

## **Report and proposals of the nomination committee of Auriant Mining AB (publ)**

The nomination committee was convened by the chairman of the board of directors of Auriant Mining AB Lord Daresbury (Peter) and consisted of Per Åhlgren, chair of the committee appointed by GoMobile Nu AB, Ekaterina Drozdova appointed by Bertil Holdings Ltd and Lord Daresbury himself. The chair of the nomination committee has been in contact with shareholders representing more than 79 percent of the shares in order to offer the opportunity to participate in the nomination committee work. As a result, the nomination committee was duly constituted by the three members appointed as above. The two shareholder representatives in the nomination committee jointly represented more than 75 percent of the voting rights in the company. The nomination committee has convened over telephone and has had extensive e-mail contact.

The nomination committee presents the following proposals to the AGM. The proposals are numbered according to the proposed agenda of the AGM.

### **Proposal for chairman of the Annual General Meeting (item 2)**

David Andersson is proposed to be appointed chairman of the meeting.

### **Proposal regarding the number of board members and deputies (item 9)**

The nomination committee proposes that the board shall consist of four (4) members with one (1) deputy board member.

### **Proposal regarding election of board members, deputies and chairman of the board (item 11)**

The nomination committee proposes re-election of Peter Daresbury and Preston Haskell as members of the board. The nomination committee proposes election of Danilo Lange and Jukka Pitkäjärvi as new board members. The nomination committee proposes re-election of James Provoost Smith as the deputy board member. The nomination committee proposes that Peter Daresbury be re-elected as the chairman of the board.

As a basis for its proposal, the nomination committee has made an evaluation of the board and its work. The nomination committee has come to the conclusion that the proposed board of directors will continue to have a good balance of financial and operational expertise, including skills in the manufacturing, production and exploration areas, as well as knowledge of international markets. In

view of the evaluation made, the nomination committee proposes the above mentioned individuals as members of the board of directors.

The nomination committee notes that it is desirable to diversify the structure of the board. Therefore, the nomination committee will continue actively looking for a female candidate with the relevant skillset.

The proposal for the composition of the company's board of directors meets the requirements of the Swedish Code for Corporate Governance regarding independence of the members. Peter Daresbury, Danilo Lange and Jukka Pitkäjärvi are regarded as independent in relation to the company, its management, as well as the company's major shareholders. Preston Haskell is not regarded as independent in relation to the company, its management and the company's major shareholders, based on the fact that he controls the company's largest shareholder and has provided loans to the company in a substantial amount. James Provoost Smith is regarded as independent in relation to the company and its management. He is not regarded as independent in relation to the company's major shareholders as he is related to Preston Haskell.

#### **Proposal regarding remuneration to the board of directors, including deputies (item 10)**

The nomination committee notes that the board held 8 meetings in 2020, including 6 ordinary meetings with personal attendance and 2 meetings by telephone. In addition, the board passed 16 resolutions per capsulam, i.e. by correspondence.

The nomination committee proposes that the remuneration to the chairman of the board Lord Daresbury shall be SEK 400,000 per annum (unchanged) and SEK 250,000 per annum (unchanged) to each of the other ordinary board members and to the deputy board member. If any committee is established by the board, it is proposed that remuneration to each member of the committee shall be paid in the amount of 25,000 SEK per annum for participation in it. The maximum amount of remuneration payable to the board, including remuneration for work in committees, is SEK 1,725,000.

#### **Proposal regarding election of auditors (item 12)**

The nomination committee proposes re-election of the accounting firm Öhrlings PricewaterhouseCoopers AB. Öhrlings PricewaterhouseCoopers AB has informed the nomination committee that, if the committee's proposal is adopted by the general meeting, Anna Rozhdestvenskaya will act as auditor-in-charge. The nomination committee believes that the proposed auditor has the skills and experience required for the audit of the company.

### **Proposal regarding auditor's fees (item 10)**

The nomination committee proposes that the auditor's fees be approved in line with the agreement between the company and the auditor.

### **Proposal on resolution for the principles of appointment of the nomination committee and instruction for the nomination committee (item 13)**

The nomination committee proposes the following nomination process.

The nomination committee shall consist of the chairman of the board and three other members, each appointed by one of the three owners with the largest number of voting rights. The selection of the three largest shareholders shall be made on the basis of the share register of the company kept by Euroclear Sweden AB as of the last banking day in September. However, if it becomes known to the company that two or more of the largest shareholders are controlled by the same physical person(s) (or the same physical person(s) holds shares in the company both directly and through a company controlled by him), then all such shareholders shall be considered to comprise one shareholder for the purposes of the participation in the nomination committee. At the earliest convenient date after the end of September, the chairman of the board shall contact the three shareholders with the largest number of voting rights, as determined above, and request that they each appoint a member to the nomination committee. If any of the three shareholders with the largest number of voting rights decline their right to appoint a member to the nomination committee, the shareholder with the next largest number of voting rights shall be provided with the opportunity to appoint a member. If such shareholder also declines its right to appoint a member to the nomination committee or does not respond to the request within a reasonable time, then the nomination committee shall be constituted by the remaining members. Unless the nomination committee members decide otherwise, the chairman of the nomination committee shall be the member appointed by the shareholder with the largest number of voting rights in the company. If a member leaves the nomination committee before its work is completed, and if the nomination committee considers that there is a need to replace this member, then the nomination committee shall appoint a new member.

#### Instruction for the nomination committee

The nomination committee shall prepare the following proposals to be submitted to the Annual General Meeting for resolution:

- a) proposal regarding chairman of the Annual General Meeting,
- b) proposal regarding the number of board members,
- c) proposal regarding election of board members, deputies and chairman of the board of directors,

- d) proposal regarding directors' fees for each of the directors and deputies as well as remuneration for committee work,
- e) proposal regarding election of an auditor,
- f) proposal regarding auditor's fees,
- g) proposal regarding principles of appointment of the nomination committee,
- h) proposals on such other matters as may be required by the Swedish Corporate Governance Code, and
- i) if deemed necessary, proposal regarding changes to this instruction.

The nomination committee shall seek the Finance and Audit Committee's recommendation on the election of an auditor. If the nomination committee's proposal to the Annual General Meeting differs from the committee's recommendation, the reasons for not following the committee's recommendation are to be stated in the proposal.

If the nomination committee's proposal on any item entails a deviation from the Swedish Corporate Governance Code, the nomination committee shall provide an explanation why the deviation is justified. The explanation is to be included in a statement of the nomination committee where its proposals are presented.

The first meeting of the nomination committee shall be convened by the chairman of the board, and the remaining meetings shall be convened by the chairman of the nomination committee. To be valid, a decision of the nomination committee must be supported by two thirds of its members.

No remuneration shall be paid to the members of the nomination committee. The nomination committee may charge the company reasonable costs for travelling and investigations.

This instruction for the nomination committee shall apply until the Annual General Meeting resolves to change it.

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April 2020

The nomination committee in Auriant Mining AB (publ)

## **CVs of the proposed board members and deputy board member of Auriant Mining AB (publ)**

### **Lord Peter Daresbury**

Board member since November 27, 2012, chairman of the board since May 13, 2014.

Independent in relation to the company, its management and the company's major shareholders. Peter Daresbury is a citizen of the United Kingdom, born in 1953.

#### **Education**

Peter has an MA in history from Cambridge University and is a Sloan Fellow of the London Business School.

#### **Work experience and other board assignments**

Lord Daresbury has held many senior positions in the mining industry, including directorships in Evraz Group S.A., Russia's largest steel producer (2005 - 2006); as well as chairman of Kazakhgold Group Ltd (2005 - 2007); and chairman of Highland Gold Mining Ltd, a major Russian gold miner (2002 - 2004). Peter is currently chairman of Sen Corporation Ltd and Jockey Club Catering. Current directorships include Moscow Credit Bank, ranked as a top-2 privately-owned bank by total assets in INTERFAX-100 as at 1 April 2019, and Rusant Ltd, a Russian antimony miner.

Shareholding in Auriant Mining AB: 400,000. Stock options in Auriant Mining AB: 110,000.

### **Preston Haskell**

Board member since March 12, 2009. Previously was Chief Executive Officer of the company from September 21, 2009 until May 24, 2012, and chairman of the board from May 24, 2012 until May 13, 2014.

Not independent in relation to the company and its management. Not independent in relation to the company's major shareholder.

Preston Haskell is a Saint Kitts and Nevis citizen, born in 1966.

#### **Education**

Preston has a degree in Economics from the University of Southern California in the U.S.

#### **Work experience and other board assignments**

Preston Haskell has been active as a businessman in Russia since the early 1990s. He serves as Chairman of Auriant Africa, an African focused exploration and mineral resource development and investment business.

Shareholding in Auriant Mining AB: 51,563,892. Stock options in Auriant Mining AB: 0.

### **Danilo Lange**

Independent in relation to the company, its management and the company's major shareholders. Danilo Lange is a citizen of Germany, born in 1973.

### **Education**

Danilo has a degree in Science from the University of Applied Science & Economics in Munich, Germany.

### **Work experience and other board assignments**

Danilo is a manager and an entrepreneur with more than 20 years of entrepreneurial experience and extensive international expertise in media and communication.

From 2000 to 2003 Danilo was working at the international HQ of Red Bull GmbH being responsible for the Middle East & North Africa Regions. Later he established Red Bull RUS, a Russian subsidiary of Red Bull GmbH, Austria. As a general manager he was in charge of opening Regional Sales offices and creating a country wide distribution network. In 2007 he founded Louder Agency, Russia. Since 2014 this company has become a part of Serviceplan Group International, a Munich based international advertisement group active in fields of Media, Digital, Creative & Communication.

Danilo is currently a head of Serviceplan Group Russia.

Shareholding in Auriant Mining AB: 0. Stock options in Auriant Mining AB: 0.

### **Jukka Pitkäljärvi**

Independent in relation to the company, its management and the company's major shareholders. Jukka Pitkäljärvi is a citizen of Finland, born in 1960.

### **Education**

Jukka has a degree in Geology and Mineralogy from University of Oulu (Finland), Business Engineering Diploma from Oulu Polytechnical University (Finland) and Business Management Diploma from POHTO - Institute for Management and Technological Training (Finland).

### **Work experience and other board assignments**

Mr Pitkäjärvi has worked more than 30 years in international mining and metallurgical industry. He started his career as mining geologist and steadily worked his way to Senior Management positions in mining industry and later on in Project Development.

From 2012 to 2019 he was employed by Ferrovan Oy (formerly Mustavaaran Kaivos Oy), Oulu (Finland), private Finnish company developing a recycling project in order to recover vanadium from waste slag materials of Nordic steel industry, as a project manager at first, then from 2014 as a Managing Director working on a set up of a processing plant in Raahe, Finland.

Jukka is currently an independent consultant for international mining companies in Finland.

Shareholding in Auriant Mining AB: 0. Stock options in Auriant Mining AB: 0.

### **James Provoost Smith Jr**

Deputy board member since May 13, 2014.

Independent in relation to the company and its management. Not independent in relation to the company's major shareholders.

James Provoost ("JP") Smith is a citizen of the United States of America, born in 1944.

### **Education**

JP Smith graduated cum laude from Princeton University, Princeton, NJ, USA with a degree in Chemistry in 1965 and completed his Masters in Business Administration with high honors from Stanford University Business School in 1970.

### **Work experience and other board assignments**

After Stanford, Mr. Smith worked for McKinsey & Co. before accepting a position as CFO and head of real estate development operations for the Haskell Company in Jacksonville Fl, one of the largest design and build companies in the USA. Mr. Smith joined the Charter Company, a Fortune 500 Company in 1975 where he worked until 1982, ultimately heading Chartcom Ins, the Media Division where he was responsible for Magazine and Newspaper Publishing, Radio Broadcasting, and Direct Marketing operations. He left Charter in 1982 to become CEO and principal owner of the Hamilton Collection, a Direct Marketer of Collectible products. Mr. Smith sold Hamilton in 1993 to

Stanhomes Inc and served as Executive VP of Stanhome Inc for 2 years thereafter, before retiring to pursue real estate development opportunities and his personal interests. JP Smith has served as an advisor to Preston Haskell IV, Chairman of Auriant Mining AB and was chairman of nomination committee of Auriant Mining AB in 2011-2013.

Mr. Smith served in the Marine Corps and Navy Reserves from 1965 to 1971.

Shareholding in Auriant Mining AB: 0. Stock options in Auriant Mining AB: 0.