

AURIANT

MINING

9 months 2019 Interim Results
September 30, 2019

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 including "E" or "F" marks in charts, graphs and other documents. 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 undertakes no obligation to update or revise any forward-looking statements or any other information contained in this Presentation, other than as required by applicable law.

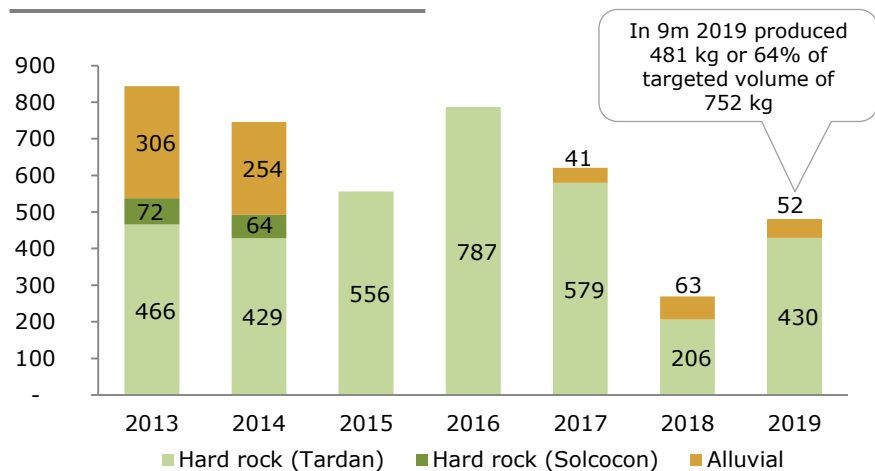
Auriant Mining overview

General Information

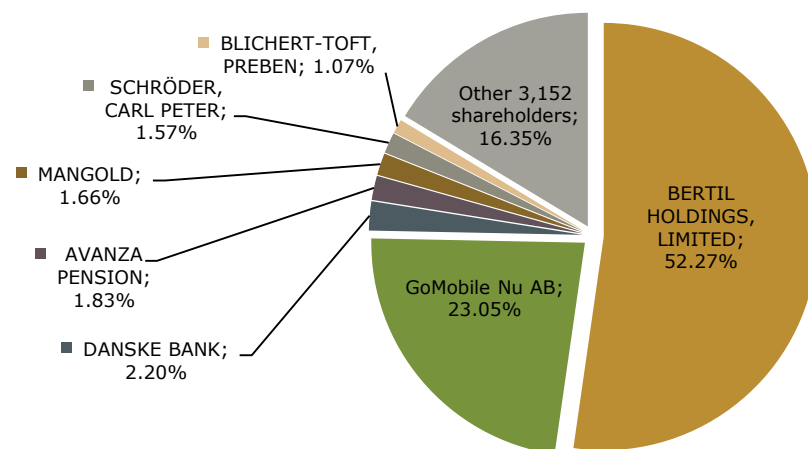
- Auriant Mining AB (Nasdaq First North Premier Growth Market: AUR) is a Swedish mining company focused on gold exploration and production in Russia, primarily in Siberia and Far East Russia.
- The company has currently:
 - a producing mine at Tardan (Tyva), which has been successfully updated from heap leach to CIL,
 - Kara-Beldyr (Tyva) deposit having 26 t of AU reserves (under national standards) with substantial upside potential,
 - Solcocon deposit in Zabaikalye – 15 t of AU resources under national standards (8 t are processable on CIL) + more than 60 t of Potential resources,
 - Ayen Creek (adjacent to Kara-Beldyr license) and Uzhunzhul (Khakassiya) - green field projects.



9m Gold Production, kg



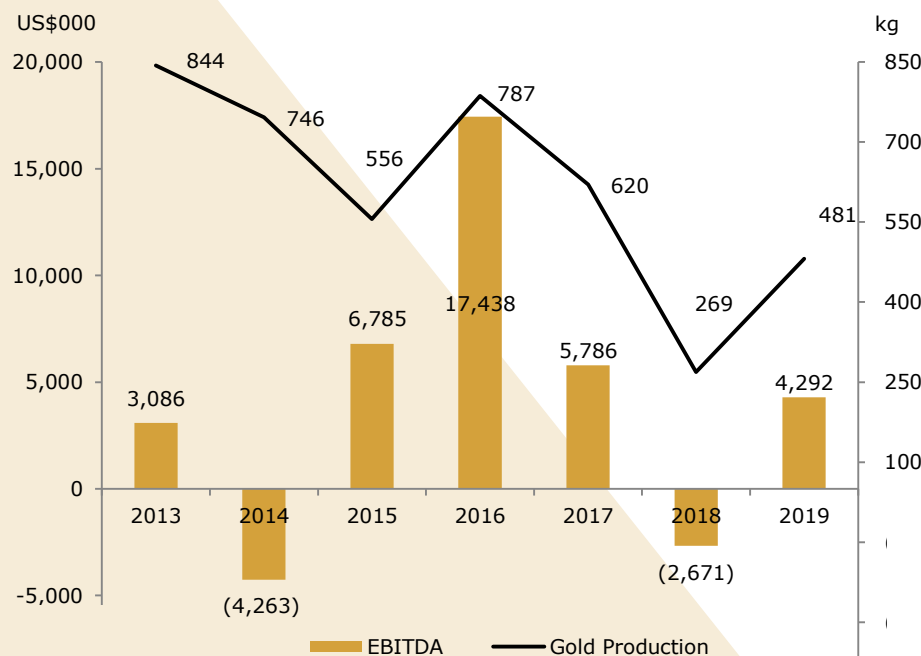
Shareholders' structure as of September 30, 2019



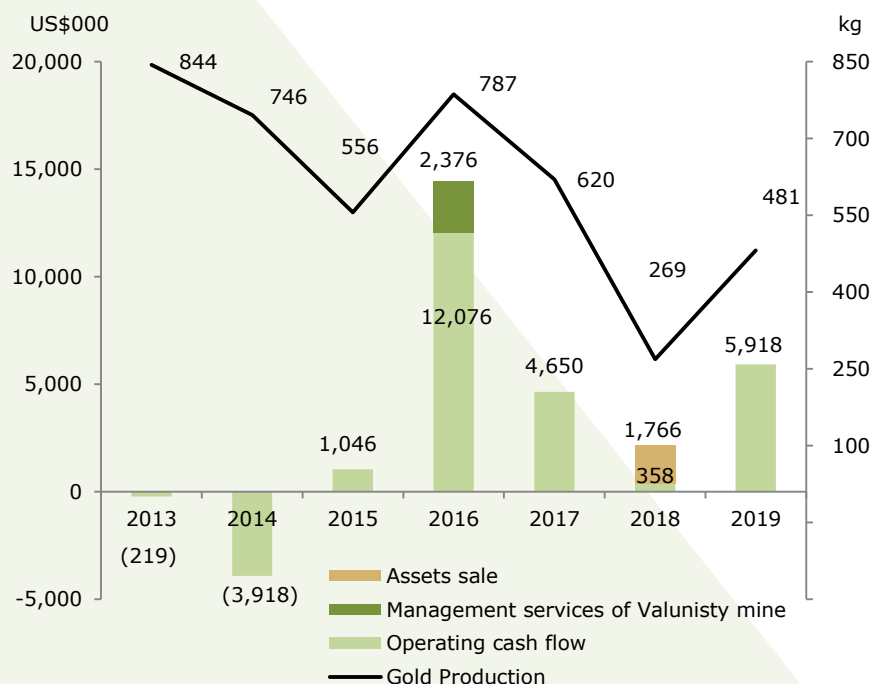
Auriant Mining overview

- The Company returned to positive EBITDA (\$4.3m);
- Strong positive cash flow from operating activities (\$5.9m) used for financing capital expenditures (CIL construction);
- Net profit in Q3 2019

9m EBITDA / 9m Gold Production



9m Operating Cash flow / 9m Gold Production



9 months 2019

Key Performance Indicators

	Unit	9m 2019	9m 2018	Change	Change, %
Mining					
Waste stripping	000'm3	776	167	609	365%
Ore mined	000't	333	65	267	411%
Gold grade in ore mined	g/t	2.38	2.79	(0.41)	(15%)
Heap leach					
Ore stacked	000't	307	62	2445	394%
Average grade	g/t	2.11	2.75	(0.64)	(23%)
Gold ore stacked	kg	648	171	477	279%
Warehouse on September 30					
Ore	000't	29	0	29	100%
Grade	g/t	5.31	0.00	5.31	100%
TADRAN gold production					
Hard rock (heap leach)	kg	430	206	223	108%
Hard rock (heap leach)	oz	13,812	6,632	7,180	108%
SOLCOCON gold production					
Alluvial	kg	52	63	(11)	(18%)
Alluvial	oz	1,655	2,015	(360)	(18%)
Total gold production	kg	481	269	212	79%
Total gold production	oz	15,467	8,647	6,820	79%
Gold Sales					
Gold Sales	kg	465	272	193	71%
Gold Sales	oz	14,962	8,758	6,204	71%
Gold Sales	000'\$	20,787	11,041	9,746	88%
Average price realized	\$/oz	1,389	1,261	129	10%
Tardan cash cost	\$/oz	981	1,144	(164)	(14%)
Tardan contribution to group EBITDA					
Tardan contribution to group EBITDA	m\$	5.9	(1.2)	7.1	(578%)
Solcocon contribution to group EBITDA	m\$	0.1	0.4	(0.2)	(60%)
Total EBITDA of mining companies	m\$	6.1	(0.9)	6.9	(801%)

• During 9 months of 2019, **mining operations** were carried out at the Pravoberezhnyi deposit, which is the main source of ore in 2019. The Company mined 333 thousand tonnes of ore with an average grade of 2.38 g/t. Volume of stripping works amounted to 776 thousand m3.

• In 9m 2019, Tardan continued production on the heap leach. The Company stacked 307 thousand tonnes of ore with an average grade of 2.11 g/t. In 9m 2019, heap leach production at Tardan amounted to 430 kg (13,812 oz), an increase of 108% compared to 206 kg (6,632 oz) in 9m 2018.

• In May 2019, alluvial production resumed at Solcocon. During the reporting period, the Company produced 52 kg (1,655 oz) of alluvial gold, a decrease of 18% compared to 63 kg (2,015 oz) produced in the previous period.

• **Total gold production** for 9m 2019 was 481 kg (15,467 oz), an increase of 79% compared to 269 kg (8,647 oz) in the same period in 2018.

From January to July 2018, no mining operations were carried out at Tardan, as it had been decided to halt mining operations to maximize long-term value for the shareholders.

PRODUCTION FORECAST full year 2019

700 kg (55,503 oz)

Gold production at Tardan

52 kg (1,672 oz)

Gold production at Solcocon

752 kg (24,175 oz)

Total gold production 2019

9 months 2019 Income Statement

	Q3 2019 US\$000	Q3 2018 US\$000	9m 2019 US\$000	9m 2018 US\$000	Change US\$000	Change %
Revenue	10,007	5,109	20,787	11,041	9,746	88%
Revenue from hard rock gold sales	8,952	3,864	18,985	9,328	9,657	104%
Revenue from alluvial gold sales	1,056	1,245	1,803	1,713	89	5%
Cost of sales	(7,458)	(6,345)	(18,139)	(15,284)	(2,855)	(19%)
Cash expenses	(6,220)	(3,647)	(14,912)	(8,290)	(6,622)	(80%)
Alluvial gold costs	(743)	(882)	(1,257)	(1,186)	(72)	(6%)
Depreciation & amortization	(1,142)	(1,309)	(3,359)	(3,237)	(122)	(4%)
Change in stripping assets	(144)	156	907	156	751	481%
Change in work in progress	791	(663)	482	(2,728)	3,210	118%
Gross profit/(loss)	2,549	(1,236)	2,648	(4,243)	6,891	162%
General and administrative expenses	(547)	(496)	(1,704)	(1,801)	97	5%
Other operating income	24	96	234	336	(102)	(30%)
Other operating expenses	(140)	257	(246)	(201)	(45)	(23%)
Operating profit/(loss)	1,886	(1,379)	932	(5,909)	6,841	116%
Financial income	-	-	-	5	(5)	(100%)
Financial expenses	(1,066)	(875)	(3,190)	(3,032)	(158)	(5%)
Currency gain/(loss)	448	(82)	919	(1,350)	2,269	168%
Profit/(Loss) before income tax	1,268	(2,336)	(1,339)	(10,286)	8,948	87%
Income tax	13	536	723	1,815	(1,092)	(60%)
Net profit/(loss) for the period	1,281	(1,800)	(616)	(8,471)	7,856	93%
EBITDA	3,029	(69)	4,291	(2,671)	6,962	261%

In Q3 2019 the Company had net profit after tax.

Gold sales increased by US\$ 9.7 mln, or 88%:

- Total gold sales volume increased by 71%, or 193 kg (6,204 oz) – from 272 kg (8,758 oz) in 9m 2018 up to 465 kg (14,962 oz) in 9m 2019;
- The average realized gold price per ounce increased by 10%: US\$ 1,389 in 9m 2019 (US\$ 1,261 in 9m 2018).

In 9 months 2019, cash expenses increased by 80%, or US\$ 6.6 mln, due to higher production volumes as mining operations were temporarily halted at Tardan in 2018.

Stripping works on Pravoberezhnyi deposit in 9 months 2019 were pulled forward to secure access to ore which would be mined in the future, which resulted in increased stripping assets compared to the beginning of the period, and respective charge to cost of sales in the amount of US\$ 0.8 mln.

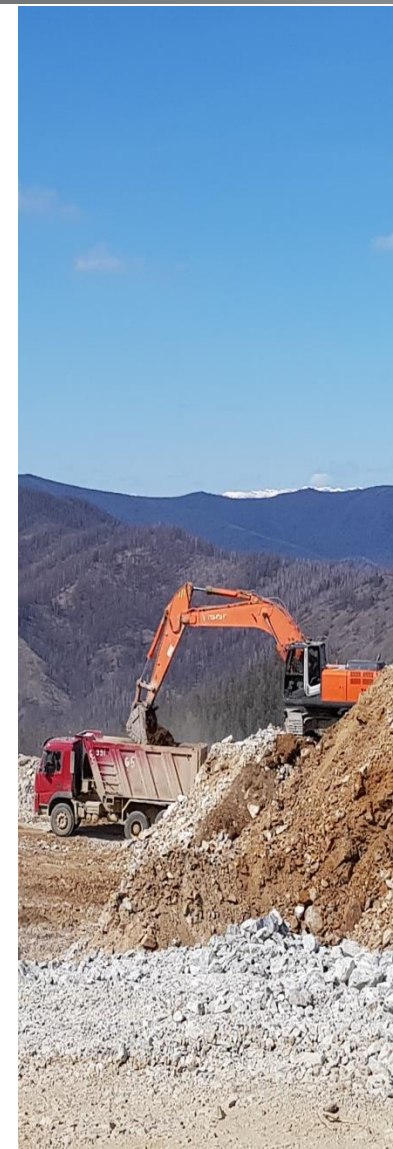
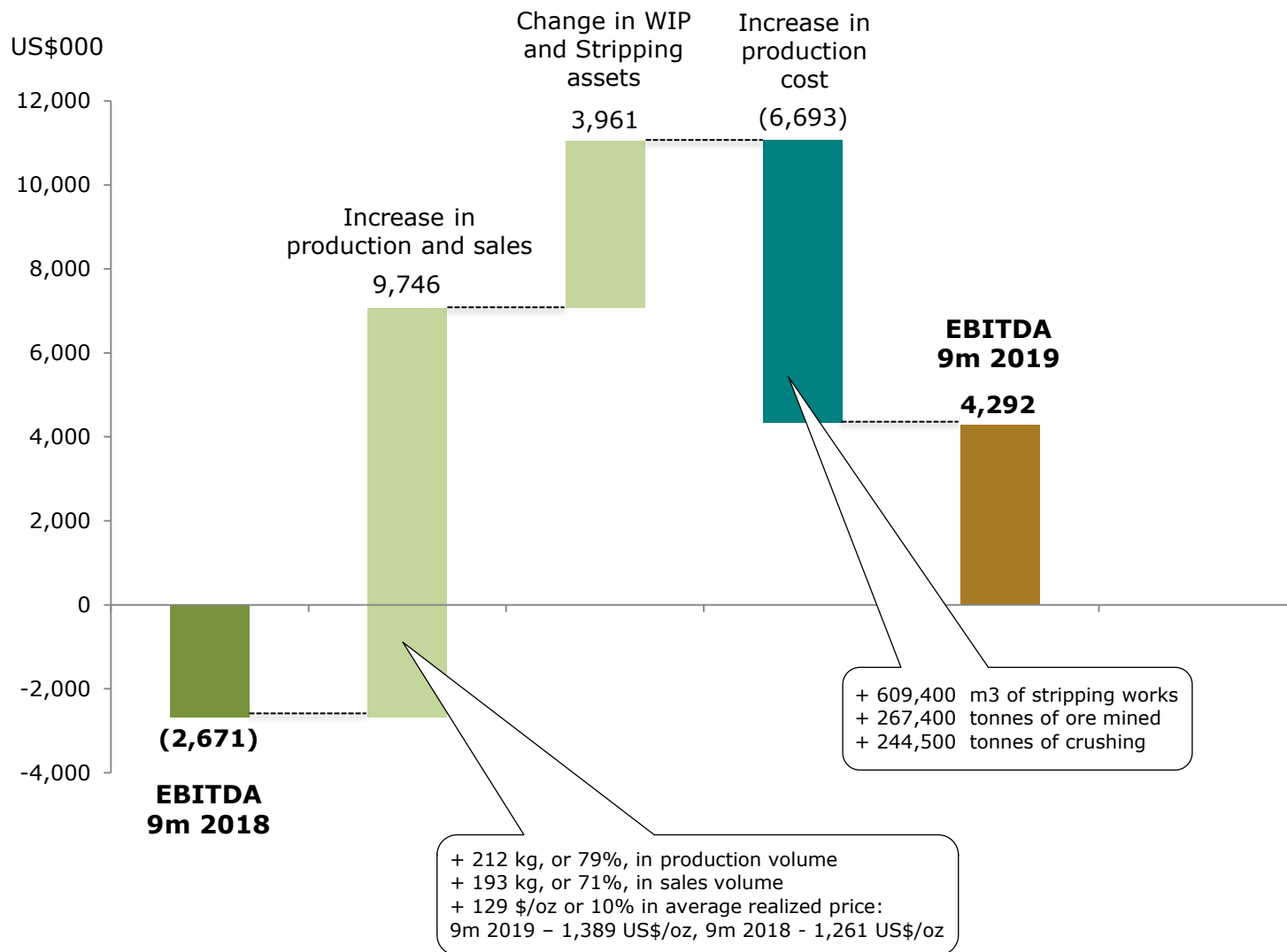
Change in work in progress in 9 months 2018 was attributable to gold produced out of ore stacked in 2017.

The Company's financial expenses represented by the interest on borrowings and amounted to US\$ 3.2 mln in 9m 2019, which slightly increased by 5% compared to the previous period (9M 2018: US\$ 3.0 mln).

As the result of US\$ appreciation against the SEK by 11% and depreciation against the RUB by 2% from the beginning of 2019 the Company benefited from a forex gain of US\$ 0.9 mln.

Income tax of US\$ 0.7 mln in 9M 2019 and US\$ 1.8 mln in 9 months 2018 was positive in both periods and related to a change in the deferred tax at the subsidiaries level and represented deferred tax timing differences and tax loss carry forward accumulation.

Volume drives EBITDA growth



9 months 2019

Consolidated cash flow statement

	9m 2019 US\$000	9m 2018 US\$000	Change US\$000	Change %
Operating activities				
Receipts from gold sales	20,787	11,035	9,752	88%
Receipts from assets sale	-	1,766	(1,766)	(100%)
VAT and other reimbursement	2,122	2,298	(176)	(8%)
Payments to suppliers	(10,933)	(7,163)	(3,770)	53%
Payments to employees and social taxes	(5,055)	(4,588)	(467)	10%
Income tax paid	-	(58)	58	(100%)
Other taxes paid	(1,003)	(1,166)	163	(14%)
Net cash flows from/(used in) operating activities	5,918	2,124	3,794	179%
Investing activities				
Purchase and construction of property, plant and equipment	(7,152)	(5,122)	(2,030)	40%
Interest capitalized in construction	(304)	(200)	(104)	52%
Exploration and research works	(52)	(558)	506	100%
Net cash flows used in investing activities	(7,508)	(5,880)	(1,628)	28%
Financing activities				
Proceeds from borrowings, net	3,593	-	3,593	100%
Receipts from share issue	-	3,173	(3,173)	(100%)
Repayment of borrowings, net	(438)	-	(438)	0%
Interest paid	(2,162)	(2,291)	129	(6%)
Lease payments	(1,403)	(204)	(1,199)	588%
Proceeds from sale and leaseback transactions	839	-	839	100%
Transaction costs arising on share issue	-	(76)	76	(100%)
Other finance income / expenses	-	58	(58)	(100%)
Net cash from/(used in) financing activities	429	660	(231)	(35%)
Net decrease in cash and cash equivalents	(1,161)	(3,096)	1,935	(63%)
Net foreign exchange difference	1	(132)	133	(101%)
Opening balance cash and cash equivalents	1,189	5,069	(3,880)	(77%)
Closing balance cash and cash equivalents	29	1,841	(1,812)	(98%)

During the nine months of 2019, cash flow from operating activities amounted to US\$ 6.0 mln, compared to US\$ 2.1 mln in 9m 2018, including proceeds from the sale of Solcocon's equipment of US\$ 1.8 mln.

In the reporting period, the Company invested US\$ 7.2 mln in CIL construction in 9m 2019.

Purchase of equipment and construction of the CIL plant were mainly financed by the second tranche of the loan facility (US\$ 2.2 mln) and a new loan facility (US\$ 1.9 mln) provided by VTB received in 9m 2019 and the proceeds from the sale and leaseback transaction (US\$ 0.8 mln), received in March, 2019. Also in June 2019, the company attracted \$ 0.3 million in leasing financing.

CIL construction

Start of ore processing



- The Company completed full cycle test work at the new CIL plant at Tardan and the equipment processing the ore slurry is now fully operational.
- The test work proved that the CIL plant is capable of reaching the company's projected hourly throughput of 50 tonnes per hour.
- On November 11th, we started loading the CIL plant with low grade ore; on November 18th, we moved to high grade ore.
- We also plan to issue an Interim Operational Update in 1st half of December to highlight the results of the CIL plant in November.

Thank you

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