



AURIANT
MINING

Auriant Mining

INTERIM REPORT

Q4 2022

JANUARY-DECEMBER



AURIANT MINING AB (publ.)

Q4 2022 Interim Report (January – December)

The consolidated financial statements of the Auriant Mining Group (“Auriant Mining”, “the Company”), of which Auriant Mining AB (publ.) with corporate identity number 556659-4833 is the parent company (“the Parent Company”), are hereby presented for the full-year period ended on 31 December 2022.

Highlights 12 months 2022

Amounts in parentheses refer to the same period in the previous year.

- **Gold production** 780 kg /25,082 oz (911 kg /29,283 oz).
- **Gold sales** 882 kg /28,364 oz (819 kg /26,316 oz)
- **Consolidated revenue** US\$ 51.1 mln (US\$ 47.7 mln)
- **Net profit after tax** US\$ 7.6 mln (US\$ 7.1 mln)
- **EBITDA** US\$ 15.4 mln (US\$ 22.5 mln)
- **Net cash flow generated from operating activities** US\$ 12.3 mln (US\$ 17.8 mln)
- **Average selling price for gold** US\$ 1,800 per oz (US\$ 1,812 per oz)

Significant events after the reporting period

In February 2023, the Group extended the repayment period of the existing VTB bank loan of US\$ 7.6 mln from 01 February 2023 until the end of 2024. The currency of the bank loan was converted from USD into RUR with a new interest rate of central bank key rate (7.5%) plus a margin of 3.25%.

Operations

The Company has currently four assets, including two operating mines (Tardan and Staroverinskaya¹), one early stage exploration asset and one development asset. The gold production during 12m 2022, compared to the corresponding periods in 2021, is presented in the following table:

Production unit	12m 2022		12m 2021		YoY	
	kg	oz	kg	oz	kg	oz
Hard rock						
Tardan (CIL)	771.5	24,805	893.3	28,720	-121.8	-3,915
Alluvial						
Staroverinskaya	8.6	278	17.5	563	-8.9	-285
Total gold produced	780.1	25,083	910.8	29,283	-130.7	-4,200

Tardan

Tardan includes Tardan's open pit mine and Tardan's CIL plant. Tardan's CIL plant has a projected throughput of >50t per working hour. The CIL plant's flowsheet is as follows: crushing, milling and thickening followed by direct leaching in tanks, then separation to tailings and leach solution via press-filters followed by sorption, desorption of the leach solution and then electrolysis. The output product from the site is gold alloys (Doré bars) containing some 83-89% of gold content. These are further refined to bankable gold bullions by an external refinery.

In 12m 2022, ore mined amounted to 355 thousand tonnes (12m 2021: 459 thousand tonnes) a decrease of 104 thousand tonnes or 23%. The average grade in 12m 2022 was 1.92 g/t, compared to 2.32 g/t in 12m 2021, a decrease of 17%.

Stripping volume amounted to 2,196 thousand m³ (+337 thousand m³, or 18% more than in 12m 2021).

In 12m 2022, the volume of ore processed through the CIL plant amounted to 413 thousand tonnes with an average grade of 2.04 g/t (total gold in processed ore – 843 kg). The volume of ore processed in 12m 2021 was 428 thousand tonnes with an average grade of 2.30 g/t (total gold in processed ore – 984 kg).

12m 2022 hard rock gold production amounted to 771.5 kg (24,805 oz), compared to 893.3 kg (28,720 oz) in 12m 2021, a decrease of 14%, or 121.8 kg (3,915 oz).

Staroverinskaya license area

Alluvial gold production by a third party mining contractor at Staroverinskaya amounted to 8.6 kg (278 oz) compared with 17.5 kg (563 oz) a decrease of 51%, or 8.9 kg (285 oz). The mining contractor was delayed due to supply problems with his equipment, caused by the current situation.

¹ The Company operates at Staroverinskaya license area that includes not only Solcocon, but also other areas.

Financial overview

Comments on financial performance

Revenue

	12m 2022		12m 2021		YoY	
	kg	oz	kg	oz	kg	oz
Gold sales	882	28,364	819	26,316	63	2,048
Hard rock gold	874	28,109	801	25,753	73	2,356
Alluvial gold	8	255	18	563	(10)	(308)
Average realized gold price, \$/oz		1,800		1,812	-	(12)
Total revenue, \$US mln		51.1		47.7	-	3.4

Revenue from the sale of gold amounted to US\$ 51.1 mln, a 7% increase compared to 12m 2021 (US\$ 47.7 mln), due to a higher volume of gold sold. 12m 2022 gold sales volumes amounted to 882 kg (28,364 oz), which is 8%, or 63 kg (2,048 oz), more than in 12m 2021.

The average realized gold price per ounce decreased from US\$ 1,812 in 12m 2021 down to US\$ 1,800 in 12m 2022, or by 1%.

Expenses

In 12m 2022, the Group's cost of sales increased by 24% compared to 12m 2021, to US\$ 37.5 mln, while cash operating expenses increased by 30%, to US\$ 33.0 mln.

	12m 2022 US\$000	12m 2021 US\$000	Change US\$000	Change %
Cash operating expenses	(32,979)	(25,379)	(7,600)	30%
Change in stripping asset (non-cash)	950	588	362	61%
Change in work in progress (non-cash)	(574)	2,852	(3,426)	-120%
Depreciation & amortization (non-cash)	(4,878)	(8,302)	3,424	-41%
Cost of sales	(37,482)	(30,241)	(7,241)	24%

Cash expenses increased mainly due to higher stripping volumes and prices for mining contractors, materials, spare parts and fuel.

The Group's revenue from gold sales is linked to the US dollar (USD), whereas most of the Group's operating expenses are denominated in Russian roubles (RUB). Stronger RUB vs the USD can negatively impact the Group's margins by increasing the USD value of its RUB-denominated costs, while a weaker RUB positively affects its margins as it reduces the USD value of the Group's RUB-denominated costs. RUB strengthening against the USD during 2022 had a negative effect on the Group's margin. In Q1 2022, the average USD/RUB exchange rate amounted to 87.35, in Q2 2022 the average USD/RUB exchange rate fell to 66.51 and continue to fell down to 59.48 in Q3 2022, in Q4 2022 the average USD/RUB rose to 62.69 (Q1 2021: 74.37; Q2 2021: 74.29; Q3 2021: 73.47; Q4 2021: 72.65)

Higher cash operating expenses as well as lower volume of hard rock gold produced during 12m 2022 led to the growth of the cash cost per ounce. The average cash cost per ounce produced at LLC "Tardan Gold" increased by 54% from US\$ 806/oz in 12m 2021 to US\$ 1,245/oz in 12m 2022.

Deferred stripping has been pulled forward to secure access to ore in 2023-2024.

The change in work in progress in 12m 2022 and 12m 2021 was in line with mining and production activities.

In 12m 2022, general and administrative expenses were in line with 12m 2021 and amounted to US\$ 2.8 mln.

Other operating income in 12m 2022 amounted to US\$ 1.0 mln (12m 2021: US\$ 0.1 mln). The increase in other operating income related to correction of fees for waste disposal for 2021 and reduction of the amount by US\$ 0.9 mln.

Other operating expenses in 12m 2022 amounted to US\$ 0.3 mln compared to US\$ 3.0 mln in 12m 2021. Other operating expenses in 2021 were represented by additional provision for waste disposal in the amount of US\$ 2.3 mln, accrued by LLC "Tardan Gold" for 2019-2021.

The Company's financial expenses represented by interest on loans and borrowings and lease liabilities amounted to US\$ 4.0 mln in 12m 2022, a net increase of 25% compared to the previous period (12m 2021: US\$ 3.2 mln). Bank interest expenses reduced by US\$ 0.3 mln due to decrease of loan liabilities to the bank. However, the increase in average interest rate on bond liability to Golden Impala from 5.4% to 8.6% together with the increase of principal amount of the bond resulted in additional interests in amount of US\$ 1.3 mln.

In 12m 2022, income tax charge at LLC "Tardan Gold" amounted to US\$ 2.0 mln. In 12m 2021, income tax charge of US\$ 3.0 mln was offset by US\$ 0.6 mln against the balance sheet amount of deferred tax asset related to tax loss carry forward in LLC "Tardan Gold".

Financial results

In 12m 2022, the Group recognized net profit of US\$ 7.6 mln compared to US\$ 7.1 mln in 12m 2021.

Earnings per share for the period were US\$ 0.08 compared to US\$ 0.07 in 12m 2021.

EBITDA decreased by 32% and amounted to US\$ 15.4 mln in 12m 2022 (US\$ 22.5 mln in the comparative period) with an EBITDA margin of 30% compared to 47% in 12m 2021.

EBITDA margin, %	12m 2022	12m 2021	Change	Change
	US\$mln	US\$mln	US\$mln	%
Revenue	51.1	47.7	3.4	7%
EBITDA	15.4	22.5	(7.1)	-32%
EBITDA margin, %	30%	47%	-17%	-36%

EBITDA reconciliation to Profit before tax	12m 2022	12m 2021	Change	Change
	US\$mln	US\$mln	US\$mln	%
Profit before income tax	9.1	9.6	(0.5)	-5%
Financial income	0.3	0.0	0.3	100%
Financial costs	(4.0)	(3.2)	(0.8)	25%
Currency gain/(loss)	1.4	0.9	0.5	56%
Depreciation & amortization	(4.9)	(8.4)	3.5	-42%
Other one-off adjustments*	0.9	(2.3)	3.2	-140%
EBITDA	15.4	22.5	(7.1)	-32%

* In 12m 2021, US\$ 2.3 mln provision for waste disposal was accrued in LLC "Tardan Gold" for 2019-2021 (including US\$ 1.1 mln for year 2019-2020 and US\$ 1.2 mln – for 2021). In 2022 the part of provision for 2021 in amount of US\$ 0.9 mln was adjusted. The updated amount of payment for waste disposal for year 2021 is US\$ 0.3 mln.

Comments on the financial position

In the reporting period, the Company increased its stripping assets by US\$ 1.4 mln, or 68%, as result of deferred stripping costs, primarily at Ore body 26 and at Ore zone #6 of Tardan deposit.

As at 31 December 2022 the Company had 43.4 kg of gold produced but not sold (123.1 kg as at 31 December 2021).

The higher TCC per ounce of gold produced contributed to the increased value of ore in warehouse and gold in process as at 31 December, 2022.

Due to repayment, total bank loan debt decreased by US\$ 9.2 mln or 50% and amounted to US\$ 9.3 mln, including accrued interest, as at 31 December 2022 compared to 31 December 2021.

Liability to Golden Impala increased by US\$ 3.1 mln or 9% due to the interests accrued during the year at average interest rate of 8.6%.

Total net debt as at December 31, 2022, amounted to US\$ 50.6 mln compared to US\$ 57.8 mln as at December 31, 2021.

Total Net Debt	December 31, 2022	December 31, 2021
	TUSD	TUSD
Bank loans	9,295	18,445
Debt to shareholder	39,029	35,955
Other interest-bearing liabilities (KFM)	2,607	3,722
Other notes	287	272
Leasing	481	874
Total Debt	51,700	59,268
Cash and Cash equivalents	1,125	1,474
Total Net Debt	50,575	57,794

Liquidity, investments and financing

Gold sales revenue increased by US\$ 3.3 mln or 7% due to higher gold sales volume (882.2 kg in 12m 2022 vs 818.5 kg in 12m 2021).

Income taxes paid by LLC "Tardan Gold" in 12m 2022 amounted to US\$ 3.0 mln (US\$ 2.6 mln in 12m 2021).

Net cash flow generated from operating activities decreased by US\$ 5.4 mln, or 31%, and amounted to US\$ 12.3 mln in the reporting period vs US\$ 17.8 mln in the comparative period.

During 12m 2022, operating activities were financed from the same sources as in the previous reporting period, i.e. by gold sales and the reimbursement of VAT.

Positive cash flows from operating activities were used for loan repayments and finance lease payments in 12m 2022.

The consolidated cash balance as at 31 December 2022 was US\$ 1.1 mln compared to US\$ 1.5 mln as at 31 December 2021.

Other financial information

SEGMENT INFORMATION

The Company accounts for segments in accordance with IFRS 8. At present, the Company has one segment, as the only core product (gold) is produced and all operations are performed in one economic environment, Russia.

EMPLOYEES

During 12m 2022, the Group had an average of 626 employees, of which 528 were men and 98 women (during 12m 2021: 584, of which 474 were men and 110 women).

As at 31 December 2022, the number of employees in the Group was 513, of which 435 were men and 78 women (as at 31 December 2021: 578, of which 480 were men and 98 women).

CAPITAL STRUCTURE

As at 31 December 2022, the number of shares in issue was 98,768,270. The limits of the share capital are a minimum of MSEK 5.3 and a maximum of MSEK 21.3 and the quota value of each share is SEK 0.1125 (US\$ 0.0108). Each share carries one vote.

THE PARENT COMPANY

The Parent company is a holding company without significant operations. It supports the subsidiaries with financing, investor relations, strategy formulation, etc. Thus, usually it has no income other than interest income on loans extended to the subsidiaries from time to time.

INCOME AND RESULTS OF THE PARENT COMPANY

The operating loss for 12m 2022 was MSEK 7.392 (US\$ 0.730 mln), compared to 12m 2021 MSEK 7.241 (US\$ 0.843 mln).

Net financial items for 12m 2022 amounted to MSEK -50.535 (US\$ -4.991 mln) and mainly represented by interest income from subsidiary companies of MSEK 16.048 (US\$ 1.585 mln) which were offset by interest expenses of MSEK -32.007 (US\$ -3.161 mln) and net forex loss of MSEK -34.576 (US\$ -3.415 mln).

Due to the low liquidity in the market and high volatility in the SEK/RUB rate, the Riksbank suspended the publication the rouble rate since 28 March 2022. The SEK/RUB cross rate via USD was used to convert RUB-denominated loans into SEK as at 31 December 2022. The official RUB/USD rate published by the Russian Central Bank on 31 December 2022 was 70.33750, the official USD/SEK rate published by the Riksbank was 10.4371. SEK/RUR closing cross rate was 6.7392 on 31 December 2022 (8.2235 – on 31 December 2021). RUB strengthening against the SEK by 18% resulted in a forex gain on RUB-denominated loan receivables from subsidiary companies. SEK devaluation against the USD by 15% resulted in a forex loss on USD-denominated loan liabilities.

Net loss for the period was MSEK 57.927 (US\$ 5.721 mln) compared to loss of MSEK 123.805 (14.426 mln) in 12m 2021.

The investment in subsidiaries represent a significant portion of the assets in the Parent Company and impairment tests are regularly carried out by the board and management of Auriant Mining AB in order to assess that the recoverable value of these assets is not less than their reported values. The impairment test is carried out through the application of discounted cash flow model. The model is sensitive to a number of variables and assessments, with some of the more important being the price of gold and required yield. The key assumptions applied in the test were the average price of gold during the test period of 1,870 - 1,950 USD/oz (2021: 1,750 USD/oz), and a discounting rate of 12.0% (2021: 8.0%). Based on the Impairment test performed as at December 31, 2022 there is no impairment indicated in 2022 in the subsidiary LLC "Tardan Gold". Investment in the subsidiary LLC "Tardan Gold" was impaired by MSEK 87.058 (US\$ 10.145 mln) in 2021. All investments and loans into Solcocon (LLC "GRE 324", LLC "Rudtechnology") were impaired in 2015.

FINANCIAL POSITION OF THE PARENT COMPANY

As at 31 December 2022, the Parent Company cash balance was MSEK 0.355 (US\$ 0.034 mln) compared to MSEK 0.278 (US\$ 0.031 mln) as at 31 December 2021. The Company has opened a new bank account with an international bank, thus having secured a replacement for its previous bank account, frozen as a result of termination of business operations of the previous bank in Austria.

As at 31 December 2022, the long-term liabilities were represented by the debt to Golden Impala (the Shareholder's bond) of MSEK 407.354 (US\$ 39.029 mln) and long-term part of KFM liability in amount of MSEK 24.142 (US\$ 2.313 mln).

In November 2022 the Company and the Swedish Enforcement Authority (Sw. Kronofogdemyndigheten, "KFM") signed an amendment to payment schedule of existing debt. In line with new plan, the Company paid MSEK 1.047 (US\$ 0.1 mln) in December 2022. Starting from January 2023, the remaining debt will be paid to KFM according to a payment plan providing for monthly payments until 31 December 2031, where each monthly payment will not exceed USD 29,000 (including principal and accrued interest of 2%).

The current liability was mainly represented by short-term liability to KFM of MSEK 3.017 (US\$ 0.289 mln).

The Parent Company had two employees at the end of the period.

12 months 2022 operational update

Highlights:

- In 12m 2022, hard rock gold production amounted to 771.5 kg (24,805 oz), compared with 893.3 kg (28,720 oz) in 12m 2021, a decrease of 14%, or 121.8 kg (3,915 oz);
- Alluvial gold production by a third party mining contractor at Staroverinskaya amounted to 8.6 kg (278 oz) compared with 17.5 kg (563 oz) a decrease of 51%, or 8.9 kg (286 oz). The mining contractor was delayed due to supply problems with his equipment, caused by the current situation.
- In 12m 2022, total gold sales were 882.2 kg (28,364 oz), compared with 818.5 kg (26,316 oz) in 12m 2021, an increase of 63.7 kg (2,047 oz), or 8%;
- 413,323 tonnes of ore with average grade of 2.04 g/t were processed through the CIL plant compared with 428,327 tonnes in 12m 2021, a decrease of 4%, or 15,004 tonnes
- The average grade in 12m 2022 was 2.04 g/t, compared to 2.30 g/t in 12m 2021, a decrease of 11%;
- 355,310 tonnes of ore were mined in 12m 2022, compared with 458,490 tonnes in 12m 2021, a decrease of 103,180 tonnes or 23%. Stripping volume amounted to 2,196,300 m³ (+337,000 m³, or 18% more than in 12m 2021);

The Company predicted 800 – 830 kg of gold produced in 2022, but the actual gold production was 780.2 kg. The main reason for nonfulfillment inability of the mining contractor at Staroverinskaya to get his equipment delivered on time.

Total Gold Production

Production unit	12m 2022		12m 2021		Change		
	kg	oz	kg	oz	kg	oz	%
Hard rock							
Tardan (CIL)	771.5	24,805	893.3	28,720	-121.8	-3,915	-14%
Alluvial							
Staroverinskaya	8.6	278	17.5	563	-8.9	-286	-51%
Total gold produced	780.2	25,082	910.8	29,283	-130.7	-4,201	-14%

Hard Rock Gold Production

	Unit	12m 2022	12m 2021	Change	
Mining					
Waste stripping	000 m ³	2,196.3	1,859.3	337.0	18%
Ore mined	000 tonnes	355.3	458.5	-103.2	-23%
Gold in Ore	kg	681.4	1,065.7	-384.3	-36%
Average grade	g/t	1.92	2.32	-0.41	-17%
CIL					
Ore processing	000 tonnes	413.3	428.3	-15.0	-4%
Grade	g/t	2.04	2.30	-0.26	-11%
Gold in ore processing	kg	842.8	983.9	-141.1	-14%
Gold produced CIL	kg	771.5	893.3	-121.8	-14%
Recovery	%	91.5%	91.2%	0.0	0.4%
Warehouse on Dec 31					
Ore	000 tonnes	88.9	131.6	-42.7	-32%
Grade	g/t	1.59	2.19	-0.60	-27%

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	Q4 Oct-Dec 2022 US\$000	Q4 Oct-Dec 2021 US\$000	12 months Jan-Dec 2022 US\$000	12 months Jan-Dec 2021 US\$000
Revenue		10,699	11,826	51,054	47,685
Cost of sales		(10,990)	(7,321)	(37,482)	(30,240)
Gross profit/(loss)		(291)	4,505	13,572	17,445
General and administrative expenses		(747)	(738)	(2,814)	(2,754)
Other operating income		912	43	1,004	99
Other operating expenses		(157)	(240)	(349)	(2,962)
Operating profit/(loss)		(283)	3,570	11,413	11,828
Financial income		2	4	269	4
Financial expenses	4	(1,229)	(659)	(3,955)	(3,159)
Foreign exchange gain/(loss), net		156	381	1,422	911
Profit/(Loss) before income tax		(1,354)	3,296	9,149	9,584
Income tax		(355)	(520)	(1,587)	(2,497)
Net profit/(loss) for the period		(1,709)	2,776	7,562	7,087
Whereof attributable to:					
The owners of the Parent Company		(1,709)	2,776	7,562	7,087
Earnings per share before dilution (US\$)		(0.02)	0.03	0.08	0.07
Earnings per share after dilution (US\$)		(0.02)	0.03	0.08	0.07
Number of shares issued at period end		98,768,270	98,768,270	98,768,270	98,768,270
Average number of shares for the period		98,768,270	98,768,270	98,768,270	98,768,270
Average number of shares for the period after dilution		98,768,270	98,768,270	98,768,270	98,768,270

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q4 Oct-Dec 2022 US\$000	Q4 Oct-Dec 2021 US\$000	12 months Jan-Dec 2022 US\$000	12 months Jan-Dec 2021 US\$000
Net profit/(loss) for the period	(1,709)	2,776	7,562	7,087
Other comprehensive income/(loss) for the period <i>Items that may be subsequently reclassified to profit or loss</i>				
Translation difference	2	(243)	98	(51)
Total comprehensive income/(loss) for the period	(1,707)	2,533	7,660	7,036

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2022 US\$000	December 31, 2021 US\$000
ASSETS			
Non-current assets			
Intangible fixed assets		19,860	19,214
Tangible fixed assets		25,150	28,489
Stripping assets		3,372	2,006
Deferred tax assets		4,382	4,093
Total non-current assets		52,764	53,802
Current assets			
Materials		2,663	2,045
Work in progress		6,951	5,003
Finished products		2,254	3,516
Trade and other receivables		2,160	1,666
Advanced paid to suppliers and prepaid expenses		733	844
Cash and cash equivalents		1,125	1,474
Total current assets		15,886	14,548
TOTAL ASSETS		68,650	68,350
EQUITY AND LIABILITIES			
EQUITY			
Share capital		1,438	1,438
Additional paid-in capital		79,220	79,220
Translation difference reserve		(13,203)	(13,301)
Retained earnings		(66,036)	(73,598)
TOTAL EQUITY		1,419	(6,241)
LIABILITIES			
Non-current liabilities			
Bank loans and other notes		287	8,354
Debt to shareholder		39,029	35,955
Lease payable		65	424
Deferred tax liabilities		-	-
Other non-current liabilities	6	13,608	10,204
Total non-current liabilities		52,989	54,937
Current liabilities			
Bank loans and other notes		9,295	10,363
Other interest bearing liabilities	7	709	4,172
Trade accounts payable		779	648
Other current liabilities	8	3,459	4,471
Total current liabilities		14,242	19,654
Total liabilities		67,231	74,591
TOTAL EQUITY AND LIABILITIES		68,650	68,350

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

US\$000	Attributable to the shareholders of the parent company				
	Share capital	Additional paid in capital	Translation difference reserve	Retained earnings	Total equity
Equity as at December 31, 2020	1,438	79,220	(13,250)	(80,685)	(13,277)
Comprehensive income					
Net profit/loss for the period	-	-	-	7,087	7,087
Other comprehensive income	-	-	(51)	-	(51)
Total comprehensive income for the period	-	-	(51)	7,087	7,036
Equity as at December 31, 2021	1,438	79,220	(13,301)	(73,598)	(6,241)
Comprehensive income					
Net profit/(loss) for the period	-	-	-	7,562	7,562
Other comprehensive income	-	-	98	-	98
Total comprehensive income for the period	-	-	98	7,562	7,660
Equity as at December 31, 2022	1,438	79,220	(13,203)	(66,036)	1,419

CONSOLIDATED CASH FLOW STATEMENT

	Q4 Oct-Dec 2022 US\$000	Q4 Oct-Dec 2021 US\$000	12 months Jan-Dec 2022 US\$000	12 months Jan-Dec 2021 US\$000
OPERATING ACTIVITIES				
Receipts from gold sales	10,698	12,990	51,053	47,708
VAT and other reimbursement	1,304	2,010	5,453	4,153
Payments to suppliers	(6,592)	(6,752)	(27,426)	(20,998)
Payments to employees and social taxes	(2,907)	(2,483)	(11,991)	(9,785)
Income tax paid	-	(755)	(3,013)	(2,645)
Other taxes paid	(502)	(184)	(1,764)	(672)
Net cash flows from/(used in) operating activities	2,001	4,826	12,312	17,761
INVESTING ACTIVITIES				
Purchase and construction of property plant and equipment	(32)	(227)	(801)	(1,193)
Exploration and research works	100	(441)	(265)	(2,720)
Net cash flows used in investing activities	68	(668)	(1,066)	(3,913)
FINANCING ACTIVITIES				
Proceeds from borrowings, net	7	-	67	-
Repayment of borrowings, net	(1,436)	(1,502)	(10,266)	(8,448)
Interest paid	(244)	(1,187)	(826)	(2,188)
Lease payments	(192)	(486)	(717)	(2,053)
Other finance income/expenses	-	-	(33)	(123)
Net cash from/(used in) financing activities	(1,865)	(3,175)	(11,775)	(12,812)
Net increase/(decrease) in cash and cash equivalents	204	983	(529)	1,036
Effect of foreign exchange rate changes on cash and cash equivalents	(181)	(51)	179	16
Opening balance cash and cash equivalents	1,102	542	1,474	422
Closing balance cash and cash equivalents	1,125	1,474	1,125	1,474

CONSOLIDATED KEY RATIOS

	Definitions	12months Jan-Dec 2022 US\$000	12months Jan-Dec 2021 US\$000
Total assets	Total assets at period end	68,650	68,350
Total equity	Total equity including non-controlling interest at period end	1,419	(6,241)
Interest bearing debt	Total interest-bearing debt at the period end	51,413	58,996
Employees at period end	-	513	578
EBITDA*	Earnings Before Interest, Tax, Depreciation, Amortization, any Impairment and one-off items	15,395	22,487
Per share data			
Earnings per share (USD)	Net result after tax for the period divided by the average number of outstanding shares for the period before dilution	0.08	0.07
Equity per share (USD)	Equity excluding non-controlling interests at the period end divided by the number of outstanding shares at the period end	0.01	(0.06)

* In 12m 2021, US\$ 2.3 mln provision for waste disposal was accrued in LLC “Tardan Gold” for 2019-2021 (including US\$ 1.1 mln for year 2019-2020 and US\$ 1.2 mln – for 2021). In 2022 the part of provision for 2021 in amount of US\$ 0.9 mln was adjusted. The updated amount of payment for waste disposal for year 2021 is US\$ 0.3 mln.

PARENT COMPANY STATEMENT OF PROFIT OR LOSS

	Q4 Oct-Dec 2022	Q4 Oct-Dec 2021	12 months Jan-Dec 2022	12 months Jan-Dec 2021	Q4 Oct-Dec 2022	Q4 Oct-Dec 2021	12 months Jan-Dec 2022	12 months Jan-Dec 2021
	TSEK	TSEK	TSEK	TSEK	US\$000	US\$000	US\$000	US\$000
Operating income	(250)	238	500	950	(27)	27	49	111
Total income	(250)	238	500	950	(27)	27	49	111
External expenses	(1,797)	(1,603)	(4,447)	(4,456)	(172)	(183)	(439)	(519)
Employee benefit expenses	(1,037)	(801)	(3,445)	(3,735)	(97)	(89)	(340)	(435)
Total operating costs	(2,834)	(2,404)	(7,892)	(8,191)	(269)	(272)	(779)	(954)
Operating profit/loss	(3,084)	(2,166)	(7,392)	(7,241)	(296)	(245)	(730)	(843)
Impairment: Investment in subsidiaries	-	(87,058)	-	(87,058)	-	(10,145)	-	(10,145)
Net financial items	(13,415)	(10,572)	(50,535)	(29,506)	(1,245)	(1,207)	(4,991)	(3,438)
Profit/(Loss) before income tax	(16,499)	(99,796)	(57,927)	(123,805)	(1,541)	(11,597)	(5,721)	(14,426)
Income tax	-	-	-	-	-	-	-	-
Net profit/loss for the period	(16,499)	(99,796)	(57,927)	(123,805)	(1,541)	(11,597)	(5,721)	(14,426)

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Q4 Oct-Dec 2022	Q4 Oct-Dec 2021	12 months Jan-Dec 2022	12 months Jan-Dec 2021	Q4 Oct-Dec 2022	Q4 Oct-Dec 2021	12 months Jan-Dec 2022	12 months Jan-Dec 2021
	TSEK	TSEK	TSEK	TSEK	US\$000	US\$000	US\$000	US\$000
Net profit/(Loss for the period)	(16,499)	(99,796)	(57,927)	(123,805)	(1,541)	(11,597)	(5,721)	(14,426)
Translation differences	-	-	-	-	112	32	(820)	(1,468)
Total comprehensive income for the period	(16,499)	(99,796)	(57,927)	(123,805)	(1,429)	(11,565)	(6,541)	(15,894)

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

	December 31, 2022 TSEK	December 31, 2021 TSEK	December 31, 2022 US\$000	December 31, 2021 US\$000
ASSETS				
FIXED ASSETS				
Investments in subsidiaries	443,740	425,948	42,516	47,099
Total fixed assets	443,740	425,948	42,516	47,099
CURRENT ASSETS				
Current receivables	1,703	1,456	163	161
Cash and bank	355	278	34	31
Total current assets	2,058	1,734	197	192
TOTAL ASSETS	445,798	427,682	42,713	47,291
EQUITY AND LIABILITIES				
EQUITY	9,197	67,124	881	7,422
LONG-TERM LIABILITIES	431,496	325,164	41,343	35,955
CURRENT LIABILITIES	5,105	35,394	489	3,914
TOTAL EQUITY AND LIABILITIES	445,798	427,682	42,713	47,291

Notes

NOTE 1 GENERAL INFORMATION

Auriant Mining AB (publ.) (“AUR AB”, “the Parent company” or “the Company”) and its subsidiaries (collectively referred to as “the Group” or “the Auriant Mining Group”) are focused on gold exploration and production in Russia, primarily in Zabaikalye and the Republics of Khakassia and Tyva.

The Parent Company is a registered public limited liability company with its head office in Sweden. The address of the head office is Box 55696, 102 15 Stockholm. AUR AB was listed on the Swedish NGM Nordic Growth Market stock exchange on March 29, 2005 and has been listed on the Swedish NASDAQ First North Premier Growth Market stock exchange since July 19, 2010. At present, the Company has 3,138 shareholders.

NOTE 2 ACCOUNTING PRINCIPLES AND BASIS OF PREPARATION

The consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as described on page 64 in the annual report for financial year 2021. The evaluations and estimations made by the board of directors and management in preparing the interim report are described on page 73 in the annual report for 2021. The Parent company accounts are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board’s recommendation RFR 2 *Accounting for legal entities*. The accounting policies for the Parent are the same as for the group with the exceptions described in the annual report 2021.

The same accounting principles are applied in this interim report as in the annual report 2021.

No material changes in accounting principles have taken place since the Annual Report for 2021.

Currency rates used in the report

Year 2022	RUB/USD	SEK/USD	SEK/RUB	Year 2021	RUB/USD	SEK/USD	SEK/RUB
Average Q1	87,3479	9,345	9,4568	Average Q1	74,3686	8,3995	8,8577
Average Q2	66,5141	9,8382	6,7608	Average Q2	74,2936	8,4083	8,8244
Average Q3	59,4783	10,547	5,6394	Average Q3	73,4709	8,6481	8,4968
Average Q4	62,6937	10,7245	5,8458	Average Q4	72,6543	8,8543	8,2039
March 31	84,0851	9,2641	10,4868	March 31	75,7023	8,7239	8,6736
June 30	51,1580	10,2194	5,0060	June 30	72,3723	8,5103	8,5399
September 30	57,4130	11,1227	5,1618	September 30	72,7608	8,7911	8,2664
December 31	70,3375	10,4371	6,7392	December 31	74,2926	9,0437	8,2235

NOTE 3 RISKS AND UNCERTAINTIES ASSOCIATED WITH THIS INTERIM REPORT

The group's risk exposure is presented on pages 42 and 91 of the 2021 annual report. Various risks may affect the results of the operating, financial and investing activities of the companies in mining and exploration industry, including Auriant Mining Group. The principal risks relating to the industry and Auriant Mining Group are described below:

a. Operational risks – production related risks:

- Failure to achieve production plan. The production capacity of a mine and gold processing plant, or the quality of mineral reserves and the availability of qualified staff, might not be in line with the production plan due to different circumstances which might lead to the non-achievement of the plan.
- Unexpected business interruptions. 1. Weather. Unexpected business interruption might lead to a significant delay in production and consequent decrease in profit. The Group's assets are located in Republic of Tyva, Republic of Khakassia and the Zabaikalsky region, a remote area that can be subject to severe climatic conditions. 2. External contractors. The Group'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. Delay in the delivery or the failure of mining equipment could significantly delay production and impact the Group's profitability.
- Obtaining necessary permit and approvals. 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.
- Kara Beldyr - The commencement of gold production is contingent upon timely implementation of the Government's final decision to finance the power line and its construction.

b. Financial risks: The Group's activities expose it to a variety of financial risks: a) market risk (including currency and gold price risk and interest rate risk), b) credit risk and c) liquidity risk.

Currency Fluctuations

The Group'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 RUB against the USD may negatively affect the Group's margins by increasing the USD value of its RUB-denominated costs. Conversely, an appreciation of the USD may positively affect the Group's margins by decreasing the USD value of its RUB-denominated costs. RUB strengthening against the USD during the year 2022 had a negative effect on the Group's margin. In Q1 2022, the average USD/RUB exchange rate amounted to 87.35 (Q1 2021: 74.37), in Q2 2022 the average USD/RUB exchange rate fell to 66.51 (Q2 2021: 74.29), in Q3 2022 the average USD/RUB exchange rate was 59.48 (Q3 2021: 73.47) and in Q4 2022 the average USD/RUB exchange rate rose to 62.69 (Q4 2021: 72.65)

As at 31 December 2022, the RUB strengthened against the USD by 5% compared to 31 December 2021, which resulted in increasing RUB-denominated monetary assets and liabilities in the Consolidated statement of financial position.

The sensitivity analysis of Operating profit to foreign exchange risk is shown in the table below:

Changes in Exchange rate of RUR, %	Effect on operating profit 12m Jan-Dec 2022, US\$000
10%	Decrease by 3,964
-10%	Increase by 3,964

Gold price review

The market gold price is a significant factor that influences the Group's profitability and operating cash flow generation. The average LBMA price of gold was US\$ 1,877 per ounce in Q1 2022 (US\$ 1,794 in Q1 2021), US\$ 1,871 per ounce in Q2 2022 (US\$ 1,816 in Q2 2021), US\$ 1,729 per ounce in Q3 2022 (US\$ 1,790 in Q3 2021) and US\$ 1,726 per ounce in Q4 2022 (US\$ 1,795 in Q4 2021).

Despite challenging market environment, the Company's subsidiaries continued to sell gold during the reporting period. LLC "Tardan Gold" sold gold at an average price of US\$ 1,861 per ounce in Q1 2022, US\$ 1,903 per ounce in Q2 2022, US\$ 1,721 per ounce in Q3 2022 and US\$ 1,727 per ounce in Q4 2022.

The table below summarizes the impact of changes in gold prices on profit before tax. The analysis is based on the assumption that gold prices move 10% with all other variables held constant.

Change in price of gold in USD by:	Effect on operating profit 12m Jan-Dec 2022, US\$000
+10%, other things being equal	Increase by 5,105
-10%, other things being equal	Decrease by 5,105

Interest rate sensitivity

The Group's profit or loss sensitivity to interest rates is prepared assuming a 100 basis point change. If interest rates had been 100 basis points higher/lower, the Group's profit for the year ended 31 December 2022 would have decreased/increased by TUSD 517.

- c. Geological risk: Gold exploration is associated with high risk. All estimates of recoverable mineral resources are mainly based on probabilities. Estimates of mineral resources and ore reserves are based on extensive test drilling, statistical analyses and model studies and remain theoretical in nature until verified by industrial mining. There is no methodology for determining with certainty the exact amount of gold available or the shape of a potential ore body and its distribution. The exact amount of gold is known only when the gold has been extracted from the gold deposit. Data relating to mineral resources and ore reserves as presented by the Company, and by others, should be viewed against this background and may therefore deviate from this.
- d. Health, Safety and Environmental risks. The Group companies are 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 Group companies are subject to extensive environmental controls and regulations in Russia. Mining and exploration 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. 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.

e. Legal risks:

- Maintenance of licenses risks. Federal Agency for Subsoil Use (Rosnedra) may suspend or revoke the Group companies' subsoil use licenses 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 halt or cessation of operations at the relevant license area. Failure to comply with the terms of licenses and permits may result in financial sanctions and reputational damage.
- Community risks. The Group'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.

f. COVID-19 exposure. The current COVID-19 pandemic may affect the Group's operations in a different way. The Group remains subject to the risk of temporary disruptions in supply chain and logistics in case the situation with the global Covid-19 pandemic worsens.

During 12 months 2022, Auriant Mining Group did not experience any operational disruptions due to Covid-19.

g. Financial and economic sanctions imposed by the global community against the Russian economy, businesses and individuals, and counter-measures imposed by Russia have limited direct effect on Auriant Mining Group's operations. The Company's subsidiaries continue to sell gold with discounts to the LBMA gold price, as previously reported. The discounts have risen following the decision of G7 to stop gold import into its countries. This together with the LBMA gold price decrease and strengthened RUB are factors currently negatively affecting the Group's financial performance. The Parent Company has opened a new bank account with an international bank, thus having secured a replacement for its previous bank account, frozen as a result of termination of business operations of the previous bank in Austria.

The indirect effect of immense sanctions is also substantial and includes continuing risks associated with global financial system as well as supply chain delivery. The Group may not have access to capital outside of Russia, in particular from countries that have imposed sanctions. The Group's ability to enter into business transactions in Russia may be restricted by the Russian counter-measures, since the Group includes a Swedish Parent Company. The Group companies operating in Russia may experience shortages of supplies and price increases. Bans on exports of equipment into Russia may limit the Group's choice of equipment for new projects, delay implementation of new projects and make them less economically viable.

The ability of the Russian subsidiaries to make payments to the Swedish Parent Company may be further restricted. The Group companies may experience closures of their bank accounts and difficulties with opening new ones.

The situation is dynamic, and a lot of uncertainties exist and there remains a possibility of further sanctions (and counter-measures) which may have further negative impact.

The Company continuously monitors the situation and takes additional mitigation measures such as

- diversification of gold sales channels;
- entering into new contacts with suppliers from countries participating in the Eurasian Economic Union;
- opening new bank accounts with international banks.

NOTE 4 FINANCIAL EXPENSES

	Group	
	2022 US\$000	2021 US\$000
Interest expenses on loans and borrowings	(3,833)	(2,877)
Interest expenses on leasing	(70)	(243)
Unwinding of discount of site restoration provision	(52)	(39)
Total interest expenses	(3,955)	(3,159)

NOTE 5 TRANSACTIONS WITH RELATED PARTIES

As at 31 December 2022, the bond liability to Golden Impala Limited amounted to MSEK 407.4 (US\$ 39.0 mln), the liability to Go Mobile NU AB under the loan commitment agreement in form of stand-by fee on the undrawn amount was MSEK 0.049 (US\$ 0.005 mln).

Accrued interest expenses for transactions with related parties in 12m 2022 amounted to MSEK 31.5 (US\$ 3.1 mln), compared to MSEK 15.5 (US\$ 1.8 mln) in 12m 2021.

NOTE 6 OTHER NON-CURRENT LIABILITIES

As at 31 December 2022, other non-current liabilities were represented mainly by the US\$ 9.9 mln liability to Centerra in accordance with the royalty agreement. The value of contingent consideration to Centerra was measured based on the fair value from the cash flow model. Cash flow model included 3 scenarios: realistic, optimistic and pessimistic with probabilities of 90%, 5% and 5% respectively. The range of main assumptions for scenarios were the following: Gold price: 1550-1750 \$/oz, WACC - 17.5%. All changes in fair value considerations are accounted for through the asset's cost.

Other non-current liabilities included US\$ 1.4 mln of site restoration obligations and US\$ 2.3 mln of liability to KFM.

NOTE 7 OTHER CURRENT INTEREST-BEARING LIABILITIES

As at 31 December 2022, other current interest-bearing liabilities were represented by the following balances: US\$ 0.3 mln – short-term liability to KFM and US\$ 0.4 mln – current lease liability.

NOTE 8 OTHER CURRENT LIABILITIES

As at 31 December 2022, other current liabilities were mainly represented by the following balances: US\$ 0.9 mln waste disposal provision for 2019-2022, US\$ 0.4 mln - other tax liabilities, US\$ 2.0 mln payroll and social contributions liabilities and US\$ 0.2 mln – other current liabilities and accrued expenses.

Additional information

NEXT REPORTS DUE

2022 Annual report:

[April 25, 2023](#)

Annual General Meeting 2023:

[May 16, 2023](#)

Interim report (Q1) January - March, 2023:

[May 31, 2023](#)

Interim report (Q2) January - June, 2023:

[August 31, 2023](#)

Interim report (Q3) January - September, 2023:

[November 30, 2023](#)

Interim report (Q4) January - December, 2023:

[February 29, 2024](#)

COMPANY INFORMATION

Auriant Mining AB (AUR) is a Swedish junior mining company focused on gold exploration and production in Russia, primarily in Zabaikalye and the Republics of Khakassia and Tyva. The company has currently four assets, including two operating mines (Tardan and Staroverinskaya¹), one early stage exploration asset and one development asset.

Since July 19, 2010, Auriant Mining's shares are traded on Nasdaq First North Premier Growth Market under the short name AUR. For more information, please visit www.auriant.com.

G&W Fondkommission is Certified Adviser to Auriant, for more information please visit www.gwkapital.se.

BOARD ASSURANCE

The Board of directors and the managing director confirm that the interim report provides an accurate overview of the company's and the group's operations, position, results and that it describes significant risks and uncertainties that the company and group companies are exposed to.

Stockholm, February 28, 2023

Auriant Mining AB (publ.)

Lord Daresbury
Chairman of the Board

Preston Haskell
Board Member

Jukka Pitkäjärvi
Board Member

Thor Åhlgren
Board Member

Danilo Lange
CEO

This report has not been reviewed by the Company's Auditors

Cautionary Statement: Statements and assumptions made in this report with respect to Auriant Mining AB's ("AUR") current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of AUR. 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 management's expectations and assumptions in light of currently available information. They are subject to a number of risks and uncertainties, including, but not limited to, (i) changes in the economic, regulatory and political environments in the countries where AUR operates; (ii) changes relating to the geological information available in respect of the various projects undertaken; (iii) AUR's continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential joint ventures and alliances, if any; (v) exchange rates, particularly between the Russian rouble and the U.S. dollar. 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 forecast in this report. AUR assumes no unconditional obligation to immediately update any such statements and/or forecasts. This press release shall not, directly or indirectly, be released, published or distributed in or to the United States, Australia, Japan, Canada, New Zealand, Hong Kong, South Africa or other country where such action as a whole or in part is subject to legal restrictions. Nothing in this press release should be considered as an offer to invest or otherwise trade in shares of Auriant Mining AB (publ.). The proposed issue will not be directed at residents or those living in the United States, Australia, Japan, Canada, New Zealand, Hong Kong, South Africa or other country where such action would require further prospectus, other offering documentation, registration or other measures beyond those required by Swedish law. No securities will be registered under the United States Securities Act of 1933, a similar law in any state in the United States, or under any provincial law in Canada, nor under the applicable law of another country.

¹ The Company operates at Staroverinskaya license area that includes not only Solcocon, but also other areas.

Glossary and definitions

ALTERNATIVE PERFORMANCE MEASURES

The Company applies the European Securities and Markets Authority's (ESMA) guidelines on alternative performance measures. The alternative key financial performance indicators are defined as financial measures of historical or future earnings trends, financial position, financial performance, or cash flows that are not defined or specified in the applicable regulations for financial reporting, IFRS, and the Annual Accounts Act. These measures should not be regarded as a substitute for measures defined in accordance with IFRS. If an alternative performance measure cannot be identified directly from the financial statements, a reconciliation is required.

DEFINITIONS OF KEY RATIOS

EBITDA

Earnings before interest, taxes, depreciation, and amortization is a non-IFRS metric and is defined by the Group as profit for the period before income taxes adjusted for depreciation, amortization and impairment, finance income, finance cost, (gain)/loss on revaluation of derivative financial instruments, foreign exchange (gain)/loss, (gain)/loss on disposal or revaluation of investments in subsidiaries and associates, (gain)/loss on (reversal of impairment)/impairment of property, plant and equipment, write-downs and reversals of inventory to net realizable value, bad debt allowance, share-based compensation expenses, charity expenses, and other one-off adjustments that may be required to provide a clearer view of the performance of the Group's operations. EBITDA is used to measure earnings from operating activities, independent of depreciation, amortization, and impairment losses.

Total Cash Costs (TCC)

Total cash costs (TCC) are defined as the cost of gold sales, less depreciation of property, plant and equipment, amortization, intangible assets, allowance for obsolescence of inventory and provision for mine closure, rehabilitation and decommissioning costs, less alluvial gold costs, less change in WIP, plus change in stripping assets. TCC per ounce produced is calculated as TCC divided by the total gold equivalent ounces of hard rock gold produced for the period.

Equity

Equity of the Group comprises issued capital, share premium, reserve for translation to presentation currency, retained earnings, and non-controlling interests.

Earnings per share

Earnings per share comprises consolidated earnings for the period (profit after tax from continuing and discontinued operations) attributable to the Parent Company shareholders, divided by the weighted average number of outstanding shares during the period and excluding treasury shares. Diluted Earnings per share is earnings per share adjusted to reflect the effects of potential dilutive ordinary shares, which constitute shares and options.

Equity per share

Equity at the end of the period divided by the number of shares outstanding at the end of the period.

Total number of shares outstanding

Number of shares outstanding at the end of the period.

Weighted average number of shares

The weighted number of shares outstanding during the year is calculated by taking into account any changes in the number of shares outstanding during the reporting period.

INDUSTRY SPECIFIC DEFINITIONS AND GLOSSARY (IN ACCORDANCE WITH JORC)

Alluvial gold

Mineralization in riverbeds at ground level.

Mineralization

Any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralization might occur, whether by class of deposit, mode of occurrence, genesis, or composition.

Mineral Resource

Is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity, and other geological characteristics of a Mineral Resource are known, estimated, or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

Ore (or Mineral) Reserve

Is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at the Pre-Feasibility or Feasibility stage as appropriate, that include the application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.

Recovery

The percentage of material of initial interest that is extracted during mining and/or processing. A measure of mining or processing efficiency.

Troy ounce (oz)/koz/Moz

Weight measure for gold corresponding to 31.1035 grams /thousand oz/million oz.

FINANCE DEFINITIONS

SEK/TSEK/MSEK

Swedish krona/Thousand Swedish krona/Million Swedish krona

USD/TUSD/MUSD

US Dollar/Thousand US Dollar/Million US Dollar

RUB/TRUB/MRUB

Russian ruble/Thousand Russian rubles/Million Russian rubles