25,962	-28,683	-48,752
Gross profit	587	4,533	17,418	4,746	-6,125
General and administrative expenses	-1,512	-1,232	-2,725	-3,768	-4,976
Other operating income	656	487	961	953	769
Other operating expenses	-109	-87	-238	-1,012	-919
Items affecting comparability (Impairment of assets)	-	-	-	-14,216	-
Operating profit/(loss)	-378	3,701	15,416	-13,297	-11,251
Financial income	-	13	18	-	-
Financial expenses	-3,013	-3,697	-7,287	-7,683	-10,001
Forex result	267	-15	-308	602	-5,010
Profit/(Loss) before income tax	-3,124	2	7,839	-20,378	-26,262
Income tax	363	-2,152	-1,355	-1,116	9,671
Net profit/(loss) for the period	-2,761	-2,150	6,484	-21,494	-16,591

CONSOLIDATED BALANCE SHEET

KUSD	30-Jun-17 IFRS unaudited	30-Jun-16 IFRS unaudited	31-Dec-16 IFRS audited	31-Dec-15 IFRS audited	31-Dec-14 IFRS audited
ASSETS					
NON CURRENT ASSETS					
Mining permits and capitalised exploration costs	22,400	22,404	22,575	23,081	33,928
Tangible fixed assets	20,077	23,374	21,897	24,506	34,162
Stripping assets	5,466	3,731	4,001	2,335	3,192
Deferred tax assets	5,502	4,854	5,211	6,270	10,298
Total non current assets	53,445	54,362	53,684	56,192	81,580
CURRENT ASSETS					
Inventories	9,065	6,674	7,883	4,833	4,836
Accounts receivable trade	562	375	186	2,272	41
Other current receivables	3,714	3,389	3,795	2,974	3,972
Prepaid expenses	1,098	1,144	1,025	338	677
Cash and cash equivalents	60	2,184	4,173	43	603
Total current assets	14,499	13,765	17,062	10,460	10,129
TOTAL ASSETS	67,944	68,128	70,746	66,652	91,709
EQUITY AND LIABILITIES					
EQUITY					
Share capital	307	307	307	307	30,738
Additional paid in capital	59,802	59,800	59,808	59,838	24,997
Translation difference reserve	-12,991	-13,557	-12,910	-15,714	-11,220
Retained earnings	-80,364	-86,237	-77,603	-84,087	-62,593
TOTAL EQUITY	-33,246	-39,687	-30,398	-39,656	-18,078
LONG TERM LIABILITIES					
Deferred tax liabilities	1,658	1,986	1,777	2,224	2,719
Provisions	744	756	714	659	846
Bank loans and other notes	12,390	16,656	14,832	20,073	17,094
Debt to shareholder	44,281	42,287	43,285	41,293	43,464
Other long-term liabilities	10,373	5,722	6,387	6,058	6,975
Total long term liabilities	69,446	67,408	66,995	70,307	71,098
CURRENT LIABILITIES					
Trade and other accounts payable	2,137	3,037	1,616	3,525	3,532
Bank loans payable	26,219	30,243	24,549	24,537	28,256
Shareholder loans payable	-	5,813	6,063	5,563	4,088
Other current liabilities	3,388	1,316	1,921	2,376	2,813

Total current liabilities	31,744	40,407	34,149	36,001	38,689
TOTAL EQUITY AND LIABILITIES	67,944	68,128	70,746	66,652	91,709

STATEMENT OF CASH FLOW

KUSD	1 January-30 June 2017	1 January-30 June 2016	1 January-31 December 2016	1 January-31 December 2015	1 January-31 December 2014
	IFRS unaudited	IFRS unaudited	IFRS audited	IFRS audited	IFRS audited
Operating activities					
Receipts from customers	12,562	18,505	45,544	32,042	42,627
VAT and other reimbursement	1,943	1,515	3,295	3,915	8,200
Payments to suppliers	-8,843	-10,007	-19,893	-18,524	-37,735
Payments to employees and social taxes	-4,570	-4,315	-7,595	-8,860	-14,022
Income tax paid	-65	-27	-27	-13	-
Other taxes paid	-1,105	-1,676	-3,897	-3,446	-4,371
Net cash flows from/(used in) operating activities	-78	3,996	17,429	5,113	-5,301
Investing activities					
Purchase and construction of property plant and equipment	-260	-1,025	-1,448	-89	-2,687
Exploration and research works	-368	-465	-943	-29	-703
Investments in JV	-	-	-	-	-168
Net cash flows used in investing activities	-628	-1,490	-2,391	-117	-3,558
Financing activities					
Proceeds from borrowings, net	-	2,500	2,500	1,000	15,046
Repayment of borrowings, net	-1,500	-1,176	-7,723	-745	-2,039
Interest paid	-1,172	-1,377	-4,554	-4,535	-3,708
Lease payments	-637	-548	-1,134	-1,288	-2,263
Other finance income/expenses	-	14	14	-37	-

Net cash from financing activities	-3,309	-587	-10,899	-5,604	7,036
Net increase in cash and cash equivalents	-4,015	1,918	4,140	-609	-1,823
Net foreign exchange difference	-98	223	-10	49	770
Opening balance cash and cash equivalents	4,173	43	43	603	1,656
Closing balance cash and cash equivalents	60	2,184	4,173	43	603

Key financials

The following key financials, such as Auriant Mining have defined them, should not be compared with other key figures with similar names used by other companies. This is due to that the key ratios are not always defined in the same way and other companies may calculate them differently than Auriant Mining. Auriant Mining believes that these key ratios provide a better understanding of the Company's economic trends. The Company has and will continue to report the following key figures in the Company's financial information to the market in order to make it easier for investors to evaluate the Company based on the key figures Auriant Mining presents to the market. The following key financials and alternative key financials are presented below.

	1 January-30 June 2017	1 January-30 June 2016	1 January-31 December 2016	1 January-31 December 2015	1 January-31 December 2014
Key financials for the income statement					
Revenue, KUSD	12,562	15,663	43,380	33,429	42,627
EBITDA, KUSD	2,507	7,137	22,004	10,267	-4,085
EBITDA margin (%)	20%	46%	51%	31%	-10%
Operating profit/(loss) (EBIT), KUSD	-378	3,701	15,416	-13,297	-11,251
Operating income-margin (%)	-3%	24%	36%	-40%	-26%
Net profit/(loss), KUSD	-2,761	-2,150	6,484	-21,494	-16,591
Net profit/(loss) margin (%)	-22%	-14%	15%	-64%	-39%
Key financials of the capital structure					
Total equity, KUSD	-33,246	-39,687	-30,398	-39,656	-18,078
Equity ratio (%)	Neg.	Neg.	Neg.	Neg.	Neg.
Data per share					
Amount of shares	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429
Equity per share, USD	-1,87	-2.23	-1.71	-2.23	-1.02
Earnings per share, USD	-0,16	-0.12	0.36	-1.21	-0.93
Personnel					
Average number of employees	516	498	508	612	802

EBITDA

The Company has chosen to report the key ratios EBITDA and EBITDA margin as these show underlying earnings of operations, free from the effect of depreciations, which provides a more comparable profit measurement over time as depreciations relate to historical investments.

KUSD	1 January- 30 June 2017	1 January- 30 June 2016	1 January-31 December 2016	1 January-31 December 2015	1 January-31 December 2014
Operating profit/loss	-378	3,701	15,416	-13,297	-11,251
Depreciations and write-offs of tangible and intangible fixed assets	2,885	3,436	6,588	23,564	7,166
EBITDA	2,507	7,137	22,004	10,267	-4,085
EBITDA margin	20%	46%	51%	31%	-10%

Definition of key financials

Amount of shares

Number of shares at the end of the period

Earnings per share, USD

Earnings per share is calculated on number of shares at the end of the period.

Definition of alternative key financials not defined by IFRS

Equity per share, USD

Equity per share is calculated on number of shares at the end of the period. Equity share is a commonly used for valuation of the share.

EBITDA

EBITDA is earnings before interest, tax, depreciation, amortization and any impairment. Due to the nature of business the Company considers forex as non cash item, thus EBITDA is calculated as Operating profit less depreciation, amortisation and any impairment. EBITDA is presented as this shows the underlying earnings of the operations, free from the effect of depreciation, which gives a more comparable profit margin over time as depreciation relates to historical investments.

EBITDA margin

EBITDA margin is a percentage of Operating profit less depreciation, amortisation and any impairment (EBITDA) of net sales. It shows how much profit the Company earns before payment of interest and income tax. This key figure is used for analysis of value creation.

Operating income margin

Operating income margin is Operating profit as a percentage of net sales, indicating which proportion remains to cover interest, tax and generate profits after the Company's expenses have been paid. Moreover, the alternative key figure can be used to follow the Company's development and compare companies in the same industry.

Net profit /(loss) margin

Net profit/(loss) margin is Profit after financial items as a percentage of net sales. Profit margin shows how much profit per revenue and how much of revenue there are to develop business, amortize or distribute to shareholders.

Equity ratio

Shareholders' equity in relation to the balance sheet in total, which indicates the proportion of assets financed by equity. The size of the equity in relation to other liabilities describes the Company's long-term ability to pay and is therefore of interest in connection with negotiations regarding loans with the bank.

COMMENTS TO THE FINANCIAL INFORMATION

Discussion of results of operations for the interim period ended 30 June 2017 and 2016

Consolidated Income Statement

Revenue

Revenue from gold sales decreased by 2.8 MUSD, or 18 per cent, compared to H1 2016. The average realized gold price per ounce increased by 2 per cent from 1,217 USD/oz in H1 2016 up to 1,243 USD/oz in the current period. Gold sales decreased by 20 per cent or 77 kg (2,515 oz) – from 392 kg (12,619 oz) in H1 2016 down to 314 kg (10,104 oz) in H1 2017.

Cost of sales

Cost of sales comprising production costs, change in work in progress and movements in stripping assets increased by 8 per cent from -11.130 MUSD in H1 2016 to -11.975 MUSD in H1 2017. Cash operating expenses, being a part of cost of sales, increased by 16 per cent. Most of cash expenses are denominated in Russian roubles. In the reporting period, the rouble strengthened against USD by 18 per cent compared to H1 2016, which led to an increase in cash expenses. During the period part of production costs was capitalized as work in progress and as stripping assets and will be expensed in the subsequent period. All above, together with savings in amortization expenses led to the growth of costs of sales by 8 per cent, compared to prior period.

General and administrative expenses

General and Administrative expenses are represented by expenses of the company's headquarters and they increased by 0.280 MUSD, or 23 per cent, compared to H1 2016. This increase was mainly caused by rouble appreciation against USD by 18 per cent in the reporting period compared to H1 2016 and legal services acquired.

Financial expenses

Financial expenses were represented by interest expenses and decreased by 18 per cent or by 0.683 MUSD to -3.013 MUSD compared to prior period of -3.697 MUSD. This was partly caused by loan principal amount repayment, which led to interest expenses reduction by 0.4 MUSD as well as by reduced interest rate from 10 per cent to 2 per cent on the 6.063 MUSD debt to Kronofogdemyndigheten, Swedish enforcement authority (further - KFM). KFM took ownership of the 6.063 MUSD previously owed by Auriant Mining to Mr. Preston Haskell, the main owner. Reduced interest rate led to reduction of interest expenses on this debt by 0.2 MUSD compared to prior period.

Income tax

The income tax of 0.363 MUSD in H1 2017 was positive and related to a change in deferred tax at the subsidiaries level and represented tax loss carry-forward and temporary differences movements. The income tax of -2.152 MUSD in H1 2016 was a non-cash expense and represented utilization of deferred tax assets against taxable income received by Group subsidiaries – Tardan and the Moscow management company.

Net loss for the period

The loss after tax in H1 2017 was -2.761 MUSD compared to -2.150 MUSD in H1 2016. Earnings per share for the period were -0.16 MUSD compared to H1 2016 of -0.12 MUSD.

Consolidated statement of financial position

Non current assets

Non current assets decreased by 0.239 MUSD. Stripping costs were partially capitalized during the reporting period in amount of 1.465 MUSD and they will be amortized over the current and next production periods. Tax loss carry-forward and temporary differences movements led to the growth of the deferred tax assets by 0.291MUSD. Tangible fixed assets decreased by 1.820 MUSD as a result of depreciation charge for the period.

Current assets

Current assets decreased by 2.563 MUSD or 15 per cent. In H1 2017 the Group repaid a loan debt of 1.5 MUSD and acquired inventories and services for current production activities. This led to reduction of cash balance by 4.113 MUSD, as well as growth of inventories (+ 1.182 MUSD) and other receivables (+0.369 MUSD) lines compared to the beginning of 2017.

Liabilities

Trade and other accounts payable line increased by 32 per cent or 0.521 MUSD and mainly included debt to contractors for drilling, blasting and transportation services. Provisions line, related to future restoration costs required at the end of the production licenses, increased by 4 per cent, up to 0.744 MUSD. These growths were mainly caused by rouble appreciation against US dollar by 3 per cent at the end of June compared to December 31, 2016.

During the period the Group repaid a loan debt of 1.5 MUSD. The Group agreed with the bank to repay a loan interest accrued during H1 2017 in the 2nd half of 2017. Thus, total bank debt of 38.267 MUSD as of June 30, 2017 includes interest payable of 0.719 MUSD.

The shareholder loans payable line decreased by 100% or by US\$ 6.063mln compared to December 31, 2016 and is down to zero, as at June 30, 2017. It was caused by the Swedish enforcement authority, Kronofogdemyndigheten, (KFM), taking ownership of the debt previously owned by Auriant Mining to Mr. Preston Haskell, the main owner. The debt will be paid by the Group to KFM in accordance with the following schedule: US\$ 2.0mln in the 2nd half of 2017, US\$ 2.0m in the 2nd half of 2018, and the remaining amount by the end of 2019. From 2017 the interest rate on the debt is 2% p.a. (in 2016 – 10%). As a result, US\$ 2.0mln payable in 2017 is recorded in the Other current liabilities line and amounts payable in 2018-2019 are recorded in the Other long term liabilities line.

Consolidated cash flow statement

Cash flow from operating activity

During H1 2017, operating activity was financed by gold sales, reimbursement of VAT and receipts from rent agreements. In the previous period, cash receipts also included 2.3 MUSD of cash inflows of receivables for management services of five gold properties located in Russia's Chukotka region and owned by Aristus Holdings Ltd and 2.5 MUSD of short-term bank financing.

The amount of VAT and Other reimbursements during the period was 1.943 MUSD (H1 2016: 1.515 MUSD).

Cash flow used in financing activity

During H1 2017 the Group repaid a loan principal amount of 1.5 MUSD (H1 2016: 1.2 MUSD).

The consolidated cash balance as of June 30, 2017 was 0.060 MUSD (December 31, 2016 - 4.173 MUSD).

Discussion of results of operations for the years ended 31 December 2016 and 2015**Consolidated Income Statement****Revenue**

Revenue from gold and gold equivalents increased by 13.251 MUSD, or 44 per cent, compared to 2015. Sales volume increased by 32 per cent: from 799 kg (25,698 oz) in prior period to 1,056.1 kg (33,954 oz) in 2016. The average realized gold price increased by 9 per cent from 1,161 USD/oz in 2015 to 1,269 USD/oz.

Cost of sales

Cost of sales decreased by 10 per cent and amounted to -25.962 MUSD in 2016 compared to -28.683 MUSD in 2015, while gold production increased by 31 per cent. Reduction in cost of sales was mainly caused by savings in amortization of 2.752 MUSD as a result of increase of gold resources by 4.2 tonnes at Greater Tardan area, as well as by capitalization of stripping costs of 0.996 MUSD in 2016. These items were compensated by work in progress balance decrease by 1.447 MUSD compared to prior period. Cash operating expenses remained almost at the level of 2015.

General and administrative expenses

General and administrative expenses are represented by expenses of the company's headquarters and these expenses decreased by 1.043 MUSD, or 28 per cent, as compared to 2015.

Other operating expenses

Other operating expenses decreased by 0.774 MUSD or 76 per cent in 2016, as a result of one-off items reported in 2015 at Solcocon: penalties from suppliers and tax authorities, provisions for slow-moving materials and reserves on tax court proceedings.

Items affecting comparability (Impairment of assets)

In 2015, production at Solcocon was temporarily terminated. As a result of terminating production at Solcocon, its assets were impaired by 16.0 MUSD as of December 31, 2015 and recorded as Items affecting comparability in the consolidated income statement. In 2016 production at Solcocon was put on hold. In 2017, the Group plans to commence further exploration at Solcocon targeting for resource potential upside on Bogomolovskoye deposit and converting it into minable resources. Exploration will take two years. The Group management is looking at various options for Solcocon and these could potentially result in a reverse of the impairment provision.

Financial expenses

Financial expenses in both periods included interest expenses on loans and leasing. The interest expenses in 2016 decreased and amounted to -7.287 MUSD as compared to -7.683 MUSD in 2015. Interest expenses reduced mainly as a result of partial repayment of a bank loan principal.

Net profit

The net profit for 2016 was 6.484 MUSD as compared to a loss of -21.494 MUSD in 2015. Net loss for 2015 included the impairment of Solcocon assets in the amount of -15.978 MUSD (this was a non-cash provision). Earnings per share before dilution for the period were 0.36 USD compared to 2015 loss of -1.21 USD.

Consolidated Statement of financial Position

Tangible fixed assets

Tangible fixed assets consist of 3 categories, Buildings and land, Machinery equipment and other technical plants, and construction in progress. Reduction of tangible fixed assets by 11 per cent was caused by depreciation charge.

Prepaid expenses

Prepaid expenses at both reporting dates (1.025 MUS\$ as of December 31, 2016 and 0.338 MUS\$ as of December 31, 2015) are presented by advances paid out to suppliers for materials and services to be provided during the normal course of the Group's business.

Debt to shareholder

Debt to shareholder is represented by a bond liability to Golden Impala Limited. – a company related to Mr. Preston Haskell, who controls 52 per cent of the Company's share via Bertil Holdings Ltd. In May 2015, the interest rate on the bond was reduced from 10 per cent p.a. to 2 per cent p.a. In exchange, the majority shareholder was offered an option to redeem 20 MUS\$ 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. Convertible part of the liability was discounted at 9 per cent p.a.

Other long term liabilities

In October 2014, the Group acquired a 70 per cent interest in Kara-Beldyr from Centerra Exploration B.V. and increased its share in Kara-Beldyr to 100 per cent. As consideration for this transaction, Auriant Mining will pay Centerra Exploration B.V. a Net Smelter Royalty of 3.5 per cent on any mineral revenue from Kara-Beldyr in the future. This royalty is accounted for as contingent consideration, which equals to 6.154 MUS\$ as of December 31, 2016 (December 31, 2015 – 5.260 MUS\$). The value of contingent consideration was measured based on the fair value from the cash flow model. All changes in fair value considerations are accounted for through the asset's cost.

Other long-term liabilities also include leasing payables, which decreased by 0.565 MUS\$ at the end of 2016 compared to end 2015.

Bank loans and shareholder loans payable (short term)

Shareholder loan payable represents a loan liability to Mr. Preston Haskell, who controls 52 per cent of the Company's share via Bertil Holdings Ltd. Short term bank loans payable on both reporting dates is the loan liability to Promsvyazbank Group (PSB).

Other current liabilities

Other current liabilities reduced by 19 per cent or 0.455 MUS\$ and were represented by payroll and other employee benefit accruals, as well as taxes liabilities and provisions. The Company reduced tax liabilities by 66 per cent or 0.630 MUS\$ compared to the beginning of 2016 till 0.331 MUS\$ as of December 31, 2016.

Cash flow Statement**Cash flow from operating activity**

During the periods, operating activity was financed by gold sales, settlement of receivables under the management contract with Valunisty, reimbursement of VAT and short term borrowings.

Net cash inflow from operating activities more than trebled: in 2016 it was 17.429 MUS\$, compared to 5.113 MUS\$ in 2015.

Cash flow used in investing activities

In 2016, the Group invested 1.448 MUS\$ in upgrade of the energy facilities and crushing complexes at Tardan. This allowed us to increase the uptime of equipment and to mitigate the risks of breakdowns.

In 2016, the Group spent 0.943 MUS\$ on exploration. Drilling programme at the Pravoberezhny deposit at Tardan was completed. Resources of 4.9 tonnes of gold with an average grade of 3.23 grams per tonne in accordance with

JORC were discovered. We also completed the resource estimate of another gold asset Kara-Beldyr. Total gold resources (both indicated and inferred) amounted to 26.8 tonnes of gold in accordance with JORC.

The free cash flow after operating and investing activities in the reporting period was 15.038 MUSD (2015: 4.996 MUSD).

Cash flow from financing activities

In 2016, the Group repaid a part of a bank loan debt of 5.223 MUSD (net of proceeds and repayment of borrowings) and paid interest expenses of 4.554 MUSD. As of December, 31, 2016, total bank debt was 39.049 MUSD (December 31, 2015 – 44.333 MUSD). The bank debt/EBITDA ratio significantly improved year on year and was 1.8x at the end of 2016 (4.3x at the end of 2015).

The consolidated cash balance as of December 31, 2016 was 4.173 MUSD (December 31, 2015 -0.043 MUSD).

Discussion of results of operations for the years ended 31 December 2015 and 2014

Consolidated Income Statement

Revenue

In 2015, revenue from gold sales decreased by -12.798 MUSD, or 30 per cent, compared to 2014. Average realized gold price decreased by 7 per cent from 1,244 in 2014 to 1,161 in 2015. The volume of gold sold decreased by 25 per cent from 1,066 kg (34,273 oz) in 2014 down to 799 kg (25,698 oz) in 2015. This was mostly due to the fact that alluvial production, providing 30 per cent of gold sales in 2014, was put on hold in 2015 for sand stripping activities to be performed.

In 2015, Auriant managed five gold properties located in Russia's Chukotka region, including Valunisty - a producing gold mine (these properties belong to Aristus Holdings Ltd.). The Company earned a total management fee of 3.600 MUSD as a result of the successful fulfillment of set KPIs.

Revenue from management services earned in 2015 compensated the absence of net margin from alluvial production of 3.016 MUSD in 2014.

Cost of Sales

Cost of sales decreased by 41 per cent compared to 2014. In 2015 alluvial production was put on hold and alluvial operator costs (9.223 MUSD in 2014) were nil. Cost of sales net cost of alluvial operator decreased by 27 per cent compared to 2014 mainly as a result of RUR depreciation against USD. This resulted in a reduction of cash costs per ounce of gold produced at Tardan from 1,060/oz in 2014 down to 798/oz in 2015.

General and administrative expenses

General and administrative expenses were represented by expenses of the company's headquarter and these expenses decreased by 1.208 MUSD, or 24 per cent, as compared to 2014.

Items affecting comparability (Impairment of assets)

In 2015, production at the Solcocon was temporarily terminated. As a result of terminating production at Solcocon, its assets were impaired by 16.0 MUSD as of December 31, 2015 and recorded as Items affecting comparability in the consolidated income statement. In 2016 production at Solcocon was on hold. In 2017 the Group plans to start further exploration at Solcocon targeting for resource potential upside on Bogomolovskoye deposit and converting it into minable resources. Exploration will take two years. The Group management is looking at various options for Solcocon and these could potentially result in a reverse of the impairment provision.

Financial expenses

Financial expenses in 2015 were represented by interest expenses. The interest expense for the reporting period decreased by 23 per cent and amounted to -7.863 MUSD as compared to -10.001 MUSD of 2014. Interest expenses reduced mainly as a result of the shareholder's bond interest rate reduction - the bond carries an interest rate of 2 per

cent p. a. since March 2015; in the period from May 2014 to February 2015 it was 10 per cent p.a.; prior to May 2014 it was 18 per cent p.a.

Income tax

Since the Company incurred taxable losses the income tax expense in both periods related to a change in deferred tax at the subsidiaries level and represents tax loss carry-forward movements including a deferred tax asset impairment provision at Solcocon of 1.762 MUSD in 2015.

Net loss

The net result after tax for 2015 is -21.494 MUSD as compared to -16.591 MUSD in previous period. Earnings per share before and after dilution for the period were equal to -1.21 USD compared to 2014 of -0.93 USD.

Consolidated statement of financial position

Mining permits and capitalized exploration costs

Assets are mainly represented by exploration and mine development costs. Reduction by 10.847 MUSD was mainly caused by amortisation charge and impairment provision.

As the Solcocon mine was temporary stopped and production was not recommenced in 2016 as the Group focused on development of Tardan in 2016, the Group created an impairment provision on Solcocon mining permits and exploration assets in amount of 8.545 MUSD. In 2016 production at Solcocon was on hold. In 2017 the Group plans to start further exploration at Solcocon targeting for resource potential upside on Bogomolovskoye deposit and converting it into minable resources. Exploration will take two years. The Group management is looking at various options for Solcocon and these could potentially result in a reverse of the impairment provision.

Tangible fixed assets

Reduction of fixed assets mainly caused by depreciation charge and impairment provision for Solcocon non current assets.

Debt to shareholder

Debt to shareholder was represented by a liability to Golden Impala Limited, a company related to Mr. Preston Haskell, who controls 52 per cent of the Company's share via Bertil Holdings Ltd. From March 1, 2015, the interest rate on the bond was reduced from 10 per cent p.a. to 2 per cent p.a.; in the period from May 2014 to February 2015 it was 10 per cent p.a.; prior to May 2014 it was 18 per cent p. a. In 2015, the majority Shareholder has was an option to redeem 20 MUSD 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.

Part of the debt to the Shareholder in amount of 4.265 MUSD was accounted for as additional paid in capital. Decrease in liability to Golden Impala by this amount was partly compensated by discounting the convertible part of the liability at 9 per cent interest rate.

Other long term liabilities

In October 2014, the Group acquired 70 per cent interest in Kara-Beldyr from Centerra Exploration B.V. and increased its share in Kara-Beldyr to 100 per cent. As consideration for this transaction, Auriant Mining will pay Centerra Gold a Net Smelter Royalty of 3.5 per cent on any mineral revenue from Kara-Beldyr in the future accounted for as contingent consideration. As a result, the Company accrued long-term contingent consideration in amount of 5.260 MUSD as consideration to Centerra Exploration B.V. as of December 31, 2015 (December 31, 2014: 5.100 MUSD). The value of contingent consideration was measured based on the fair value from the cash flow model. All changes in fair value considerations are accounted for through the asset's cost.

Other long-term liabilities also include leasing payables, which decreased by 57 per cent at the end of 2015 compared to end of 2014.

Other current liabilities

Other current liabilities were represented by payroll and other employee benefit accruals, as well as taxes and provisions. The Company reduced tax liabilities by 31 per cent compared to the beginning of 2015 to 0.961 MUSD as of December 31, 2015. Total other current liabilities at the end of 2015 decreased by 16 per cent compared to the beginning of the period.

Consolidated cash flow statement

Cash flow from operating activity

In 2015 net cash flows from operating activities were positive and equal to 5.113 MUSD.

Cash flow from/used in financing activity

In 2014 borrowings of 15.046 MUSD received were spent on financing of investing and partly on operating activities.

During 2015, the Group repaid a long-term loan of 0.745 MUSD and as of 31 December 2015, total bank debt was 44.333 MUSD (31 December 2014 – 45.000 MUSD). The bank debt/EBITDA ratio significantly improved compared to the previous period and was 4.3x at the end of 2015.

OTHER FINANCIAL INFORMATION

CAPITAL STRUCTURE

The table below summarises Auriant Mining's capital structure as of 30 June 2017. The table includes only interest bearing liabilities and the Company has no indirect or contingent indebtedness.

KUSD	30 June 2017
Current interest-bearing liabilities	
Against guarantee	0
Against collateral*	26,606
Without guarantee or collateral	2,000
Total current interest-bearing liabilities	28,606
Long-term interest-bearing liabilities	
Against guarantee	-
Against collateral*	12,049
Without guarantee or collateral	50,376
Total long-term interest-bearing liabilities	62,424
Equity	
Share capital	307
Additional paid capital	59,802
Current provided capital	-
Currency reserves	-12,991
Other equity including profit/loss for the period	-80,364
Total equity	-33,246

* The collateral is a.) material tangible assets; b) guarantee from the parent company (Auriant Mining AB (publ)); c) pledge of shares in subsidiaries and d) pledge of some rights (receiving cash from sales etc.).

NET INDEBTEDNESS

The table below summarises Auriant Mining's net indebtedness as of 30 June 2017. The table includes only interest-bearing liabilities.

TSEK	30 June 2017
(A) Cash	60
(B) Other cash equivalents	-
(C) Readily realizable securities	-
(D) Liquidity (A) + (B) + (C)	60
(E) Current financial receivables	-
(F) Current interest-bearing bank debts	26,219

(G) Short-term proportion of long-term interest-bearing liabilities	-
(H) Other current interest-bearing liabilities	2,387
(I) Current interest bearing liabilities (F) + (G) + (H)	28,606
(J) Net current interest-bearing liabilities (I) – (E) – (D)	28,546
(K) Long-term interest-bearing bank debts	12,049
(L) Issued interest-bearing bonds	-
(M) Other long-term interest-bearing liabilities	50,376
(N) Long-term interest-bearing indebtedness (K) + (L) + (M)	62,425
(O) Net indebtedness (J) + (N)	90,971

WORKING CAPITAL STATEMENT

Without the Offering, a shortage of working capital is estimated at approximately 1.0 MUSD around March-April 2018 and to a large extent is explained by the seasonal production pattern, assuming production of 0.9 ton of hard rock gold and 60 kg of alluvial gold in 2017 and total production of 1 ton in 2018, average price per ounce USD 1,200 and RUB/USD exchange rate of 59.

The Group is carrying out the Offering, among other things, for the purposes of ensuring sufficient working capital. The proceeds from the Offering together with the Company's available cash flows from operating activities provide the Company with sufficient working capital to meet its current requirements and to cover the working capital needs for a period of at least 12 months as of the date of this Prospectus. As the Offering is 80 per cent subscribed with underwriting commitments the Company strongly believes that the Rights Issue will be sufficient action to cover working capital needs. If the parties that issued subscription commitments would not fulfill their obligation and the Offering will not be subscribed, or the Group will not be able to finally obtain extended loan repayment schedule from a new finance provider the Group would have to consider financing its working capital shortage with (a) an attempt to amend existing loan repayment schedule in a way to reduce cash outflow and compensate working capital deficit; (b) short term debt; (c) a cut off of its investing program; (d) obtaining better credit terms from its suppliers. The Company was successful in managing its working capital demand previously, however this is not a guarantee that the Company will be able to do this in future. Ultimate consequence of non-financing is that the Company should be forced to apply for corporate insolvency.

INVESTMENTS

All investments made by the Group between the year 2014 and 2016 relate to maintenance of its own production assets.

In 2016, the Group invested 1.4 MUSD in upgrade of the energy facilities and crushing complexes at Tardan. This allowed the Company to increase the uptime of equipment and to mitigate the risks of breakdowns. In 2016 the Group also spent 1 MUSD for exploration. The drilling programme at the Pravoberezhny deposit at Tardan was completed. Resources of 4.9 tonnes of gold with an average grade of 3.23 grams per tonne in accordance with JORC were explored. The Company also completed the resource estimate for Kara-Beldyr, where we intend to build a new mine. Total gold resources (both indicated and inferred) amounted to 26.8 tonnes of gold in accordance with JORC. Based on this resource assessment, a mine with an average production of 2 tonnes of gold per year for 10 years can be envisioned.

In 2015 investments were not significant, while in 2014 the Group spent 3.6 MUSD, including 0.7 MUSD for exploration and 2.7 MUSD for equipment and construction. Cost of technological upgrade (I.e. construction of CIL factory) is estimated to be approximately 12 MUSD. These costs will be incurred in 2017 – 2018 in order to commence CIL operation in the beginning of 2019.

During the first six months of 2017, the Company has invested 0.9 MUSD, including 0.4 MUSD in exploration and 0.5 MUSD in construction of own properties and acquisition of equipment.

ONGOING AND FUTURE INVESTMENTS

Investments in 2017 fully relate to maintenance of production assets, including purchase of new equipment, construction of buildings and pit roads, as well as exploration and research and development. Auriant Mining estimate total CAPEX expenditures for 2017 to be 3.0 MUSD. Cost of technological upgrade (I.e. construction of CIL factory) is estimated to be approximately 12 MUSD. These costs will be incurred in 2017 – 2018 in order to commence CIL operation in the beginning of 2019.

ACQUISITIONS

In October 2014, the Group acquired 70 per cent interest in LLC Kara-Beldyr from the Canadian Company Centerra and increased its share in LLC Kara-Beldyr to 100 per cent. As consideration for this transaction, Auriant Mining will pay Centerra Gold a Net Smelter Royalty of 3.5 per cent on any mineral revenue from Kara-Beldyr in the future.

No other acquisitions from 2014 up to date of this Prospectus were made.

PLEDGED ASSETS

KUSD	Parent Company		
	31 December 2016	31 December 2015	31 December 2014
Shares in subsidiaries	34,141	37,185	48,516
Receivables from subsidiaries	10,258	8,523	15,300
Pledged bank accounts	5	6	6
Total	44,404	45,714	63,822

100 per cent of shares of LLC Tardan Gold, LLC GRE-324, LLC Rudtechnology and 30 per cent of LLC Kara-Beldyr are pledged under the loan agreements at PJSC Vozrojeniye and PJSC Avtovazbank (both part of Promsvyazbank group). The table above shows the book value of pledged assets in the parent company.

INFORMATION ABOUT TENDENCIES

Besides the information presented in the sections “Risk Factors” and “Market Overview”, the Company is not aware of any tendencies, uncertainties, potential liabilities or any other requirement which could have a material adverse effect on the Company’s business, results of operations and financial position. Neither is the Company aware of any public, economic, monetary or taxation legislations or other actions which directly or indirectly could have a material adverse effect on the Company’s business, results of operations and financial position.

SIGNIFICANT EVENTS AFTER 31 DECEMBER 2016

In 2016, the Company received a letter from Kronofogdemyndigheten, Swedish enforcement authority, (further - KFM) regarding KFM’s decision to take ownership of the debt owed by Auriant Mining to Mr. Preston Haskell, a related party. As of December 31, 2016 the loan liability to Mr. Preston Haskell was 6.063 MUSD. In 2017 Auriant Mining has reached an agreement with KFM regarding a repayment schedule for the debt. Under the agreement, the debt will be paid by the Company to KFM in accordance with the following schedule: 1.0 MUSD in Q3 2017, 1.0 MUSD in Q4 2017, 2.0 MUSD in the 2nd half of 2018, and the remaining amount by the end of 2019. From 2017 the interest rate on the debt is 2 per cent p.a.

On June 28 2017 the Company announced a profit target for 2017 of 14 MUSD in EBITDA, compared to 22 MUSD in 2016. The Company also announced its production target for 2017 – hard rock gold production target for 2017 is 0.9 tonnes and production from restarted alluvial operations is expected to add 60 kilograms in 2017; Overall, the target for gold production in 2017 remains broadly unchanged (0.9 tonnes from hard rock plus 60 kilograms from alluvial compared to previous 1 tonne from hard rock).

In July 2017, Tardan Gold LLC concluded a facility agreement with the Russian VTB Bank that enabled it to repay amounts owed under the previous credit lines with the PSB group bank. The maximum credit under the loan facility is USD 37,548,500 and it carries an interest rate of 8.32 per cent per annum.

In August 2017, the Extraordinary General Meeting of Auriant Mining has resolved on a partially underwritten rights issue of approximately 178 MSEK. The Offering is expected to consist of a maximum of 71,209,716 new shares. The Offer Shares would represent approximately 80 per cent of all shares in the Company if the Offering should be fully subscribed. In addition, for every one (1) subscribed and allotted share in the Offering the subscriber will receive one (1) warrant free of charge. Depending on the strike price of the warrants, the Company will be provided with additional 178-249 MSEK in March 2018.

That will eliminate part of the convertible debt and also provide the Company with new capital for required investments. The remaining part of the convertible debt will be replaced with a simple promissory note or bond. The reduction of the indebtedness will reduce Auriant Mining's dependency on the main owner, lower the financial risk, as well as create a more solid balance sheet. Furthermore, upgrading the Tardan production facility will significantly increase the production and recovery in the mine. Investments will lead to extended mine life, higher gold production over its lifetime and decreased cost of production as a result of a higher recovery rate.

CERTIFIED ADVISER

Mangold, who is a member of and has an agreement with Nasdaq Stockholm AB, is the Company's Certified Adviser. A Certified Adviser reviews companies whose shares are trading on Nasdaq First North Premier. Nasdaq Stockholm AB's surveillance function continuously reviews that both companies and Certified Advisers follow Nasdaq First North's rules. The agreement between the Company and Mangold runs subject to six months' notice by either party. Mangold currently owns 29,144 shares in the Company as part of a share loan for the assignment as liquidity provider.

LIQUIDITY PROVIDER

Auriant Mining has hired Mangold Fondkommission AB as a liquidity provider for the Company's share in order to improve liquidity and reduce the difference between buying and selling prices. Under the terms of the agreement Mangold Fondkommission AB undertakes, in accordance with the guidelines set by Nasdaq First North, to set bid and sell prices in Auriant Mining's share corresponding to at least 15,000 SEK on both sides. The agreement ensures that the difference between buying and selling price spread of the Company's share does not exceed four (4) per cent.

PROFIT FORECAST

Auriant Mining's Board of Directors has compiled the following forecast of how the Company's EBITDA result is expected to develop during the 2017 fiscal year. This to give a more comprehensive picture of expected financial performance during the year. The profit forecast is partly based on factors that the Company may influence and partly factors that are completely beyond the control of the Company.

THE FACTORS THAT AURIANT MINING MAY INFLUNCE MAINLY CONSIST OF:

- Central administration costs.
- Production cost.
- Personnel costs.

THE FACTORS THAT ARE PARTLY OUTSIDE AURIANT MINING'S CONTROL MAINLY CONSIST OF:

- The ability to extract gold from the ore.
- Costs attributable to sales.

THE FACTORS OUT OF AURIANT MINING'S CONTROL MAINLY CONSIST OF:

- The development of the gold price.
- Exchange rate fluctuations between USD and RUB.
- Unforeseen events such as changes in accounting rules.

OBJECTIVE WITH THE PROFIT FORECAST

The profit forecast is for the sole purpose of informing and highlighting the facts. The profit forecast is by nature intended to describe a hypothetical situation and thus not to describe Auriant Mining's actual EBITDA results.

ACCOUNTING

The profit forecast has been prepared in accordance with the Annual Accounts Act and International Financial Reporting Standards (IFRS), similar to the Company's annual reports for the financial years 2015 and 2016.

STRUCTURE OF THE PROFIT FORECAST

The profit forecasts are based on Auriant Mining's expected revenues and expenses attributable to sales, operations and central administration.

THE PROFIT FORECAST

USD	NOTE	2017
EBITDA	A	13,712,000

PROFIT FORECAST ASSUMPTIONS

The most important profit forecast assumptions are a gold production of 0.9 tonnes hard rock gold and 60 kilograms of alluvial gold, an average gold price of 1,240 USD/oz and average exchange rate between RUB/USD at 59. The profit forecast of approximately 13.7 MUS\$ in EBITDA can be derived through an operating profit of approximately 6.9 MUS\$ and depreciation, amortization and write downs of approximately 6.8 MUS\$.

NOTES TO THE PROFIT FORECAST

NOTE A

EBITDA is profit before interest, tax, depreciation and amortization and any impairment losses. Due to its design, the Company regards foreign currency as an item that does not directly affect cash flow, and EBITDA is therefore calculated as operating profit less depreciation, amortization and any impairment. EBITDA is presented as it shows the underlying result of operations, with the effect of depreciation eliminated, which gives a more comparable profit margin over time when depreciation relates to historical investments.

EBITDA

KUSD	2017	2016
Total revenues	38,287	43,080
Cost of sales, inclusive depreciation, amortization and write downs	-30,139	-25,962
Other operation costs	-1,273	-2,002
Operating profit/(loss)	6,875	15,416
Depreciation, amortization and write downs	-6,837	-6,588
EBITDA	13,712	22,004

AUDITOR REPORT

This is a literal translation of the Swedish original report included in RevR 5

The Auditor's Report on prospective financial information

To the Board of Directors in Auriant Mining AB (publ), org.nr 556659-4833)

The Auditor's Report on prospective financial information

We have audited how the forecast set out on page 85 in Auriant Mining AB (publ)'s prospectus dated August 22, 2017 has been prepared.

The Board of Directors' and the Managing Director's responsibility

It is the Board of Directors' and the Managing Director's responsibility to prepare the forecast, together with the material assumptions upon which it is based, in accordance with the requirements of the Commission Regulation (EC) No 809/2004.

The auditor's responsibility

It is our responsibility to provide an opinion required by Annex 1 item 13.2 of the Commission Regulation (EC) No 809/2004. We are not required to, nor do we, express an opinion on the possibility of achievement of result or on the assumptions on which the preparation of the forecast is based. We do not accept any responsibility for any financial information previously reported on and used in the compilation of the forecast beyond that responsibility we have for auditor's reports regarding historical financial information issued in the past.

Work performed

We performed our work in accordance with FAR's Recommendation RevR 5 *Examination of Prospectuses*. This recommendation requires that we comply with FAR's ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of the Auriant Mining AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Our work included an evaluation of the procedures undertaken by the Board of Directors and the Managing Director in compiling the forecast and the accounting policies used when compiling the forecast compared to those policies adopted by the company.

We planned and performed my our work so as to obtain the information and explanations we considered necessary in order to obtain reasonable assurance that the forecast has been compiled based on the basis stated on page 60.

Since the forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the forecast. Differences may prove to be material.

Opinion

In our opinion the forecast has been compiled on the basis stated on page 85 and in accordance with the accounting principles applied by the company.

Stockholm August 22 2017

Öhrlings PricewaterhouseCoopers AB

Martin Johansson

Anna Rozhdestvenskaya

Auktoriserad revisor
Huvudansvarig revisor

Auktoriserad revisor

BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITOR

THE BOARD OF DIRECTORS

Auriant Mining's Board of Directors consists of four (4) ordinary Board members including the chairman and one (1) deputy Board member. The table below shows the members of the Board of Directors.

Name	Position	Born	Elected	Independent of the owners	Independent of Company and management
Peter Daresbury	Chairman	1953	2014	Yes	Yes
Preston Haskell	Board Member	1966	2012	No	No
Ingmar Haga	Board Member	1951	2012	Yes	Yes
Patric Perenius	Board Member	1951	2017	Yes	Yes
James P.Smith	Deputy Board Member	1944	2014	No	Yes

PETER DARESBURY

Born 1953, Chairman since 2014

Board member since November 27, 2012. Peter is a citizen of the United Kingdom. He has held many senior positions in the mining industry, including directorships in Sumatra Copper & Gold Ltd, Evraz Group S.A., Russia's largest steel producer, as well as Chairman of Kazakhgold Group Ltd, Highland Gold Mining Ltd, a major Russian gold miner. Peter is currently Chairman of Stellar Diamonds plc and, Nasstar plc. Current directorships include Bespoke Hotels Ltd, and Rusant Ltd, a Russian antimony miner. He is Chairman of The Jockey Club's Haydock Park Racecourse, having held the same position at Aintree Racecourse for 25 years. Peter has an MA in history from Cambridge University.

Other current assignments:

- Chairman of Delamere Forest Properties Ltd
- Director of Nasstar Ltd
- Chairman of Nasstar Plc
- Director of Rusant
- Chairman of Stellar Diamonds plc
- Chairman of Jockey Club Catering Ltd
- Director of Pesto Restaurants
- Director of PHD Core Investments LLP
- Member of PHD Carried Interest LLP
- Director of Bespoke Hotel Group
- Chairman of Haydock Park Racecourse
- Chairman of Daresbury Estates Ltd

Previous assignments (last five years):

- Directorships in Sumatra Copper & Gold Ltd
- Chairman of Mallet Plc

Shareholding in the Company:

Shares – No; Stock options - 140,000

PRESTON HASKELL

Born 1966, Board member since 2009

Chief Executive Officer until May 24, 2012 and Chairman of the Board between May 24, 2012 to May 13, 2014. Preston is a Saint Kitts and Nevis citizen, and an emerging and frontier markets specialist. Preston is an active entrepreneur. He worked in Russia for almost two decades since 1993, where he founded real estate advisory business Colliers International CIS and was also a co-owner in some of the projects of Forum Properties, one of Moscow's most successful property developers. Preston holds a degree in economics from University of Southern California in the U.S.

Other current assignments:

- Board member Auriant Africa Holdings Ltd (BVI)
- Board member in Sunbird Business Services Limited

Previous assignments (last five years):

- Chairman of the Board, Auriant Mining
- Board member in FF&P Russia Real Estate Development Limited
- Board member in Co-operatie Housing Association Larkstadspalatset

Shareholding in the Company:

Shares - 9,314,968 (through companies); Stock options – No

INGMAR HAGA

Born 1951, Board member since 2012

Board member since May 24, 2012, Ingmar is a citizen of Finland. Currently Senior Advisor, Agnico Eagle Mines Limited and between 2006 and May 2017 he was their Vice President Europe. Previously he has held various executive and corporate positions with the Outokumpu Group in Finland and Canada and prior to joining Agnico Eagle, he was President of Polar Mining Oy, a Finnish subsidiary of Dragon Mining NL of Australia. He has also served as a board member of the Finnish Mining Association in 2007-2008 and as their Chairman in 2009. Since 2010 he has been a member of the Euromines Steering Committee. Member of the Arctic Economic Council. Ingmar has an MSc from Åbo Akademi, Finland.

Other current assignments:

- Managing Director, Agnico Eagle Sweden AB;

Previous assignments (last five years):

- Vice President Europe, Agnico Eagle Mines Limited
- Managing Director, Agnico Eagle Finland Oy

Shareholding in the Company:

Shares – No; Stock options - 120,000

JAMES PROVOOST SMITH JR

Born 1944, Deputy Board Member since 2014

James is a citizen of the United States of America. Graduated cum laude from Princeton University, with a degree in Chemistry in 1965 and completed his Masters in Business Administration with high honors from Stanford University Business School in 1970. He has held many senior positions, including at Stanhome Inc, the Charter Company and Hamilton Collection. Mr. Smith served in the Marine Corps and Navy Reserves from 1965 to 1971.

Other current assignments:

None.

Previous assignments (last five years):

- President, HGL Properties Inc.

Shareholding in the Company:

Shares – No; Stock options – No

PATRIC PERENIUS

Born 1951, Board Member since 2017

Patrik is a Swedish citizen and board member since May 2017. Mr. Perenius holds a MSc. degree in Mining and mineral dressing from the Royal Institute of Technology (KTH), Stockholm. He has held many senior positions in the mining industry, including directorships in Delta Minerals AB, Interfox Resources AB, Dividend Sweden AB and Gripen Oil and Gas AB. Patrik is currently Chairman of Archelon AB and Nickel Mountain Resources AB.

Other current assignments:

- Chairman of Nickel Mountain Resources AB
- Director of Dividend Sweden AB
- Chairman of Archelon AB

Previous assignments (last five years):

- Chairman of Orezone AB
- Director of Delta Minerals AB
- Director of Interfox Resources AB
- Director of Gripen Oil and Gas AB
- CEO of Gotland Oil AB
- Director of Commodity Quest AB
- Director of Resolution Energy

Shareholding in the Company:

Shares –No; Stock options - No

MANAGEMENT

As of the date of this Prospectus, the management comprises the persons set out in the below table:

Name	Position	Born	Held position since
Sergey Ustimenko	CEO	1972	2016
Alexandr Buchnev	CFO	1982	2016
Ekaterina Babaeva	Group General Counsel	1982	2012
Vladimir Churin	Chief Geologist	1956	2012
Konstantin Chernov	HR Director	1975	2016
Maria Carrasco	Deputy CEO	1977	2016

SERGEY USTIMENKO

Born 1972, CEO since 2016

Sergey, a Russian national, joined Auriant Mining in May 2014 as CFO and has served as CEO since January 2016. Over the last 10 years he held CFO positions in large Russian and international companies engaged in the sales and service of machines and equipment, airline industry and financial services. Prior to this Sergey was head of controlling at LUKOIL, the largest private Russian oil company. He also has 7 years of experience in audit with BDO, KPMG and Arthur Andersen. Sergey graduated from Moscow State Technical University and holds a CPA qualification from 2001.

Other current assignments:

None.

Previous assignments (last five years):

- CFO of Auriant Mining
- CFO of Ferronordic Machines AB

Shareholding in the Company:

Shares – No; Stock options – 90,000

ALEXANDR BUCHNEV

Born 1982, CFO since 2016

Alexander joined Auriant in February 2013. He graduated from Financial Academy under the Government of the Russian Federation in 2004 with a Degree in Crisis Management. Alexander is qualified as ACCA and has 10 years' extensive financial and accounting experience in international audit and advisory companies, including 8 years of experience at Ernst & Young.

Other current assignments:

None.

Previous assignments (last five years):

None.

Shareholding in the Company:

Shares – No; Stock options – No

EKATERINA BABAEVA

Born 1982, Group Legal Counsel since 2012

Ekaterina Babaeva joined Auriant Mining in April 2012 as acting Group General Counsel and was then appointed Group General Counsel in August 2012. Previously, Ekaterina was Legal Advisor to Colliers International from 2004 to 2009, having previously worked as a lawyer in a company providing audit and legal advisory services. Ekaterina is focused on Russian and international corporate and M&A matters, and has experience in real estate and mining law. At present, in addition to her position at Auriant, Ekaterina continues working as Head of Legal Department at Haskell Group. Ekaterina graduated from the Lomonosov Moscow State University with a Degree in Law.

Other current assignments:

- Head of Legal Department at LLC Haskell Group

Previous assignments (last five years):

None.

Shareholding in the Company:

Shares – 235,492; Stock options – 190,000

VLADIMIR CHURIN

Born 1956, Chief Geologist since 2012

Vladimir is a Russian citizen, has more than 35 years' experience as a gold geologist in gold exploration and deposit discovery. He joined Auriant Mining as Chief Geologist in October 2012. His previous experience includes working as Chief Geologist of Altynalmas in Kazakhstan, Exploration Manager Oxus Resources in Uzbekistan, and Deputy Chief of the Russian Federal Geological Agency in the Republic of Buryatia. Besides, he worked as Exploration Manager of Severstal Resources (now called Nordgold, a major Russian gold producer), Ilmenit, and Kinross Gold. Vladimir graduated from the Leningrad Mining Institute with an MSc degree in Geology with a concentration in Exploration and Mining Geology.

Other current assignments:

None.

Previous assignments (last five years):

None.

Shareholding in the Company:

Shares – No; Stock options – 70,000

KONSTANTIN CHERNOV

Born 1975, HR Director since 2016

Before joining Auriant Mining, Konstantin worked as Head of HR projects for Lenzoloto JSC, a subsidiary of Polyus in Irkutsk. Previously, he was the HR Director for the building contractor at the Elginskoye deposit (Metallurgshakhtspetsstroy) located in Yakutia. He has extensive experience in the mining sector including such positions as: HR Director in Artel starateley Amur JSC (Russkaya platina), HR Director at the deposits Mayskoe, Kubaka, Sopka Kvantsevaya (Polymetal) located in the Chukotsky region and the Magadanskaya oblast. He graduated from Magadan North-Eastern State University in Magadan with a degree in Law.

Other current assignments:

None.

Previous assignments (last five years):

- Head of HR projects, JSC ZDK Lenzoloto (Polyus Gold)
- HR Director at CJSC Metallurgshakhtspetsstroy (Mechel)
- HR Director of Artel starateley Amur JSC (Russkaya platina LLC)
- Head of HR department at Polymetal

Shareholding in the Company:

Shares – No; Stock options – No

MARIA CARRASCO

Born 1977, Deputy CEO since 2016

Maria Carrasco is a Swedish citizen. She joined Auriant Mining as Head of the Stockholm Office and Deputy CEO in 2016. Maria Carrasco's previous experience includes working as CEO of the Ural region branch of United Europe Holding group, a Key Account Manager for the LVMH Group, Head of sales in several large Russian and international companies in the perfume and cosmetic industry. She also has more than 5 years' experience as a tax

specialist in the Swedish Tax Agency. Maria studied economics and business administration and engineering in Russia and graduated from Orenburg State University.

Other current assignments:

None

Previous assignments (last five years):

- Tax Officer, The Swedish Tax Agency

Shareholding in the Company:

Shares – No; Stock options – No

OTHER INFORMATION ABOUT THE BOARD OF DIRECTORS AND MANAGEMENT

Remuneration and other benefits to the Board of Directors and management

The employment agreement for the Company's CEO contains a six months severance package if the employment agreement is terminated by the Board of Directors.

Auditor

Auditor is the registered accounting company Öhrlings PricewaterhouseCoopers AB I Sverige with the registration number 556126-4259, with the address Torsgatan 21, 113 21 Stockholm. With Martin Johansson, Authorised Public Accountant and member of FAR, born 1967 as the auditor. Martin Johansson has been the Company's auditor since 2010. Co-signing auditor from 2015 is Anna Rozhdestvenskaya.

Other information

Preston Haskell is James P. Smith's nephew. Other than that, none of the above board members or management have any family ties with other board members or management. No board member or member of management has been sentenced in any fraud-related crime over the last five years. Over the last five years, Preston Haskell, as a board member, has been involved in Lärkberget Fastighetsförvaltning AB's bankruptcy. Other than that, no Board member or member of management has been involved in any bankruptcy, liquidation (except for voluntary liquidation) in the past five years as a member of administration, management or supervisory bodies or other senior management.

No board member or member of management has received a criminal accusation and/or sanction from law or regulation authorized authorities (including approved professional associations) over the last five years. No board member or member of management has been prohibited by court in the past five years to become members of a company's management, management or supervisory body, or to have managerial or overall function in a company or otherwise engage in business activities.

No board member or member of management has any private interests that may be in conflict with the Company's interests. However as stated above, and below under "Related party transactions" under the section "Legal considerations and supplementary information", some Board members and members of management have financial interests in Auriant Mining through the holding of shares and/or warrants, liabilities to or receivables on the Company, through collateral for the Company or through companies that provide services to Auriant. As far as the Board is aware, there have been no special agreements with major shareholders, customers, suppliers or other parties according to which Board members, management or auditors have been selected or appointed.

SHARE CAPITAL AND OWNERSHIP STRUCTURE

SHARE CAPITAL

The share capital of the Company is before the Offering approximately 2,002,773 SEK, divided into 17,802,429 shares, each one with a quota value of 0.11 SEK. The shares have been issued under Swedish law and are denominated in SEK. All issued shares are fully paid up. The shares are registered in electronic form and accounted by Euroclear. There are no restrictions on the transferability of the shares. According to The Company's registered articles of association the share capital shall be at least 2,000,000 SEK and maximum 8,000,000 and the number of shares shall be at least 15,000,000 and not more than 60,000,000. Auriant Mining's share is not and has not been subject to an offer which has been given as a result of a bid obligation, redemption or liability to pay. No public bid has been submitted regarding the Company's share in the present or previous financial year. As far as the Company is aware, no shareholder agreement exists for the purpose of creating a joint influence over the Company. The Company was formed in Sweden and operates under Swedish legislation.

CERTAIN RIGHTS ASSOCIATED WITH THE SHARES

The shares in the Company are of the same class. Rights associated with shares issued by the Company can only be changed according to the procedures provided by the Companies Act.

ANNUAL GENERAL MEETINGS AND VOTING RIGHTS

Notice of the Annual General Meeting shall be made by advertising in Post- och Inrikes Tidningar and by holding the notice available on the Company's website. At the time of notice, information about the notice shall be published in SvD. Shareholders wishing to participate in negotiations at the Annual General Meeting, shall be in the share register five (5) weekdays before the AGM and notify the Company no later than the date stated in the notice of the meeting.

Each share is entitled to one vote and each voting person may vote at the Annual General Meeting for the full number of these registered and represented shares without restriction in voting rights.

PREFERENTIAL RIGHTS TO SUBSCRIBE FOR NEW SHARES ETC.

If the Company decides to issue new shares, warrants or convertibles through a cash or offset issue, shareholders have preferential subscription rights in proportion to the number of shares they held prior to the issue. However, there are no provisions in Auriant Mining's Articles of Association that limit the possibility of issuing new shares, warrants or convertibles in accordance with the provisions of the Companies Act, with the exception of shareholders' preferential rights.

RIGHT TO DIVIDEND AND SURPLUS UPON LIQUIDATION

All shares in the Company give equal rights to dividends and to the Company's assets and any surplus in the event of liquidation.

General

Holders of shares in Auriant Mining shall be entitled to dividend, provided that dividend decisions have been taken. All shares give equal rights to dividends and to the Company's assets and any surpluses in the event of liquidation. Dividend resolutions are decided by the AGM, on a proposal from the Board. All shareholders registered in the shareholders' register maintained by Euroclear on the record date as adopted by the AGM have the right to receive dividends. Dividends are usually given to the Company's shareholders in the form of a cash payment per share through Euroclear, but can also be paid through anything other than cash (dividend in kind). If a shareholder can not be reached through Euroclear Sweden, the shareholder still retains its claim to the Company regarding the dividend amount, with a statutory limitation period of ten years. At the end of this period, the dividend will be transferred to the Company.

There are no restrictions on the right to dividends of shareholders who reside outside Sweden. Shareholders who do not have their tax domicile in Sweden must usually pay Swedish withholding tax, see also the section "Tax issues in Sweden"

Dividend Policy

Auriant Mining has not so far paid any dividends to the Company's shareholders, and the Board does not currently intend to propose a dividend. In consideration of future dividends, the Board will consider a number of factors, primarily the Company's earnings, financial position, future capital requirements and cash flows. There is no guarantee that for a particular year there will be proposed or decided on any dividend at all.

HISTORIC SHARE CAPITAL

The table below summarises the historic developments in Auriant Mining's share capital and the changes in the number of shares.

Event	Date	Change in number of shares	Outstanding number of shares	Quotient value/share	Offer price/share	Change	Closing share capital
Formation of the Company	24.02.2004	1,000	1,000	100	100	100,000	100,000
New share issue*	13.07.2004	2,000,000	2,500,000	0.2	0.4	400,000	500,000
New share issue	20.09.2004	88,774	2,588,774	0.2	0.4	17,755	517,755
Issue in kind	20.09.2004	85,500,000	88,088,774	0.2	0.4	17,100,000	17,617,755
New share issue	15.11.2004	50,000,000	138,088,774	0.2	0.4	10,000,000	27,617,755
New share issue	16.03.2005	25,000,000	163,088,774	0.2	0.48	5,000,000	32,617,755
New share issue	20.06.2005	36,000,000	199,088,774	0.2	0.57	7,200,000	39,817,755
New share issue via share warrants	12.07.2005	36,756	199,125,530	0.2	0.6	7,351	39,825,106
New share issue via share warrants	03.10.2005	5,483,272	204,608,802	0.2	0.6	1,096,654	40,921,760
New share issue	13.10.2005	24,000,000	228,608,802	0.2	1.21	4,800,000	45,721,760
New share issue via issue of warrants	17.01.2006	2,143,677	230,752,479	0.2	0.6	428,735	46,150,496
New share issue via issue of warrants	22.06.2006	6,000,000	291,196,923	0.2	0.4	1,200,000	58,239,385
Offset share issue	06.07.2006	54,444,444	285,196,923	0.2	1.44	10,888,889	57,039,385
New share issue	03.10.2006	75,000,000	366,196,923	0.2	2.02	15,000,000	73,239,385
New share issue	01.02.2007	36,000,000	402,196,923	0.2	1.86	7,200,000	80,439,384
Offset share issue	07.05.2007	10,013,147	412,210,070	0.2	2.03	2,002,629	82,442,014
New share issue	24.07.2008	117,774,304	529,984,374	0.2	0.55	23,554,861	105,996,875
New share issue via share warrants	03.10.2008	135,388	530,119,762	0.2	0.55	27,078	106,023,952
New share issue via share warrants	04.11.2008	7,314	530,127,076	0.2	0.55	1,463	106,025,415
New share issue via share warrants	11.12.2008	660	530,127,736	0.2	0.55	132	106,025,547
New share issue	15.12.2008	497,264	530,625,000	0.2	0.2	99,453	106,125,000
Reduction of quotient value	17.03.2009	–	530,625,000	0.05	–	-79,593,750	26,531,250
Issue in kind	17.03.2009	3,000,000,000	3,530,625,000	0.05	0.06	150,000,000	176,531,250
Reverse split	15.07.2009	-3,512,971,875	17,653,125	10	–	0	176,531,250
Reduction of share capital	01.09.2010	–	17,653,125	1.125	–	-156,671,484	19,859,766
New share issue	01.09.2010	139,492,384	157,145,509	1.125	1.6	156,928,932	176,788,698

New share issue	14.09.2010	1,732,616	158,878,125	1.125	1.6	1,949,193	178,737,891
New share issue	08.10.2010	1,291,742	160,169,867	1.125	1.7031	1,453,210	180,191,101
New share issue	08.10.2010	3	160,169,870	1.125	1.125	3	180,191,104
Reverse split	20.10.2010	144,152,883	16,016,987	11.25	–	–	180,191,104
New share issue	28.07.2011	1,600,000	17,616,987	11.25	17.50	18,000,000	198,191,104
New share issue via exercise of warrants	12.04.2013	185,442	17,802,429	11.25	11.25	2,086,223	200,277,327
Reduction of share capital**	18.09.2015	–	17,802,429	0.1125	–	-198,274,553	2,002,773.25
New share issue	[*]	71 209 716	89 012 145	0,1125	2,5	8 011 093	10 013 866,25

* Reduction of quotient value per share to SEK 0.20

**Following the decision of Company's Annual Board Meeting (May 12th, 2015), its share capital was reduced by SEK 198,274,553. Reduction of share capital took place for transfer to a fund and is effected without retirement of shares. Upon the registration by the Swedish Companies Registration Office on 14 September 2015, the share capital of the Company amounted to SEK 2,002,773.25

OWNERSHIP STRUCTURE

The table below sets out the ownership structure of Auriant Mining as at 30 June 2017.

Shareholder	Number of shares	% of all shares and votes
Bertil Holding Limited	9,314,968	52.32
Avanza Pension	690,402	3.88
UBS AG	435,442	2.45
Svea Lands S.A	298,765	1.68
Bernt Plotek	269,967	1.52
BNY Mellon SA/NV	250,644	1.41
Ekaterina Babaeva	235,492	1.32
Anders Tommy Gustafsson	171,740	0.96
Jonas Looström	162,134	0.91
Martin Pettersson	141,200	0.79
Other shareholders	5,831,675	32.76
Total	17,802,429	100

Incentive programs of Auriant

Auriant currently has seven outstanding equity related incentive programs.

Each incentive program is directed to individuals who are offered stock options. In order to secure that Auriant can fulfill its obligation to deliver shares when a stock option holder wishes to purchase shares, Auriant has issued warrants to a wholly owned subsidiary. For each individual incentive program, the strike price for the stock option and strike price of the underlying warrant always correspond to each other. If a person is granted stock options under an incentive program, and the relevant person resigns, is not re-elected or his or hers involvement with Auriant otherwise terminates, the vested stock options will remain exercisable within six months following such termination, but not thereafter. All programs except for the 2012/2017 Series IIII contain this provision.

2012/2017 Series IIII

In 2012, the EGM of Auriant resolved on a program of 130,000 stock options to Max Yacoub who at the time was Chief Investment Officer of the Auriant group. Each stock option carries the right for the holder to purchase one share in Auriant. The price is 15 SEK per share. One third of the program vested on 12 November 2013, one third on

12 November 2014 and the final third never vested. As such, 86,666 stock options vested. The stock options may be called upon until 12 November 2017.

In 2013, the AGM of Auriant resolved on two incentive programs, 2013/2018 Series I and II.

The 2013/2018 Series I program originally consisted of 395,000 stock options and was directed to the management of Auriant and some key employees, a total of 13 people. Each stock option carries the right for the holder to purchase one share in Auriant. The price is 15 SEK per share. The program vested at three different times, with the first third on 15 May 2014, the second third on 15 May 2015 and the final third on 15 May 2016. Due to relevant people leaving the Auriant group, 72,500 out of 395,000 stock options remain vested and have not expired. The stock options may be called upon until 15 May 2018.

The 2013/2018 Series II program originally consisted of 150,000 stock options and was directed to five board members of Auriant. Each stock option carries the right for the holder to purchase one share in Auriant. The price is 15 SEK per share. The program vested at three different times, with the first third on 15 May 2014, the second third on 15 May 2015 and the final third on 15 May 2016. Due to relevant people leaving the Auriant group, 60,000 out of 150,000 stock options remain vested and have not expired. The stock options may be called upon until 15 May 2018.

In 2014, the AGM of Auriant resolved on two incentive programs, 2014/2019 Series I and II.

The 2014/2019 Series I program originally consisted of 480,000 stock options and was directed to the management of Auriant and some employees, a total of 15 people. However, only 400,000 stock options and warrants were issued due to one of the relevant persons not participating in the program as originally planned. Each stock option carries the right for the holder to purchase one share in Auriant. The price is equal to the average closing market price of the Auriant share during the twenty trading days preceding 13 May 2014, which was 5.85 SEK. The program vested at three different times, with the first third on 13 May 2015, the second third on 13 May 2016 and the final third on 13 May 2017. Due to relevant people leaving the Auriant group, 135,000 out of 480,000 stock options remain vested, and have not expired. The stock options may be called upon until 13 May 2019.

The 2014/2019 Series II program originally consisted of 160,000 stock options and was directed to four board members of Auriant. Each stock option carries the right for the holder to purchase one share in Auriant. The price is equal to the average closing market price of the Auriant share during the twenty trading days preceding 13 May 2014, which was 5.85 SEK. The program vested at three different times, with the first third on 13 May 2015, the second third on 13 May 2016 and the final third on 13 May 2017. Due to two of the board members leaving the Auriant group, 80,000 out of 160,000 stock options remain vested, and have not expired. The stock options may be called upon until 13 May 2019.

In 2015, the AGM of Auriant resolved on two incentive programs, 2015/2020 Series I and II.

The 2015/2020 Series I program originally consisted of 680,000 stock options and was directed to the executive management of Auriant and some employees, a total of 15 people. Each stock option carries the right for the holder to purchase one share in Auriant. The price is equal to the average closing market price of the Auriant share during the twenty trading days preceding 12 May 2015, which was 1.89 SEK. One third of the program vested on 12 May 2016, one third on 12 May 2017 and the final third to be vested on 12 May 2018. Due to relevant people leaving the Auriant group, 149,997 stock options remain vested with potentially 75,003 more vesting during 2018. The maximum amount of total vesting stock options amounts to 225,000 out of 680,000. The stock options may be called upon until 12 May 2020.

The 2015/2020 Series II program originally consisted of 170,000 stock options and was directed to three board members of Auriant. Each stock option carries the right for the holder to purchase one share in Auriant. The price is equal to the average closing market price of the Auriant share during the twenty trading days preceding 12 May 2015, which was 1.89 SEK. One third of the program vested on 12 May 2016, one third on 12 May 2017 and the final third to be vested on 12 May 2018. 79,999 stock options remain vested, with the potential of 40,001 additional

stock options vesting for a total of 120,000. Due to one person leaving the Auriant group, 50,000 stock options will never vest. The stock options may be called upon until 12 May 2020.

At full exercise of all incentive programs described above, the amount of shares of Auriant will increase by 779 166, and the share capital will increase by 87 655 SEK. This will cause a dilution of approximately 4.19 per cent before the Offer and a maximum dilution of approximately 0.48 per cent in case of a fully subscribed Offer.

SHAREHOLDER AGREEMENTS

As far as the Board of Directors of the Company is aware, at the time of this Prospectus, there are no shareholder agreements or other agreements between shareholders that seek to jointly influence the Company or in other way control the Company.

TRADING VENUE

Auriant Mining share has been listed on Nasdaq First North Premier since 2010 and is traded under the ticker AUR and with the ISIN code SE0001337213.

CENTRAL SECURITY DEPOSITORY

The shares in Auriant Mining are registered in a reconciliation register pursuant to the Securities Centers and Financial Instruments Act (1998:1479). This register is kept by Euroclear.

LOCK-UP

To the knowledge of the Board there are no lock-up commitments from existing shareholders.

CORPORATE GOVERNANCE

The Board of Directors is ultimately responsible for the general governance of the Company, its proper administration and management and the general supervision of its affairs. The Company's Articles of Association provide that the Board of Directors is to be elected by the shareholders and shall comprise at least three and at most ten ordinary members and not more than five deputy board members.

Corporate governance report

Corporate governance concerns the regulations and structure established to govern and manage a company in an effective and controlled manner. Corporate governance is primarily aimed at meeting the shareholders' requirements with regard to returns on their investment, and at providing all interested parties with comprehensive and correct information about the company and its development. The Corporate governance of Auriant Mining AB (publ) is based on the Swedish Companies Act, the Swedish Corporate Governance Code, the Articles of Association and other relevant laws and rules. Auriant Mining AB (publ) is a Swedish public limited liability company with its registered office in Stockholm, Sweden and with business operations primarily in Siberia, Russia. Auriant Mining was formed in 2004 and listed on the NGM Equity, Nordic Growth Market on 29 March, 2005 under the name Central Asia Gold AB (publ). Since 19 July, 2010, Auriant Mining's shares have been listed on the Swedish stock exchange, Nasdaq First North Premier. The shares are traded under the ticker "AUR". Auriant applies the majority of the rules of the Swedish Corporate Governance Code (the "Code"). The Code is based on the "comply or explain" principle, which implies that companies applying the Code can deviate from specific rules, but they must provide an explanation for such deviation. Any significant deviations are detailed in the Company's corporate governance reports. Governance, management and control responsibilities in Auriant are divided between the shareholders at the Annual General Meeting of shareholders (or any Extraordinary General Meeting), the Board of Directors and the Chief Executive Officer.

The Shareholders' Meeting

The shareholders' right to decide on Auriant Mining's business is exercised at the Shareholders' Meeting of the Company, which is the Company's highest decision-making body. The Board of Directors is appointed by the Shareholders' Meeting and the Chief Executive Officer is appointed by the Board of Directors. The Shareholders' Meeting has a sovereign role over the Board of Directors and the Chief Executive Officer. The duties of the Shareholders' Meeting include the election of Members of the Board, the approval of principles for the appointment of the Nomination Committee, the adoption of income statement and balance sheet, resolutions on appropriation of profits and discharge from liability for the members of the Board and the Chief Executive Officer of the company, the determination of fees payable to the members of the Board and to the auditors and the principles governing remuneration for the Chief Executive Officer and senior executives, the election of auditor and, where relevant, the amendment of Articles of Association.

Annual General Meeting 2017

Auriant's 2017 AGM was held on 12 May, 2017 in Stockholm. The minutes from the meeting are available at www.auriant.com.

The following principal resolutions were adopted:

- The Board of Directors and the Chief Executive Officer were discharged from liability for the past financial year.
- It was resolved that until the end of the next Annual General Meeting, the number of Board Members shall be 4 and the number of deputies shall be 1.
- Lord Peter Daresbury, Ingmar Haga, and Preston Haskell were re-elected to the Board. Patrik Perenius was elected

as a new member of the Board. James Provoost Smith Jr. was re-elected Deputy Board Member.

- Lord Peter Daresbury was re-elected as Chairman of the Board.
- It was resolved that the remuneration to the Chairman of the Board shall be SEK 400,000 and SEK 250,000 to each of the other ordinary board members and to the deputy board member. If any committee is established by the Board, the remuneration to each member of the committee shall be paid in the amount of SEK 25,000 per annum for participation in the committee.
- It was resolved to re-elect the audit company Öhrlings PricewaterhouseCoopers AB as auditor.
- The AGM approved the principles for appointment of the Nomination Committee in accordance with the Nomination Committee's proposal.
- The AGM approved the Board's proposal on adoption of the guidelines for the remuneration to members of the executive management.

At the beginning of 2017 Annual General Meeting, a total of 797,970 shares were represented by 3 shareholders either in person or via proxies. The shares represented comprised 4.48 per cent of the total number of shares in the Company. After a representative of Bertil Holding Ltd arrived at the meeting and it was resolved to adopt a new voting list for the meeting, a total of 10,112,938 shares were represented by 4 shareholders either in person or via proxies. The shares represented comprised 56.81 per cent of the total number of shares in the Company.

Annual General Meeting 2016

Auriant's 2016 AGM was held on 12 May, 2016 in Stockholm. The minutes from the meeting are available at www.auriant.com.

The following principal resolutions were adopted:

- The Board of Directors and the Chief Executive Officer were discharged from liability for the past financial year.
- It was resolved that until the end of the next Annual General Meeting, the number of Board Members shall be 3 and the number of deputies shall be 1.
- Board Members Peter Daresbury, Ingmar Haga, and Preston Haskell were re-elected to the Board for 2016 and James Provoost Smith Jr. was re-elected Deputy Board Member.
- Lord Peter Daresbury was re-elected as Chairman of the Board.
- Board fees were established for the Chairman of the Board Lord Peter Daresbury in the amount of 400,000 SEK, for the ordinary Board Member Ingmar Haga in the amount of 250,000 SEK, and for the ordinary Board member Preston Haskell in the amount of 200,000 SEK. The meeting further resolved that remuneration to the deputy board member shall be 100,000 SEK. It was decided that remuneration amounting to 25,000 SEK per year and member shall be paid for participation in each committee established by the Board.
- It was resolved to re-elect PwC to serve as auditor.
- The AGM approved the principles for appointment of the Nomination Committee in accordance with the Nomination Committee's proposal.
- The AGM approved the Board's proposal on adoption of the guidelines for the remuneration to members of the executive management.

At the 2016 Annual General Meeting, a total of 11,120,479 shares were represented by 6 shareholders either in person or via proxies. The shares represented comprised 62.47 per cent of the total number of shares in the Company.

Extraordinary General Meeting in 2017

At the extraordinary general meeting in Auriant Mining held on August 3, 2017, the following principal decisions were adopted.

- The EGM resolved to amend the Articles of Association with increased limits of share capital and number of shares;
- The EGM resolved on the Offering comprised of a new issue of shares with preferential subscription rights for Auriant Mining shareholders and an issue of warrants to be subscribed and issued free of charge to those subscribed for and assigned shares in the share issue; and
- The EGM resolved on issue authorization by which no more than 8,000,000 shares may be issued in new share issues and/or when exercising warrants.

The minutes of the EGM are available at www.auriant.com.

At the Extraordinary General Meeting, three shareholders were represented either individually or through representatives, representing 9,351,618 shares corresponding to approximately 52.5 percent of the total number of shares and votes in the Company.

Nomination Committee

The role of the Nomination Committee is to present proposals to the AGM for: (i) the election of AGM Chairman; (ii) the number of members of the Board; (iii) the election of the Chairman of the Board and other Board Members; (iv) Board fees, allocated between the Chairman and other Members; (v) any remuneration for committee work; and (vi) the election and payment of auditors and alternate auditors (where applicable). In addition, the Nomination Committee shall make proposals for decisions regarding principles to be applied in establishing a new Nomination Committee.

The principles for the appointment of the Nomination Committee were approved by the AGM of May 12, 2017, as follows. The Nomination Committee shall consist of the Chairman of the Board and three other 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 2017. However if it becomes known to the Company that two or more of the largest shareholders are controlled by the same physical person(s) (or the same physical person(s) holds shares in the Company both directly and through a company controlled by him) then all such shareholders shall be considered as one shareholder for the purposes of the participation in the nomination committee. At the earliest convenient date after the end of September 2017 the Chairman of the Board shall contact the three shareholders with the largest number of voting rights, as determined above, and request that they each appoint a member to the Nomination Committee. If any of the three shareholders with the largest voting power 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. If such shareholder also declines its right to appoint a member to the Nomination Committee or does not respond to the request within a reasonable time then the Nomination Committee shall be constituted by the remaining members. Unless the Nomination Committee members decide otherwise, the chairman of the Nomination Committee shall be the member representing 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.

No remuneration shall be paid to the members of the Nomination Committee. The Nomination Committee may charge any reasonable expenses for travel and investigations.

The Nomination Committee for the 2017 AGM was comprised of Lord Peter Daresbury, Chairman of the Board,

Ekaterina Drozdova representing Bertil Holdings Ltd, and Bernt Plotek representing Svea Lands S.A. and himself. As the end of September 2016 the two shareholder representatives in the Nomination Committee jointly represented more than 62 percent of the voting rights in the Company. The Nomination Committee was duly constituted by the three members appointed as above.

The Nomination Committee works in the best interests of all shareholders of the Company and focuses on ensuring that the Company's Board of Directors is comprised of members who possess the knowledge and experience corresponding to the needs of the Company.

Board of Directors

In accordance with the Swedish Companies Act, the Board of Directors is responsible for the organisation of the Company and the administration of the Company's business, and shall continually assess the Company's and the Group's financial situation. The Board of Directors deals with issues of material significance, such as business plans including profitability targets, budgets, interim reports and annual reports, the acquisition or sale of companies, significant property acquisitions or sales, the establishment of important policies, the structure of internal control systems, and significant organisational changes. Each year, Auriant's Board adopts written rules of procedure for the Board of Directors, written instructions to the Chief Executive Officer, written instructions regarding financial reporting and a Chart of Authority further detailing the division of work between the Board and the Chief Executive Officer. The rules of procedure regulate, among other things, the Board's duties, the minimum number of Board meetings each year, the manner in which meetings are to be notified and the documents required to be distributed before Board meetings and the manner in which the minutes of Board meetings are to be drawn up. The written instructions regarding financial reporting regulate the reporting system in place, as the Board needs to be able to continually assess the Company's and Group's financial position. The written instructions to the Chief Executive Officer together with the Chart of Authority regulate the division of work, authorities, and responsibilities between the Board and the Chief Executive Officer.

According to the Articles of Association, the Board of Directors shall comprise a minimum of three and maximum of ten ordinary Members, and not more than five Deputy Board Members, elected by the Annual General Meeting.

Chairman of the Board of Directors

The 2017 Annual General Meeting re-elected Lord Peter Daresbury as Chairman of the Board. Auriant's Chairman of the Board leads the Board's work and ensures that the Board fulfils its duties. The Chairman of the Board continuously follows the Group's business and development through contact with the Chief Executive Officer.

Members of the Board of Directors

At year-end 2016, Auriant's Board was comprised of three ordinary Board Members, Peter Daresbury (Chair), Ingmar Haga and Preston Haskell, and one Deputy Board Member, James Provoost Smith Jr., all elected by the Annual General Meeting on May 12, 2016. They were re-elected by the Annual General Meeting on May 12, 2017 and in addition, Patric Perenius was elected as a new Board Member. The members of the Board are presented in more detail in the Board of Directors section of the annual report, and the details of the Board members' independence vis á vis the Company and its management are presented below.

Board members' independence and shares in Auriant

Board member	Shares in Auriant	Warrants in Auriant	Independent of the Company and management*	Independent of the major shareholders*
Peter Daresbury (Chairman)	0	140,000	Yes	Yes

Ingmar Haga	0	120,000	Yes	Yes
Preston Haskell	9,314,968	0	No	No
Patric Perenius	0	0	Yes	Yes
James Provoost Smith Jr. (deputy board member)	0	0	Yes	No

* Independence as defined by the Swedish Code of Corporate Governance.

Board members' attendance at Board meetings in 2016

Name	Position	Present
Peter Daresbury	Chairman	18/18
Ingmar Haga	Member	17/18
Preston Haskell	Member	18/18
Andre Bekker ¹	Member	7/18
James Provoost Smith Jr. ²	Deputy Board Member	6/18

¹ Mr. Bekker was a Board member until the 2016 AGM, where he did not stand for re-election in accordance with the Nomination Committee's proposal.

² Mr. Smith participated in one Board meeting as deputy for Mr. Haga and attended 5 Board meetings held in person or by telephone, without participating in the decisions taken at those meetings.

The Board's work in 2016

The Board held 18 meetings in 2016. Ten of them were held by correspondence, one by telephone and seven meetings were held in person. The important issues dealt with by the Board in 2016, in addition to the approval of the annual report and the interim reports, and approval of the budgets, were as follows:

- The Company's financial position and liquidity.
- Strategic decision-making.
- Appointment of Mr. Sergey Ustimenko as CEO of the Company following resignation of Mr. Denis Alexandrov.
- Resource estimate of the Kara-Beldir deposit in accordance with JORC.
- Approval of USD 3.5 million credit line, provided by Promsvyazbank (PSB) to LLC "Tardan Gold".
- Approval of other major contracts, in accordance with the Chart of Authority.
- Preparation for the Annual General Meeting.

The Board has conducted an evaluation of its work under the guidance of the Chairman of the Board. The evaluation is carried out on the basis of a self-assessment questionnaire. The questionnaire is circulated to the Board in the beginning of the year. Each ordinary board member and deputy board member is to complete the questionnaire independently. Responses are collated by the Chairman of the Board who then leads a discussion of the key points arising from the questionnaire, especially those areas which need improvement. This is normally done at the last Board meeting with personal attendance before the AGM. Completed questionnaires are also to be provided to the

Nomination Committee. The evaluation ensures that the basic intentions of the Code of Corporate Governance are followed.

Board committees

Remuneration Committee

In 2016, the Remuneration Committee was comprised of Peter Daresbury (chairman of the committee) and Preston Haskell. The composition of the committee remains unchanged in 2017. The Remuneration Committee submits proposals for resolution by the Board regarding salary and other terms of employment of the CEO. The committee also approves proposals regarding salaries and other terms of employment of the Group's management, according to the CEO's proposal.

Finance and Audit Committee

In 2016 and the beginning of 2017, the Finance and Audit Committee was comprised of JP Smith, Peter Daresbury and Ingmar Haga. Mr. JP Smith served as Chairman of the committee. Since 12 May 2017, the committee has two members, JP Smith and Peter Daresbury, with JP Smith continuing to serve as Chairman of the committee. The members of the committee have the necessary competence and experience in the accounting matters.

Technical Committee

In 2016 the Technical Committee was comprised of Ingmar Haga (Chairman of the committee), Peter Daresbury and until May 2016, Andre Bekker. Since 12 May 2017 members of the committee are Ingmar Haga and Patric Perenius. Mr. Haga continues to serve as Chairman of the committee. The committee's task is to advise the rest of the Board on mining and technical issues. The committees report to the Board on their work on a regular basis.

Board fees

The Board of Directors' fees are decided by the shareholders' meeting. The following Board fees were approved by the shareholders' meeting in 2017: for the Chairman of the Board in the amount of 400,000 SEK, and for each of the other ordinary Board Members and Deputy Board Member in the amount of 250,000 SEK. It was decided that remuneration amounting to 25,000 SEK per year and member shall be paid for participation in each committee established by the Board. Members of the Board who are eligible to the Company's share based-incentive programs have the right to exercise warrants within six months after resigning as member of the Board. Besides what is mentioned above, the members of the Board are not eligible to any other benefits after resigning from the Board. There are no accrued expenses to previous board members.

SHARE BASED-INCENTIVE PROGRAMS

REMUNERATION AND OTHER BENEFITS ACCRUED IN 2016

The following table sets out the amounts accrued in remuneration to members of the Board and management (including any contingent or deferred compensation and others) in 2016, and any benefits received from the Company or its subsidiaries for services rendered to Auriant Mining, regardless of the nature of the services performed and regardless of who has performed the service.

Board member or Management	Salary, TSEK	Other remuneration, TSEK	Options, TSEK	Total	
Peter Daresbury	411		0	33	444
Preston Haskell	225		0	0	225

Ingmar Haga	282	0	28	310
James P.Smith	125	0	0	125
Sergey Ustimenko	1,339	1,180	21	2,540
Alexandr Buchnev	374	110	0	484
Ekaterina Babaeva	360	187	45	592
Vladimir Churin	685	199	17	901
Konstantin Chernov	204	91	0	294
Maria Carrasco	124	0	0	124
Total	4,128	1,766	144	6,039

Group management

As of the end of 2016, the Group's management comprised the CEO, deputy CEO, CFO, Head of HR, Chief Geologist, and Group General Counsel. The management of the Company as at the date of this Prospectus is presented on page 49 of the annual report of 2016.

The Chief Executive Officer is responsible for the on-going management of the Company. The CEO's work is evaluated once a year. Following the departure of Denis Alexandrov in January 2016, the Company's then CFO Sergey Ustimenko was appointed Chief Executive Officer of Auriant Mining with effect from 16 January 2016.

In the event that the CEO becomes unable to fulfill CEO's duties, the deputy CEO shall substitute for the CEO until the new CEO is appointed. Such events are defined in the written instructions to the CEO, adopted by the Board. Upon resignation of Irina Olsson the Board of Auriant Mining AB appointed Maria Carrasco as Deputy CEO of the Company in October 2016.

Remuneration of Executive Management

The AGM on May 12, 2017 approved the following guidelines for remuneration of executive management. There are no accrued expenses to previous executives.

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. The total remuneration to the Group Management shall consist of the components stated below.

Fixed salary

The fixed 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 programmes 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 shall be entitled to derogate from these guidelines if special reasons exist in an individual case.

For more information regarding the remuneration of the Chief Executive Officer, senior executives and other employees, please see Note 4 on page 93 of the annual report for 2016 that is incorporate into this Prospectus by reference.

Long-term incentive programs

The Board regularly evaluates the need for long-term incentive programs. Currently, the following long-term incentive programs are established in the Company

- the long-term incentive program for the Chief Investment Officer of the Company, adopted at the Extraordinary General Meeting on November 27, 2012;
- the long-term incentive program for the members of management and a number of other employees, adopted at the Annual General Meeting on May 15, 2013;
- the long-term incentive program for the Company's Board of Directors, adopted at the Annual General Meeting on May 15, 2013 upon the proposal of the major shareholder;
- the long-term incentive program for the members of management and a number of other employees, adopted at the Annual General Meeting on May 13, 2014;
- the long-term incentive program for the Company's Board of Directors, adopted at the Annual General Meeting on May 13, 2014 upon the proposal of the major shareholder.
- the long-term incentive program for the members of management and a number of other employees, adopted at the Annual General Meeting on May 12, 2015;

- the long-term incentive program for the Company's Board of Directors, adopted at the Annual General Meeting on May 12, 2015 upon the proposal of the major shareholder.

Details of these long-term incentive programs are presented above under "Incentive programs of Auriant" in the "Share Capital and Ownership Structure" section of this Prospectus.

Auditor

The AGM appoints an auditor of the Company. The auditor's task is to examine the Company's annual financial statements and accounts, as well as the administration and management by the Board and the Chief Executive Officer. The AGM of May 12, 2017 appointed, for a period until the 2018 AGM, PwC as the Company's auditors. The principal auditor at PwC is Authorized Public Accountant Martin Johansson.

The audit is conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The audit of the annual accounts is conducted during the period from February to April of the following year, and also includes a review of the nine-month bookclosing in November of the financial year in question.

Internal control

Internal control is often defined as a process that is influenced by the Board, the company management and other staff, and which is developed to provide reasonable assurance that the company's targets are being met in terms of the business operations being both appropriate to the goals of the company and being efficient. Reasonable assurance is also to be provided as regards the reliability of the financial reporting and compliance with relevant laws and regulations. Internal control consists of various aspects: control environment, risk assessment, control activities, information and communication, as well as monitoring.

Control environment

The control environment primarily consists of the organisational structure, the assignment of responsibility and powers, management philosophy, ethical values, staff competence, policies and guidelines, as well as routines. In addition to the relevant legislation, the framework within which Auriant's Board and management work is comprised of the owners' aims and the Swedish Corporate Governance Code. The formal decision-making procedure is based on the division of responsibility between the Board and the CEO, which the Board establishes each year in the form of written instructions to the Chief Executive Officer and the Chart of Authority. The CEO is able to delegate a degree of decision-making to other senior executives. Two members of the Board have the authority to sign on behalf of the Company. Furthermore, the CEO, in his normal business activities, is also entitled to sign on behalf of the Company.

Risk assessment

A structured risk assessment makes it possible to identify material risks having an effect on internal control with regard to financial reporting and where these risks exist within the organisation. Auriant Mining's Board continually assesses the Company's risk management, by assessing the preventative measures needed to be taken to reduce the Company's risks. This involves, for example, ensuring that the Company has appropriate insurance and that the Company has the necessary policies and guidelines in place.

Control activities

Control measures are required to prevent, detect and correct errors and discrepancies. Each quarter, Auriant Mining's Finance Department compiles financial reports providing details of earnings and cash flow for the most recent accounting period at subsidiary and Group level. Deviations from budget and forecasts are analysed and commented

on. Documented processes exist for the compiling of the information on which the financial reports are based. Detected errors and discrepancies are analyzed and followed up.

Monitoring

Financial monitoring is carried out on a quarterly basis for all profit centres and at Group level. In addition, Group management receives operational results on a weekly and monthly basis. Monitoring is, then, carried out in comparison with budgets. Auriant is a mining company in its early stages, which is why no earnings or sales forecasts are currently provided externally. Targets for the expected volume of gold production for the full year are initially set during the budgeting process at the end of the previous year. Normally, these targets are, again, reviewed and revised if necessary in the summer months when production has begun in earnest.

The Board on a weekly, monthly and quarterly basis receives operational reports, including plan-to actual analysis, of the Group. Financial reports of the Group, including profit and loss statements, cash flows, and statement of financial position, are analyzed by the Board on a quarterly basis. The Board continuously evaluates the information provided by the Company management. Each month the CEO reports to the Board on the Company's performance with regard to the targets in the budget.

Given its size, the Company has chosen not to establish a separate internal audit unit. If the Board finds it appropriate, internal control will be further expanded. The issue of internal control and a separate internal audit unit is annually reviewed by the Board and will be discussed again in 2017.

The main instances where Auriant Mining did not comply with the Swedish Corporate Governance Code in 2016 were as follows:

Code rule 7.5 provides that at least once a year, the board is to meet the company's statutory auditor without the chief executive officer or any other member of the executive management present.

In 2016 the CEO of the Company and other members of management were present during the Board's meeting with the auditor, as it was considered that there were no issues requiring a discussion in their absence. However the Company intends to follow Code rule 7.5 in future.

Code rule 10.3 provides that the board is to publish the results of the evaluation of programs for variable remuneration for the executive management, and of the application of the guidelines for remuneration of the executive management established by the Annual General Meeting, in the corporate governance section of the Company's website.

In Auriant, results of the specified evaluations are not published as separate documents. However the Board carries out the specified evaluations on an annual basis, and their results are reflected in Board resolutions or in the Board's proposals for the Annual General Meeting, as the case may be.

LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

GENERAL INFORMATION

Auriant Mining AB (publ), reg.no 556659-4833, was registered with the Swedish Companies Registration Office on 7 April 2004. The Company's current name was registered with the Swedish Companies Registration Office on 12 June 2012 with its prior name being Central Asia Gold AB. The Company is a public limited liability company and its registered office is in the municipality of Stockholm. Its business is conducted in accordance with the Swedish Companies Act.

The Company's object is, under its articles of association, to produce or carry out prospecting of minerals in its own name or through subsidiaries or other associated companies, including related operations.

MATERIAL AGREEMENTS

Private Bond Issue Agreement with Golden Impala Ltd

The Company has under a private bond issue agreement, received a loan from Golden Impala Ltd with a capital amount of USD 25.1 million as of 30 June 2017. Golden Impala Ltd is controlled by Preston Haskell who is a member of the board of the Company. The loan carries an interest rate of 2 per cent per annum and matures on 31 December 2018. The Company and Golden Impala Ltd are negotiating an amendment of the private bond issue agreement which give the loan a longer maturity and a higher interest rate.

Agreement on payment schedule with the Swedish Enforcement Agency after its foreclosure of the Company's debt to Preston Haskell

The Company received a loan from Preston Haskell under a loan agreement of 25 September 2014. The loan amount was USD 5,000,000. The loan carried an interest of 10 per cent per annum and matured on 31 December 2016.

On 4 August 2016, the Swedish Enforcement Agency foreclosed Preston Haskell's claim on the Company under the loan agreement, at the time amounting to USD 6,063,000 including accrued interest as of 31 December 2016. In February 2017 the Company and the Swedish Enforcement Agency reached an agreement regarding a repayment schedule for the debt. Under the repayment agreement, the debt will be paid by the Company to the Swedish Enforcement Agency in accordance with the following schedule: USD 1,000,000 in Q3 2017, USD 1,000,000 in Q4 2017, USD 2,000,000 during the second half of 2018, and the remaining amount before 31 December 2019. The interest rate on the debt is 2 per cent per annum.

Loan agreement with VTB

In July 2017, Tardan Gold LLC concluded a facility agreement with the Russian VTB Bank that enabled it to repay amounts owed under previous credit lines with the PSB group bank. The maximum credit under the loan facility is USD 37,548,500 and it carries an interest rate of 8.32 per cent per annum. The loan matures on 24 July 2022 and early repayment is allowed. The agreement contains a number of financial covenants, the breach of which may result in an increase of the interest rate.

Purchase of 70 per cent of the shares in AWILIA

On 29 October 2014 Auriant Cyprus Ltd. and Centerra Exploration B.V. entered into an agreement under which Centerra Exploration B.V. sold 2,100 shares in Awilia Enterprises Ltd, representing 70 per cent of its share capital, to Auriant Cyprus Ltd. As remuneration for the shares the Company and Auriant Cyprus Ltd. entered into a net smelter royalty agreement with the seller (the net smelter royalty agreement is described below).

Net smelter royalty agreement

The agreement was concluded between the Company, Centerra Exploration B.V and Auriant Cyprus Ltd. as remuneration for the purchase of 70 per cent of the shares in Awilia Enterprises Ltd on 29 October 2014.

Under the agreement, Auriant Cyprus Limited must each biannual period pay Centerra Exploration B.V. a net smelter royalty in the amount of 3.5 per cent of the net smelter return by any the Group holding the Russian subsoil license for the purposes of exploration and production of gold at the Kara-Beldir gold field (such member of the Group being LLC Kara-Beldir as at the date of the agreement). Net smelter return means gross revenue minus permissible deductions, which are sale charges, mineral extraction tax, transportation costs and all other costs in connection with smelting, refining and affinage.

DISPUTES AND LEGAL PROCEEDINGS

LLC GRE-324

LLC GRE-324 has contested the orders of a local tax authority which prescribes payment of additional tax and penalties. If LLC GRE-324's contest is not successful, it must pay approximately RUB 25,000,000 to the local tax authority.

Investigation on two former senior executives

A former director of LLC Rudtechnology, was investigated in connection with an alleged tax avoidance scheme whereby LLC Rudtechnology avoided paying income tax on behalf of its payees. The investigation against the CEO opened on 30 January 2015 and was closed on 23 March 2015 after LLC Rudtechnology paid the entire amount of underpaid tax and resulting penalties. The director has since been removed from his position.

A former director of LLC GRE-324 has been subject to a fraud investigation. The investigation was closed in November 2012 without any further measure taken. The director has since been removed from his position as director.

RELATED PARTY TRANSACTIONS

Bertil Holdings Ltd owns shares representing 52.32 per cent of all shares and votes in the Company. Bertil Holdings Ltd is owned by Golden Impala Ltd which is beneficially owned by Preston Haskell, a member of the board of the Company. Financing arrangements between Preston Haskell and the companies ultimately beneficially owned by him on one side and Auriant Mining on the other side are described above under the heading *Material Agreements*.

In addition to this, the Company has on 12 May 2015 taken a loan of USD 20,000,000 under a convertible debenture issued to Golden Impala Ltd., subsequently transferred to Bertil Holding Ltd. The Convertible Debenture allows conversion of the loan into shares in the Company up until 31 December 2018 for a conversion price of SEK 3.7002 per share. If loan is not converted into shares it must be repaid in cash. The loan carries an interest of 2 per cent per annum. Bertil Holdings Ltd may partially set-off the Convertible Debenture against the shareholder's subscription of shares in the Offering.

The intention is that the remaining debt under the Convertible Debenture, after the set-off, will be cancelled and replaced with a non-convertible loan, and thus not entail any future dilution of the shareholders. The Company and Bertil Holding Ltd are negotiating such an agreement.

Should the Convertible Debenture be fully converted, and thus not be redeemed in the Offering and replaced by a new loan, over 44 million new shares would be issued under current conditions, which corresponds to a dilution of approximately 71.26 per cent.

The Company's total debt to Preston Haskell's related companies amounted to approximately USD 46.3 million per 30 June 2017 including accrued interest on that date, as of which approximately USD 25.4 million is attributable to the bond loan held by Golden Impala Ltd and approximately USD 20.9 million is attributable to the convertible

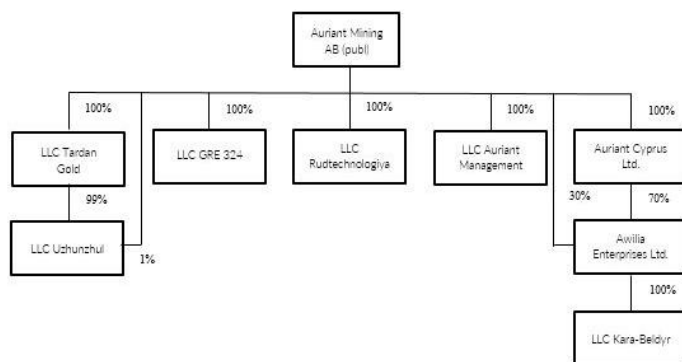
debenture held by Bertil Holdings Ltd. In addition, in 2010 Bertil Holdings Ltd issued a loan of almost SEK 900,000 to the Company at 0 per cent interest rate. Under 2016 interest rates on debts to related parties added approximately USD 898,200 to the Company's liabilities, the entire amount being attributable to the bond loan and convertible debenture.

The Company has entered into the following consulting and services agreements with companies associated with Preston Haskell and Peter Daresbury, Chairman of the Board of Auriant:

The Company has on 26 January 2016 entered into a consulting agreement with Daresbury Estates Ltd, a company controlled by Peter Daresbury. Under the consulting agreement, Daresbury Estates Ltd provides the Company with advice on investment opportunities that may be pursued by the Company or its Subsidiaries, financing sources and structures, reports on market trends etc. Pursuant to an addendum of 1 January 2017, Daresbury Estate Ltd's retainer fee amounts to EUR 21,944 per calendar quarter.

The Company has entered into five services agreements during the period from September 2016 until August 2017 with LLC Haskell Group. The last agreement terminated on 30 June 2017. Under the agreements, LLC Haskell Group provided the Company with services consisting mainly of legal, financial and administrative advice. The total fee under the agreements, to LLC Haskell Group, amounted to USD 183,200 excluding VAT.

GROUP STRUCTURE



COMPLIANCE

Investigations and disputes with Russian authorities

LLC Tardan Gold was subject to an investigation on 29 May 2015 in connection with its mine surveying license. The investigation revealed several instances of violation of the Subsoil Law. LLC Tardan Gold was subjected to administrative liability.

LLC Tardan Gold was subject to an investigation on 17 March 2016 for the purposes of assessment of its suitability to operate explosive and chemically hazardous production facilities. The investigation revealed compliance with applicable requirements, and licence was granted.

LLC Tardan Gold was subject to an investigation on 3 March 2017, following Rostekhnadzor's orders dated 14 December 2015 in response to LLC Tardan Gold's violation of applicable regulations. The investigation revealed no further violations on the subsidiary's part, however a new round of soil sample tests was recommended.

Rosprirodnadzor issued a number of warning notices to LLC Rudtehnologiya, containing a time schedule for rectifying the breaches of environmental laws by July 2012. LLC Rudtehnology complied with the time schedule.

LLC GRE-324 was subject to an investigation on 30 April 2014. The investigation revealed a violation of environmental laws, and on 30 April 2014 Rosprirodnadzor issued an order requiring the subsidiary to remedy the breach on or before 1 September 2014. LLC GRE-324 complied with the order on 16 May 2014.

LLC Kara-Beldir was subject to an investigation on 28 July 2015. The investigation revealed no violations on LLC Kara-Beldir's part.

LLC Uzhunzhul was subject to an investigation on 19 February 2016, following Rosprirodnadzor's order dated 25 September 2015 issued in response to LLC Uzhunzhul's breach of environmental protection laws. The investigation revealed compliance with the order and no further violations on the LLC Uzhunzhul's part was noted.

LLC Tardan Gold was subject to an investigation on 4 August 2016. The investigation revealed violation of environmental protection laws, resulting in administrative liability and orders requiring LLC Tardan Gold to remedy the breach. Four Rosprirodnadzor's orders imposing the fines were appealed by the subsidiary in court, two of which were successfully set aside. The orders prescribed a time schedule for rectifying the breaches by March 2017. A follow-up investigation on 3 March 2017 revealed non-compliance with the orders. New orders were issued on 6 March 2017 requiring LLC Tardan Gold to rectify the breaches by August and October 2017.

LLC Tardan Gold was subject to an investigation on 1 December 2016, following Rosprirodnadzor's two orders dated 12 September 2016 issued in response to LLC Tardan Gold's breach of environmental protection laws. The investigation revealed compliance with the orders and no further violations on LLC Tardan Gold's part were noted.

LLC Uzhunzhul was subject to an investigation on 17 February 2017. The investigation revealed no violations on LLC Uzhunzhul's part.

LLC Rudtechnology was subject to an investigation on 31 March 2017, following Rosprirodnadzor's order dated 7 November 2016 issued in response to LLC Rudtechnology's breach of environmental protection laws. The investigation revealed compliance with the order and no further violations on LLC Rudtechnology's part.

Rosprirodnadzor has sued LLC Tardan Gold for damages arising from LLC Tardan Gold's breach of environmental laws that gave rise to the abovementioned order dated 12 September 2016. The court of first instance satisfied Rosprirodnadzor's claim, LLC Tardan Gold's appeal was declined and LLC Tardan Gold did not appeal further. LLC Tardan Gold has paid damages of RUB 75,000.

Ongoing litigation with Rosprirodnadzor

On 24 September 2016 Rosprirodnadzor discovered soil pollution allegedly committed by LLC Tardan Gold and issued an order requiring LLC Tardan Gold to remedy the breach. This order is currently being challenged by LLC Tardan Gold in court. The court of first instance and the court of appeal dismissed LLC Tardan Gold's claim. LLC Tardan Gold is planning to bring a cassation appeal.

PERMITS, LICENCES AND CERTIFICATES

The Company and the Subsidiaries consider that the licenses the Group holds are sufficient to carry out the business.

Gold Licences

LLC GRE-324, LLC Tardan Gold, LLC Uzhunzhul and LLC Kara-Beldir hold licenses to conduct various forms of gold extraction. Licenses are registered and expire between 2027 and 2032.

Water Licences

LLC Tardan Gold and LLC Rudtechnology hold licenses relating to consumption of water. The licenses are registered and expire in October 2017 and in 2032, respectively. LLC Tardan Gold has applied for renewal of its water license.

Other Licences

LLC Rudtechnology and LLC Tardan Gold hold additional licenses relating to mining, operation of chemically hazardous production plants and the management of explosives intended for industrial use.

INTELLECTUAL PROPERTY RIGHTS

The Company and the Subsidiaries consider that the intellectual property rights which the Group holds are sufficient to carry out the business.

The Company holds the EU Community Trade Mark “Auriant Mining”.

LLC Auriant Management is the registered owner of two patents. Both patents concern methods of extraction of gold from abrasive ores and from abrasive sulphide ores. The term of patent protections expires 2032.

LLC Auriant Management is also the registrant of the domain name auriant.com, registration expiring on 15 November 2017.

SUBSCRIPTION UNDERTAKING AND UNDERWRITING AGREEMENTS

Subscription Undertaking Agreement

The Company’s main owner, Bertil Holdings Ltd, has undertaken to subscribe for its pro rata share of 80 per cent of the maximum number of shares that may be issued in the Offering, that is 71,209,716 shares conditional on, in particular, that payment for subscribed shares can be paid by setting off part of the claim under a convertible loan.

Subscription Guarantee Agreements

The Company has entered into guarantee agreements, guaranteeing subscription (together with the Subscription Undertaking Agreement) of 80 per cent of the maximum number of shares that can be issued in the Offering, i.e. 71,209,716 shares. The guarantee agreements can be terminated by the guarantors, if, among other things, Bertil Holdings Ltd would not fulfil its subscription undertaking or if the Company would make certain decisions that could have a material adverse effect on the value of the Company. For the guarantee commitments, compensation is payable which can be paid by the Company either in cash or by issuing new shares and warrants.

DOCUMENTS INCORPORATED BY REFERENCE

The following parts in the following documents are incorporated in the Prospectus by reference.

- Auriant Mining’s audited annual report for the year 2014
 - Consolidated income statement, consolidated statement of financial position, consolidated cash flow statement on page 55-60.
 - Notes to the consolidated financial statements and parent company accounts on page 61-100 and auditors report on page 100-102.
- Auriant Mining’s audited annual report for the year 2015
 - Consolidated income statement, consolidated statement of financial position, consolidated cash flow statement on page 54-57.
 - Notes to the consolidated financial statements and parent company accounts on page 69-104 and auditors report on page 105-106.
- Auriant Mining’s audited annual report for the year 2016

- Consolidated income statement, consolidated statement of financial position, consolidated cash flow statement on page 68-72.
 - Notes to the consolidated financial statements and parent company accounts on page 79-116 and auditors report on page 117-120.
- Auriant Mining's unaudited H1 interim report for the year 2017
 - Consolidated income statement, consolidated statement of financial position, consolidated cash flow statement on page 10-16.

The audited annual reports above contain no remarks from the Company's auditor.

The above documents incorporated by reference are available on the Company's website www.auriant.com.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Company's (i) Articles of Association, (ii) the Company's and its subsidiaries historical financial information for the period covered by the Prospectus, (iii) the Company's and its subsidiaries resource and reserves reports are available for inspection during office hours at Mangold's headquarters.

ARTICLES OF ASSOCIATION

§ 1 Firma

Bolagets firma är Auriant Mining AB (publ).

§ 2 Styrelsens säte

Styrelsen har sitt säte i Stockholm kommun.

§ 3 Verksamhet

Bolaget skall bedriva produktion och/eller prospektering av mineraler i eget namn, via dotterbolag eller genom mindre delägarskap ävensom idka därmed förenlig verksamhet.

§ 4 Aktiekapital

Aktiekapitalet utgörs lägst av 5 332 450 och högst av 21 329 800 kronor.

§ 5 Antalet aktier

Antalet aktier skall vara lägst 47 400 000 och högst 189 600 000.

§ 6 Styrelse och revisorer

Styrelsen består av lägst tre och högst tio ledamöter och högst fem styrelsesuppleanter. Bolaget skall ha 1 eller 2 revisorer med eller utan revisorssuppleant.

§ 7 Kallelse

Kallelse till bolagsstämma skall ske genom kungörelse i Post- och Inrikes Tidningar samt på bolagets webbplats. All kallelse skett skall annonseras i Svenska Dagbladet.

§ 8 Årstämma

Årsstamma hålles årligen inom 6 månader efter räkenskapsårets utgång. På årsstamma skall följande ärenden förekomma.

Val av ordförande vid stämman.

Upprättande och godkännande av röstlängd.

Godkännande av dagordningen.

Val av en eller två justeringsmän.

Prövning av om stämman blivit behörigen sammankallad.

Föredragning av framlagd årsredovisning och revisionsberättelse samt koncernredovisning och koncernrevisionsberättelse.

Beslut:

om fastställelse av resultat- och balansräkning, samt, i förekommande fall, koncernresultaträkning och koncernbalansräkning;

om dispositioner beträffande bolagets vinst eller förlust enligt den fastställda balansräkningen; samt

om ansvarsfrihet gentemot bolaget för styrelseledamöter och den verkställande direktören.

Fastställande av arvoden at styrelsen och revisorerna.

Val av styrelse och, i förekommande fall, styrelsesuppleanter, revisorer samt eventuella revisorssuppleanter.

Annat ärende, som ankommer på stämman enligt aktiebolagslagen eller bolagsordningen.

Vid bolagsstämman må envar röstberättigad rösta för fulla antalet av honom företrädde aktier utan begränsning i röstetalet.

§ 9 Räkenskapsår

Kalenderår är räkenskapsår

§ 10 Deltagande på bolagsstämman

För att få delta på bolagsstämman skall aktieägare anmäla sig samt antalet biträden hos bolaget före klockan 16.00 senaste den dag som anges i kallelsen till stämman. Denna dag får ej vara söndag, annan helgdag, lördag, midsommarafton, julafton eller nyårsafton och inte infalla tidigare än femte vardagen före stämman. Ombud behöver ej anmäla antalet biträden. Antalet biträden får högst vara två.

§ 11 Avstämningsförbehåll

Bolagets aktier skall vara registrerade i ett avstämningsregister enligt lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument.

The Articles of Association were adopted at the Extraordinary General Meeting on 3 August 2017. The Articles of Association are not registered but will be registered in connection with the first registration of shares in the Offer.

TAX CONSIDERATIONS IN SWEDEN

The following summary outlines certain Swedish tax issues related to the Offering for private individuals and limited liability companies that are residents of Sweden for tax purposes, unless otherwise stated. The summary is based on current legislation and is intended only to provide general information regarding the Offering. The summary does not cover:

- Shares held as current assets in business operations or shares held by partnerships.
- The special rules regarding tax-free capital gains (including non-deductible capital losses) and dividends in the corporate sector which may be applicable when the investor holds shares in the Company which are deemed to be held for business purposes (for tax purposes, Sw. näringsbetingade andelar).
- The special rules which in certain cases may be applicable to shares in companies which are or have been so-called close companies or to shares acquired by means of such shares.
- The special taxation rules regarding assets held through investments saving accounts (Sw. investeringssparkonto).

Furthermore, special tax rules apply to certain categories of companies who are shareholders. The treatment for tax purposes of each individual shareholder depend in part on such shareholder's particular circumstances. Each shareholder is advised to consult an independent tax advisor as to the tax consequences relating to their particular circumstances that could arise from the Offering, including the applicability and effect of foreign regulations and double tax treaties.

Swedish tax residents

Private individuals

Capital gains taxation

For private individuals resident in Sweden for tax purposes, capital income such as interest income, dividends and capital gains on listed shares is taxed in the capital income category. The tax rate in the capital income category is 30 per cent.

Capital gains and capital losses are calculated to equal the difference between the proceeds received when the shares are sold or redeemed, after deduction for potential sale expenses, and the acquisition cost for tax purposes. The acquisition cost for listed shares is normally determined according to the "average method". This means that the cost of acquiring all shares of the same type and class as the divested share are added together and calculated collectively, with respect to changes to the holding. Alternatively, the "standard method", according to which the acquisition cost is deemed to be equal to 20 per cent of the net proceeds received when the shares are sold or redeemed, may be applied. BTA-shares (paid and subscribed shares) are not deemed to be of the same type and class as the original shares until the issue has been registered.

Capital losses on listed shares may be fully deductible against taxable capital gains on shares the same fiscal year. The loss is also deductible against gains on other listed securities that are taxed in the same manner as shares (however, not against gains on participations in investment funds containing Swedish receivables only, Sw. räntefonder). Capital losses not absorbed by these set-off rules are deductible at 70 per cent in the capital income category.

Should a net loss arise in the capital income category, a reduction is granted of the tax on income from employment and business operations, as well as property tax and municipal property fees. The tax reduction is granted at 30 per cent of such net loss which does not exceed SEK 100,000 and at 21 per cent of any remaining net loss. An excess net loss cannot be carried forward to future tax years.

Dividend taxation

For private individuals resident in Sweden for tax purposes, a preliminary tax of 30 per cent is withheld on dividends from listed companies. The preliminary tax is normally withheld by Euroclear Sweden, or in respect of nominee-registered shares, by the nominee.

Allocation, exercise and sale of subscription rights

Neither allocation nor exercise of subscription rights triggers taxation. For shareholders who do not wish to exercise their subscription rights and instead sell their subscription rights, there may be a taxable capital gain. Subscription rights based on a shareholding of existing shares are deemed to be acquired for 0 SEK. The entire sales proceeds after deducting sales costs will be subject to taxation. The standard method is not applicable in this case. The acquisition cost for the original shares is not affected. For subscription rights purchased or otherwise acquired (i.e. that are not received based on a shareholding of existing shares), the price paid for the rights constitutes the acquisition cost. The acquisition cost of such subscription rights shall be taken into account when calculating the tax basis for the shares. The “standard method” may be used on disposal of listed subscription rights. A subscription right that is not exercised or sold, and thus expires, is deemed to have been disposed of at 0 SEK.

Limited liability companies

Capital gains and dividends taxation

For Swedish limited liability companies (Sw. aktiebolag) all income, including taxable capital gains and dividends, is taxed as income from business operations at a rate of 22 per cent. Taxable capital gains and capital losses are calculated in the same way as described above regarding private individuals.

Capital losses on shares may only be offset against taxable capital gains on shares and other securities taxed in the same manner as shares. If a capital loss cannot be deducted by the company which has made the loss, it may be deducted the same year from a group company’s taxable capital gains on shares and other securities taxed as shares, provided that the companies are entitled to tax consolidation (through group contributions, Sw. koncernbidrag) and that both companies so request in the tax return of the same year. A net capital loss on shares which cannot be utilised a certain year may be carried forward (by the limited liability company having made the loss) and offset in future tax years against taxable capital gains on shares and other securities taxed as shares, without any limitation in time. Special tax rules may apply to certain categories of companies or certain legal persons, for example mutual funds and investments companies.

Allocation, exercise and sale of subscription rights

Neither allocation nor exercise of subscription rights triggers taxation. For shareholders who do not wish to exercise their subscription rights and instead sell their subscription rights, there may be a taxable capital gain. Subscription rights based on a shareholding of existing shares are deemed to be acquired for 0 SEK. The entire sales proceeds after deducting sales costs will be subject to taxation. The standard method is not applicable in this case. The acquisition cost for the original shares is not affected. For subscription rights purchased or otherwise acquired (i.e. that are not received based on a shareholding of existing shares), the price paid for the rights constitutes the acquisition cost. The acquisition cost of such subscription rights shall be taken into account when calculating the tax basis for the shares. The “standard method” may be used on disposal of listed subscription rights. A subscription right that is not exercised or sold, and thus expires, is deemed to have been disposed of at 0 SEK.

Shareholders not resident in Sweden for tax purposes

Withholding tax

Shareholders who are not resident in Sweden for tax purposes and who receives dividend payments from a Swedish limited liability company are subject to Swedish withholding tax. The tax rate of 30 per cent is generally reduced due to taxation treaties that Sweden has entered into with other countries to avoid double taxation. Several double

taxation treaties allow a reduction directly when the dividend is paid, provided that sufficient information exists about the recipient. The tax is normally withheld by Euroclear Sweden, or in respect of nominee-registered shares, by the nominee.

If full withholding tax has been withheld on a dividend payment to a person entitled to a reduction, a repayment can be requested at the Swedish Tax Agency until the end of the fifth year after the dividend was paid.

Capital gains taxation

Shareholders who are not resident in Sweden for tax purposes and not conducting business from a permanent establishment in Sweden are generally not liable for capital gains taxation in Sweden upon a sale of shares. However, shareholders may be subject to taxation in their state of residence. According to a domestic Swedish provision, non-Swedish tax resident individuals may be subject to Swedish capital gains taxation upon disposal of securities, if they have been residents of Sweden or have had a habitual abode in Sweden at any point during the calendar year of disposal or the ten preceding calendar years. In a number of cases, though, the applicability of this rule is limited by double tax treaties.

TERMS AND CONDITIONS FOR WARRANTS 2017/2018 AURIANT MINING AB (PUBL)

1. Definitions

The definitions set forth below shall apply to these terms and conditions:

“Bank”	such bank or account operator as the Company appoints from time to time to administer certain duties pursuant to these terms and conditions;
“Banking Day”	a day which is not a Saturday, Sunday or other public holiday in Sweden or which, with respect to the payment of promissory notes, is not equated with a public holiday in Sweden;
“Company”	Auriant Mining AB (publ), reg. no. 556659-4833;
“Companies Act”	the Swedish Companies Act (2005:551);
“CSD account”	securities account at Euroclear Sweden on which each Warrant Holder’s holdings of Warrants are registered or, where appropriate, on which holdings of Shares in the Company which vest through Subscription are to be registered;
“Euroclear Sweden”	Euroclear Sweden AB
“Extraordinary dividend”	cash dividend to the shareholders of an amount per Share which, together with other cash dividends per Share paid out during the same financial year, exceeds by ten per cent the Share’s average price during a period of 25 trading days immediately prior to the day on which the board of directors of the Company publishes its intention to present a proposal for such dividend to the general meeting;
“Market Listing”	in connection with Shares, securities or other rights, the listing of such Share, security or other right on an exchange, authorised marketplace, regulated market, other trading platform operated by a securities institution, or other corresponding trading venue;
“Share”	Shares in the Company;
“Subscription”	subscription, through exercise of Warrants, for new Shares in the Company in exchange for cash payment pursuant to these terms and conditions;
“Subscription Period”	the period during which Subscription may take place pursuant to these terms and conditions;
“Subscription Price”	the price at which Subscription may take place pursuant to these terms and conditions;
“Warrant”	a right, pursuant to these terms and conditions, to subscribe for

	new Shares in the Company in exchange for cash payment pursuant to these terms and conditions;
“Trading day”	day with trading on Nasdaq First North or other similar marketplace where the company’s shares are listed;
	and
“Warrant Holder”	the person registered on a CSD account as holder of Warrants.

2. **Number of Warrants, registration, etc.**

No more than 71,209,716 Warrants may be issued.

The Warrants shall be registered by Euroclear Sweden in a CSD register pursuant to the Act (1998:1479) on Central Securities Depositories and Account Registration of Financial Instruments, and accordingly no physical Warrant certificates will be issued.

3. **Entitlement to subscribe for new Shares**

Each Warrant shall entitle the holder to subscribe for one new Share in exchange for payment in cash of a Subscription Price corresponding to the volume-weighted average price for the Company’s Shares during a period of ten trading days immediately prior to the period for exercise of the Warrants, less a discount of 25 per cent; however, never lower than SEK 2.50 and never higher than SEK 3.50;

The Subscription Price and the number of Shares to which each Warrant carries an entitlement to subscribe may be adjusted in accordance with the provisions of section 8 below. Where the application of such provisions has the consequence that the Subscription Price is below the prevailing quotient value of outstanding Shares at such time, the Subscription Price shall instead correspond to the prevailing quotient value of outstanding Shares at such time.

4. **Subscription**

Warrants may be exercised during the period commencing 19 March 2018 up to and including 30 March 2018.

The Subscription Period may be brought forward in accordance with the provisions of section 8 below.

Subscription may only take place for whole numbers of Shares to which the aggregate number of Warrants, registered on the same CSD account and simultaneously exercised for Subscription by a single Warrant Holder, carry an entitlement to subscribe.

Subscription shall take place on an application form (subscription list) determined and provided by the Company and or the Bank, duly completed and signed, which is submitted to the address stated on the application form.

Where Subscription has not taken place within the period of time stated above, all rights under the Warrant shall lapse.

Subscriptions are binding and cannot be withdrawn.

5. **Payment**

Payment for the number of Shares to which the Subscription relates must be made simultaneously with Subscription. Payment shall be made in cash to the bank account designated on the application form (the subscription list). It is noted that the company has a right to admit set-off under the conditions stipulated in Chapter 14 Section 14 of the Companies Act.

6. Execution of Subscription

Subscription shall be executed after Subscription has taken place and payment has been made in accordance with the provisions of sections 4 and 5 above. In conjunction therewith, any excess portion of a Warrant which cannot be exercised for subscription in accordance with the third paragraph of section 4 above, shall be disregarded. Such excess portion shall lapse in conjunction with the Subscription.

Subscription shall be executed by means of the board of directors of the Company adopting a resolution to allot the new Shares to the Warrant Holder, after which the new Shares shall be entered as interim shares in the Company's share register (which is maintained by Euroclear Sweden) and on the Warrant Holder's CSD account. Once registration has taken place at the Swedish Companies Registration Office, the registration of the new Shares in the share register and on the CSD account shall become definitive.

As stated in section 8 below, in certain cases Subscription may only be executed after a certain later date, thereupon applying a recalculated Subscription Price and recalculated number of Shares to which each Warrant carries an entitlement to subscribe.

7. Dividends on new Shares

Shares which vest through Subscription shall carry an entitlement to dividends for the first time on the record date for dividends that occurs first after the new Shares are registered on the share register maintained by Euroclear Sweden.

8. Recalculation of the Subscription Price and number of Shares, etc.

8.1 New issue, etc.

Where the Company carries out: (i) a bonus issue; (ii) a reverse share split; (iii) a share split; (iv) a new issue of Shares, Warrants or convertible instruments with pre-emption rights for the shareholders to subscribe; (v) any other type of offering to the shareholders with pre-emption rights pursuant to the principles set forth in Chapter 13, section 1, first paragraph of the Companies Act, to acquire from the Company securities or rights of any kind; (vi) a dividend to the shareholders comprising such securities or rights, with the aforementioned pre-emption right; (vii) an Extraordinary Dividend; (viii) a reduction in the share capital with mandatory repayment to the shareholders; or (ix) a demerger whereby the general meeting resolves to approve a demerger plan through which certain of the Company's assets and liabilities shall be taken over by one or more other companies (all of the aforesaid being referred to as "Recalculation Events"), Subscription which takes place at such time that it cannot be executed to such an extent that Shares that vest through Subscription can be entered in the Company's share register not later than the 17th calendar day prior to the general meeting which is to adopt a resolution regarding the Recalculation Event, shall be executed only after the general meeting has adopted a resolution regarding the Recalculation Event. Shares which vest through Subscription executed after the aforementioned date shall not carry any entitlement to participate in the Recalculation Event.

Where, subject to approval by the general meeting or pursuant to authorisation granted by the general meeting, the board of directors adopts a resolution regarding a new issue of Shares, Warrants or convertible instruments with pre-emption rights for the shareholders to subscribe in accordance with the provisions of section 8.1 (iv) above, and which thus constitutes a Recalculation Event, the resolution regarding the issue shall state the last day by which Subscription must be executed in order for Shares which vest through the Subscription to carry an entitlement to participate in the issue. Such a day may not occur earlier than the tenth calendar day following publication of the board of directors' resolution regarding the issue. Subscription which takes place at such time that it cannot be executed to such an extent that Shares which vest through the Subscription can be entered as interim shares in the Company's share register not later than the aforementioned date shall be executed only after such date. Shares which vest through Subscription executed after the aforementioned date shall not carry any entitlement to participate in the new issue.

Where a Recalculation Event is executed, the Company shall carry out a recalculation of the Subscription Price and/or the number of Shares to which each Warrant carries an entitlement to subscribe, with the aim being that the value of the Warrants shall remain unchanged. The recalculated Subscription Price and/or recalculated number of Shares to which each Warrant carries an entitlement to subscribe shall be applied in conjunction with Subscription which is executed at such time that Shares which vest through the Subscription do not carry an entitlement to participate in the Recalculation Event. The Company shall publish the recalculated Subscription Price and/or recalculated number of Shares to which each Warrant carries an entitlement to subscribe in a press release on the first day on which the Warrants may be exercised.

8.2 Equal treatment of Warrant Holders and shareholders

Where the Company carries out a measure as referred to in section 8.1, first paragraph (iv) –(vi) above, the Company may, in its discretion, offer all Warrant Holders the same pre-emption rights as the shareholders to participate in the issue or the offering. Notwithstanding that Subscription has not taken place or been executed, each Warrant Holder shall thereupon be deemed to be the owner of the number of Shares to which the Warrant Holder would have been entitled had Subscription taken place and been executed at the Subscription Price and in accordance with the number of Shares to which each Warrant carries an entitlement to subscribe, which would have applied had Subscription been executed at such time that Shares which vested through Subscription would have carried an entitlement to participate in the issue or offering in question.

Where the Company offers the Warrant Holder pre-emption rights pursuant to the preceding paragraph, no recalculation shall take place of the Subscription Price or number of Shares to which each Warrant carries an entitlement to subscribe as a consequence of the issue or the offering.

8.3 Alternative recalculation method

Where the Company carries out a measure as referred to in section 8.1 above or sections 8.6-8.8 below and where, in the Company's opinion, in light of the technical structure of the measure or for any other reason the application of these terms and conditions cannot take place or would lead to the financial compensation received by the Warrant Holders being unreasonable in comparison to the shareholders, the Company shall carry out a recalculation of the Subscription Price and the number of Shares to which each of Warrant carries an entitlement to subscribe in such a manner as the Company deems appropriate in order to achieve an equitable result.

8.4 Rounding off

In conjunction with recalculation of the Subscription Price and the number of Shares to which each Warrant carries an entitlement to subscribe pursuant to this section 8, the Subscription Price shall be rounded off to whole öre, whereupon amounts of 0.5 öre shall be rounded upwards.

8.5 Squeeze out procedure

Where Shares in the Company become the subject of a squeeze out procedure, the provisions of Chapter 22 of the Companies Act shall apply as regards the right to subscribe and have Subscription executed.

8.6 Merger

Where (i) the general meeting resolves to approve a merger plan by which the Company is to be subsumed in another company or (ii) the board of directors of the Company resolves that the Company be subsumed in a parent company, Subscription may not take place or be executed thereafter. The right to subscribe, and the obligation to execute subscription, shall terminate upon adoption of the resolution by the general meeting or, where appropriate, by the board of directors.

Where the merger is not implemented, Subscription may once again take place and be executed in accordance with these terms and conditions.

The Warrant Holders shall be notified of the planned merger not later than 60 calendar days prior to the general meeting which is to consider whether to approve a merger plan or, where appropriate, the meeting of the board of directors which is to consider whether the Company shall be subsumed in a parent company. The notification shall contain information that Subscription may not take place or be executed after the general meeting has resolved to approve the merger plan or, where appropriate, the board of directors has resolved that the Company shall be subsumed in a parent company, as well as information regarding the bringing forward of the Subscription Period in accordance with the paragraph below.

Notwithstanding the Subscription Period provisions in section 4 above, the Warrant Holders shall be entitled to subscribe and have Subscription executed commencing the date of notification referred to in the preceding paragraph provided, however, that Subscription can be executed to such an extent that Shares which vest through the Subscription can be entered as interim shares in the Company's share register not later than the day prior to the general meeting which is to consider the issue of approval of the merger plan or, where appropriate, the meeting of the board of directors which is to consider the issue of whether the Company shall be subsumed in a parent company. The Subscription Price shall correspond to the volume-weighted average price for the Company's Shares during the ten trading days immediately prior to the period for exercise of the Warrants, less a discount of 25 per cent; however, never lower than SEK 2.50 and never higher than SEK 3.50.

8.7 Demerger in certain cases

8.7.1 Where a general meeting resolves to approve a demerger plan whereby the Company shall be split up through all of the Company's assets and liabilities being taken over by two or more other companies, Subscription may not take place or be executed thereafter. The right to subscribe and the obligation to execute Subscription shall terminate upon adoption of the general meeting's resolution.

In the event the demerger is not implemented, Subscription may once again take place and be executed in accordance with these terms and conditions.

The Warrant Holders shall be notified of the planned demerger not later than 60 calendar days prior to the general meeting which is to consider the issue of approval of a demerger plan. The notification shall contain information that Subscription may not take place or be executed after the general meeting has resolved to approve the demerger plan, as well as information regarding the bringing forward of the Subscription Period in accordance with the paragraph below.

Notwithstanding the Subscription Period provisions in section 4 above, the Warrant Holders shall be entitled to subscribe and have Subscription executed commencing the date of the aforementioned notification provided, however, that Subscription can be executed to such an extent that Shares which vest through the Subscription can be entered as interim shares in the Company's share register not later than the day prior to the general meeting which is to consider the issue of approval of the demerger plan. The Subscription Price shall correspond to the volume-weighted average price for the Company's Shares during the ten trading days immediately prior to the period for exercise of the Warrants, less a discount of 25 per cent; however, never lower than SEK 2.50 and never higher than SEK 3.50.

8.8 Liquidation

In the event it is resolved that the Company shall go into liquidation, Subscription may not take place or be executed thereafter. The right to subscribe and the obligation to execute Subscription shall terminate upon adoption of the liquidation resolution, irrespective of the reason for the resolution and irrespective of whether it has become final and binding.

In the event the liquidation ceases, Subscription may once again take place and be executed in accordance with these terms and conditions.

The Warrant Holders shall be notified of the planned liquidation not later than 60 calendar days prior to the general meeting which is to consider whether the Company shall go into voluntary liquidation pursuant to Chapter 25, section 1 of the Companies Act. The notification shall contain information that Subscription may not take place or be executed after the general meeting has resolved that the Company shall go into liquidation, as well as information regarding the bringing forward of the Subscription Period in accordance with the paragraph below.

Notwithstanding the Subscription Period provisions in section 4 above, the Warrant Holders shall be entitled to subscribe and have Subscription executed commencing the date of the aforementioned notification provided, however, that Subscription can be executed to such an extent that Shares which vest through the Subscription can be entered as interim shares in the Company's share register not later than the day prior to the general meeting which is to consider the issue of whether the Company shall go into liquidation. The Subscription Price shall correspond to the volume-weighted average price for the Company's Shares during the ten trading days immediately prior to the period for exercise of the Warrants, less a discount of 25 per cent; however, never lower than SEK 2.50 and never higher than SEK 3.50.

8.9 Bankruptcy

In the event a court places the Company in bankruptcy, Subscription may not take place or be executed thereafter. The right to subscribe and the obligation to execute Subscription shall terminate upon the issuing of the bankruptcy order, irrespective of the reasons for the order and irrespective of whether it has become final and binding.

In the event the bankruptcy order is set aside, Subscription may once again take place and be executed in accordance with these terms and conditions.

9. Nominees

Where Warrants are nominee-registered pursuant to Chapter 5, section 14 of the Companies Act, upon application of these terms and conditions the nominee shall be regarded as Warrant Holder.

10. Notices

Notices concerning the Warrants shall be given by letter through the post to each Warrant Holder and other rightsholders who are listed on a CSD account for Warrants.

In the event the Warrants are listed on a market, where appropriate notice shall also be given in accordance with the provisions that are applicable as a consequence of the Market Listing.

11. Amendment of terms and conditions

The Company is entitled to decide on amendments to these terms and conditions to the extent required by legislation, judicial decisions or public authority decisions or where otherwise, in the Company's opinion, such amendments are appropriate or necessary for practical reasons and the rights of the Warrant Holders are in no way prejudiced. The Warrant Holders shall be notified of changes without unnecessary delay.

12. Confidentiality

Neither the Company, the Bank nor Euroclear Sweden may, without authority, disclose to any third party information regarding Warrant Holders.

The Company is entitled to access Euroclear Sweden's CSD register of Warrant Holders which, among other things, states the identity of the persons registered in respect of the Warrants.

13. Limitation of liability

With respect to the measures incumbent on the Company, the Bank or Euroclear Sweden pursuant to these terms and conditions – in the case of Euroclear Sweden, taking into consideration the provisions of the Financial Instruments (Accounts) Act – liability may not be claimed with respect to loss due to Swedish or foreign legislation, measures taken by Swedish or foreign public authorities, acts of war, strikes, blockades, boycotts, lockouts or other similar circumstances. The reservation in respect of strikes, blockades, boycotts and lockouts shall apply notwithstanding that the Company, the Bank or Euroclear Sweden takes, or is the subject of, such industrial action.

Nor shall the Company, the Bank or Euroclear Sweden be liable to compensate loss incurred in other cases, provided the Company or, where appropriate, the Bank or Euroclear Sweden, has exercised normal care. In addition, the Company and the Bank shall under no circumstances be liable for indirect loss.

Where the Company, the Bank or Euroclear Sweden is prevented from taking any measure due to a circumstance as stated in the first paragraph, such measure may be postponed until the impediment has ceased.

14. Dispute resolution and applicable law

Disputes arising as a consequence of these terms and conditions or legal issues associated therewith shall be conclusively resolved through arbitration in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce. The place of arbitration shall be Stockholm. The arbitration proceedings shall be conducted in Swedish (unless otherwise agreed by the parties to the dispute).

These terms and conditions and legal issues associated therewith shall be interpreted and applied in accordance with Swedish law.

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