



# AURIANT MINING

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

### **Interim report for the period from January – June 2015**

#### **Highlights:**

- **Gold grades at Tardan were 2.46 g/t which was a significant increase on H1 2014 (1.55 g/t).**
- **The volume of ore mined at Tardan (208,000 tonnes) increased by 82% from H1 2014.**
- **Cash costs per ounce of gold produced decreased by 28% to US\$ 1,117/oz in H1 2015 (\$1,551 in H1 2014).**
- **Consolidated gross profit significantly improved and was positive in H1 2015 at MSEK 2.4 (US\$ 0.2 m) compared to a loss in H1 2014 of MSEK -47.1 (US\$ -7.1 m).**
- **Consolidated operating loss significantly decreased from MSEK -67.2 (US\$ -10.2 m) in H1 2014 to MSEK -12.8 (US\$ -1.6 m).**
- **The Group's EBITDA for the period was positive at MSEK 19.1 (US\$ 2.3 m) compared to negative in H1 2014 of MSEK -43.9 (US\$ -6.6 m).**

## Comments by the CFO

Dear Stakeholders,

I'm pleased to present our interim financial statements for the first half (H1) of 2015. Our key target is to become profitable this year and we are focusing on improving the quality of our ore reserves and on reducing costs. We temporally ceased production at Solcocon and engaged contractors to undertake exploration work in the hard rock and alluvial deposits. In H1 2015, ore grade at Tardan (our main production site) significantly increased to 2.46 g/t (H1 2014 - 1.55 g/t). The volume of ore mined at Tardan in H1 2015 increased by 82% to 208,000 tonnes compared to H1 2014. As a result of our cost efficiency programme and the rouble devaluation against US\$ dollar, our financial performance significantly improved compared to H1 2014. Furthermore, we anticipate a material reduction in our cash costs per ounce in the second half of the year when traditionally the majority of gold production occurs. We will continue to focus our efforts on increasing production and reducing costs.

## Income, results and group financial position

### Income and financial results

Revenue from gold and gold equivalents decreased by MSEK -12.416 (US\$ -4.351 m), or 32%, compared to H1 2014. The average realized gold price decreased by 5% from US\$ 1,278 in H1 2014 to US\$ 1,216. The volume of gold sold decreased by 29% from 328 kg (10,542 oz) in H1 2014 down to 233 kg (7,497 oz) in H1 2015. This was mostly due to the fact that alluvial production, which gave us 25% of gold sales in H1 2014, was put on hold in 2015 for sand stripping activities to be performed by our outsourced contractor Urumkan. Production at Tardan, our main hard rock gold producing asset, slightly increased to 232 kg (7,431 oz) compared to 229 kg (7,362 oz) in H1 2014.

	<b>H1 2015</b>	<b>H1 2014</b>	<b>Change</b>	<b>Change</b>
	US\$ 000	US\$ 000	US\$ 000	%
Revenue from sale of Hard rock gold	9,119	10,194	-1,075	-11%
Revenue from sale of alluvial gold	-	3,276	-3,276	-100%
Alluvial gold costs	-	-2,464	2,464	100%
Revenue from management services	1,194	-	1,194	100%
<b>Revenue (net of costs of alluvial)</b>	<b>10,313</b>	<b>11,006</b>	<b>-693</b>	<b>-6.3%</b>

In 2015, Auriant managed five gold properties located in Russia's Chukotka region, including Valunisty - a producing gold mine (these properties belong to Aristus Holdings Ltd.). The Company received a total management fee of MSEK 10.189 (US\$ 1.2 m), including a variable fee of MSEK 5.094 (US\$ 0.6 m) as a result of the successful fulfillment of production KPIs in H1 2015. Revenue from management services received in H1 2015 compensated for the absence of revenue from alluvial production (US\$ 0.8 m) in H1 2014. The 6% decrease in total net revenue amounted to US\$ 0.7 m, the majority of which was due to a drop in the gold price.

Cost of sales (except the cost of alluvial gold) decreased in H1 2015 by 44% as compared to the previous year. Partially it was a result of decreased cash costs per ounce of gold produced (from 1,551/oz in H1 2014 down to US\$ 1,117/oz in H1 2015) and capitalized work in progress reflecting more gold yet to be recovered from ore stacked on the heap.

General and administrative expenses decreased by MSEK -2.084 (US\$ -0.864 m), or 31%, as compared to H1 2014.

Other operating income in both periods primarily consisted of services to external parties, mainly our contractors. Also in 2015 the Company rented out Solcocon's mining equipment to cover its costs. Rental revenue is included in other operating income.

Other operating expenses decreased by MSEK 2.160 (US\$ 0.403 m) or 58%. In prior period there was a one off expense related to liquidation of a subsidiary LLC "Gold Borzya".

Financial income in both periods represents foreign exchange gain. Financial expenses were represented by interest expenses.

The interest expense for the reporting period decreased by 28% and amounted to MSEK -31.898 (US\$ -3.809 m) as compared to MSEK -35.041 (US\$ -5.312 m) for the respective period of 2014. Interest expenses reduced mainly as a result of the shareholder's bond interest rate reduction from effective 16.2% in H1 2014 to 5.0% in H1 2015 (the bond carries an interest rate of 2% p. a. since March 2015). Reduction of the Shareholder's bond interest rate decreased the Company's interest expenses by US\$ 2.079 m compared to prior period. Bank loan interest expenses increased by US\$ 0.427 m compared to H1 2014 as result of additional financing received.

The Company incurred taxable income at the subsidiary level in the current period. The income tax expenses in H1 2015 represent the utilization of tax losses carried forward, which are non-cash items. In the prior period, there was an accumulation of tax losses carried forward caused by a change in deferred taxation at the subsidiary level.

The net result after tax for H1 2015 is MSEK -48.961 (US\$ -5.851 m) as compared to MSEK -80.013 (US\$ -12.131 m) in H1 2014. Earnings per share before and after dilution for the period were equal to SEK -2.75 (US\$ -0.33) compared to H1 2014 of SEK -4.49 (US\$ -0.68).

### **Financial position**

In H1 2015, stripping costs occurred due to the removal of overburden and as a result of the improved access to future ore; these were capitalized during the reporting period. This led to an increase in the stripping asset as of June 30, 2015 to MSEK 38.410 (US\$ 4.666 m).

In May 2015 the Company agreed with the majority Shareholder to reduce the interest rate on the Shareholder's bond from 10% p.a. to 2% p.a. These changes are effective from 1 March 2015. In exchange, the majority Shareholder has been offered an option to redeem US\$ 20 m of the outstanding bond amount in the form of cash or new shares, or a combination of both. The conversion date is at the discretion of the Shareholder until December 31, 2018. In accordance with International Finance Reporting Standards, part of the debt to the Shareholder in amount of MSEK 34.159 (US\$ 4.146 m) was accounted for as additional paid in capital and therefore long term liabilities in the consolidated statement decreased as of June 30, 2015 by this amount.

### **Investments, liquidity and financing**

During the reporting period, the majority of operating activities were financed via accumulated cash balances as of 31 December 2014, receipts from sales, VAT reimbursement and loan receipts during H1 2015.

As of 30 June 2015, total bank debt including interest was MSEK 397.922 (US\$ 48.298 m).

The consolidated cash balance as of 30 June 2015 was MSEK 1.301 (US\$ 0.157 m) (31 December 2014 - MSEK 4.711 (US\$ 0.603 m)).

*Chief Financial Officer  
Sergey Ustimenko*

## **Other financial information**

We are reporting all our financial numbers in SEK and in US dollars. The average exchange rates used in this report are US\$/SEK 8.3365 and 8.4212 for Q1 2015 and Q2 2015 respectively. An exchange rate of US\$/SEK 8.2389 was used for the financial statement at June 30, 2015. For the H1 2014 accounts, US\$/SEK 6.5966 was used for the P&L and US\$/SEK 6.7406 for the financial statement.

## **Segment information**

The company includes segmental analysis in accordance with IFRS 8, but at present only considers that it has one segment as only one product, gold, is produced and all operations are performed in one geographic area, Russia.

## **Transactions with related parties**

The bond liability to Golden Impala as of June 30, 2015 is MSEK 366.341 (US\$ 44.465 m). During H1 2015, the Company received a short term loan from Mr. Preston Haskell, major Shareholder, in amount of MSEK 8.550 (US\$ 1.0 m) at a 10% annual interest rate.

The loan liability to Mr. Preston Haskell as of June 30, 2015 is MSEK 43.758 (US\$ 5.311 m). Accrued interest expenses for transactions with related parties in H1 2015 amounted to MSEK -10.164 (US\$ -1.216 m).

## **Employees**

The group had on average 616 employees during the reporting period. As of 30 June 2015, the number of employees in the group was 634 (789 as of December 31, 2014).

## **Capital Structure**

The number of issued shares at the end of the reporting period amounted to 17,802,429. The minimum share capital is MSEK 150 (US\$ 23.088 m) and the maximum is MSEK 600 (US\$ 92.352 m) and the quota value of each share is SEK 11.25 (US\$ 1.30). 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 of the parent company**

The operating loss for H1 2015 was MSEK -3.932 (US\$ -0.469 m) compared to MSEK -3.582 (US\$ -0.543 m) in H1 2014.

Total operating expenses for H1 2015 amounted to MSEK -4.022 (US\$ -0.480 m), in H1 2014 MSEK -3.582 (US\$ -0.543 m).

Net financial items for H1 2015 amounted to MSEK -17.781 (US\$ -2.122 m) (H1 2014 MSEK -24.490) (US\$ -3.713 m)) and include a forex loss of MSEK -18.456 (US\$ -2.201 m) as the Golden Impala bond is denominated in US\$, interest expenses related to the Golden Impala bond of MSEK -8.296 (US\$ -0.992 m) and interest expenses of MSEK -1.868 (US\$ -0.224 m) related to short term loans received from Mr. Preston Haskell; These expenses were compensated by intragroup loan interest income of MSEK 10.839 (US\$ 1.295 m).

Interest expenses related to Golden Impala for the reporting period decreased by 61% and amounted to MSEK -8.296 (US\$ -0.922 m) as compared to MSEK -21.357 (US\$ -3.250 m) for the respective period in 2014. Interest expenses reduced mainly as a result of a shareholder bond interest rate reduction from effective 16.2% in H1 2014 to 5.0% in H1 2015 (the bond carries an interest rate of 2% p. a. since March 2015).

The Increase in financial expenses is mainly caused by foreign exchange losses due to SEK devaluation against US\$ by 5% in H1 2015 (in H1 2014 forex effect was not significant).

Net result for H1 2015 amounted to MSEK -21.713 (US\$ -2.591 m) compared to H1 2014 in amount of MSEK -28.072 (US\$ -4.256 m).

### **Financial position of the parent company**

The increase in fixed assets is mainly caused by the forex gain in intragroup balances, denominated in RUR and US\$ as result of the SEK devaluation against RUR by 7% and SEK devaluation against US\$ by 5%.

The total cash balance in the Parent Company was MSEK 0.052 (US\$ 0.006) as of 30 June 2015 (31 December 2014 MSEK 0.705 (US\$ 0.09)).

In May 2015, the Company agreed with the majority Shareholder to reduce the interest rate on the Shareholder's bond from 10% p.a. to 2% p.a. These changes are effective from 1 March 2015. In exchange, the majority Shareholder has been offered an option to redeem US\$ 20 m of the outstanding bond amount in the form of cash or new shares, or a combination of both. The conversion date is at the discretion of the Shareholder until December 31, 2018. In accordance with Swedish accounting standards, part of the debt to the Shareholder in amount of MSEK 34.159 (US\$ 4.146 m) was accounted for as share premium reserve and therefore categorised as a long term liability in the financial statement of June 30, 2015.

In April 2015, the Company received a new loan from the Shareholder Mr. Preston Haskell in the amount of MSEK 8.550 (US\$ 1.0 m) – this is the main reason for the increase in current liabilities compared to December 31, 2014.

### **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 62 in the annual report for the financial year 2014. The evaluations and estimations made by the Board of Directors and management in preparing the interim report are described on page 71 in the annual report for 2014.

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 2014.

The same accounting principles are applied in this interim report as in the annual report 2014.

## Restatement

In accordance with changes in accounting policy of the Parent Company and as a result of the application of the Swedish regulation RFR 2 regarding warrants and options issued in favour of the Company's Board of Directors and employees, the financial statements of the Parent Company for H1 2014 were restated. Adjustments to comparative figures are disclosed below.

The effect of the restatement on the Parent Company Financial Statement in SEK is as follows:

### PARENT COMPANY STATEMENT OF FINANCIAL POSITION

	Before restatement June 30,  2014	Effect of recognition options and warrants	After restatement June 30,  2014
<b>ASSETS</b>	TSEK	TSEK	TSEK
<b>FIXED ASSETS</b>			
Financial fixed assets	544,124	6,907	551,030
<b>Total fixed assets</b>	<b>544,124</b>	<b>6,907</b>	<b>551,030</b>
<b>CURRENT ASSETS</b>			
Current receivables	509		509
Cash and bank	298		298
<b>Total current assets</b>	<b>807</b>	-	<b>807</b>
<b>TOTAL ASSETS</b>	<b>544,931</b>	<b>6,907</b>	<b>551,837</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Total equity</b>	<b>198,941</b>	<b>6,907</b>	<b>205,848</b>
<b>Long term liabilities</b>	<b>343,598</b>	-	<b>343,598</b>
<b>Current liabilities</b>	<b>2,391</b>	-	<b>2,391</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>544,931</b>	<b>6,907</b>	<b>551,837</b>

The effect of restatement on the Parent Company Financial Statement in US\$ is as follows:

	<b>Before restatement June 30, 2014</b>	<b>Effect of recognition options and warrants</b>	<b>After restatement June 30, 2014</b>
<b>ASSETS</b>	US\$ 000	US\$ 000	US\$ 000
<b>FIXED ASSETS</b>			
Financial fixed assets	80,723	1,045	81,768
<b>Total fixed assets</b>	<b>80,723</b>	<b>1,045</b>	<b>81,768</b>
<b>CURRENT ASSETS</b>			
Current receivables	76		76
Cash and bank	44		44
<b>Total current assets</b>	<b>120</b>	-	<b>120</b>
<b>TOTAL ASSETS</b>	<b>80,843</b>	<b>1,045</b>	<b>81,888</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Total equity</b>	<b>29,514</b>	<b>1,045</b>	<b>30,559</b>
<b>Long term liabilities</b>	<b>50,974</b>	-	<b>50,974</b>
<b>Current liabilities</b>	<b>355</b>	-	<b>355</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>80,843</b>	<b>1,045</b>	<b>81,888</b>

## Risks and uncertainties associated with this interim report

The group's risk exposure is presented on page 93 of the 2014 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 RUR, 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. Changes in the interpretations of tax legislation and in the legal environment may have significant impact on the company.

## Operational Update

### Operational Highlights

- Total H1 gold production was 235 kg (7,540 oz), 37 % less than the comparable period last year (372 kg (11,969 oz)). This was mostly due to the absence of any alluvial production in the first 6 months of 2015 (H1 2014 – 115kg).
- Tardan gold production slightly increased to 232 kg (7,431 oz), compared to 229 kg (7,362 oz) in H1 2014
- The volume of ore mined at Tardan (208,000 tonnes) increased by 82% compared to H1 2014.
- Gold grades at Tardan were 2.46 g/t which was a significant increase on that achieved in H1 2014 (1.55 g/t).
- The Company has submitted its Kara-Beldyr reserve report to GKZ for approval. The Company is expecting to announce the results of this report during Q3 2015.

### Production

Production unit	License area	H1 2015		H1 2014	
		kg	oz	kg	oz
<b>Hard rock</b>					
Tardan (gravitational)	Tardan	21	659	0	0
Tardan (heap leach)	Tardan	211	6,772	229	7,362
Solcocon	Staroverenskaya	3	108	28	903
<b>Total</b>		<b>235</b>	<b>7,540</b>	<b>257</b>	<b>8,265</b>
<b>Alluvial</b>					
Borzya		0	0	115	3 704
<b>Total gold produced</b>		<b>235</b>	<b>7,540</b>	<b>372</b>	<b>11,969</b>



## Tardan

		H1 2015	H1 2014
<b>Mining</b>			
Waste stripping	000 m <sup>3</sup>	1,435	1,265
Ore mined	000 tonnes	208	114
Average grade	g/t	2.46	1.55
<b>Gravitation</b>			
Throughput	000 tonnes	12	0
Average grade	g/t	5.04	0
Recovery	%	34%	0
Gold produced	kg	21	0
<b>Heap leach</b>			
<b>Crushing</b>			
Ore	000 tonnes	188	124
Grade	g/t	2.36	1.57
<b>Stacking</b>			
Ore	000 tonnes	188	124
Grade	g/t	2.36	1.57
Tailings	000 tonnes	17	20
Grade	g/t	3.3	2.9
<b>Gold produced</b>	kg	211	229
<b>Warehouse</b>			
Ore	000 tonnes	35	4
Grade	g/t	2.02	1.47
Tailings	000 tonnes	20	31
Grade	g/t	2.75	2.73

# Financial reports

## CONSOLIDATED INCOME STATEMENT

	Q2		H1		12 months	Q2		H1		12 months
	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Revenue	TSEK 49,260	TSEK 63,118	TSEK 86,629	TSEK 88,856	TSEK 297,481	US\$ 000 5,849	US\$ 000 9,489	US\$ 000 10,313	US\$ 000 13,470	US\$ 000 42,627
Cost of sales	(51,960)	(86,751)	(84,225)	(135,919)	(336,598)	(6,104)	(12,998)	(10,082)	(20,604)	(48,752)
Gross profit	<b>(2,700)</b>	<b>(23,633)</b>	<b>2,404</b>	<b>(47,063)</b>	<b>(39,117)</b>	<b>(255)</b>	<b>(3,509)</b>	<b>231</b>	<b>(7,134)</b>	<b>(6,125)</b>
General and administrative expenses	(9,415)	(9,358)	(16,188)	(18,272)	(34,080)	(1,118)	(1,395)	(1,910)	(2,774)	(4,976)
Other operating income	2,623	1,466	3,350	2,712	5,195	311	218	398	411	769
Other operating expenses	(341)	(2,815)	(2,382)	(4,542)	(6,339)	(41)	(422)	(286)	(689)	(919)
Operating profit/(loss)	<b>(9,833)</b>	<b>(34,340)</b>	<b>(12,816)</b>	<b>(67,165)</b>	<b>(74,341)</b>	<b>(1,103)</b>	<b>(5,109)</b>	<b>(1,567)</b>	<b>(10,186)</b>	<b>(11,251)</b>
Financial income	3,319	1,773	3,319	1,774	-	420	274	420	274	-
Financial expenses	(13,773)	(14,707)	(31,898)	(35,041)	(120,438)	(1,722)	(2,167)	(3,809)	(5,312)	(15,011)
Profit/(Loss) before income tax	<b>(20,287)</b>	<b>(47,274)</b>	<b>(41,395)</b>	<b>(100,432)</b>	<b>(194,779)</b>	<b>(2,405)</b>	<b>(7,002)</b>	<b>(4,956)</b>	<b>(15,224)</b>	<b>(26,262)</b>
Income tax	(9,378)	2,466	(7,566)	20,419	66,114	(1,112)	316	(895)	3,093	9,671
Net profit/(loss) for the period	<b>(29,665)</b>	<b>(44,808)</b>	<b>(48,961)</b>	<b>(80,013)</b>	<b>(128,665)</b>	<b>(3,517)</b>	<b>(6,685)</b>	<b>(5,851)</b>	<b>(12,131)</b>	<b>(16,591)</b>
Whereof attributable to: The owners of the parent company	(29,665)	(44,808)	(48,961)	(80,013)	(128,665)	(3,517)	(6,685)	(5,851)	(12,131)	(16,591)
<b>Earnings per share before dilution (SEK, US\$)</b>	(1.67)	(2.52)	(2.75)	(4.49)	(7.23)	(0.20)	(0.38)	(0.33)	(0.68)	(0.93)
<b>Earnings per share after dilution (SEK, US\$)</b>	(1.67)	(2.52)	(2.75)	(4.49)	(7.23)	(0.20)	(0.38)	(0.33)	(0.68)	(0.93)
Number of shares issued at period end	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429
Average number of shares for the period	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429	17,802,429
Average number of shares for the period after dilution	18,667,480	18,923,755	18,667,480	18,923,755	18,667,480	18,667,480	18,923,755	18,667,480	18,923,755	18,667,480

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q2		H1		12 months	Q2		H1		12 months
	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Net profit/loss for the period	(29,665)	(44,808)	(48,961)	(80,013)	(128,665)	(3,517)	(6,685)	(5,851)	(12,131)	(16,591)
<b>Other comprehensive income</b>										
Translation difference	14,321	(1,751)	(15,869)	(2,601)	(37,840)	167	-	(241)	-	(3,055)
<b>Total comprehensive income for the period</b>	<b>(15,344)</b>	<b>(46,559)</b>	<b>(64,830)</b>	<b>(82,614)</b>	<b>(166,505)</b>	<b>(3,350)</b>	<b>(6,685)</b>	<b>(6,092)</b>	<b>(12,131)</b>	<b>(19,646)</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	June 30, 2015 TSEK	June 30, 2014 TSEK	December 31, 2014 TSEK	June 30, 2015 US\$ 000	June 30, 2014 US\$ 000	December 31, 2014 US\$ 000
<b>ASSETS</b>						
<b>FIXED ASSETS</b>						
Intangible fixed assets	246,203	172,611	242,165	33,416	25,608	33,928
Tangible fixed assets	260,536	242,875	268,593	31,343	35,982	34,162
Stripping assets	38,080	-	24,936	4,622	-	3,192
Financial fixed assets	78,577	91,106	80,441	9,536	13,477	10,298
<b>Total fixed assets</b>	<b>623,396</b>	<b>506,591</b>	<b>616,135</b>	<b>78,917</b>	<b>75,067</b>	<b>81,580</b>
<b>CURRENT ASSETS</b>						
Materials	8,810	15,620	10,430	1,069	2,317	1,335
Work in progress	57,842	36,025	27,028	7,021	5,345	3,460
Finished products	796	7,589	321	97	1,126	41
Stripping asset	-	27,642	-	-	4,101	-
Current receivables	38,410	30,927	31,347	4,666	4,587	4,013
Advanced paid	6,634	13,026	5,285	806	1,933	677
Cash and cash equivalents	1,301	1,730	4,711	157	257	603
<b>Total current assets</b>	<b>113,793</b>	<b>132,559</b>	<b>79,122</b>	<b>13,816</b>	<b>19,666</b>	<b>10,129</b>
<b>TOTAL ASSETS</b>	<b>737,189</b>	<b>639,150</b>	<b>695,257</b>	<b>92,733</b>	<b>94,733</b>	<b>91,709</b>
Share capital	200,277	200,277	200,277	30,738	30,738	30,738
Additional paid in capital	197,785	162,726	162,982	29,220	24,961	24,997
Retained earnings	(477,542)	(379,929)	(428,581)	(68,444)	(58,133)	(62,593)
Translation difference reserve	(106,815)	(55,707)	(90,946)	(11,461)	(8,165)	(11,220)
<b>Total equity</b>	<b>(186,295)</b>	<b>(72,633)</b>	<b>(156,268)</b>	<b>(19,947)</b>	<b>(10,599)</b>	<b>(18,078)</b>
<b>Long term liabilities</b>						
Deferred tax	16,714	19,210	17,530	2,621	2,850	2,719
Loans and notes payable	146,558	107,587	133,531	17,788	15,961	17,094
Lease payable	11,228	16,295	13,757	1,363	2,417	1,761
Debt to shareholder	332,182	278,630	339,528	40,319	41,336	43,464
Other long-term liabilities	51,328	9,350	44,950	6,229	1,387	6,060
<b>Total long term liabilities</b>	<b>558,010</b>	<b>431,072</b>	<b>549,296</b>	<b>68,320</b>	<b>63,951</b>	<b>71,098</b>
<b>Current liabilities</b>						
Trade accounts payable	32,084	36,818	17,744	3,894	5,462	2,271
Bank loans payable	254,358	196,939	220,728	30,873	29,217	28,256
Lease payable	7,474	5,381	5,886	907	799	753
Shareholder loans payable	43,758	-	31,938	5,311	-	4,088
Other current liabilities	27,800	41,572	25,933	3,375	5,903	3,321
<b>Total current liabilities</b>	<b>365,474</b>	<b>280,711</b>	<b>302,229</b>	<b>44,360</b>	<b>41,381</b>	<b>38,689</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>737,189</b>	<b>639,150</b>	<b>695,257</b>	<b>92,733</b>	<b>94,733</b>	<b>91,709</b>
<b>PLEDGED ASSETS*</b>	-	-	-	-	-	-
<b>CONTINGENT LIABILITIES</b>	-	-	-	-	-	-

\*100% shares of all production companies are pledged under the loan agreements with Promsvyazbank. Amount of pledged assets as of June 30, 2015 is zero due to the fact that net assets of production companies are negative.

**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, 2013</b>	<b>200,277</b>	<b>160,204</b>	<b>(53,106)</b>	<b>(299,916)</b>	<b>7,459</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				(80,013)	(80,013)
Warrants and options issue		2,522			2,522
Translation difference			(2,601)		(2,601)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>2,522</b>	<b>(2,601)</b>	<b>(80,013)</b>	<b>(80,092)</b>
Total transactions with owners, recognised directly in equity		1,239			1,239
<b>Equity as at June 30, 2014</b>	<b>200,277</b>	<b>162,726</b>	<b>(55,707)</b>	<b>(379,929)</b>	<b>(72,633)</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				(48,652)	(48,652)
Warrants and options issue		256			256
Translation difference			(35,239)		(35,239)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>256</b>	<b>(35,239)</b>	<b>(48,652)</b>	<b>(83,635)</b>
Total transactions with owners, recognised directly in equity		250			250
<b>Equity as at December 31, 2014</b>	<b>200,277</b>	<b>162,982</b>	<b>(90,946)</b>	<b>(428,581)</b>	<b>(156,268)</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				(48,961)	(48,961)
Convertible part of bond		34,159			34,159
Warrants and options issue		644			644
Translation difference			(15,869)		(15,869)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>34,803</b>	<b>(15,869)</b>	<b>(48,961)</b>	<b>(30,027)</b>
Total transactions with owners, recognised directly in equity		306			306
<b>Equity as at June 30, 2015</b>	<b>200,277</b>	<b>197,785</b>	<b>(106,815)</b>	<b>(477,542)</b>	<b>(186,295)</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, 2013</b>	<b>30,738</b>	<b>24,575</b>	<b>(8,165)</b>	<b>(46,002)</b>	<b>1,146</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				(12,131)	(12,131)
Warrants and options issue		386			386
Translation difference			-		-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>386</b>	<b>-</b>	<b>(12,131)</b>	<b>(11,745)</b>
Total transactions with owners, recognised directly in equity		190			190
<b>Equity as at June 30, 2014</b>	<b>30,738</b>	<b>24,961</b>	<b>(8,165)</b>	<b>(58,133)</b>	<b>(10,599)</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				(4,460)	(4,460)
Warrants and options issue		36			36
Translation difference			(3,055)		(3,055)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>36</b>	<b>(3,055)</b>	<b>(4,460)</b>	<b>(7,479)</b>
Total transactions with owners, recognised directly in equity		36			36
<b>Equity as at December 31, 2014</b>	<b>30,738</b>	<b>24,997</b>	<b>(11,220)</b>	<b>(62,593)</b>	<b>(18,078)</b>
<b>Comprehensive income</b>					
Net profit/loss for the period				(5,851)	(5,851)
Convertible part of bond		4,146			4,146
Warrants and options issue		77			77
Translation difference			(241)		(241)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>4,223</b>	<b>(241)</b>	<b>(5,851)</b>	<b>(1,869)</b>
Total transactions with owners, recognised directly in equity		37			37
<b>Equity as at June 30, 2015</b>	<b>30,738</b>	<b>29,220</b>	<b>(11,461)</b>	<b>(68,444)</b>	<b>(19,947)</b>

CONSOLIDATED CASH FLOW STATEMENT	Q2	Q2	H1	H1	Q2	Q2	H1	H1
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun
	2015	2014	2015	2014	2015	2014	2015	2014
	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000
<b>Operating activities</b>								
Receipts from customers	44,838	63,118	82,207	88,856	5,324	9,489	9,718	13,470
VAT and other reimbursement	7,725	12,487	16,276	29,013	917	1,893	1,943	4,488
Payments to suppliers	(45,019)	(66,358)	(69,672)	(94,043)	(5,346)	(9,980)	(8,303)	(14,355)
Payments to employees and social taxes	(19,081)	(23,308)	(33,451)	(44,653)	(2,266)	(3,533)	(3,990)	(6,793)
Income tax paid	(107)	(2)	(107)	(2)	(13)	(0)	(13)	(0)
Other taxes paid	(5,542)	(6,207)	(10,194)	(10,816)	(658)	(942)	(1,216)	(1,656)
<b>Net cash flows from/(used in) operating activities</b>	<b>(17,186)</b>	<b>(20,270)</b>	<b>(14,940)</b>	<b>(31,645)</b>	<b>(2,041)</b>	<b>(3,073)</b>	<b>(1,860)</b>	<b>(4,847)</b>
<b>Investing activities</b>								
Purchase and construction of property plant and equipment	(124)	(14,711)	(469)	(16,967)	(15)	(2,230)	(56)	(2,598)
Exploration and research works	-	(387)	-	(2,739)	-	(59)	-	(419)
Investments in JV	-	(298)	-	(792)	-	(45)	-	(121)
<b>Net cash flows used in investing activities</b>	<b>(124)</b>	<b>(15,396)</b>	<b>(469)</b>	<b>(20,498)</b>	<b>(15)</b>	<b>(2,334)</b>	<b>(56)</b>	<b>(3,139)</b>
<b>Financing activities</b>								
Proceeds from borrowings	72,432	115,339	131,855	209,862	8,601	17,485	15,763	32,135
Repayment of borrowings	(45,354)	(117,681)	(105,449)	(155,344)	(5,386)	(17,840)	(12,481)	(23,787)
Interest paid	(4,856)	(4,360)	(8,670)	(6,198)	(577)	(661)	(1,193)	(949)
Lease payments	(3,693)	(3,063)	(5,599)	(6,622)	(439)	(464)	(667)	(1,014)
Other finance expenses	(61)	-	(88)	-	(7)	-	(10)	-
<b>Net cash from/(used in) financing activities</b>	<b>18,468</b>	<b>(9,766)</b>	<b>12,049</b>	<b>41,697</b>	<b>2,193</b>	<b>(1,481)</b>	<b>1,412</b>	<b>6,385</b>
Net increase in cash and cash equivalents	1,159	(45,433)	(3,360)	(10,447)	138	(6,887)	(504)	(1,601)
Net foreign exchange difference	(387)	1,612	(50)	1,401	(42)	143	58	202
Cash and cash equivalents at 1 April/1 January	529	45,551	4,711	10,776	61	7,001	603	1,656
<b>Cash and cash equivalents at 30 June</b>	<b>1,301</b>	<b>1,730</b>	<b>1,301</b>	<b>1,730</b>	<b>157</b>	<b>257</b>	<b>157</b>	<b>257</b>

CONSOLIDATED KEY RATIOS	H1	H1	12 months	H1	H1	12 months
	Jan-Jun	Jan-Jun	Jan-Dec	Jan-Jun	Jan-Jun	Jan-Dec
	2015	2014	2014	2015	2014	2014
	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000
Total assets	737,189	639,150	695,257	92,733	94,733	91,709
Total equity	(186,295)	(72,633)	(156,268)	(19,947)	(10,599)	(18,078)
Equity ratio (%)	-25.3%	-11.4%	-22.5%	-21.5%	-11.2%	-19.7%
Interest bearing debt	826,722	600,788	745,322	100,344	89,130	95,057
Employees at period end	634	900	789	634	900	789
EBITDA	19,086	(43,908)	(25,029)	2,280	(6,661)	(4,085)
<b>Per share data</b>						
Earnings per share (SEK, USD)	(2.75)	(4.49)	(7.23)	(0.33)	(0.68)	(0.93)
Equity per share (SEK, USD)	(10.46)	(4.08)	(8.78)	(1.12)	(0.61)	(1.02)
Return on equity (%)	-28.6%	-245.5%	-172.9%	-30.8%	-245.5%	-196.0%

#### 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

	Q2 Apr-Jun 2015	Q2 Apr-Jun 2014	H1 Jan-Jun 2015	H1 Jan-Jun 2014	12 months Jan-Dec 2014	Q2 Apr-Jun 2015	Q2 Apr-Jun 2014	H1 Jan-Jun 2015	H1 Jan-Jun 2014	12 months Jan-Dec 2014
	TSEK	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
<b>Income</b>										
Operating income	-	-	90	-	44,317	-	-	11	-	6,462
<b>Total income</b>	-	-	<b>90</b>	-	<b>44,317</b>	-	-	<b>11</b>	-	<b>6,462</b>
<b>Operating costs</b>										
External expenses	(1,582)	(1,419)	(2,626)	(2,211)	(5,690)	(188)	(213)	(313)	(335)	(830)
Employee benefit expenses	(675)	(686)	(1,396)	(1,371)	(2,848)	(80)	(102)	(167)	(208)	(415)
<b>Total operating costs</b>	<b>(2,258)</b>	<b>(2,105)</b>	<b>(4,022)</b>	<b>(3,582)</b>	<b>(8,538)</b>	<b>(268)</b>	<b>(315)</b>	<b>(480)</b>	<b>(543)</b>	<b>(1,245)</b>
<b>Operating profit/loss</b>	<b>(2,258)</b>	<b>(2,105)</b>	<b>(3,932)</b>	<b>(3,582)</b>	<b>35,779</b>	<b>(268)</b>	<b>(315)</b>	<b>(469)</b>	<b>(543)</b>	<b>5,217</b>
Net financial items	20,036	(16,329)	(17,781)	(24,490)	(77,369)	2,414	(2,450)	(2,122)	(3,713)	(11,282)
<b>Profit/loss before income tax</b>	<b>17,779</b>	<b>(18,434)</b>	<b>(21,713)</b>	<b>(28,072)</b>	<b>(41,590)</b>	<b>2,146</b>	<b>(2,765)</b>	<b>(2,591)</b>	<b>(4,256)</b>	<b>(6,065)</b>
Income tax	-	-	-	-	-	-	-	-	-	-
<b>Net profit/loss for the period</b>	<b>17,779</b>	<b>(18,434)</b>	<b>(21,713)</b>	<b>(28,072)</b>	<b>(41,590)</b>	<b>2,146</b>	<b>(2,765)</b>	<b>(2,591)</b>	<b>(4,256)</b>	<b>(6,065)</b>

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Q2 Apr-Jun 2015	Q2 Apr-Jun 2014	H1 Jan-Jun 2015	H1 Jan-Jun 2014	12 months Jan-Dec 2014	Q2 Apr-Jun 2015	Q2 Apr-Jun 2014	H1 Jan-Jun 2015	H1 Jan-Jun 2014	12 months Jan-Dec 2014
	TSEK	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
Net profit/loss for the period	17,779	(18,434)	(21,713)	(28,072)	(41,590)	2,146	(2,765)	(2,591)	(4,256)	(6,065)
Translation differences	(10,485)	22,075	21,270	5,500	(39,534)	(501)	2,264	1,394	(266)	(9,998)
<b>Total comprehensive income for the period</b>	<b>7,294</b>	<b>3,640</b>	<b>(443)</b>	<b>(22,572)</b>	<b>(81,124)</b>	<b>1,645</b>	<b>(501)</b>	<b>(1,197)</b>	<b>(4,521)</b>	<b>(16,063)</b>

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

	June 30, 2015	June 30, 2014*	December 31, 2014	June 30, 2015	June 30, 2014*	December 31, 2014
	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000
<b>ASSETS</b>						
<b>FIXED ASSETS</b>						
Financial fixed assets	562,026	551,030	522,219	68,216	81,768	67,016
<b>Total fixed assets</b>	<b>562,026</b>	<b>551,030</b>	<b>522,219</b>	<b>68,216</b>	<b>81,768</b>	<b>67,016</b>
<b>CURRENT ASSETS</b>						
Current receivables	404	509	291	49	76	37
Cash and bank	52	298	705	6	44	90
<b>Total current assets</b>	<b>456</b>	<b>807</b>	<b>996</b>	<b>55</b>	<b>120</b>	<b>127</b>
<b>TOTAL ASSETS</b>	<b>562,482</b>	<b>551,837</b>	<b>523,215</b>	<b>68,272</b>	<b>81,888</b>	<b>67,143</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Total equity</b>	<b>181,912</b>	<b>205,848</b>	<b>147,552</b>	<b>22,080</b>	<b>30,559</b>	<b>19,054</b>
<b>Long term liabilities</b>	<b>333,076</b>	<b>343,598</b>	<b>340,422</b>	<b>40,427</b>	<b>50,974</b>	<b>43,578</b>
<b>Current liabilities</b>	<b>47,495</b>	<b>2,391</b>	<b>35,241</b>	<b>5,765</b>	<b>355</b>	<b>4,511</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>562,482</b>	<b>551,837</b>	<b>523,215</b>	<b>68,272</b>	<b>81,888</b>	<b>67,143</b>
<b>PLEGDED ASSETS</b>	<b>500,122</b>	<b>437,516</b>	<b>498,562</b>	<b>60,703</b>	<b>64,908</b>	<b>63,822</b>
<b>CONTINGENT LIABILITIES</b>	-	-	-	-	-	-

\*Certain amounts shown here do not correspond to the H1 2014 financial statement and reflect adjustments made as detailed in the paragraph "Restatement" above.

**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, 2013 Restated</b>	<b>200,277</b>	<b>68,032</b>	<b>585,184</b>	<b>(61,073)</b>	<b>(536,271)</b>	<b>(30,251)</b>	<b>225,898</b>
Profit/loss brought forward					(30,251)	30,251	
<b>Comprehensive income</b>							
Net profit/loss for the period						(28,072)	(28,072)
Warrants and options issue			2,522				2,522
Translation difference				5,500			5,500
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>2,522</b>	<b>5,500</b>	<b>-</b>	<b>(28,072)</b>	<b>(20,050)</b>
Total transactions with owners, recognised directly in equity			1,239				1,239
<b>Equity as at June 30, 2014 Restated*</b>	<b>200,277</b>	<b>68,032</b>	<b>587,706</b>	<b>(55,573)</b>	<b>(566,522)</b>	<b>(28,072)</b>	<b>205,848</b>
<b>Comprehensive income</b>							
Net profit/loss for the period						(13,518)	(13,518)
Warrants and options issue			256				256
Translation difference				(45,034)			(45,034)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>256</b>	<b>(45,034)</b>	<b>-</b>	<b>(13,518)</b>	<b>(58,296)</b>
Total transactions with owners, recognised directly in equity			250				250
<b>Equity as at December 31, 2014</b>	<b>200,277</b>	<b>68,032</b>	<b>587,962</b>	<b>(100,607)</b>	<b>(566,522)</b>	<b>(41,590)</b>	<b>147,552</b>
Profit/loss brought forward					(41,590)	41,590	
<b>Comprehensive income</b>							
Net profit/loss for the period						(21,713)	(21,713)
Convertible part of bond			34,159				34,159
Warrants and options issue			644				644
Translation difference				21,270			21,270
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>34,803</b>	<b>21,270</b>	<b>-</b>	<b>(21,713)</b>	<b>34,360</b>
Total transactions with owners, recognised directly in equity			306				306
<b>Equity as at June 30, 2015</b>	<b>200,277</b>	<b>68,032</b>	<b>622,765</b>	<b>(79,337)</b>	<b>(608,112)</b>	<b>(21,713)</b>	<b>181,912</b>

\*Certain amounts shown here do not correspond to the H1 2014 financial statement and reflect adjustments made as detailed in the paragraph “Restatement” above.

**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, 2013 Restated</b>	<b>30,738</b>	<b>10,441</b>	<b>89,800</b>	<b>(9,334)</b>	<b>(82,306)</b>	<b>(4,644)</b>	<b>34,695</b>
Profit/loss brought forward					(4,644)	4,644	
<b>Comprehensive income</b>							
Net profit/loss for the period						(4,256)	(4,256)
Warrants and options issue			386				386
Translation difference				(266)			(266)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>386</b>	<b>(266)</b>	<b>-</b>	<b>(4,256)</b>	<b>(4,136)</b>
Total transactions with owners, recognised directly in equity			190				190
<b>Equity as at June 30, 2014 Restated*</b>	<b>30,738</b>	<b>10,441</b>	<b>90,186</b>	<b>(9,600)</b>	<b>(86,950)</b>	<b>(4,256)</b>	<b>30,559</b>
<b>Comprehensive income</b>							
Net profit/loss for the period						(1,809)	(1,809)
Warrants and options issue			36				36
Translation difference				(9,732)			(9,732)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>36</b>	<b>(9,732)</b>	<b>-</b>	<b>(1,809)</b>	<b>(11,505)</b>
Total transactions with owners, recognised directly in equity			36				36
<b>Equity as at December 31, 2014</b>	<b>30,738</b>	<b>10,441</b>	<b>90,222</b>	<b>(19,332)</b>	<b>(86,950)</b>	<b>(6,065)</b>	<b>19,054</b>
Profit/loss brought forward					(6,065)	6,065	
<b>Comprehensive income</b>							
Net profit/loss for the period						(2,591)	(2,591)
Convertible part of bond			4,146				4,146
Warrants and options issue			77				77
Translation difference				1,394			1,394
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>4,223</b>	<b>1,394</b>	<b>-</b>	<b>(2,591)</b>	<b>3,026</b>
Total transactions with owners, recognised directly in equity			37				37
<b>Equity as at June 30, 2015</b>	<b>30,738</b>	<b>10,441</b>	<b>94,445</b>	<b>(17,938)</b>	<b>(93,015)</b>	<b>(2,591)</b>	<b>22,080</b>

\*Certain amounts shown here do not correspond to the H1 2014 financial statement and reflect adjustments made as detailed in the paragraph “Restatement” above.

PARENT COMPANY CASH FLOW STATEMENT	Q2	Q2	H1	H1	Q2	Q2	H1	H1
	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
	TSEK	TSEK	TSEK	TSEK	US\$ 000	US\$ 000	US\$ 000	US\$ 000
<b>Operating activities</b>								
Receipts from customers	-	-	-	7	-	-	-	1
VAT and other reimbursement	166	298	311	465	20	45	37	71
Payments to suppliers	(1,774)	(1,438)	(2,645)	(2,617)	(211)	(218)	(315)	(401)
Payments to employees and the Board members	(794)	(519)	(1,183)	(1,249)	(94)	(79)	(141)	(191)
Income tax paid	-	-	-	-	-	-	-	-
Other taxes paid	-	(130)	-	(130)	-	(20)	-	(20)
<b>Net cash flows used in operating activities</b>	<b>(2,402)</b>	<b>(1,790)</b>	<b>(3,517)</b>	<b>(3,524)</b>	<b>(285)</b>	<b>(271)</b>	<b>(419)</b>	<b>(540)</b>
<b>Investing activities</b>								
Borrowings given	(6,217)	-	(6,217)	-	(738)	-	(738)	-
Investments in JV	-	(298)	-	(792)	-	(45)	-	(121)
<b>Net cash flows used in investing activities</b>	<b>(6,217)</b>	<b>(298)</b>	<b>(6,217)</b>	<b>(792)</b>	<b>(738)</b>	<b>(45)</b>	<b>(738)</b>	<b>(121)</b>
<b>Financing activities</b>								
Proceeds from borrowings	8,550	12,191	9,018	12,191	1,015	1,848	1,071	1,867
Repayment of borrowings	-	(10,114)	-	(13,316)	-	(1,533)	-	(2,039)
<b>Net cash from financing activities</b>	<b>8,550</b>	<b>2,077</b>	<b>9,018</b>	<b>(1,125)</b>	<b>1,015</b>	<b>315</b>	<b>1,071</b>	<b>(172)</b>
Net increase in cash and cash equivalents	(70)	(10)	(717)	(5,441)	(8)	(2)	(86)	(832)
Net foreign exchange difference	55	(14)	64	(14)	7	(3)	2	(7)
Cash and cash equivalents at 1 January	67	322	705	5,752	8	49	90	883
<b>Cash and cash equivalents at 30 June</b>	<b>52</b>	<b>298</b>	<b>52</b>	<b>298</b>	<b>6</b>	<b>44</b>	<b>6</b>	<b>44</b>

## Next report due

Q3 2015 interim report will be published on 30 November 2015

Q4 2015 interim report will be published on 29 February 2016

## Company information

*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, August 20, 2015

Auriant Mining AB (publ.)

Peter Daresbury  
Chairman

Andre Bekker  
Director

Preston Haskell  
Director

Ingmar Haga  
Director

This quarterly report has not been reviewed by the auditors.

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## Twitter @auriantmining

*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 Solcocon) one early stage exploration asset and one development asset. The group's mineral licenses are estimated to contain official Russian State Reserves Committee (GKZ) reserves of 829 500, 000 troy ounces (1 oz = 31.1 g) in the C1 and C2 categories and 500,000 troy ounces in NI 43-101 standard. Since January 2015 the Company is also managing 5 gold assets at Chukotka, including working mine Valunisty.*

*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.com](http://www.auriant.com). Mangold Fondkommission is Certified Adviser to Auriant, for more information please call +46 8 503 015 50 or visit [www.mangold.se](http://www.mangold.se).*

**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.