

AURIANT  
MINING

**9 months 2016 Interim Results**  
**Analyst Web Conference**  
**28 November 2016**

# Disclaimer

Statements and assumptions made in this Presentation with respect to Auriant Mining AB's ("Auriant") current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of Auriant. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", "strategy", "forecast" and similar expressions. These statements reflect Auriant's management's expectations and assumptions in light of currently available information. In the light of the many risks and uncertainties surrounding any gold production and exploration company at an early stage of its development, the actual results could differ materially from those presented and forecasted in this Presentation. Auriant do not assume any unconditional obligation to update any such statements and/or forecasts immediately.

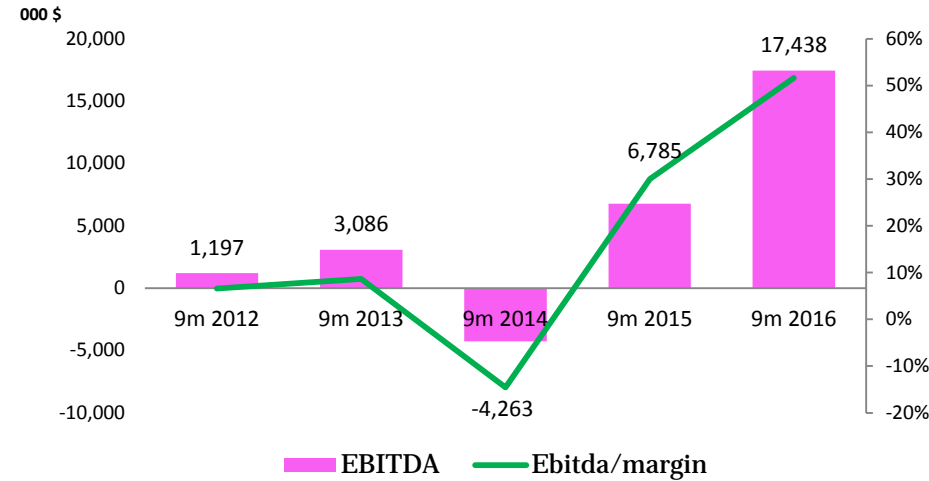
# Auriant Mining overview

## General Information

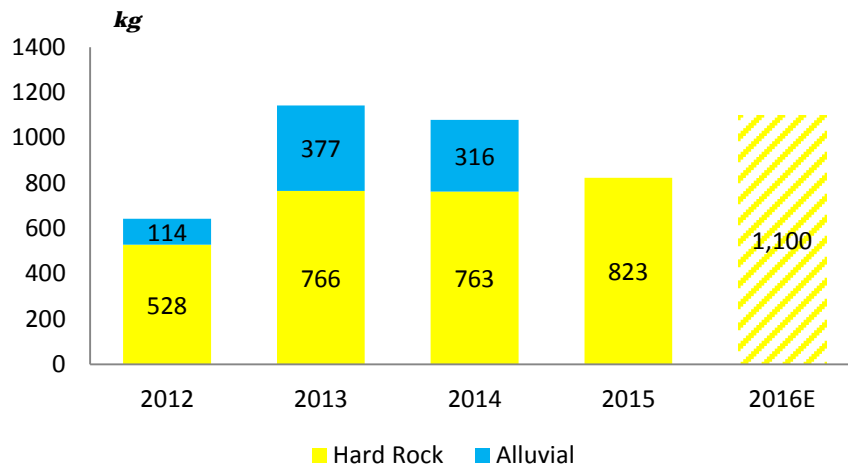
- Public Swedish junior gold producer operating in Russia
- Listed on NASDAQ OMX First North
- 1 producing mine, 2 exploration properties
- 2015 production of 823 kg of gold (26,468 oz)
- 2016 expected production of 1.1 t**
- Expected 2016 reserves of 1.5 Moz
- Great exploration potential



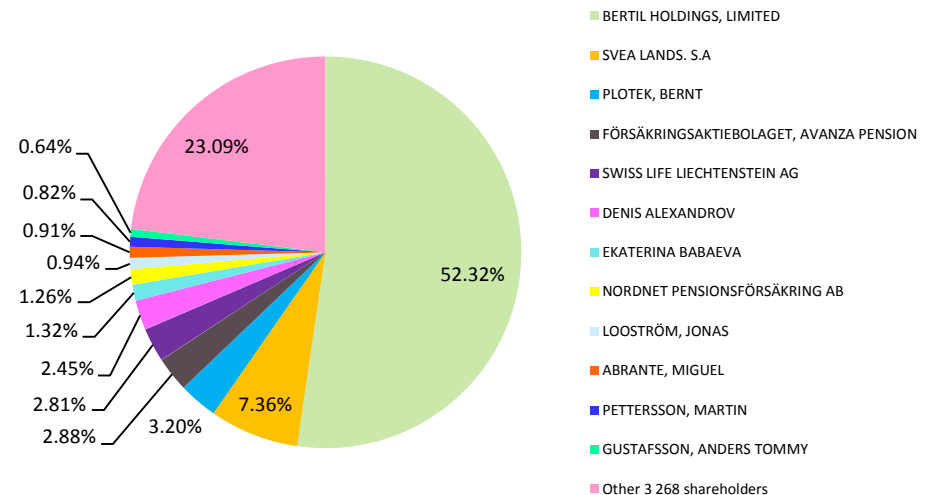
## Financial Position



## Auriant Gold Production

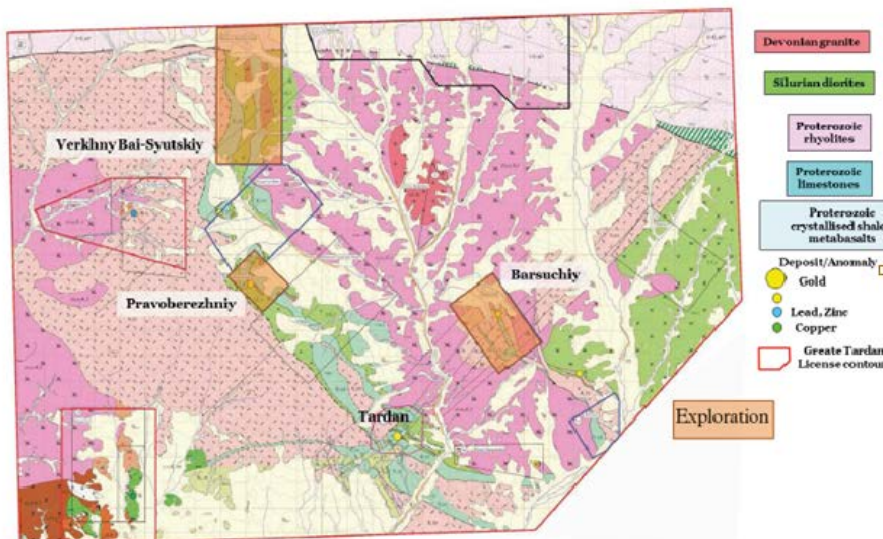


## Shareholder structure as of September 30, 2016



# Resources Update

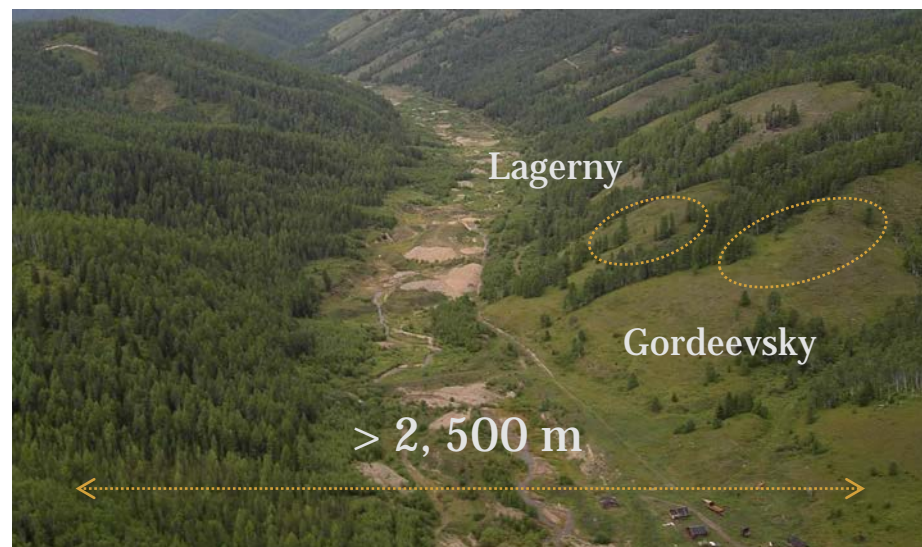
## Pravoberezhniy (Greater Tardan)



- Drilling was completed in October 2016
- 4.2 tonnes of gold with an average grade of 3.31 g/t was discovered
- Pravoberezhniy ore type is similar to Barsuchiy deposit
- The ore bodies outcrop at surface and the resource is very shallow.
- 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 could start in the beginning of 2019
- Total Tardan reserves upon GKZ approval is 11 tonnes @4.5 g/t

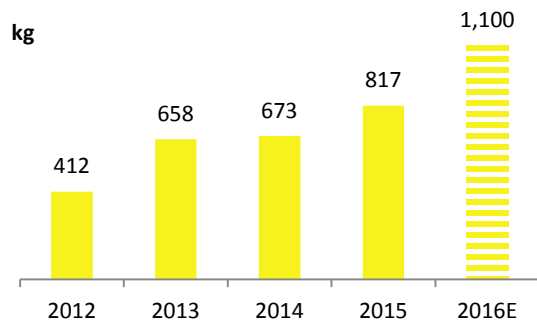
## Kara-Beldyr

- Resources calculation of the Kara-Beldyr deposit in accordance with JORC was completed
- Kara-Beldyr *Indicated resources* amounts to 619 thousand ounces of gold (19.2 tons) with average grade of 2.43 g/t and 774 thousand ounces of silver (24.1 tons) with an average grade of 2.96 g/t. *Inferred resources* amounts to 205 thousand ounces of gold (6.4 tons) with an average grade of 4.70 g/t and 162 thousand ounces of silver (5.0 tons) with an average grade of 3.50 g/t.
- Total gold resources (both indicated and inferred) amounts to 25.6 tons of gold.
- Based on the resource assessment a mining operation producing up to 2 tons of gold annually for over 10 years could be envisioned.

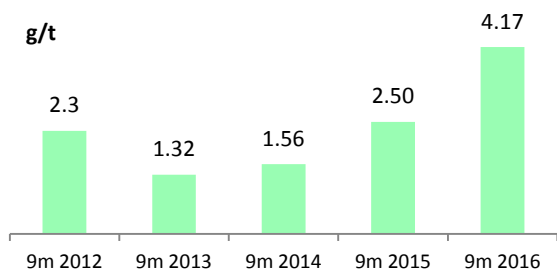


# 5 years Tardan outlook

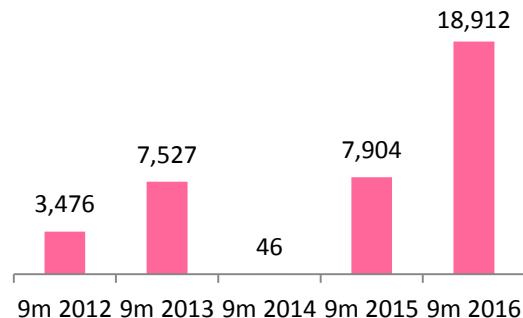
## Gold Production



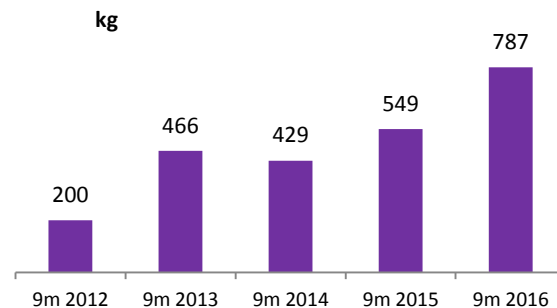
## Au grade in ore mined 9m to 9m



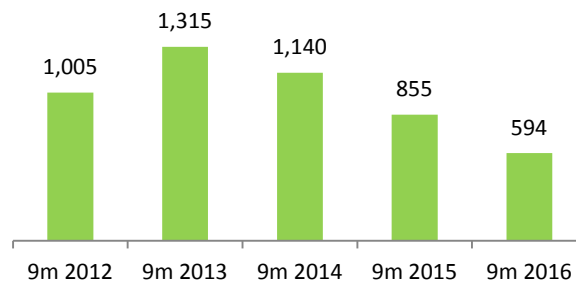
## EBITDA (\$'000)



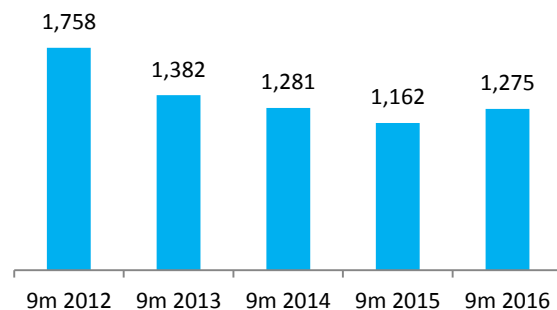
## Gold Production 9m to 9m



## TCC 9m to 9m US\$/oz



## Realized price US\$/oz



## 9m 2016 Summary

- **Total gold production increased by 42% to 787 kg (25,285 oz)**, compared to 549 kg (17,671 oz) in 9 months 2015.
- **Gold grades** in the ore mined in 9 months 2016 **were 4.17 g/t**, a 67% increase on that achieved in prior period (2.50 g/t).
- **Cash costs per ounce of gold produced decreased by 31% down to US\$ 594/oz** in 9 months 2016 (US\$ 855/oz in 9 months 2015).
- **EBITDA almost trebled to MSEK 147.3 (US\$ 17.4 m)** compared to 9 months 2015 of MSEK 57.3 (US\$ 6.8 m).
- Realized gold price increased in Q3, but is on declining trend in Q4 2016

# 9 months 2016

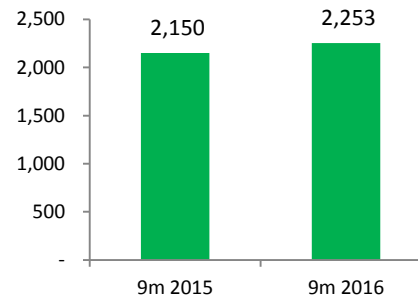
## Tardan Key Performance Indicators

Key highlights	9m 2015	9m 2016	Change	Change, %
Stripping, 000'm3	2,150	2,253	103	5%
Ore mined 000't	367	352	-15	-4%
Gold grade in ore mined, g/t	2.50	4.17	1.67	67%
AU in ore mined, kg	920	1,467	547	59%
Ore heap leach stacked, 000't	320	286	-34	-11%
Tailings heap leach stacked, 000't	52	62	10	19%
Ore & tailings average grade, g/t	2.40	3.60	1.20	50%
Gold stacked, kg	911	1,239	328	36%
Gold produced through heap leach, kg	510	663	154	30%
Ore processed through grav. plant, 000't	29	62	33	114%
Ore grade, g/t	4.90	7.70	2.80	57%
Gold produced through grav. plant, kg	40	123	83	207%
<b>Total Gold produced, kg</b>	<b>550</b>	<b>787</b>	<b>237</b>	<b>43%</b>
<b>Total Gold produced, Oz</b>	<b>17,671</b>	<b>25,285</b>	<b>7,614</b>	<b>43%</b>
Gold Sales, kg	521	817	296	57%
Gold Sales, oz	16,752	26,257	9,505	57%
Gold Sales, th'USD	19,469	33,479	14,010	72%
Price realised (net of commission)	1,162	1,275	113	10%
Total cash cost per oz	855	594	-261	-31%
Tardan contribution to group EBITDA, US\$ m	7.9	18.9	11.0	139%

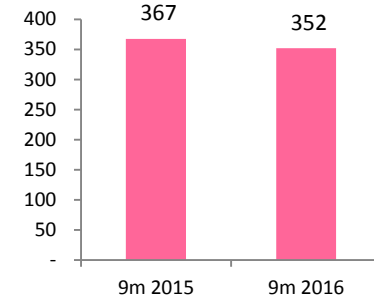
### H1 2016 VS H1 2015

- **Gold production increased by 43%;**
- **Cash costs per oz are 31% lower;**
- **Tardan contribution to group EBITDA is 139% higher.**

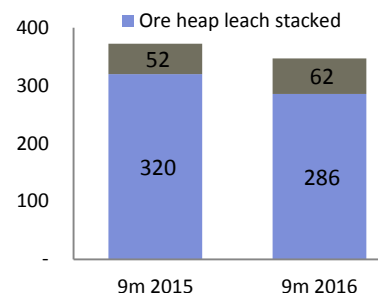
### Stripping, 000 m3



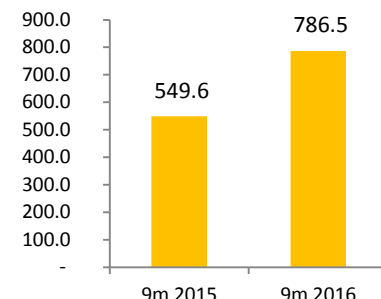
### Ore Mined, 000 t



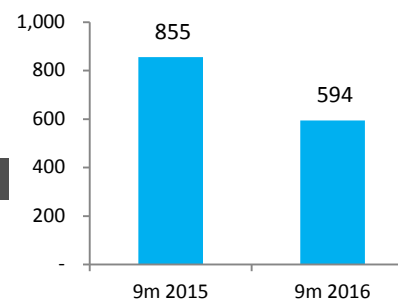
### Ore & tailings stacked



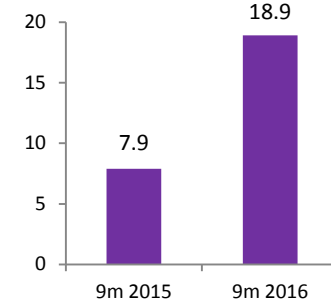
### Gold produced, kg



### TCC \$/oz

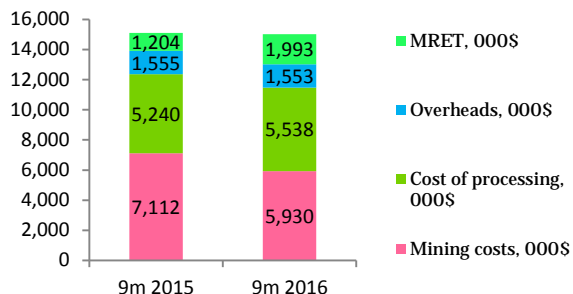


### EBITDA US\$ m

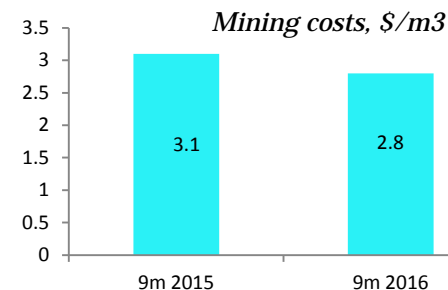
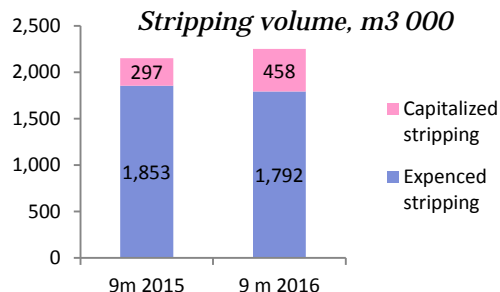


# Tardan cash costs analytics 9 months 2016

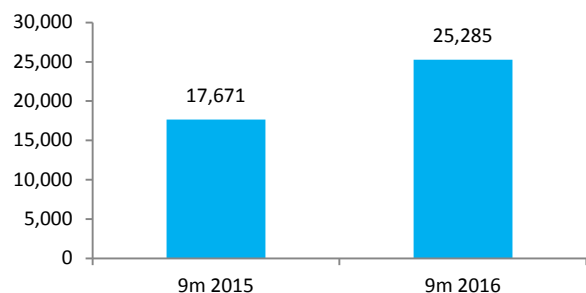
## Total cash cost, 000\$



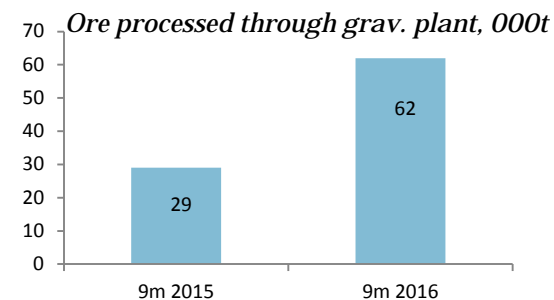
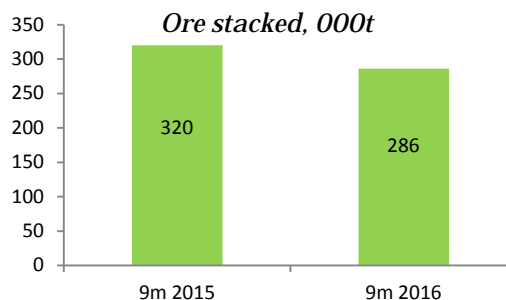
## Mining



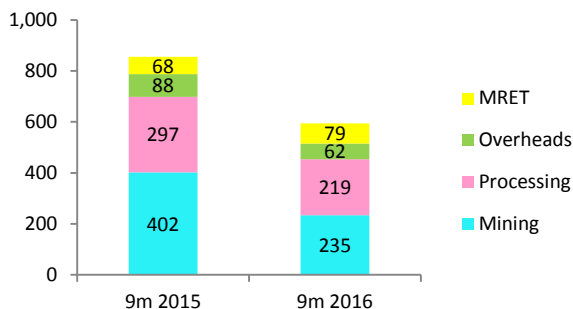
## Gold Produced, oz



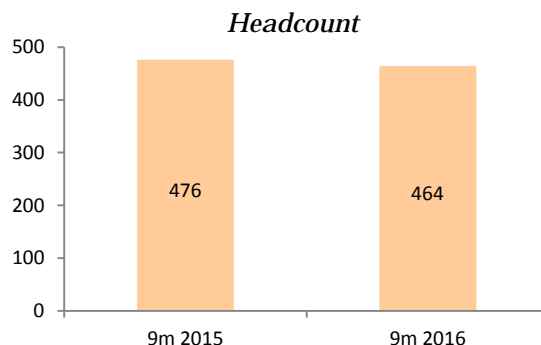
## Processing



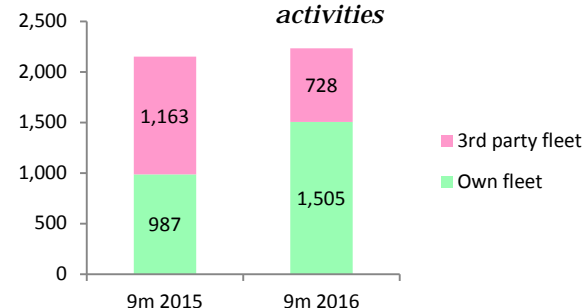
## Cost Structure per oz



## Other



### Own & 3rd party fleet involvement in mining activities





# 9 months 2016 Income Statement

	Q3 2016	Q3 2015	9m 2016	9m 2015	Change	Change %
	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	%
Revenue, including:	18,117	12,301	33,779	22,614	11,165	49%
Revenue from gold sales	18,117	10,795	33,479	19,914	13,565	68%
Revenue from management services	-	1,506	300	2,700	(2,400)	0%
Cost of sales	(8,748)	(9,594)	(19,877)	(19,676)	(201)	1%
Gross profit	9,369	2,707	13,902	2,938	10,964	373%
General and administrative expenses	(507)	(795)	(1,740)	(2,705)	965	-36%
Other operating income	174	286	661	684	(23)	-3%
Other operating expenses	(101)	(334)	(188)	(620)	432	-70%
Operating profit	8,934	1,864	12,635	297	12,337	4154%
Financial income (% income on bank deposits & forex gain)	33	-	33	198	(165)	-84%
Financial expenses, including	(1,745)	(1,973)	(5,444)	(5,560)	116	-2%
Forex loss	-	(222)	-	-	-	-100%
Interest expenses	(1,745)	(1,751)	(5,444)	(5,560)	116	-2%
Profit/(Loss) before income tax	7,222	(109)	7,224	(5,065)	12,288	-243%
Income tax	(1,607)	1,024	(3,759)	129	(3,888)	-100%
Net profit/(loss) for the period	5,615	915	3,465	(4,936)	8,400	-170%
EBITDA	10,301	4,505	17,438	6,785	10,653	157%

Revenue from gold sales increased by US\$ 13.6 mln, or 68% as a result of a 55% increase in sales volume from 528 kg (16,988 oz) in 9m 2015 to 817 kg (26,257 oz) in 9m 2016 and 9% increase of average realized gold price per oz from US\$ 1,172 in 9m 2015 to US\$ 1,275. At the beginning of 2016 management contract was terminated. Total revenue increased by 49% to US\$ 33.8 mln

Cost of sales remained on a level of previous period and amounted to US\$ 19.9 mln in 9m 2016 compared to US\$ 19.7 mln in 9m 2015, while gold production increased by 42%.

General and administrative expenses in 9m 2016 decreased by 36% mostly as a result of reduction of management team since January 2016.

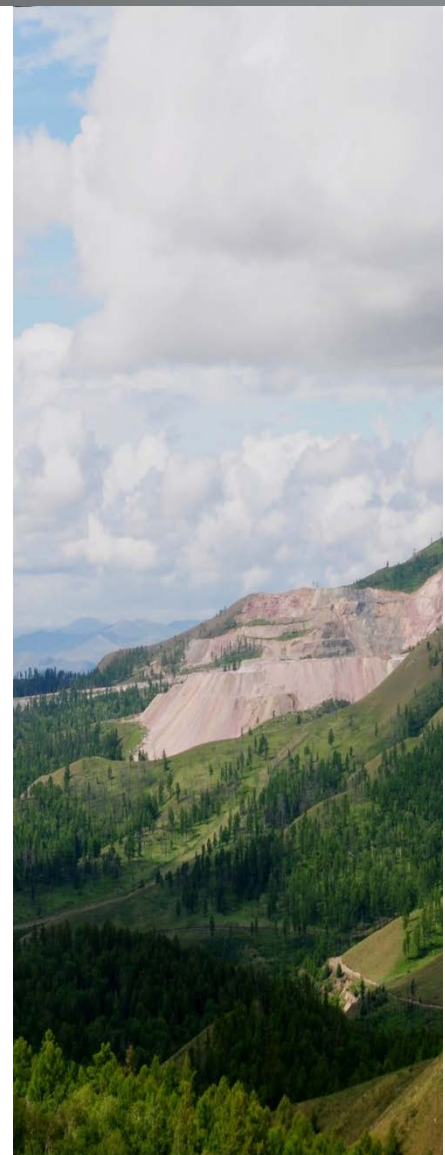
The income tax is a non-cash expense and represents utilization of deferred tax asset against taxable income received by the Group subsidiaries - Tardan and Moscow management company.



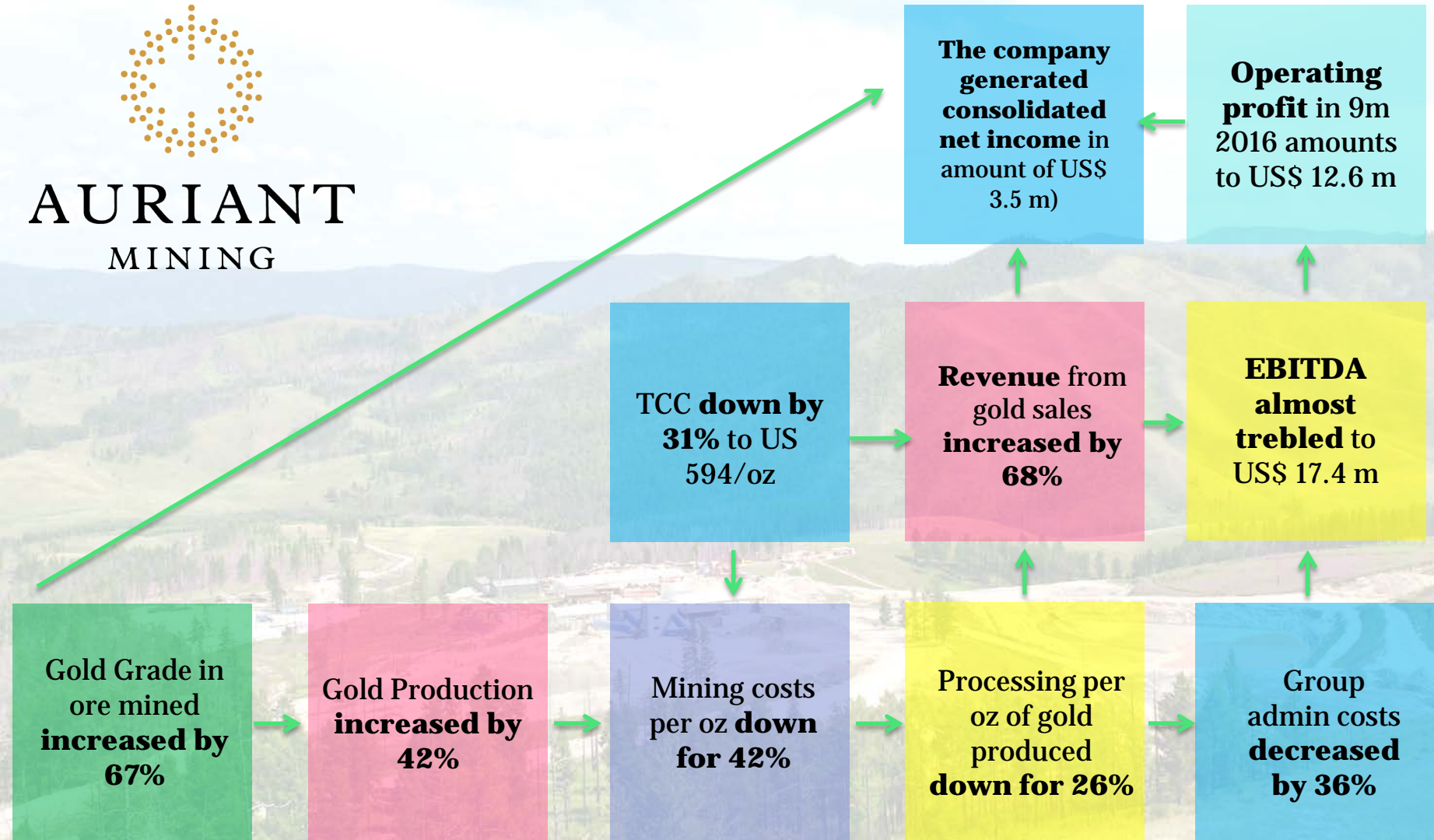
# Consolidated cash flow statement

CONSOLIDATED CASH FLOW STATEMENT	Q3 2016	Q3 2015	9m 2016	9m 2015	Change	Change
	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	%
<b>Operating activities</b>						
Receipts from customers	17,335	12,117	35,840	21,835	14,005	64%
VAT and other reimbursement	871	960	2,386	2,903	(517)	-18%
Payments to suppliers	(4,903)	(6,344)	(15,137)	(14,647)	(490)	3%
Payments to employees and social taxes	(1,786)	(2,626)	(5,873)	(6,616)	743	-11%
Income tax paid	-	-	(27)	(13)	(14)	110%
Other taxes paid	(1,061)	(1,201)	(2,737)	(2,417)	(320)	13%
<b>Net cash flows from/(used in) operating activities</b>	<b>10,457</b>	<b>2,906</b>	<b>14,453</b>	<b>1,046</b>	<b>13,407</b>	<b>1282%</b>
<b>Investing activities</b>						
Purchase and construction of property plant and equipment	(284)	(32)	(1,309)	(88)	(1,221)	1392%
Exploration and research works	(236)	(29)	(701)	(29)	(672)	-100%
<b>Net cash flows used in investing activities</b>	<b>(520)</b>	<b>(60)</b>	<b>(2,010)</b>	<b>(116)</b>	<b>(1,894)</b>	<b>1629%</b>
<b>Financing activities</b>						
Proceeds from borrowings, net	-	-	2,500	3,500	(1,000)	-29%
Repayment of borrowings, net	(6,548)	(754)	(7,723)	(972)	(6,751)	695%
Interest paid	(1,650)	(1,700)	(3,027)	(2,893)	(133)	5%
Lease payments	(290)	(337)	(839)	(1,004)	165	-16%
Other finance income/(expenses)	-	(19)	14	(29)	43	-147%
<b>Net cash from/(used in) financing activities</b>	<b>(8,488)</b>	<b>(2,811)</b>	<b>(9,075)</b>	<b>(1,399)</b>	<b>(7,676)</b>	<b>549%</b>
Net increase/(decrease) in cash and cash equivalents	1,450	35	3,368	(470)	3,838	-816%
Net foreign exchange difference	(46)	(24)	177	35	142	407%
Opening balance cash and cash equivalents	2,184	157	43	603	(560)	-93%
<b>Closing balance cash and cash equivalents</b>	<b>3,588</b>	<b>168</b>	<b>3,588</b>	<b>168</b>	<b>3,420</b>	<b>2038%</b>

- In 9m 2016, the Company repaid a part of a bank long-term loan debt of US\$ 5.2 mln, fully repaid short-term loans of US\$ 2.5 mln and paid interest of US\$ 3.0 mln.
- Compared to the beginning of 2016 total bank debt decreased by 11% and as of September 30, 2016 is equal to US\$ 39.5 mln. including interest payable of US\$ 0.4 mln.



# 9 months 2016 Summary



# Thank you

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