



# AURIANT MINING

## **Auriant Mining AB (publ)**

### **Interim report for the period from January – September 2013**

#### **Highlights:**

- **Consolidated revenue from gold and gold equivalents for 9 months 2013 increased by 95% to MSEK 230.3 (US\$ 35.8 m) compared to 9 months 2012 in amount of MSEK 118.1 (US\$ 18.1 m).**
- **Total production of gold for the reporting period increased by 150% to 843.7 kg (27,126 oz) from 337 kg (10,835 oz) in 9 months 2012.**
- **EBITDA for the period was positive at MSEK 8.2 (US\$ 1.3 m) compared to 9 months 2012 of MSEK 7.8 (US\$ 1.2 m).**
- **The net result after tax for the period was MSEK -34.0 (US\$ -5.3 m) compared to 9 months 2012 in amount of MSEK -33.0 (US\$ -5.1 m). Earnings per share before and after dilution for 9 months 2013 were equal to SEK -1.91 (US\$ -0.30) compared to 9 months 2012 – SEK -1.88 (US\$ -0.29).**
- **Drilling programme at Tardan has been completed.**
- **Company reiterates its forecast for overall 2013 gold production of 1,000 - 1,200 kg (32,150 - 38,580 oz).**

#### **Key events post period end:**

- **In November 2013 Dmitry Novikov was appointed as acting CFO of the Company following the departure, for personal reasons, of Mikhail Fedulov.**

## Comments by the CEO

Dear Shareholders,

The Group had a good 9 months of 2013 where we met our targets. From an operational standpoint 9 months production was 844 kg (27,125 oz) compared to 337 kg (10,834 oz) over the same period last year, and increase of 150%. In Q3 2013 our production was 594 kg (19,097 oz) compared to 259 kg (8,327 oz) for Q3 2012, an increase of 129%. Moreover, Q3 alone was 76% more than production for 9 months of 2012 (337 kg or 10,834 oz). All of this leaves us in a good position to achieve our previously announced production guidance for 2013 of 1,000 – 1,200 kg (32,150 – 38,580 oz) for the year.

Our financial performance was also as anticipated. For 9 months we had positive EBITDA of MSEK 8.163 (US\$ 1.256 m) compared with 9 months 2012 EBITDA of MSEK 7,813 (US\$ 1.197 m), and for the first time in Q3 we had a positive quarterly Profit before Tax figure of MSEK 19.699 (US\$ 3.006 m), whereas in Q3 2012 our Profit before Tax figure was MSEK -3.430 (US\$ -0.508 m). This demonstrates that the Company's development is on the right track and reflects our increased emphasis on cost control and efficiencies.

I am also pleased to announce the appointment of Dmitry Novikov as our acting Chief Financial Officer. Dmitry brings a wealth of experience of financial control in the mining and resource extractive industries. In particular, his strong competencies in cost control and efficiency improvements in the mining industry will be beneficial for Auriant going forward.

**Denis Alexandrov**  
*Chief Executive Officer*

## Comments by the CFO

Dear Shareholders,

I'm pleased to present our interim financial statements for the 9 months of 2013. In this period we changed the format and started to disclose the consolidated income statement by function of expenses. We are reporting all our financial numbers in SEK and in US dollars. The exchange rates used in this report are US\$/SEK 6.4297 for September 30, 2013, 6.5284 for September 30, 2012 and 6.5156 for December 31, 2012.

## Income, result and financial position for the group

### Income and result

Revenue from gold and gold equivalents grew by MSEK 112.244 (US\$ 17.734 m) from MSEK 118.070 (US\$ 18.086 m) to MSEK 230.313 (US\$ 35.820 m) due to the following:

- An increase in the volume of gold sold from 320 kg (10,288 oz) in 9M 2012 to 805.9 kg (25,910 oz) in 9M 2013 which resulted in a positive influence on revenue in the amount of MSEK 138.863 (US\$ 21.597 m) or 118%.
- The drop in the average gold price per oz from US\$ 1,708 to US\$ 1,382 resulted in negative effect on revenue by MSEK -26.619 (US\$ -4.140 m) or 23%.

Cost of sales increased by MSEK -107.489 (US\$ 16.717 m) from MSEK -108.499 (US\$ -16.620 m) to MSEK -215.988 (US\$ -33.592 m) due to the following:

- External expenses grew by MSEK -30.393 (US\$ -4.727 m), mostly due to the increase of drilling and blasting services by MSEK -16.621 (US\$ -2.585 m) both at Tardan and Solcocon and hiring of transportation contractors at Tardan in 9M 2013 for MSEK -12.705 (US\$ -1.976 m).
- Operator (Uryumkan) costs related to alluvial gold production increased by MSEK -41.086 (US\$ -6.930 m) due to the increase in production of alluvial gold. Uryumkan has been involved in alluvial gold production from August 2012.
- Mineral extraction and other taxes (property tax, vehicle tax) increased by MSEK -8.101 (US\$ -1.260 m), mostly as a result of the increase of mineral extraction tax due to the increase of gold sales.
- In H1 2012 and Q3 2012 gold production at Tardan was through the gravitational circuit and heap leach respectively, while in 9M 2013 all production came from heap leaching, which requires the increased use of chemicals, cement and other materials. Further, over 9M 2013 the Group significantly increased its mining activity compared to the previous period, which resulted in overall increased consumption of fuel and spare parts. Thus, material expenses increased by MSEK -24.144 (US\$ -3.755 m), of which MSEK -19.051 (US\$ -2.963 m) related to Tardan.
- Average number of employees at the production units grew from 675 in 9 months 2012 to 839 in 9 months 2013. Employee benefit expenses for the reporting period amounted to MSEK -62.014 (US\$ -9.645 m) and increased by MSEK -21.231 (US\$ -3.302 m) compared to the previous period, of which growth of MSEK -9.966 (US\$ -1.550 m) is attributable to the launch of heap leach operations at Tardan and MSEK 9.124 (US\$ -1.419 m) to the ramp up at Solcocon.
- Depreciation and amortization expenses increased by MSEK -17.560 (US\$ -2.731 m) to MSEK -37.357 (US\$ -5.810 m) and are mainly due to the commissioning of the heap leaching plant at Tardan.
- Increase in work in progress by MSEK 34.457 (US\$ 5.359 m) relates to the increase of gold production and reduced cost of sales.

General and administrative expenses increased by MSEK -18.060 (US\$ -2.809 m) to MSEK -35.028 (US\$ -5.448 m). The reason is mainly explained by an increase in management company expenses, which included one-time bonus payments in 2013 and the share incentive programme in the amount of MSEK -9.111 (US\$ -1.417 m).

Other operating income in 9M 2012 in amount of MSEK 14.564 (US\$ 2.231 m) related to the gain as a result of the decrease of Auriant equity in Awilia Enterprises Ltd. (Kara-Beldyr) from 50% to 30%. In 2013 other operating income in amount of MSEK 8.607 (US\$ 1.339 m) mainly consisted of services to external parties and sales of obsolete stock.

Other operating expenses for 9M 2013 amounted to MSEK -17.186 (US\$ -2.673 m) compared to 9M 2012 of MSEK -21.773 (US\$ -3.335 m). Other operating expenses were represented by a provision for obsolete mining equipment in the amount of MSEK -3.704 (US\$ -0.576 m) that was created after a stock-take at Solcocon, as well as bad debt provision, field services to employees, bank commissions and other services (each of which were not significant by themselves).

Financial income and expenses consist of foreign exchange difference and interest expenses. In 9M 2013 there was a foreign exchange loss in the amount of MSEK -7.864 (US\$ -1.223 m) mainly due to the appreciation of the US dollar vs. Russian rouble impacting on the US\$ bank loan at Tardan. In 9M 2012 there was foreign exchange income in amount of MSEK 12.314 (US\$ 1.885 m). Interest expense for the reporting period amounted to MSEK -40.835 (US\$ -6.351 m) vs. MSEK -32.320 (US\$ -4.951 m) for 9M 2012. The increase was as a result of additional financing received both at Tardan and Solcocon.

Income tax gain for 9M 2013 of MSEK 43.952 (US\$ 6.836 m) compared to MSEK 1.564 (US\$ 0.240 m) for 9M 2012. The income tax gain relates to a change in deferred taxation at the subsidiary level and represents tax losses carry-forwards.

The net result after tax for 9 months 2013 was MSEK -34.029 (US\$ -5.293 m) compared to 9M 2012 of MSEK -33.047 (US\$ -5.062 m). Earnings per share before and after dilution for the period were equal to SEK -1.91 (US\$ -0.30) compared to 9 months 2012 of SEK -1.88 (US\$ -0.29).

## Financial position

Intangible assets grew by MSEK 20.792 (US\$ 3.546 m) to MSEK 172.976 (US\$ 26.903 m) at 30 September 2013 (31 December 2012 – MSEK 152.184 (US\$ 23.357 m)) mostly due to the capitalization of exploration costs at Tardan in the amount of MSEK 24.892 (US\$ 3.871 m) and of MSEK 10.146 (US\$ 1.578 m) at GRE-324, decreased by amortization expenses for the period in amount of MSEK 9.818 (US\$ 1.527).

The increase in tangible assets to MSEK 253.755 (US\$ 39.466 m) at 30 September 2013 (31 December 2012 MSEK 245.154 (US\$ 37.626 m)) is explained by the acquisition of additional vehicle mining fleet and pit roads modernization at Tardan for a total amount of MSEK 33.623 (US\$ 5.229 m), renovation of equipment and new stacks at Solcocon in the amount of MSEK 15.600 (US\$ 2.426), compensated depreciation charge in amount of MSEK -27.100 (US\$ -4.215 m), provision for obsolete mining equipment in the amount of MSEK -3.704 (US\$ -0.576 m) and negative translation difference due to the appreciation of the Swedish krona vs. Russian rouble in amount of MSEK 9.079 (US\$ 1.412 m).

The increase in financial fixed assets to MSEK 83.762 (US\$ 13.027 m) as of September 30, 2013 (31 December 2012 MSEK 46.378 (US\$ 7.118 m)) is explained by an increase in deferred tax assets due to recognition of tax losses carry-forwards.

The increase in inventories to MSEK 188.659 (US\$ 29.342 m) as of 30 September 2013 (31 December 2012 MSEK 143.217 (US\$ 21.981 m)) is mainly due to the increase of work in progress at Tardan. Increase in current receivables was caused by input VAT balances to be reimbursed.

Cash and cash equivalents balance as of December 31 2012 was equal to MSEK 22.266 (US\$ 3.417 m) and contained short term deposits at banks in amount of MSEK 19.104 (US\$ 2.932 m), which were used for working capital financing hereinafter. The balance of cash and cash equivalents as of the end of Q3 was MSEK 5.217 (US\$ 0.811 m).

The decrease in long-term liabilities to MSEK 117.798 (US\$ 18.321 m) as of 30 September 2013 (31 December 2012 MSEK 257.877 (US\$ 39.578 m)) is mainly caused by reclassification of the bond payable to Golden Impala in amount of MSEK 214.422 (US\$ 32.909 m), a company related to the main Shareholder, into short-term (current) liabilities, compensated by new long term loan from Promsvyazbank in amount of MSEK 61.905 (US\$ 9.628 m) and long term lease payable for mining fleet in amount of MSEK 17.334 (US\$ 2.696 m) at Tardan.

Current liabilities are mainly represented by trade and other payables, bond, leases and loans. Overall increase of current liabilities by MSEK 288.924 (US\$ 45.270 m) from MSEK 163.085 (US\$ 25.030 m) at December 31, 2012 to MSEK 452.009 (US\$ 70.300 m) at September 30 2013 mainly caused by reclassification of the bond payable to Golden Impala in amount of MSEK 214.422 (US\$ 32.909 m) and its further increase during the reporting period by MSEK 19.677 (US\$ 3.060 m) due to the compound interest expenses capitalization, increase of trade payables via purchases on credit by MSEK 28.271 (US\$ 4.397 m), rose of short term bank loan liability by MSEK 9.728 (US\$ 1.513 m) and increase of other payables by MSEK 15.123 (US\$ 2.352 m).

## **Investments, liquidity and financing**

Due to the seasonal nature of the business, most of the revenue of this period came in during Q3 2013. During the reporting period almost all operating activities were financed via receipts from customers and VAT and other reimbursements. To finance capital expenditures (MSEK 37.721 or US\$ 5.867 m), exploration works (MSEK 23.254 or US\$ 3.617 m) and lease payments (MSEK 16.813 or US\$ 2.615 m), the Group used bank loans.

As of 30 September 2013 total bank debt was equal to MSEK 199.681 (US\$ 31.056 m).

Consolidated cash balance at 30 September 2013 was MSEK 5.217 (US\$ 0.811 m) (31 December 2012 MSEK 22.266 (US\$ 3.417 m)).

**Dmitry Novikov**  
*Acting Chief Financial Officer*

## **Other financial information**

### **Segment information**

The company accounts for segments in accordance with IFRS 8. At present the company only considers that it has one segment as only one product, gold, is produced and all operations are performed in one economic environment, Russia.

### **Transactions with related parties**

During the reporting period the Auriant Mining made bond interest payments to Golden Impala, a company related to the ultimate controlling party of Auriant Mining, Preston Haskell, in the total amount of MSEK 4.918 (US\$ 0.765 m). Accrued interest expenses for 9M 2013 amounted to MSEK -25.635 (US\$ -3.987 m).

### **Employees**

The group had on average 868 employees during reporting period. As of 30 September 2013 the number of employees in the group was 934 (732 as of September 30, 2012).

### **Capital Structure**

The number of issued shares at the end of the reporting period amounted to 17,802,429. The limits of the share capital are a minimum of MSEK 150 (US\$ 23.088 m) and a maximum of MSEK 600 (US\$ 92.352 m) and the quota value of each share is SEK 11.25 (US\$ 1.73). 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 it usually has no income other than interest on loans extended to the subsidiaries from time to time or in respect of bank deposits.

## **Income and result**

The operating loss for 9M 2013 was MSEK -5.887 (US\$ -0.916 m) compared to 9M 2012 which was positive and amounted to MSEK 3.215 (US\$ 0.492 m). The change is mainly due to the fact that in 2012 the gain from the sale of 20% of the shares in Awilia Enterprises Ltd. to Centerra Gold was recognized in accordance with the JV agreement for the Kara Beldyr license area as Centerra in January 2012 earned the right to another 20% in the JV. Total operating expenses for 9M 2013 amounted to MSEK -5.894 (US\$ -0.917 m), in 9M 2012 MSEK -4.825 (US\$ -0.739 m).

Net financial items for 9M 2013 amounted to MSEK -11.212 (US\$ -1.744 m) (9M 2012 MSEK -3.282 (US\$ -0.503 m)) and include interest expense related to the Golden Impala bonds in amount of MSEK -25.635 (US\$ -3.987 m), compensated by intragroup loan interest income in amount of MSEK 13.382 (US\$ 2.081 m) and forex gain in amount of MSEK 1.072 (US\$ 0.167 m).

Net result for 9M 2013 amounted to MSEK -17.099 (US\$ -2.659 m) compared to 9M 2012 in amount of MSEK -0.067 (US\$ -0.010 m).

## **Financial position**

No significant changes occurred compared to 31 December 2012 except for decrease in long-term liabilities, which is explained by reclassification of the bond liability to the related party, Golden Impala Ltd. to the current liabilities in amount of MSEK 214.422 (US\$ 32.909 m) and its further increase during the reporting period by MSEK 19.677 (US\$ 3.060 m) due to the interest expenses capitalization.

## **Accounting principles and basis of preparation**

The consolidated accounts for Auriant Mining AB have been prepared in accordance with International Financial Reporting Standards (IFRS) as described on page 56 in the annual report for financial year 2012. The evaluations and estimations made by the board of directors and management in preparing the interim report is described on page 64 in the annual report for 2012.

This interim report has been prepared in accordance with IAS 34, *Interim Financial Reporting* and in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1, *Supplementary accounting regulations for groups*. The parent company accounts are prepared in accordance with the 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 2012.

The same accounting principles are applied in this interim report as in the annual report 2012 with the following exceptions due to new and updated standards and the application of IFRS 2.

### ***IFRS 2***

As of Quarter 1-2013 the group has started to report employee incentive programs. The accounting for these is done in accordance to the standard IFRS 2.

A description of the incentive programs can be found in the annual report of 2012.

*Accounting policy for incentive programs:*

*Programs where warrants are granted to the employees and vested immediately (Warrants 2012/2013 series I, Warrants 2012/2017 series I and Warrants 2012/2017 series II)*

Measurement: A fair value for each share warrant has been calculated at the grant date. This has been done in accordance with the Black-Scholes model (warrants 2012/2013 series 1) and the Monte-Carlo simulation model for the 2012/2017 programs.

Recognition: Personnel costs and related equity (additional paid in capital) are recorded at the vesting date which corresponds to the grant date. All the above warrant programs have vested in full in Q1-2013.

*Employee stock option programs granted to employees in Q1-2013 and vested over a service period (Warrants 2012/2017 series III and Warrants 2012/2017 series IIII)*

Measurement: A fair value for each stock option has been calculated at the grant date. The value per option has been calculated with the Black-Scholes model.

Recognition: personnel costs and related equity are recognised over the vesting period which corresponds to the required service period for the employees. Each program consists of three tranches with separate vesting periods, i.e. in accounting terms making up 3 separate programs running simultaneously (with a 1, 2 and 3 year vesting period respectively). The cost is therefore recognized linearly for each tranche over the vesting period, meaning that the cost for the 1/3rd of the options that vest on November 12, 2013 is recognized in the first year, the cost for the 1/3rd of the options that vest on November 12, 2014 is recognized in the first two years, and the cost for the last 1/3rd of the options that vest on November 12, 2015 is recognized in all three years. This results in higher recognised personnel costs in the first accounting periods compared to the later periods under which the program runs.

When acquired warrants are used by employees to acquire shares and the company issues new shares, this is accounted for as any other share issuance.

*IAS 1 Presentation of Financial Statements*

The changed standard requires items in "Other comprehensive Income" to be presented based on whether or not they subsequently may be reclassified to profit or loss. Therefore the interim report has a new heading in the statement for Other Comprehensive Income: "Items that may be reclassified subsequently to profit or loss".

*IFRS 7 and 13 in interim reporting*

The interim reporting standard IAS 34 has been updated and states that some disclosures in IFRS 7 and 13, regarding fair value of financial instruments, shall be included in an interim report. The book values of financial instruments in Auriant's balance sheet are assumed to be equivalent to fair value.

In Q4 2013 the Group intends to finalize and adopt IFRIC 20 terms in respect of stripping costs accounting. The Group estimates that historic stripping costs occurred by the end of 2013 will be partly expensed on a profit and loss. The amount of capitalized stripping costs as of 30.09.2013 was MSEK 62.025 (US\$ 9.6 m).

## Risks and uncertainties associated with this interim report

The group's risk exposure is presented on page 78 of the 2012 annual report. The Board of Directors believes that the most important risk factors for the time being are:

- 1) *Gold price risk:* The fluctuations of the international gold price directly influence the revenues of a gold producing company.
- 2) *Currency risk:* Auriant Mining operations and reporting is influenced by the gold price which is quoted in US\$, whereas production costs are in RUB, and reporting in SEK. Fluctuations in exchange rates could have a major impact on both local operational results and the SEK reported results.
- 3) *Political risks:* Auriant Mining currently operates only in Russia. Being a young democracy Russia does not have a stable political situation as in the more established democracies of Western Europe.
- 4) *Inflation risk:* The Russian economy has been subject to significant inflation pressure during the last few years. This directly impacts on the production costs in a gold mining company.
- 5) *Geological risk:* The recoverable gold reserves of a gold exploration and production company are influenced by geological and economic factors. The estimation of reserves is therefore at all times dependent on the international gold price, costs associated with the extraction of the gold, etc. Therefore the estimated gold reserves of any gold company may change at any point in time. In particular the alluvial subsidiaries of the Auriant Mining group are sensitive to cost increases.
- 6) *Financial and project risk:* Auriant Mining AB is a gold mining company and is involved in production of gold as well as exploration. The company is still dependent on external financing for the development of its business. If the availability of external financing were to be reduced it would negatively influence the future outlook of the company. The currently poor sentiments on global capital markets must be taken in to account.
- 7) *Legal risks:* Auriant Mining operates in a complicated and challenging legal environment in Russia. Further, Russian tax legislation is subject to varying interpretations and frequent changes. Changes in the interpretations of tax legislation and in the legal environment may have significant impact on the company.

## Operational Update

### Highlights

- **9m 2013 production for the Group increased by 150% and amounted to 844 kg (27,125 oz.) compared to 337 kg (10,834 oz) for the same period in 2012**
- **Group Q3 production was 594 kg (19,104 oz) in line with forecasts**
- **Drilling programme at Tardan completed and preparation of an updated reserve estimate underway**
- **Company reiterates its forecast for overall 2013 gold production of 1,000 - 1,200 kg (32,150 – 38,580 oz)**



## Production

Production unit	License area	9m 2013		9m 2012	
		kg	oz	kg	oz
<b>Hard rock</b>					
Tardan (gravitational)	Tardan	-	-	44	1,415
Tardan (heap leach)	Tardan	466	14,982	156	5,015
Solcocon		72	2,315	81	2,604
		538	17,297	281	9,034
<b>Alluvial</b>					
Borza		305.7	9,828	56	1,800
<b>Total</b>		<b>843.7</b>	<b>27,125</b>	<b>337</b>	<b>10,834</b>

## Tardan

		9m 2013	9m 2012
<b>Mining</b>			
Waste stripping	000 m <sup>3</sup>	1418	256.6
Ore mined	000 tonnes	183.4	56.2
Average grade	g/t	1.32	2.3
<b>Gravitation</b>			
Throughput	000 tonnes	-	28.8
Average grade	g/ton	-	4.1
Extraction	%	-	33%
Gold produced	Kg	-	44
<b>Heap leach</b>			
<b>Crushing</b>			
Ore	000 tonnes	204.4	204.2

Grade	g/t	1.6	2.0
<b>Stacking</b>			
Ore	000 tonnes	204.4	197.5
Grade	g/ton	1.6	1.8
Tailings	000 tonnes	126.5	44.4
Grade	g/t	3.12	3.6
<b>Gold produced</b>	kg	466	156
<b>Warehouse</b>			
Ore	000 tonnes	0.1	39.2
Grade	g/t	1.15	1.6
Tailings	000 tonnes	68.0	218.1
Grade	g/t	2.87	3.0

### Solcocon

		9m 2013	9m 2012
<b>Mining</b>			
Waste stripping	000 m <sup>3</sup>	327.6	457.6
Ore mined	000 tonnes	184.7	89.8
Average grade	g/t	1.52	1.9
<b>Heap leach</b>			
<b>Crushing / Stacking</b>			
Ore	000 tonnes	128.2	106.5
Grade	g/t	1.49	1.7
<b>Gold produced</b>	kg	72	81.4
<b>Warehouse</b>			

Ore	000 tonnes	50	10.4
Grade	g/t	1.15	2.5
<b>Alluvial</b>			
Waste stripping	000 m <sup>3</sup>	2361	828.5
Sand washed	tonnes	280	61.7
<b>Gold produced</b>	kg	305.7	79.7

# Financial reports

## CONSOLIDATED INCOME STATEMENT

	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	12 months Jan-Dec 2012	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	12 months Jan-Dec 2012
	TSEK	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Revenue	160,892	86,965	230,313	118,070	234,133	24,549	12,874	35,820	18,086	35,934
Cost of sales	(120,368)	(72,799)	(215,988)	(108,499)	(248,235)	(18,366)	(10,777)	(33,592)	(16,620)	(38,099)
<b>Gross profit</b>	<b>40,523</b>	<b>14,166</b>	<b>14,325</b>	<b>9,571</b>	<b>(14,102)</b>	<b>6,183</b>	<b>2,097</b>	<b>2,228</b>	<b>1,466</b>	<b>(2,164)</b>
General and administrative expenses	(11,172)	(5,193)	(35,028)	(16,968)	(33,789)	(1,705)	(769)	(5,448)	(2,599)	(5,186)
Other operating income	3,380	1,105	8,607	14,564	21,515	516	164	1,339	2,231	3,302
Other operating expenses	(8,266)	(15,118)	(17,186)	(21,773)	(13,854)	(1,261)	(2,238)	(2,673)	(3,335)	(2,126)
<b>Operating profit/(loss)</b>	<b>24,466</b>	<b>(5,040)</b>	<b>(29,281)</b>	<b>(14,605)</b>	<b>(40,231)</b>	<b>3,733</b>	<b>(746)</b>	<b>(4,554)</b>	<b>(2,237)</b>	<b>(6,175)</b>
Financial income	3	12,271	12	12,314	16,012	0	1,817	2	1,886	2,457
Financial expenses	(4,769)	(10,662)	(48,713)	(32,320)	(47,813)	(728)	(1,578)	(7,576)	(4,951)	(7,338)
<b>Profit/(Loss) before income tax</b>	<b>19,699</b>	<b>(3,430)</b>	<b>(77,982)</b>	<b>(34,611)</b>	<b>(72,032)</b>	<b>3,006</b>	<b>(508)</b>	<b>(12,128)</b>	<b>(5,302)</b>	<b>(11,055)</b>
Income tax	9,875	(3,158)	43,952	1,564	(1,923)	1,507	(467)	6,836	240	(295)
<b>Net profit/(loss) for the period</b>	<b>29,574</b>	<b>(6,588)</b>	<b>(34,029)</b>	<b>(33,047)</b>	<b>(73,955)</b>	<b>4,512</b>	<b>(975)</b>	<b>(5,293)</b>	<b>(5,062)</b>	<b>(11,350)</b>
Whereof attributable to:										
The owners of the parent company	29,574	(6,588)	(34,029)	(33,047)	(73,955)	4,512	(975)	(5,293)	(5,062)	(11,350)
<b>Earnings per share before dilution (SEK, US\$)</b>	1.66	(0.37)	(1.91)	(1.88)	(4.20)	0.25	(0.06)	(0.30)	(0.29)	(0.64)
<b>Earnings per share after dilution (SEK, US\$)**</b>	1.66	(0.37)	(1.91)	(1.88)	(4.20)	0.25	(0.06)	(0.30)	(0.29)	(0.64)
Number of shares issued at period end	17,802,429	17,616,987	17,802,429	17,616,987	17,616,987	17,802,429	17,616,987	17,802,429	17,616,987	17,616,987
Average number of shares for the period	17,802,429	17,616,987	17,802,429	17,616,987	17,616,987	17,802,429	17,616,987	17,802,429	17,616,987	17,616,987
Average number of shares for the period after dilution**)	18,674,197	17,616,987	18,674,197	17,616,987	18,674,197	18,674,197	17,616,987	18,674,197	17,616,987	18,674,197

\*\*\*) At the November 2012 Extraordinary General Meeting an incentive program for the Group's Chief Executive Officer and Chief Investment Officer was established through the issue of warrants with the right to subscribe for 1,057,210 shares. The average number of shares outstanding for the period after dilution is 18,674,197 as result.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	12 months Jan-Dec 2012	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	12 months Jan-Dec 2012
	TSEK	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Net profit/loss for the period	29,574	-6,588	-34,029	-33,047	-73,955	4,512	-975	-5,293	-5,062	-11,350
<b>Other comprehensive income</b>										
Items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-	-	-
Translation difference	-7,582	-5,773	-21,512	-5,479	-8,913	-1,157	-855	-3,346	-839	-1,368
<b>Total comprehensive income for the period</b>	<b>21,992</b>	<b>-12,361</b>	<b>-55,542</b>	<b>-38,526</b>	<b>-82,868</b>	<b>3,356</b>	<b>-1,830</b>	<b>-8,638</b>	<b>-5,901</b>	<b>-12,718</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	September 30, 2013	September 30, 2012	December 31, 2012	September 30, 2013	September 30, 2012	December 31, 2012
	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000
<b>ASSETS</b>						
<b>FIXED ASSETS</b>						
Intangible fixed assets	172,976	151,582	152,184	26,903	23,219	23,357
Tangible fixed assets	253,755	254,367	245,154	39,466	38,963	37,626
Financial fixed assets	83,762	48,340	46,378	13,027	7,405	7,118
<b>Total fixed assets</b>	<b>510,493</b>	<b>454,289</b>	<b>443,716</b>	<b>79,396</b>	<b>69,587</b>	<b>68,101</b>
<b>CURRENT ASSETS</b>						
Inventories	188,659	165,866	143,217	29,342	25,407	21,981
Current receivables	41,020	37,907	36,926	6,380	5,807	5,667
Cash and cash equivalents	5,217	21,956	22,266	811	3,363	3,417
<b>Total current assets</b>	<b>234,896</b>	<b>225,730</b>	<b>202,409</b>	<b>36,533</b>	<b>34,577</b>	<b>31,065</b>
<b>TOTAL ASSETS</b>	<b>745,389</b>	<b>680,019</b>	<b>646,125</b>	<b>115,929</b>	<b>104,163</b>	<b>99,166</b>
Equity	175,582	269,504	225,163	27,308	41,282	34,558
Non-controlling interest	-	-	-	-	-	-
<b>Total equity</b>	<b>175,582</b>	<b>269,504</b>	<b>225,163</b>	<b>27,308</b>	<b>41,282</b>	<b>34,558</b>
<b>Long term liabilities</b>	<b>117,798</b>	<b>250,851</b>	<b>257,877</b>	<b>18,321</b>	<b>38,425</b>	<b>39,578</b>
<b>Current liabilities</b>	<b>452,009</b>	<b>159,664</b>	<b>163,085</b>	<b>70,300</b>	<b>24,457</b>	<b>25,030</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>745,389</b>	<b>680,019</b>	<b>646,125</b>	<b>115,929</b>	<b>104,163</b>	<b>99,166</b>
<b>PLEGGED ASSETS</b>	<b>144,809</b>	<b>210,950</b>	<b>162,059</b>	<b>22,522</b>	<b>32,313</b>	<b>24,872</b>
<b>CONTINGENT LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

All amounts in TSEK	Attributable to the shareholders of the parent company				
	Share capital	Additional paid in capital	Translation difference reserve	Retained earnings	Total equity
<b>Equity as at December 31, 2011</b>	<b>198,191</b>	<b>155,819</b>	<b>-18,143</b>	<b>-27,836</b>	<b>308,031</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				-33,047	-33,047
Translation difference			-5,479		-5,479
<b>Total comprehensive income for the period</b>			<b>-5,479</b>	<b>-33,047</b>	<b>-38,526</b>
<b>Equity as at September 30, 2012</b>	<b>198,191</b>	<b>155,819</b>	<b>-23,622</b>	<b>-60,883</b>	<b>269,505</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				-40,908	-40,908
Translation difference			-3,435		-3,435
<b>Total comprehensive income for the period</b>			<b>-3,435</b>	<b>-40,908</b>	<b>-44,343</b>
<b>Equity as at December 31, 2012</b>	<b>198,191</b>	<b>155,819</b>	<b>-27,057</b>	<b>-101,791</b>	<b>225,163</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				-34,029	-34,029
New shares issue	2,086				2,086
Warrants and options issue		3,875			3,875
Translation difference			-21,512		-21,512
<b>Total comprehensive income for the period</b>	<b>2,086</b>	<b>3,875</b>	<b>-21,512</b>	<b>-34,029</b>	<b>-49,581</b>
<b>Equity as at September 30, 2013</b>	<b>200,277</b>	<b>159,694</b>	<b>-48,569</b>	<b>-135,820</b>	<b>175,582</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

All amounts in US\$ 000	Attributable to the shareholders of the parent company				
	Share capital	Additional paid in capital	Translation difference reserve	Retained earnings	Total equity
<b>Equity as at December 31, 2011</b>	<b>30,418</b>	<b>23,915</b>	<b>-2,785</b>	<b>-4,272</b>	<b>47,276</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				-5,062	-5,062
Translation difference			-932		-932
<b>Total comprehensive income for the period</b>			<b>-932</b>	<b>-5,062</b>	<b>-5,994</b>
<b>Equity as at September 30, 2012</b>	<b>30,418</b>	<b>23,915</b>	<b>-3,717</b>	<b>-9,334</b>	<b>41,282</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				-6,288	-6,288
Translation difference			-435		-435
<b>Total comprehensive income for the period</b>			<b>-435</b>	<b>-6,288</b>	<b>-6,723</b>
<b>Equity as at December 31, 2012</b>	<b>30,418</b>	<b>23,915</b>	<b>-4,153</b>	<b>-15,623</b>	<b>34,558</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				-5,293	-5,293
New shares issue	324				324
Warrants and options issue		603			603
Translation difference			-2,883		-2,883
<b>Total comprehensive income for the period</b>	<b>324</b>	<b>603</b>	<b>-2,883</b>	<b>-5,293</b>	<b>-7,248</b>
<b>Equity as at September 30, 2013</b>	<b>30,742</b>	<b>24,517</b>	<b>-7,036</b>	<b>-20,916</b>	<b>27,308</b>

**CONSOLIDATED CASH FLOW STATEMENT**

	3 months	3 months	9 months	9 months	3 months	3 months	9 months	9 months
	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012
	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000
<b>Operating activities</b>								
Receipts from customers	168,276	87,696	235,740	118,385	26,280	13,653	36,664	18,134
VAT and other reimbursement	26,632	6,999	42,233	28,792	4,167	1,228	6,568	4,410
Payments to suppliers	(118,487)	(28,343)	(181,328)	(76,043)	(18,529)	(4,683)	(28,202)	(11,648)
Payments to employees and social taxes	(29,936)	(18,270)	(85,721)	(61,324)	(4,746)	(3,107)	(13,332)	(9,393)
Income tax paid	120	(319)	-	(559)	19	(51)	-	(86)
Other taxes paid	(5,308)	(2,519)	(12,335)	(12,042)	(837)	(454)	(1,918)	(1,845)
<b>Net cash flows from/used in operating activities</b>	<b>41,297</b>	<b>45,243</b>	<b>(1,410)</b>	<b>(2,791)</b>	<b>6,354</b>	<b>6,586</b>	<b>(219)</b>	<b>(427)</b>
<b>Investing activities</b>								
Proceeds from sale of property, plant and equipment	-	-	-	-	-	-	-	-
Proceeds from exercise of share options	-	-	2,082	-	-	-	320	-
Purchase and construction of property plant and equipment	(14,737)	(6,131)	(37,721)	(22,266)	(2,329)	(1,055)	(5,867)	(3,411)
Exploration and research works	(10,819)	(358)	(23,254)	(1,817)	(1,703)	(65)	(3,617)	(278)
Investments in JV	(0)	(525)	(790)	(3,133)	(2)	(99)	(123)	(480)
<b>Net cash flows used in investing activities</b>	<b>(25,557)</b>	<b>(7,014)</b>	<b>(59,684)</b>	<b>(27,217)</b>	<b>(4,033)</b>	<b>(1,219)</b>	<b>(9,286)</b>	<b>(4,169)</b>
<b>Financing activities</b>								
Proceeds from borrowings	75,264	19,463	213,055	109,633	11,927	3,627	33,136	16,793
Repayment of borrowings	(77,631)	(39,591)	(138,114)	(50,793)	(12,171)	(6,145)	(21,481)	(7,780)
Interest paid	(487)	(3,695)	(12,466)	(9,757)	(95)	(609)	(1,939)	(1,495)
Lease payments	(8,111)	(655)	(16,813)	(4,840)	(1,275)	(130)	(2,615)	(741)
Other finance expenses	(144)	(1,118)	(974)	(1,976)	(24)	(177)	(152)	(303)
<b>Net cash from financing activities</b>	<b>(11,109)</b>	<b>(25,597)</b>	<b>44,686</b>	<b>42,267</b>	<b>(1,638)</b>	<b>(3,435)</b>	<b>6,950</b>	<b>6,474</b>
Net increase in cash and cash equivalents	4,631	12,632	(16,407)	12,259	683	1,932	(2,555)	1,878
Net foreign exchange difference	(185)	(900)	(642)	(1,298)	9	(62)	(96)	(199)
Cash and cash equivalents at 1 July / January	771	10,224	22,266	10,995	119	1,493	3,463	1,684
<b>Cash and cash equivalents at 30 September</b>	<b>5,217</b>	<b>21,956</b>	<b>5,217</b>	<b>21,956</b>	<b>811</b>	<b>3,363</b>	<b>811</b>	<b>3,363</b>

**CONSOLIDATED KEY RATIOS**

	9 months	9 months	12 months	9 months	9 months	12 months
	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000
Total assets	745,389	680,019	646,125	115,929	104,163	99,166
Total equity	175,582	269,504	225,163	27,308	41,282	34,558
Equity ratio (%)	23.6%	39.6%	34.8%	23.6%	39.6%	34.8%
Interest bearing debt	438,684	304,178	350,530	68,228	46,593	53,799
Employees at period end	934	732	716	934	732	716
EBITDA	8,163	7,813	430	1,256	1,197	66
<b>Per share data</b>						
Earnings per share (SEK, USD)	-1.91	-1.88	-4.20	-0.30	-0.29	-0.64
Equity per share (SEK, USD)	9.86	15.30	12.78	1.53	2.34	1.96
Return on equity (%)	-17.0%	-11.4%	-27.7%	-17.0%	-11.4%	-27.7%

**Key ratio definitions**

Total assets	Total assets at period end
Total equity	Total equity including non controlling interest at period end
Equity ratio (%)	Total equity divided by total assets expressed as a percentage
Interest bearing debt	Total interest bearing debt at the period end
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
Earnings per share	Net result after tax for the period divided by the average number of outstanding shares for the period before dilution
Equity per share (SEK, USD)	Equity excluding non controlling interests at the period end divided by the number of outstanding shares at the period end
Return on equity (%)	Net result after tax for the period divided by the average total equity for the same period

**PARENT COMPANY INCOME STATEMENT**

	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	12 months Jan-Dec 2012	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	12 months Jan-Dec 2012
	TSEK	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
<b>Income</b>										
Operating income	0	14	7	8,040	8,062	0	2	1	1,232	1,237
<b>Total income</b>	<b>0</b>	<b>14</b>	<b>7</b>	<b>8,040</b>	<b>8,062</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>1,232</b>	<b>1,237</b>
<b>Operating costs</b>										
External expenses	-680	-928	-3,130	-4,005	-10,104	-104	-137	-487	-613	-1,551
Employee benefit expenses	-775	-160	-2,764	-820	-1,395	-118	-24	-430	-126	-214
<b>Total operating costs</b>	<b>-1,455</b>	<b>-1,088</b>	<b>-5,894</b>	<b>-4,825</b>	<b>-11,499</b>	<b>-222</b>	<b>-161</b>	<b>-917</b>	<b>-739</b>	<b>-1,765</b>
<b>Operating profit/loss</b>	<b>-1,455</b>	<b>-1,074</b>	<b>-5,887</b>	<b>3,215</b>	<b>-3,437</b>	<b>-222</b>	<b>-159</b>	<b>-916</b>	<b>492</b>	<b>-528</b>
Net financial items	3,761	10,065	-11,212	-3,282	-242,742	574	1,490	-1,744	-503	-37,256
<b>Profit/loss before income tax</b>	<b>2,306</b>	<b>8,991</b>	<b>-17,099</b>	<b>-67</b>	<b>-246,179</b>	<b>352</b>	<b>1,331</b>	<b>-2,659</b>	<b>-10</b>	<b>-37,783</b>
Income tax	-	-	-	-	-	-	-	-	-	-
<b>Net profit/loss for the period</b>	<b>2,306</b>	<b>8,991</b>	<b>-17,099</b>	<b>-67</b>	<b>-246,179</b>	<b>352</b>	<b>1,331</b>	<b>-2,659</b>	<b>-10</b>	<b>-37,783</b>

**PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME**

	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	12 months Jan-Dec 2012	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	12 months Jan-Dec 2012
	TSEK	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Net profit/loss for the period	2,306	8,991	-17,099	-67	-246,179	352	1,331	-2,659	-10	-37,783
Translation differences	-13,094	-13,910	-13,961	-17,502	-17,580	-1,998	-2,059	-2,171	-2,681	-2,698
<b>Total comprehensive income for the period</b>	<b>-10,788</b>	<b>-4,919</b>	<b>-31,061</b>	<b>-17,569</b>	<b>-263,760</b>	<b>-1,646</b>	<b>-728</b>	<b>-4,831</b>	<b>-2,691</b>	<b>-40,481</b>

**PARENT COMPANY STATEMENT OF FINANCIAL POSITION**

	September 30, 2013	September 30, 2012	December 31, 2012	September 30, 2013	September 30, 2012	December 31, 2012
	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000
<b>ASSETS</b>						
<b>FIXED ASSETS</b>						
Financial fixed assets	472,995	786,053	477,894	73,564	120,405	73,346
<b>Total fixed assets</b>	<b>472,995</b>	<b>786,053</b>	<b>477,894</b>	<b>73,564</b>	<b>120,405</b>	<b>73,346</b>
<b>CURRENT ASSETS</b>						
Current receivables	407	369	479	63	57	74
Cash and bank	272	65	1,193	42	10	183
<b>Total current assets</b>	<b>678</b>	<b>434</b>	<b>1,672</b>	<b>106</b>	<b>66</b>	<b>257</b>
<b>TOTAL ASSETS</b>	<b>473,674</b>	<b>786,487</b>	<b>479,566</b>	<b>73,670</b>	<b>120,472</b>	<b>73,603</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Total equity</b>	<b>232,280</b>	<b>507,444</b>	<b>261,254</b>	<b>36,126</b>	<b>77,729</b>	<b>40,097</b>
<b>Long term liabilities</b>	<b>894</b>	<b>206,591</b>	<b>215,315</b>	<b>139</b>	<b>31,645</b>	<b>33,046</b>
<b>Current liabilities</b>	<b>240,500</b>	<b>72,451</b>	<b>2,997</b>	<b>37,404</b>	<b>11,098</b>	<b>460</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>473,674</b>	<b>786,487</b>	<b>479,566</b>	<b>73,670</b>	<b>120,471</b>	<b>73,603</b>
<b>PLEGDED ASSETS</b>	<b>458,935</b>	<b>250,929</b>	<b>469,081</b>	<b>71,377</b>	<b>38,437</b>	<b>71,994</b>
<b>CONTINGENT LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**PARENT COMPANY STATEMENT OF CHANGES IN EQUITY**

(All amounts in TSEK)	Share capital	Statutory reserve	Share premium reserve	Translation difference reserve	Retained earnings	Net income for the period	Total equity
<b>Equity as at December 31, 2011</b>	<b>198,191</b>	<b>68,032</b>	<b>580,799</b>	<b>-31,917</b>	<b>-48,012</b>	<b>-242,080</b>	<b>525,013</b>
Profit/loss brought forward					-242,080	242,080	-
<b>Comprehensive income</b>							
Net profit/loss for the period						-67	-67
Translation difference				-17,502			-17,502
<b>Total comprehensive income for the period</b>				<b>-17,502</b>		<b>-67</b>	<b>-17,569</b>
<b>Equity as at September 30, 2012</b>	<b>198,191</b>	<b>68,032</b>	<b>580,799</b>	<b>-49,419</b>	<b>-290,092</b>	<b>-67</b>	<b>507,444</b>
<b>Comprehensive income</b>							
Net profit/loss for the period						-246,112	-246,112
Translation difference				-78			-78
<b>Total comprehensive income for the period</b>				<b>-78</b>		<b>-246,112</b>	<b>-246,190</b>
<b>Equity as at December 31, 2012</b>	<b>198,191</b>	<b>68,032</b>	<b>580,799</b>	<b>-49,497</b>	<b>-290,092</b>	<b>-246,179</b>	<b>261,254</b>
Profit/loss brought forward					-246,179	246,179	-
<b>Comprehensive income</b>							
Net profit/loss for the period						-17,099	-17,099
New shares issue	2,086						2,086
Translation difference				-13,961			-13,961
<b>Total comprehensive income for the period</b>	<b>2,086</b>			<b>-13,961</b>		<b>-17,099</b>	<b>-28,974</b>
<b>Equity as at September 30, 2013</b>	<b>200,277</b>	<b>68,032</b>	<b>580,799</b>	<b>-63,458</b>	<b>-536,271</b>	<b>-17,099</b>	<b>232,280</b>

**PARENT COMPANY STATEMENT OF CHANGES IN EQUITY**

(All amounts in US\$ 000)	Share capital	Statutory reserve	Share premium reserve	Translation difference reserve	Retained earnings	Net income for the period	Total equity
<b>Equity as at December 31, 2011</b>	<b>30,418</b>	<b>10,441</b>	<b>89,140</b>	<b>-4,899</b>	<b>-7,369</b>	<b>-37,154</b>	<b>80,578</b>
Profit/loss brought forward					-37,154	37,154	
<b>Comprehensive income</b>							
Net profit/loss for the period						-10	-10
Translation difference				-2,839			-2,839
<b>Total comprehensive income for the period</b>				<b>-2,839</b>		<b>-10</b>	<b>-2,849</b>
<b>Equity as at September 30, 2012</b>	<b>30,418</b>	<b>10,441</b>	<b>89,140</b>	<b>-7,738</b>	<b>-44,523</b>	<b>-10</b>	<b>77,729</b>
<b>Comprehensive income</b>							
Net profit/loss for the period						-37,773	-37,773
Translation difference				141			141
<b>Total comprehensive income for the period</b>				<b>141</b>		<b>-37,773</b>	<b>-37,632</b>
<b>Equity as at December 31, 2012</b>	<b>30,418</b>	<b>10,441</b>	<b>89,140</b>	<b>-7,597</b>	<b>-44,523</b>	<b>-37,783</b>	<b>40,097</b>
Profit/loss brought forward					-37,783	37,783	
<b>Comprehensive income</b>							
Net profit/loss for the period						-2,659	-2,659
New shares issue	324						324
Translation difference				-1,636			-1,636
<b>Total comprehensive income for the period</b>	<b>324</b>			<b>-1,636</b>		<b>-2,659</b>	<b>-3,971</b>
<b>Equity as at September 30, 2013</b>	<b>30,742</b>	<b>10,441</b>	<b>89,140</b>	<b>-9,233</b>	<b>-82,306</b>	<b>-2,659</b>	<b>36,126</b>

**PARENT COMPANY CASH FLOW STATEMENT**

	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012	3 months Jul-Sep 2013	3 months Jul-Sep 2012	9 months Jan-Sep 2013	9 months Jan-Sep 2012
	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000
<b>Operating activities</b>								
Receipts from customers	14	-	16	30	2	0	2	4
VAT and other reimbursement	257	340	529	994	39	50	81	146
Payments to suppliers	(1,399)	(597)	(4,109)	(4,527)	(214)	(90)	(631)	(664)
Payments to employees and social taxes	(694)	(164)	(2,551)	(1,517)	(106)	(25)	(391)	(223)
Income tax paid	-	-	-	-	-	-	-	-
Other taxes paid	-	-	(32)	-	0	-	(5)	-
<b>Net cash flows used in operating activities</b>	<b>(1,823)</b>	<b>(421)</b>	<b>(6,147)</b>	<b>(5,020)</b>	<b>(278)</b>	<b>(65)</b>	<b>(943)</b>	<b>(736)</b>
<b>Investing activities</b>								
Proceeds from exercise of share options	-	-	2,086	-	-	-	320	-
Borrowings given	(8,541)	(4,400)	(9,067)	(31,815)	(1,311)	(664)	(1,392)	(4,667)
Investments in JV	-	(497)	(790)	(3,105)	-	(75)	(121)	(455)
<b>Net cash flows used in investing activities</b>	<b>(8,541)</b>	<b>(4,897)</b>	<b>(7,771)</b>	<b>(34,920)</b>	<b>(1,311)</b>	<b>(738)</b>	<b>(1,193)</b>	<b>(5,122)</b>
<b>Financing activities</b>								
Proceeds from borrowings	16,574	4,836	24,012	32,664	2,540	728	3,685	4,791
Repayment of borrowings	(6,039)	(515)	(11,036)	(515)	(925)	(75)	(1,694)	(75)
<b>Net cash from financing activities</b>	<b>10,535</b>	<b>4,321</b>	<b>12,976</b>	<b>32,150</b>	<b>1,616</b>	<b>652</b>	<b>1,991</b>	<b>4,716</b>
Net increase in cash and cash equivalents	171	(997)	(941)	(7,791)	27	(151)	(144)	(1,143)
Net foreign exchange difference	49	12	20	(313)	7	6	4	(46)
Cash and cash equivalents at 1 July/January	52	1,000	1,193	8,119	8	146	182	1,191
<b>Cash and cash equivalents at 30 September</b>	<b>272</b>	<b>15</b>	<b>272</b>	<b>15</b>	<b>42</b>	<b>2</b>	<b>42</b>	<b>2</b>

## Next report due

12 months report 2013 (Jan-Dec) 27 February 2014

### Company information

Auriant Mining AB is a Swedish mining company focused on gold production and exploration in Russia in the central parts of Asia. The gold production was initiated in late January 2005 and the assets were as at end of March 2012 estimated to encompass almost 1,000,000 troy ounces (oz) (1 troy ounce = 31,1 g) of C1/ C2 Russian gold reserves (equaling some 32 tons). The parent company's full name is Auriant Mining AB (publ). It is a public limited liability company with head office in Stockholm. The corporate identification number is 556659-4833. Address of the parent company is Engelsbrektsplan 2, 4 tr, 114 34 Stockholm. Since July 19, 2010, AURIANT MINING's shares are traded on First North Premier at the NASDAQ OMX Nordic Exchange under the short name AUR. For more information please visit [www.auriant.se](http://www.auriant.se). Mangold Fondkommission is Certified Adviser to Auriant Mining, for more information please call +46 8 503 015 50 or visit [www.mangold.se](http://www.mangold.se)

*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, November 28, 2013

Auriant Mining AB (publ.)

Preston Haskell  
*Chairman*

Andre Bekker  
*Director*

Peter Daresbury  
*Director*

Ingmar Haga  
*Director*

Bertil Villard  
*Director*

## **Report of Review of Interim Financial Information**

### **Introduction**

We have reviewed this report for the period 1 January 2013 to 30 September 2013 for Auriant Mining AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### **Scope of Review**

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 27 November 2013

PricewaterhouseCoopers

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Martin Johansson

Authorised Public Accountant

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**Cautionary Statement:** Statements and assumptions made in this report 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 Mining. 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 Auriant operates; (ii) changes relating to the geological information available in respect of the various projects undertaken; (iii) Auriant'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. Auriant assumes no unconditional obligation to immediately update any such statements and/or forecasts.