



AURIANT
MINING

Auriant Mining
Annual Report
2023

Content

1. Introduction

6 Auriant Mining in Brief

8 Our Values

9 Our Strategy

10 CEO Statement

2. Gold Assets

14 Auriant Gold Assets

15 Auriant Resources and Reserves

17 Tardan and Greater Tardan

23 Kara-Beldyr and Ayen

29 Staroverinskaya (Solcocon)

32 Uzhunzhul

3. Corporate Governance

36 Corporate and Social Responsibility

38 Board of Directors

40 Group Management

42 Directors Report 2023

46 The Auriant Share

49 Corporate Governance Report 2023

4. Financial Statements

58 Operational Key Ratios

59 Consolidated Statements

59 Consolidated Income Statement

59 Consolidated Statement of Comprehensive Income

60 Consolidated Statement of Financial Position

61 Consolidated Statement of Changes in Equity

62 Consolidated Cash Flow Statement

63 Notes to the Consolidated Financial Statements

99 Parent Company Financial Statements

99 Parent Company Income Statement

99 Parent Company Statement of Comprehensive Income

100 Parent Company Balance Sheet

101 Parent Company Statement of Changes in Equity

102 Parent Company Cash Flow Statement

104 Notes to the Parent Company Financial Statements

113 Board Assurance

114 Auditors Report

116 Additional Information

An aerial photograph showing a dense green forest on the left and a rocky, reddish-brown streambed on the right. The streambed is filled with large, flat rocks and some smaller debris. The forest is composed of many small, coniferous trees. The overall scene is a natural landscape.

01

Introduction



Auriant Mining in Brief



Gold mining company focused on hard rock gold



2 producing mines



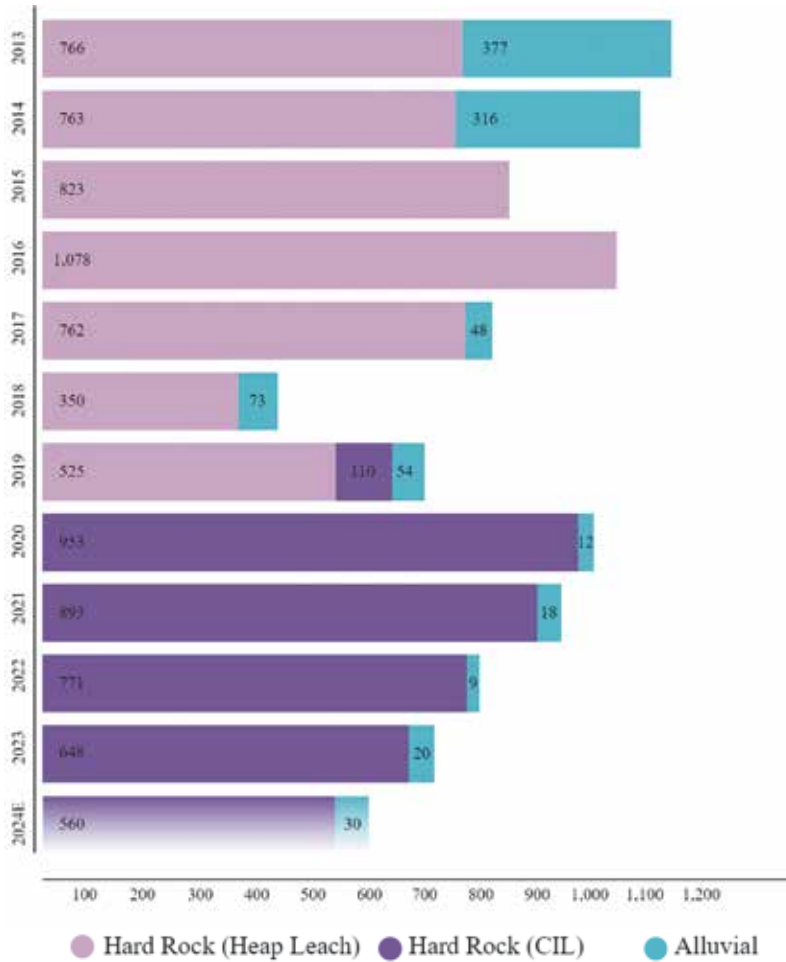
Listed on NASDAQ First North Premier Growth Market



3 exploration properties



Gold production 2013-2024E:



460 employees



98,768,270 ordinary shares issued



2023 production of 668.3 kg of gold (24,486 oz)



Official Russian State Reserves Committee (GKZ) + JORC Resources and reserves of 1,566,000 troy ounces (48,7 tonnes) of gold



3,048 shareholders

Our Values



People

Our People are our most important asset. Tardan has been built and is operated by our employees and it is our highest priority to create and maintain a safe and healthy working environment for them. We are constantly searching for new and innovative methods to ensure the safety of our employees.



Respect

We are committed to providing a positive working environment free of discrimination and harassment in all of our activities. We act and treat each other with dignity and respect. We believe that employees who are treated with respect have a higher level of professional performance. All of our employees are given equal opportunities for career development. We reward and encourage teamwork, creativity and innovation.



Integrity

Auriant’s success is dependent on trust and support from all our stakeholders, including shareholders, employees, suppliers, contractors, Government, and local communities, which is why we are committed to the highest standards of integrity and sustainability. We have maximum level of transparency in our dealing with Government authorities, defending our interests in court when necessary.



Social Responsibility

We are actively engaged in the local communities in the areas in which we operate. Among other things, by supporting and contributing to education and infrastructure and by prioritizing the local population when employing staff.



Responsible Mining

Environmental responsibility is a central issue in a company with operations involving environmental risks. The majority of the Company’s activities are carried out in areas which are sensitive to the impact of mining operations. Auriant Mining is committed to optimize resource utilization, decrease waste and use new innovative technologies to reduce the companies CO2 footprint at our existing and future operations.











Corporate Governance

We genuinely believe that good corporate governance adds shareholder value and, therefore, the majority of our Board is composed of non-executive, independent directors with extensive experience in mining and in running public companies. Going forward, we intend to further strengthen our corporate governance in order to deliver maximum shareholder value.

Our Strategy

The growth and sustainability of the Company will rely on a focused approach to our existing assets. In the short term, the focus is on cost control and stable production at Tardan and Solcocon.

In the medium term, continuing exploration on all our assets to expand resources, extend life of mine and comply with all local regulatory requirements.

Asset	Target	2023 Result
Tardan	 CIL high performance	 Targeted KPI's were achieved. The CIL was adapted to different ore types and tailings material without loss of capacity.
Kara-Beldyr	 Development of the project	 All the necessary paper work was prepared and registered, so that the area is available to be leased for industrial activity. The electricity line was included in the Federal plan of Tyva development. Financing by federal budget is expected.
Staroverinskaya (Solcocon)	 Exploration to increase resources	 Degtyanka is ready for alluvial mining.
Uzhunzhul	 Early stage exploration	 3.7 thousand meters of geological trenches and 1.98 thousand meters of geological drilling were done.

CEO Statement



Dear Stakeholders!

In 2023, the Company came close to achieving all its production and financial targets.

Production

In 2023, hard rock gold production at Tardan, our main asset, was 648.3 kg (20,844 oz) in line with the mine plan, with an average recovery rate of 89%. This was a decrease of 16% from 772 kg (24,805 oz) in 2022 and was mainly caused by a reduction of grade in the ore and heap leach tailings processed from 2.04 g/t to 1.75 g/t or 14%.

During 2023, the main sources of ore were from Ore zone #3, Ore body 26, Ore zone #6 and Ore zone #15. The total ore mined amounted to 236,000 tonnes with an average grade of 2.33 g/t (in 2022 - 1.92 g/t). At the CIL plant 417,000 tonnes of materials (ore and tailings) with an average grade of 1.75 g/t were processed compared with 413,000 tonnes in 2022, an increase of 1%, or 4,000 tonnes.

In 2023, Tardan commenced stripping works at Ore zone #15 to secure future ore. Stripping volume amounted to 143,000 tonnes.

The Company's alluvial gold production, executed by an external mining contractor at Solcocon, amounted to 20 kg (642 oz) compared with 8.6 kg (278 oz) in 2022, an increase of 131%, or 11.3 kg (364 oz). The production was 100% outsourced and generated a net margin of 29% in alluvial production for the Company.

Income and Cash Flows

In 2023, our gold sales were 604 kg, a decrease of 32% compared to prior period (882 kg). Gold sales revenue amounted to US\$ 37.3 mln (2022: US\$ 51.1 mln). In 2023, actual net average gold sales price amounted to 1,923 \$/oz, however, due to sanctions against Russia, this included discounts to the LBMA price (2022: 1,800 \$/oz).

Operating profit was US\$ 5.8 mln, a decrease of 49% compared to 2022 (US\$ 11.4 mln). EBITDA was US\$ 8.4 mln; and compared to 2022, a reduction of US\$ 7.0 mln mainly due to the reduction in gold sales, partially compensated by a cost of sales decrease.

Cash costs per ounce produced in 2023 were 1,172 \$/oz, which improved by 6% compared to 2022 - 1,245 \$/oz, a significant factor being the depreciation of the RUR against the USD.

In 2023, the total Group income tax charge amounted to US\$ 7.6 mln (2022: US\$ 1.6 mln). The main reason for the increase in the tax charge was that in 2023 the Group changed its functional currency from USD to RUR and as a result wrote off the accumulated deferred tax asset of US\$ 6.6 mln on non-monetary items.

Net loss after tax amounted to (US\$7.0 mln) compared to net profit of US\$ 7.6 mln in 2022.

In 2023, cash inflows from operating activities amounted to US\$ 4.8 mln, of which US\$ 4.1 mln were used for the repayment of borrowings.

Financing

We continued to reduce the Group's financing costs and in February 2023 we extended the repayment period of the existing bank loan of US\$ 7.6 mln until the end of 2024. The currency of the bank loan was converted from USD into RUR with a new interest rate of central bank key rate plus a margin of 3.25%. Furthermore, in June 2023, the Group refinanced the bank loan, extending the term until September 2025 at an interest rate of the central bank key rate, plus a decreased margin of 3.15%. The loan principal amount and its RUR currency remained unchanged.

Due to the fact that the Company's revenue is linked to US dollar (USD) and most of expenses are denominated in local currency (RUR), conversion of the loan currency from USD into RUR gives a positive effect to the Company's cash liquidity position and margin.

In accordance with the agreement reached with KFM in the end of 2022, the term of repayment of US\$ 2.6 mln was extended until the end of 2031. Starting from January 2023, debt of US\$ 2.6 mln is reduced by monthly payments at a maximum of US\$ 28,000, including accrued interest.

Such deferral until 31 December 2031 significantly helps the Company's cash liquidity.

Outlook

The Company expects to produce a total of 580 – 600 kg (18,647 – 19,290 oz) at Tardan and Solcocon in 2024. The Tardan CIL plant

Ore feed will come from Tardan's ore zones and Heap Leach tailings. The CIL plant annual throughput will amount to 390,000 – 420,000 tonnes. At present, gold market prices are at a historically high level. This together with the RUR depreciation against the USD gives strong financial support to the Company.

We will continue to focus on cost control as well as strengthening the Company's balance sheet by reducing debt. We are hopeful, despite the background of the current situation, that the regional development program for electricity will be partly state funded, and that the powerline will be built and provide sufficient electrical power for the Kara-Beldyr project.

Finally, we hope that the current geopolitical situation will be resolved soon. We thank all our shareholders, members of our Board and all our other investors for their continued patience, contribution and support.

Danilo Lange
Chief Executive Officer
Auriant Mining AB



02

Gold Assets



Auriant Gold Assets



Tardan

- Flagship mine located in Republic of Tyva;
- 2023 gold production of 648,3 kg of gold;
- Open pit;
- CIL;
- Resources&reserves ~ 5,7 t of gold.

Kara-Beldyr

- Property ready for design and construction;
- Located in Republic of Tyva;
- Expected technology: CIP;
- JORC Resources: 26,8 t of gold.

Staroverinskaya (Solcocon)

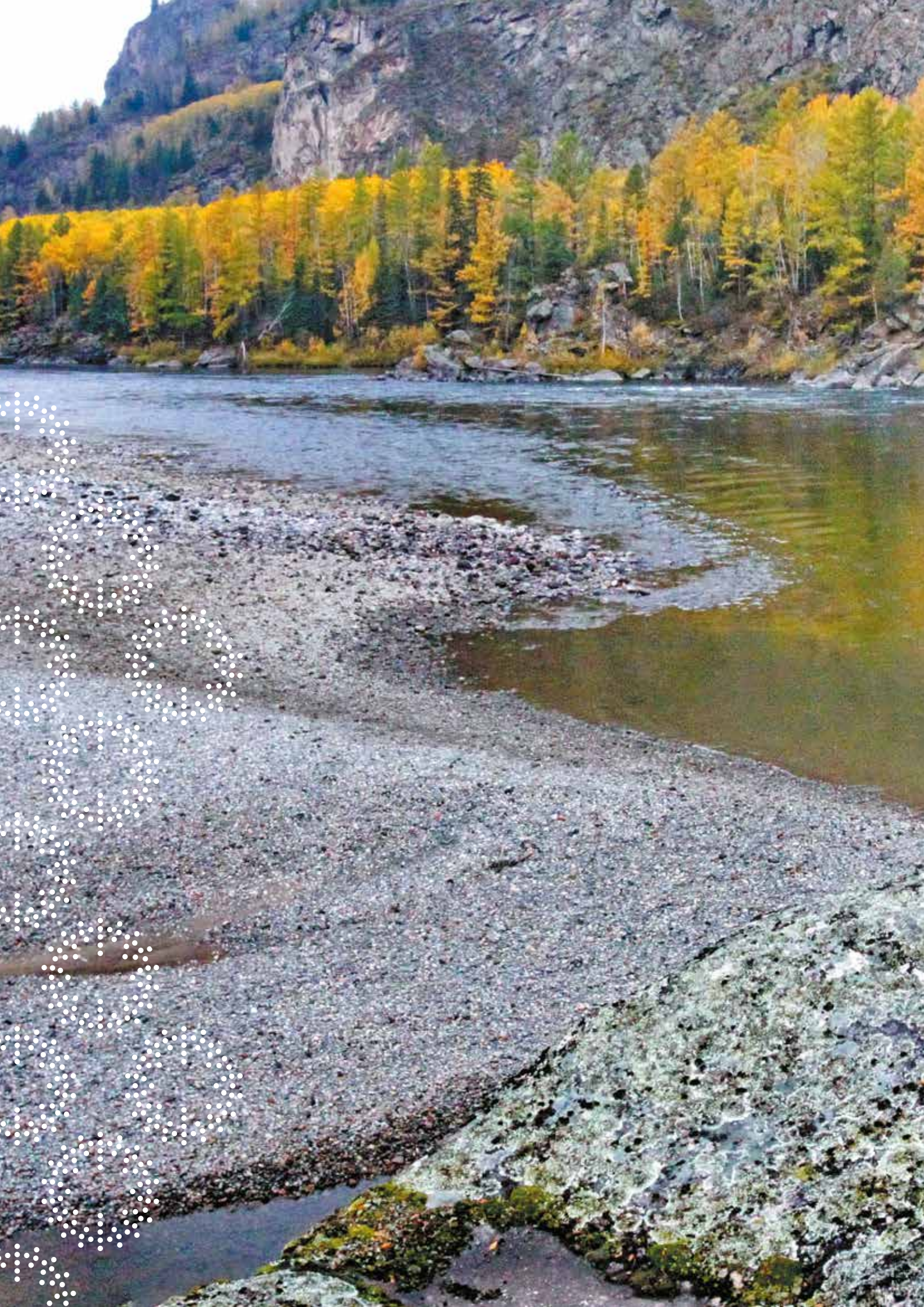
- Alluvial production restarted in 2017;
- 2023 production of 20 kg of gold;
- Located in Zabaikalsky Krai;
- Hard rock gold reserves: 15,7 t of gold;
- Great exploration potential.

Uzhunzhul

- Greenfield;
- Located in Republic of Khakassia;
- Exploration started in 2016;
- Targeted reserves at 1st stage: ~10 t of gold;
- Good infrastructure.

Auriant Resources and Reserves

Classification	Tonnage	g/t	000 oz	kg
Tardan				
TARDAN DEPOSIT /GKZ/				
C ₁ + C ₂ Reserves	779 211	3,63	91	2 829
GOLD IN ORE				
Total gold in ore	779 211	3,63	91	2 829
TAILINGS				
Heap leach tailings	2 505 405	1,18	95	2 949
TOTAL GOLD				
Tardan total gold	3 248 616	1,76	186	5 777
Kara-Beldyr /JORC/				
Indicated	9 540 000	2,63	807	25 101
Inferred	480 000	3,55	55	1 711
Indicated + Inferred	10 020 000	2,68	862	26 811
Staroverinskaya (Solcocon) /GKZ/				
BOGOMOLOVSKOE DEPOSIT				
C ₁ + C ₂ Reserves	1 934 186	3,65	227	7 060
KOZLOVKOE DEPOSIT (GKZ)				
C ₁ + C ₂ Reserves	1 059 000	8,14	277	8 615
Total Solcocon	2 993 186	5,24	504	15 675
ALLUVIAL				
C ₁ + C ₂ Reserves	568 000	0,79	14	446
Total auriant reserves&resources				
Tardan	779 211	3,63	91	2 829
Kara-Beldyr	10 020 000	2,68	862	26 811
Staroverinskaya (Solcocon)	2 993 186	5,24	504	15 675
TOTAL ORE	13 792 397	3,29	1457	45 315
Tardan (tailings)	2 505 405	1,18	95	2 949
Solcocon (alluvial gold)	568 000	0,79	14	446
TOTAL			1566	48 709



Tardan and Greater Tardan



Tardan and Greater Tardan
Republic of Tyva



License: Tardan Deposit
Valid until: 2028

3,3 km²



License: Greater Tardan
Valid until: 2032

540 km²



Exploration/
production



Production method:

CIL



430
employees



648,3 kg
2023 production

Reserves and Resources

Classification	Tonnage	g/t	000 oz	kg
Tardan				
Tardan Deposit /GKZ/				
C ₁ + C ₂ Reserves	779,211	3.63	91	2,829
Gold in Ore				
Total gold in ore	779,211	3.63	91	2,829
Tailings				
Heap leach tailings	2,505,405	1.18	95	2,949
Total Gold				
Tardan total gold	3,284,616	1.76	186	5,777

Geology and Exploration

Geology

The Tardan ore cluster is an integral part of the TapsaKaahemsky gold-placer region, which extends in a sublatitudinal direction for a distance of more than 90 km. In the structure of the Tardan ore cluster, three rock complexes play the major role in the formation of ore-bearing structures:

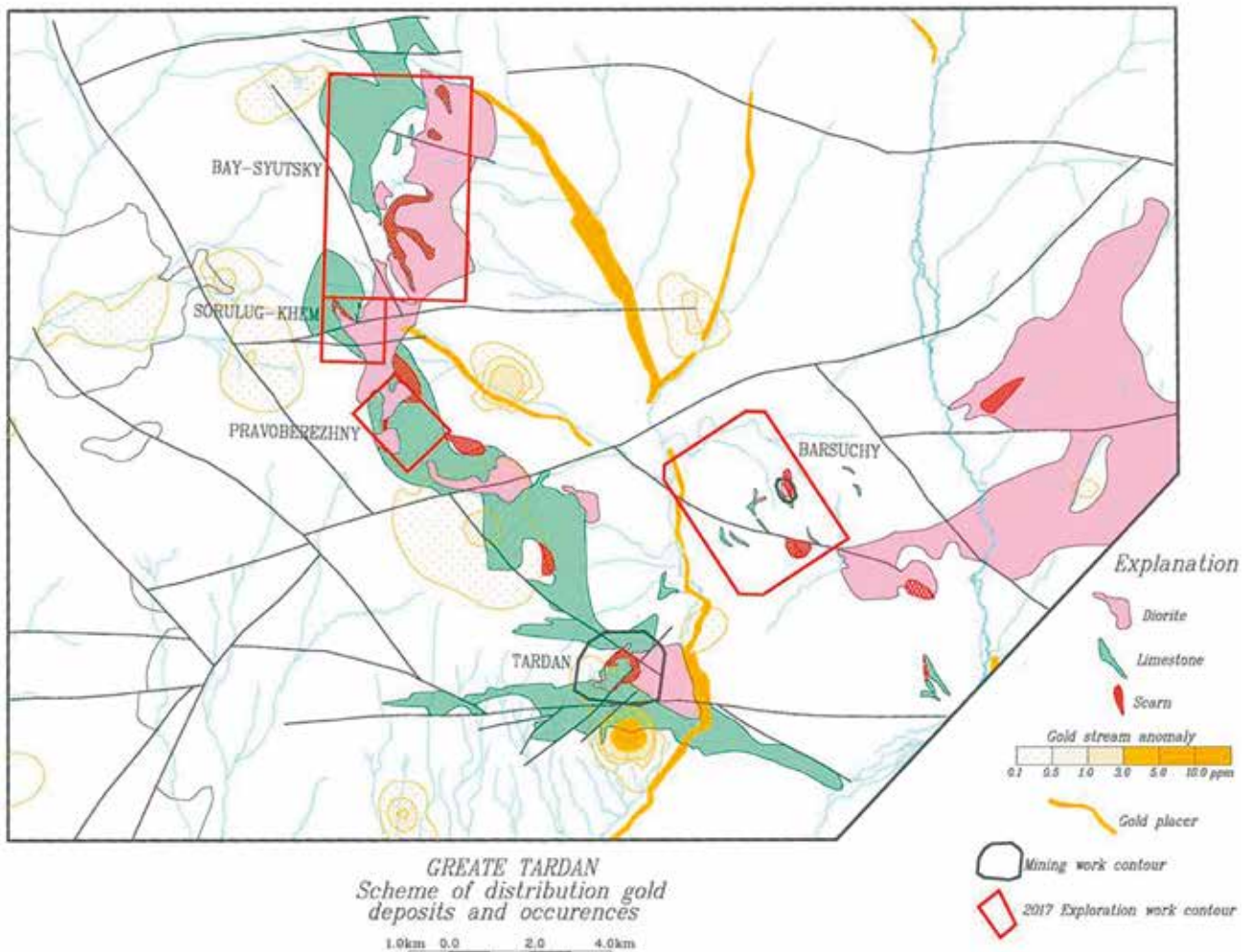
- Late Riphean volcanic-terrigenous sequence;
- On it lie interbedded limestones and dolomites of Vendian-Cambrian;
- All these formations are broken by the intrusion of the granodiorites of the Middle Cambrian.

The Tardan deposit according to the geological structure, the structural features and mineral composition, correspond to gold skarn type mineralization.

At present, the following skarns deposits and gold occurrences were identified: (a) Tardan and Pravoberezhnoe, both currently in production; (b) Bai-Syutskoye and Sorulug-Khem occurrences, which both are future exploration targets; and (c) Barsuchiy deposits, which is already mined out.

On Tardan a total of 16 ore zones containing 41 ore bodies have been identified.

Greater tardan



Tardan deposit

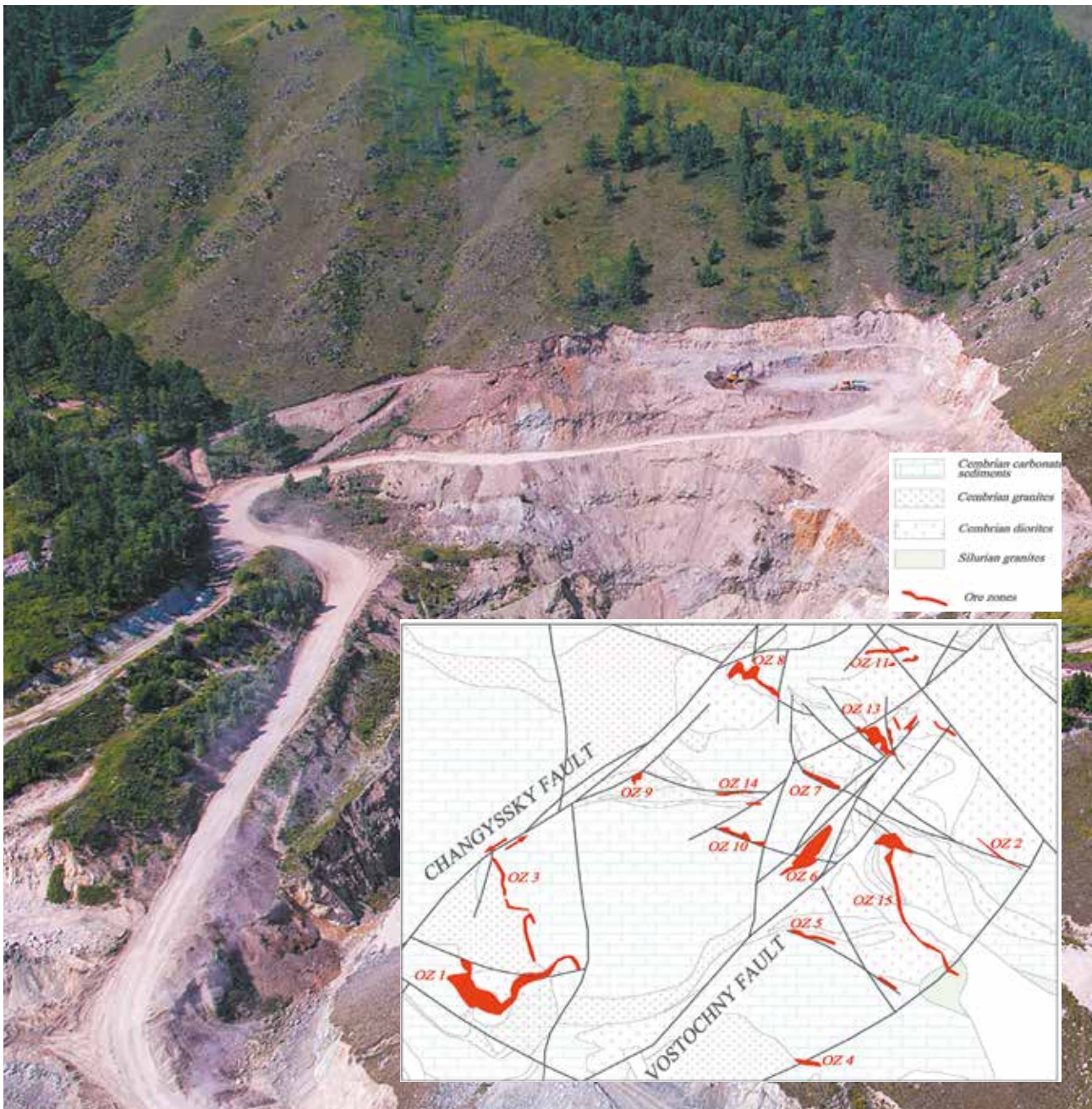
On Tardan a total of 16 ore zones containing 41 ore bodies have been identified.

The Tardan deposit, itself, is a graben bounded by tectonic fractures which are part of the Baisyutskiy shear fracture. The total area of the block is approximately 4.0 km².

The most common rock type is marblized limestone of the Cambrian. Approximately 20-25%

of the Tardan deposit area is underlaid by granitoids of the Cambrian complex, of which diorites are the most common.

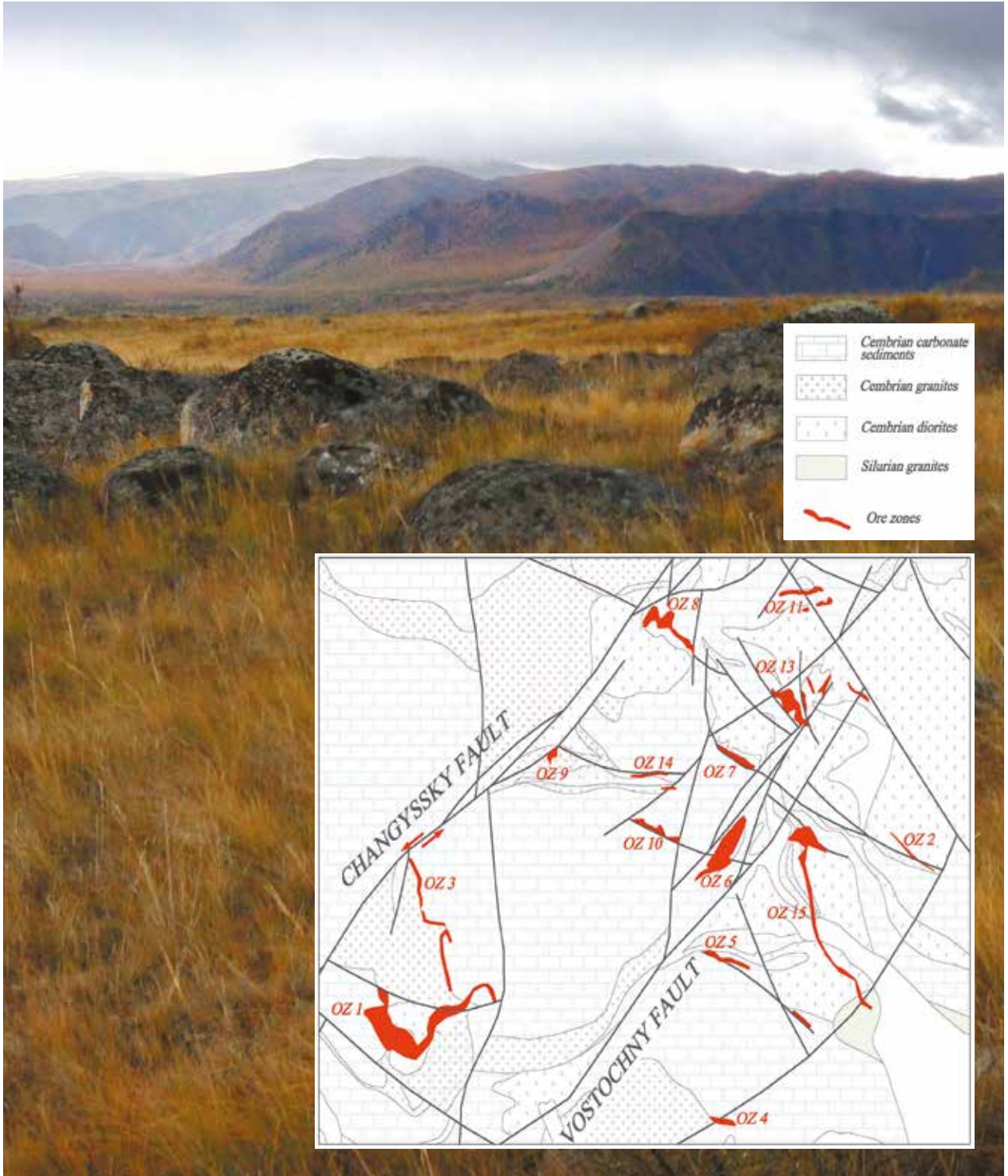
The major structural elements of the deposit are faults found on the contacts between the granites (diorites) and the host and carbonate rocks. Virtually, almost all of the ore zones are located in contact limestones of Vadibalinskaya formations and diorite sills of the Tannuolsky complex.



Tardan exploration

In 2023 the Company finished its exploration program in order to develop our level of knowledge about the current ore bodies and to

verify if there are any potential at flanks. The drilling campaign indicated some gold grades within the area, but they were single and could not be united to any mineable ore zone.



Tardan 2023 Production

During 2023, the Company's main source of ore was the Ore zone #3 and Ore body #26. Total stripping works amounted to 2,190.9 thousand m³. Ore mined amounted to 235.7 thousand tonnes with an average grade of 2.33 g/t (total gold in ore was 430.3kg). In 2024, the Company is planning to mine Ore zone #6 and Ore zone #15.

In 12m of 2023, the CIL plant operated at an targeted throughput and recovery rate of 89% resulted to 648.3 kg of gold produced in 2023. The achieved ability of our team to adapt the CIL plant to different type of ore and tailings with no decline in capacity provides the confidence that we will be able to manage our targets further.

	Unit	12m 2023	12m 2022	Change	Change, %
Mining					
Waste stripping	000 m ³	2 190,9	2 196,3	5,4	0,2%
Ore mined	000 tonnes	235,7	355,3	119,6	-34%
Gold in Ore	kg	430,3	681,4	251,2	-37%
Average grade	g/t	2,33	1,92	0,41	21%
CIL					
Ore processing	000 tonnes	417,0	413,3	3,7	1%
Grade	g/t	1,75	2,04	0,29	-14%
Gold in ore processing	kg	728,3	842,8	114,5	-14%
Gold produced CIL	kg	648,3	771,5	123,2	-16%
Recovery	%	89,0%	92%	-2,5%	-2,8%
Warehouse on Dec 31					
Ore	000 tonnes	63,7	88,9	25,2	-28%
Grade	g/t	1,66	1,59	0,07	5%

Tailings

The Company was producing gold using heap leaching technology since 2012. Irrigation of the heap was continuing until end of December 2019 when it got over. Since inception of heap leach operations the Company accumulated tailings in the amount of 2,631 thousand tonnes with average gold grade of 0.98 g/t (total gold in tailings - 2,572 kg).

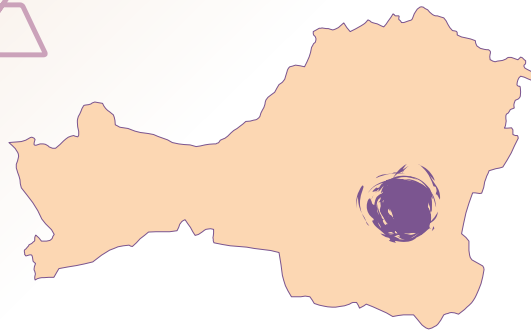
Tailings of the heap leach are targeted to be processed through CIL plant further. In order to improve its technological route for the tailings processing the Company successfully processed some amount of the tailings in different time of year and different temperature conditions.



Kara-Beldyr and Ayen



Kara-Beldyr
Republic of Tyva

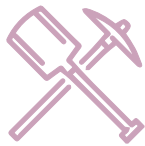


License: Kara-Beldyr
Valid until: 2027

34 km²



Project:
CIP+ Gravitation



Pre design stage
Capex assessment



Jorc resources:
26.8
tonnes of gold

Resources

Classification	Tonnage	g/t	000 oz	kg
Kara-Beldyr /JORC/				
Indicated	9,540,000	2.63	807	25,101
Inferred	480,000	3.55	55	1,711
Indicated + Inferred	10,020,000	2.68	862	26,811

Kara-Beldyr Project Development

In 2020 the company started civil-engineering for both access road and mine site. The civil-engineering is a first step required as a base for developing designs of the mine site, including plant, open pit and access road.

In 2021 civil engineering for the mine site area was completed.

Field works for the access road were partially completed. The field works will be resumed after the power line's route is defined.

The forest category for the whole area was transferred from protected to exploitable in 2021. All the necessary paper work was prepared and registered in 2022, so that the area is available to be rent for industrial activity.

Working closely with the Ministry of Industry and Trade and government of Tyva republic the Company managed to include the power line into a comprehensive plan of Tyva electrification. According to the plan, federal funding of the power line will be started once the financial framework is identified by the government. The government purported to extend its electricity grid towards Eastern part of the republic to certain location. This extension will provide power to local inhabitants and will allow the company to construct its own power line from the location towards Kara-Beldyr. This power line also will be used for the villages and will supply power enough to fill the consumption of the designing mine. Definition of the source to finance the power line construction was not finalised in 2023 and expected to be defined in 2024.



Kara-Beldyr Geology and Exploration

Geology

The Kara-Beldyr prospect is located in the eastern part of the Altai-Sayan Orogenic belt and the western segment of the Mongol - Okhotsk belt.

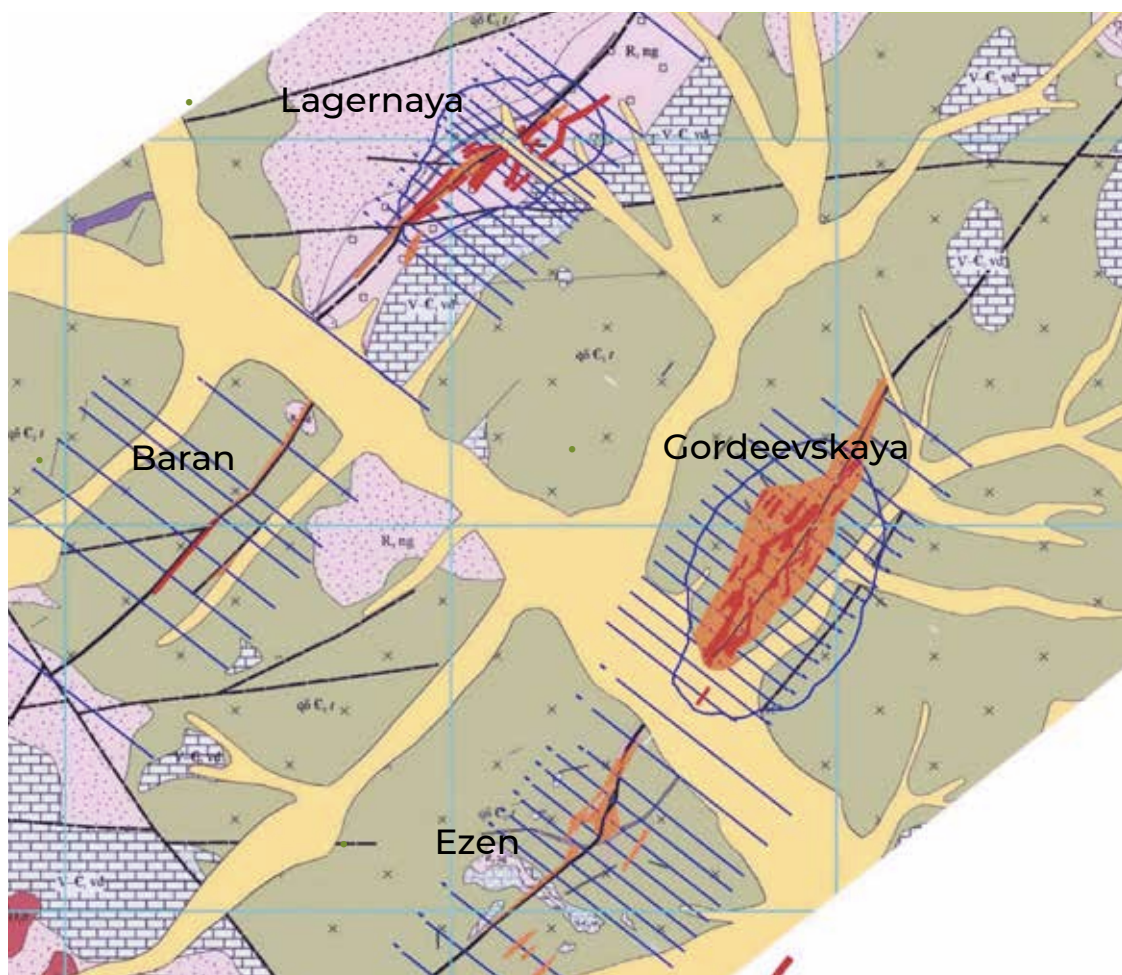
The Kara-Beldyr orogenic Au project consists of fault controlled Devonian age gold-silver mineralisation associated with metasomatised quartz diorites at Gordeyevskoye and conglomerates and dolomites at Lagerny.

The major controlling structures to mineralisation are large sub-vertical NE-SW trending fault structures identified during detailed exploration. These faults are interpreted to be transform faults off the Baikal rift zone. A number of these structures have been identified approximately 80km apart which were less obviously represented due to their distance from the main rift system.

The mineralisation of the Kara-Beldyr system is hosted by stratified Riphean-Cambrian deposits and Palaeo-zoigranitoids.

The stratified deposits consist of Late Riphean the volcanic-terrigenous Noganoyskaya formation and the carbonate Cambrian-Vendian Sarygchazinskaya formation divided by a pre-Vanadian unconformity. At Kara-Beldyr the carbonates (limestones and dolomite) underlie the volcanic-terrigenous formations due to a structural and angular unconformity. The stratified deposits do not exceed 200m in thickness. The volcanic-terrigenous formations are hornfelsed and carbonate rocks are altered to magnesium or calcareous skarns, depending on the composition of the host carbonates.

Intrusions comprise a middle-Cambrian gabbro-tonalite-plagiogranite (not mapped within the Kara-Beldyr license area) and an early-Devonian Leucogranite. Close to the license boundaries, small occurrences of late-Riphean septonitised dunnites have been identified.

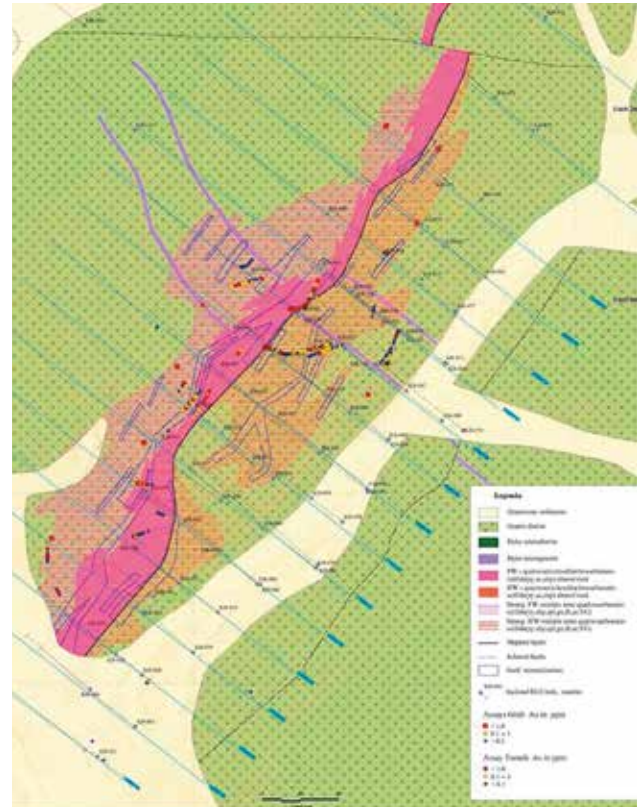


Gordeevskaya

The Gordeyevskaya zone is focussed on a steeply dipping NE-SW trending fault (the Glavny fault) which crosses the license area. This fault has been traced for more than 2km and extends south towards the Ezen mineralised zone. The individual mineralised zones form a deposit striking towards the NE with a steep dip of around 64° towards the southeast. The Gordeyevskaya deposit extends roughly 1km along the strike and has a thickness of 20m at its furthest extent to the north and south, up to 100-150m at its thickest. Mineralisation has been traced to a depth of 400m. An oxidation zone is developed generally between 40m and 80m depths.

Mineralised zones are lens shaped and occur roughly parallel to the Glavny fault and are hosted in metasomatised zones within quartz-diorites. Metasomatic alteration forms a zone 40-110m thick and has been traced by drilling from the northern extent of Gordeyevskaya to the Ezen area in the south, a distance of more than 2km.

The metasomatised zones are well developed, masking the original structure and texture. The outer limit of the veinlet zone is marked by the absence of any secondary alteration, including the absence of any quartz and quartz-carbonate veins of any thickness.



The majority of the gold mineralisation (65%) at Gordeyevskoye is hosted by quartz-sericite alteration with minor amounts hosted by propylitic alteration (20%) and within the veinlets. No mineralization is seen within unaltered rocks.

Lagernaya (camp) zone

The Lagernaya (or Camp) zone is located approximately 1.5km to the northwest of Gordeyevskaya. It has a similar structural trend and has a controlling fault structure almost identical to the Glavny fault of Gordeyevskaya.

The individual mineralised zones form a deposit striking towards the NE with a steep dip of around 65° to 70° towards the southeast. The Lagernaya deposit extends roughly 700m along the strike and has a thickness of 50m at its furthest extent to the north and south, up to 150m at its thickest.



Mineralisation has been traced to a depth of 200m. The host rocks at Lagernaya are of Late Riphean conglomerates and sandstones which tectonically overlie Vendian-Lower Cambrian dolomitic marbles, with mineralisation hosted by metasomatic zones of quartz-sericite alteration. Mineralised zones at Lagernaya are thinner than at Gordeyevskaya, averaging a 1.8m thickness, but are generally higher grade.

Exploration

In 2019 the reserves of the Kara-Beldyr deposit have been approved by the State Reserve Committee (GKZ), a Russian government body having a power to approve mineral reserves. The approval of the reserves must be obtained for involving it into operational stage. Approval of gold reserves by GKZ is an important step towards the construction of the mine.

In June 2019 the Company obtained a new exploration license for the Ayen creek basin (of 9 square km), via its subsidiary LLC "Tardan Gold". The Ayen creek license is adjacent to the existing Kara-Beldyr license to the North-East. The license was awarded by Rosnedra (Ministry of Mines) without an auction.

The value of this license will depend on an initial assessment of its geological potential. This is based on the assumption that the fault structures which host the Gordeevskoye and Lagernoye deposits continue through the hill toward the Ayen creek area. Sediment tests of the creek bed show increased amount of gold down the creek flow after its intersection with the supposed fault structures.

We estimate that exploration will take 4 to 5 years. In the case of the successful exploration of mineable gold resources, these resources would be mined and processed using the infrastructure of the Kara-Beldyr mine.





Staroverinskaya (Solcocon)



Staroverinskaya
(Solcocon)
Zabaikalsky krai

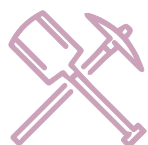


License: Staroverinskaya
Valid until: 2029

220,4 km²



CIP (potentially)



Exploration/
Alluvial production



GKZ reserves:

16.2
tonnes of gold

Reserves and Resources

Classification	Tonnage	g/t	000 oz	kg
Staroverinskaya (Solcocon) /GKZ/				
Bogomolovskoe Deposit (GKZ)				
C1 + C2 Resources	1,934,186	3.65	227	7,060
Kozlovkoe Deposit (GKZ)				
C1 + C2 Resources	1,059,000	8.14	277	8,615
Alluvial (GKZ)				
C1 + C2 Reserves	568,000	0.79	14	446
Total Staroverinskaya (Solcocon)			518	16,121

Geology and Exploration

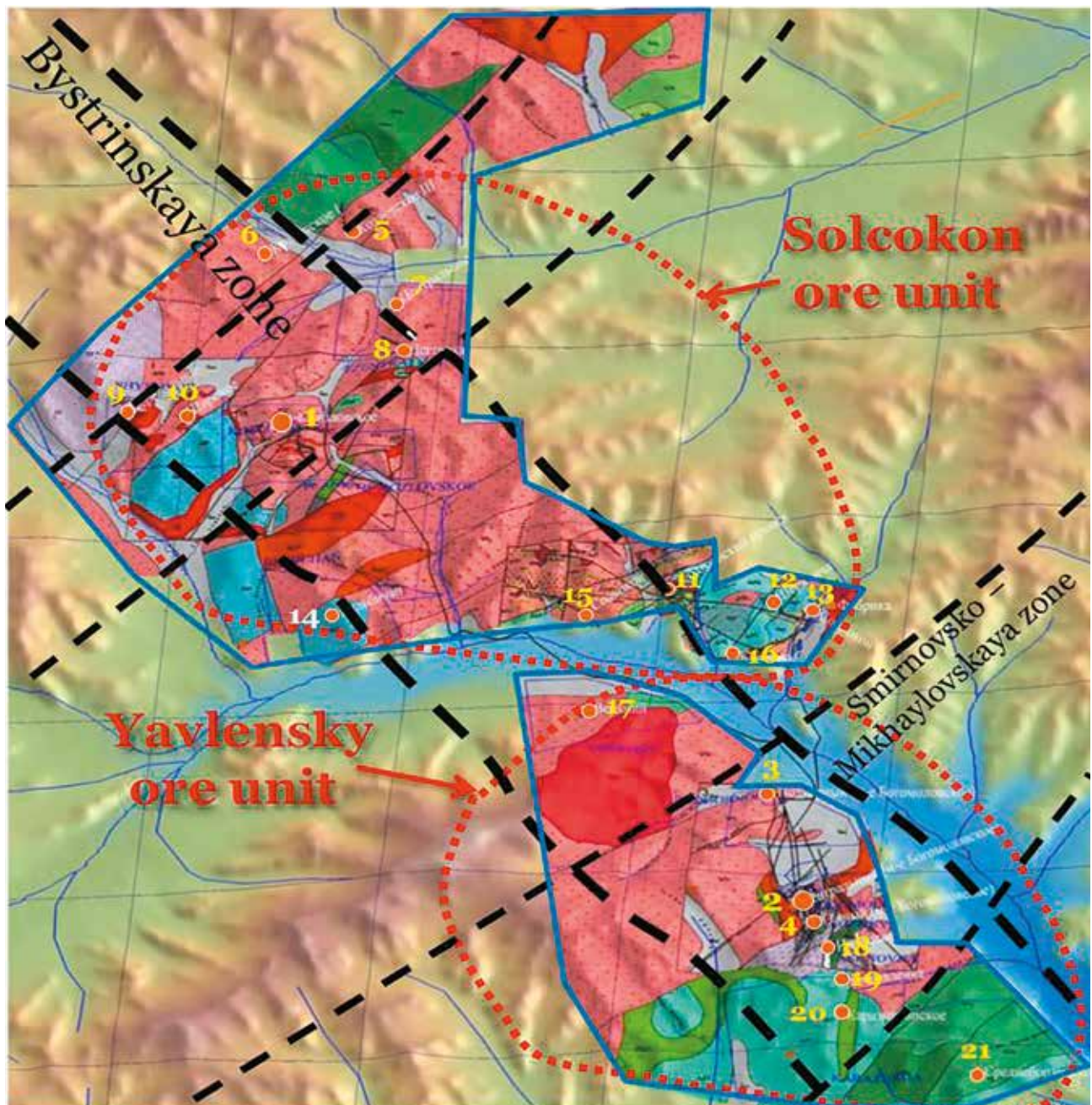
Geology

The Staroverenskaya gold bearing area is a part of the Nerchinsko-Zavodskoy ore region. This area includes the Bogomolovskoye and Kozlovskoye gold deposits, as well as more than 20 other gold occurrences around the upper reaches of the Middle and Lower Borzya rivers. The Staroverenskaya area comprises two ore fields – Solkokonsky and Yavlensky.

Within the license area, the most significant gold occurrences and deposits are located within the Bystrinsky fault zone.

The majority of the ore deposits and occurrences are gold-sulphide formations, of which Bogomolovskoye is classed as low sulphide, and Kozlovskoye as the gold-arsenic mineralization type.

Solcocon gold distribution map

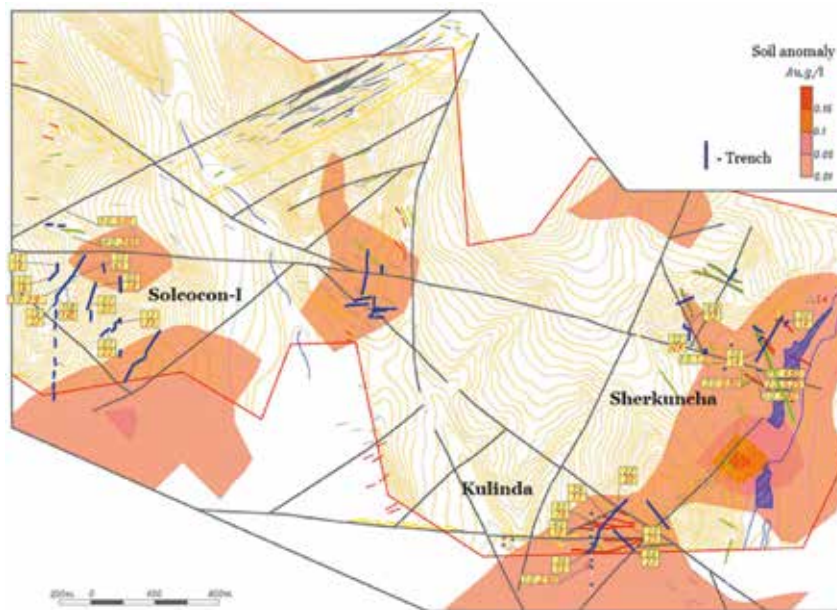


Exploration

Prospecting for increasing of gold resources at the Staroverinskaya license area is primarily associated with a more detailed geological exploration of flanks of the Bogomolovskoye deposit, as well as exploration on the following

gold occurrences: Bilbichan, Solkokon-1, Scherkuncha, Kulinda, Ivanovo, Karazyrga, and some others.

The total potential resources of Staroverinskaya license area (P1 + P2 categories) amount to 65 tonnes of gold.



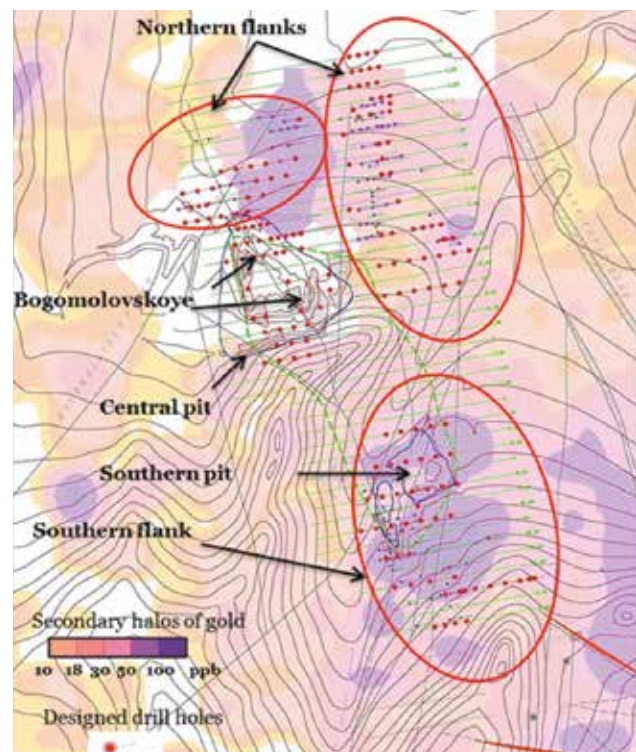
In 2020 the Company started its exploration drilling campaign and drilled 8,800 meters of core drilling on Bogomolovskoye deposit and its flanks. The main purposes of the drilling are

- to explore new potentials of the Bogomolovskoye's flanks;
- As same as to improve degree of geological information of the existing reserves of Bogomolovskoye;
- And also to involve Bilbichan, Solkokon-1 and Kulinda into the current exploration program.

In 2021 the Company completed over 10,520 m of drilling. The results are promising and they demonstrate that more drilling needs to be done at Staroverinskaya in order to get sufficient understanding of the area.

In case of success we tend to construct a gold processing plant and resume hard rock ore mining at this prospective area.

Focusing on short-term planning the Company managed to get done all the necessary documents for Degtyanka to be involved into alluvial mining.



Uzhunzhul

Uzhunzhul Republic of Khakassia

License: Uzhunzhul
Valid until: 2031
134 km²

Exploration

Great exploration potential

Geology and Exploration

Geology

The Nemir-Chazygolskoye ore field, which covers the eastern part of the license area, is located on the south-east flank of the Uybatsky gold bearing area. The Yurkovsky, Vostochny, and Paraspan occurrences were discovered within the Uzhunzhul license area. In addition, the license area features placer deposits of gold.

Within the license area, sulphidic metasomatites are located within fault zones, developing along contacts with granite massifs and are characterized by intensive pyrite mineralization and silicification. The depth of the oxide zone is 130 - 150 m from the surface.



Exploration

There are 3 main exploration targets within Uzhunzhul license area:

1. The Yurkovsky prospect contains 12 gold-bearing zones. The length of the zones varies from 400 m to 2,500 m, and the zones are up to 350 m deep. The widths of the ore zones vary from 0.3 m up to 150 m. The zones are composed of beresite and propylite with gold-quartz veinlets.

The maximum gold grade in the ore bodies is 150 g/t, with averages from 3.0 up to 35.3 g/t depending on the zone.

2. The Vostochny Flank occurrence incorporates ore bodies with widths varying between 4.2 m and 47 m, and lengths up to 520 m. The gold grades vary up to 4.8 g/t.
3. The Paraspan occurrence has grades up to 30 g/t.

In 2017, Uzhunzhul LLC continued geological studies of the subsoil, which comprised of the study of the material composition and metallurgical ores from the Uzhunzhul occurrences, and of the compilation of a geological report.

As a result, the reserves of category C2 and predicted resources of category P1 were measured for the gold occurrences of Yurkovskoye and

Paraspan. The total reserves of C2 category amounted to 2,812 kg (1,024,000 tonnes of ore with an average gold grade of 2.75 g / t), the resources of Pj are 5,585 kg.

The geological report was submitted for examination by GKZ in November 2017 however resources were not approved by GKZ. In 2018, an addendum to the exploration project is prepared for detailing resources.

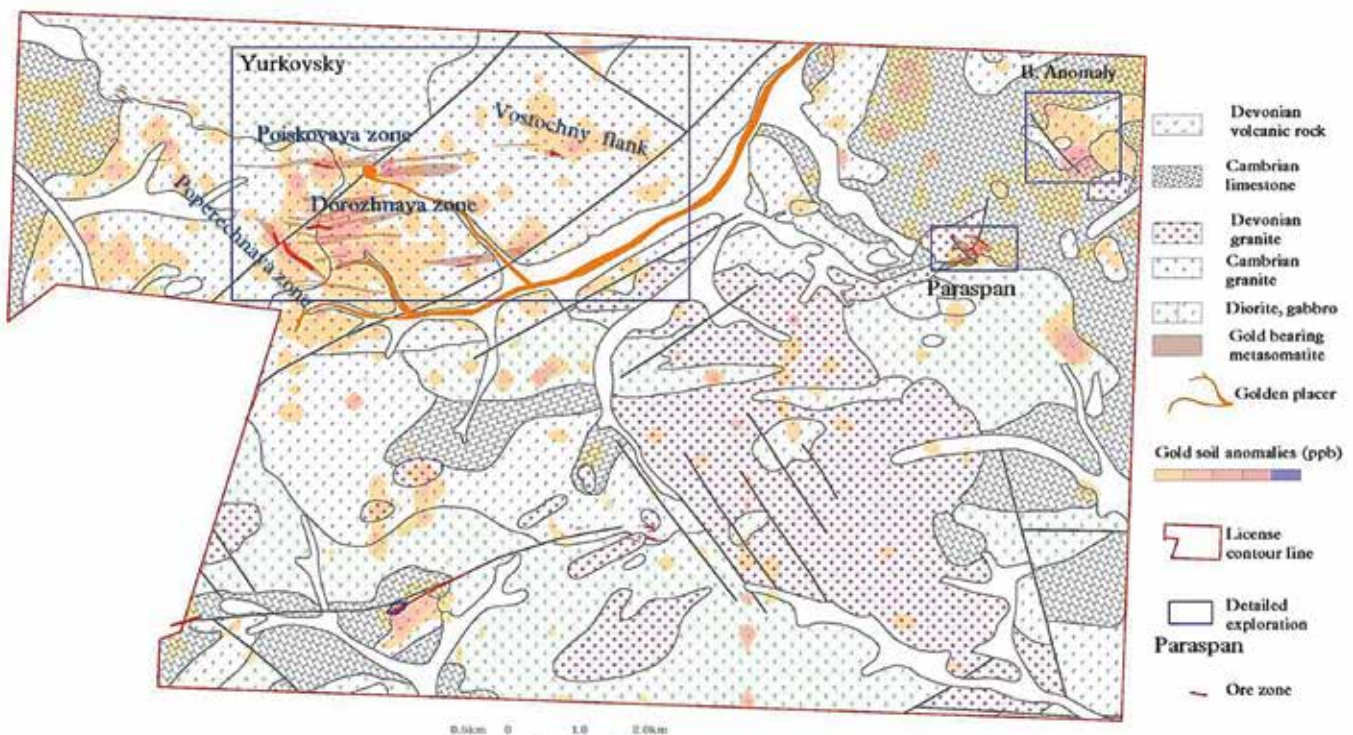
In 2020 the company approved its initial exploration program.

In 2021 the company complete 5,700 meters of geological trenches and 2,000 meters of core drilling. That is just a part of this initial exploration program. The received results are promising and demonstrate that the program should be continued.

In 2022 based on the current geopolitical situation the Company decided to put on hold the field works in Uzhunzhul and focused on analysing the geological date which was previously received.

In 2023 the company complete 3,700 meters of geological trenches and 1,980 meters of core drilling. That is just a part of this initial exploration program. The received results are still promising and demonstrate that the program should be continued.

Uzhunzhul geological map





03

Corporate
Governance



Corporate and Social Responsibility

Auriant Mining Group is committed to continuous improvement in all aspects of Corporate and Social Responsibility and compliance with safety, health and environmental standards, local regulatory requirements and practices, in order to prevent accidents, ensure a favorable working environment, and maintain a mutually beneficial cooperation with local communities.

The Group currently has two producing mines: Tardan in the Republic of Tyva and Staroverinskaya alluvial in the Zabaikalsky region.

The Corporate and Social Responsibility section describes principles and policies applied throughout the Group, with particular emphasis on the CSR program of LLC "Tardan Gold", which is the main producing mine with the largest number of employees and the biggest economic and social impact.

Overview

The operations of LLC "Tardan Gold" play an important role in the economic development of the region, fostering economic growth. LLC "Tardan Gold" is one of the largest investors and taxpayers in the Republic of Tyva. Profit tax paid by the company in 2023 amounted to approximately US\$ 2.6 million.

The company spent approx. US\$ 117.1 thousand on its CSR program in 2023. The bigger part of this amount, around US\$ 114.1 thousand, or 97.5%, was provided in the form of direct funding, while the remaining amount was provided in the form of services and in-kind resources. The total CSR budget was allocated between social projects of the Republic of Tyva (ca. US\$61.1 thousand, or 52.2%), and funds and resources provided under the Agreement on Social and Economic Cooperation between the company and the municipal administrations of Kaa-Khem district and Kundustug village (US\$ 55.9 thousand, or 47.8%).

Cooperation with the Region

The company has established good working relationships with local communities and the respective authorities in the region. During 2023, the company's CSR program focused on social infrastructure support, charitable projects, and sponsoring socially important activities.

Social infrastructure support

Social infrastructure support remained the focus of the company's corporate social responsibility program in 2023, receiving ca. US\$84.4 thousand (72.3% of the company's total CSR spending) in the reporting period:

- construction materials, windows, and doors were purchased for the Kaa-Khem District Administration for the total amount of US\$14.3 thousand.
- the company provided financial assistance in the amount of US\$5.8 thousand for the State Forestry fund with the creation of a nursery forest garden aimed to restore forest resources of the Republic of Tyva.
- the heating system was installed in the Church of St. Sergei of Radonezh in Shagonar town.
- construction materials at the total cost of US\$1.4 thousand were purchased for fencing the territory of the cultural center, primary school and village administration building, in the village of Kundustug.
- the company provided financial assistance in the amount of US\$23.3 thousand for capital repairs of the kindergarten in the village of Ust-Buren (video surveillance system was installed, a water well was drilled, and a hot water furnace and expansion tank, 2 centrifugal pumps, heating boilers, and chimneys were purchased and installed). The kindergarten was built in 1974 and no major capital works have been carried out. The kindergarten is attended by 55 children.



In addition, the company provided the following services and in-kind resources:

- 10 truckloads of gravel were provided for leveling the ground around the Kaa-Khem District Administration.
- 3,200 liters of diesel fuel were provided for measures to prevent or eliminate forest fires, to carry out agricultural work in the Kaa-Khem District, as well as to carry out maintenance and haymaking works in Kundustug village.
- the company's snow equipment was involved in cleaning streets and roads of Kundustug village.
- 320 tons of stone-coal at the total cost of US\$10.9 thousand were provided in support of social projects of the Kaa-Khem District.

Charity and sponsorship

The company spent US\$29.7 thousand (25.4% of the total CSR expenditure) on charitable projects and sponsoring socially important activities:

- the company bought 130 gift boxes for children for the International Children's Day, 400 sweet gifts for children from low-income and large families in the Kaa-Khem district for the New Year Celebration, and 8 sets of household appliances for residents of the village of Kundustug, for a total amount of US\$2.5 thousand.



- US\$1.5 thousand was spent on repairing a blast blower for fire extinguishing in the village of Kundustug. Also provisions were purchased for forestry workers, to carry out fire guarding measures.
- 15 pre-school students from the in the village of Saryg-Sep were sent to the XIth Open Interregional Festival-competition of children's choreographic groups "Plyasitsa" in the village Shushenskoye, Krasnoyarsk Krai.
- US\$38.1 thousand was allocated to the participation of the Republic of Tyva in the International Exhibition and International Forum in Moscow.
- around US\$704 was provided to the Center for Communication of the Older Generation in the Republic of Tyva, a special library for the blind and

visually impaired, and to doctors who helped the company fight COVID-19 on the Medical Worker Day.

- funds in the amount of US\$583 were allocated for the celebration of the 109th anniversary of the city of Kyzyl.



- the humanitarian aid for the people of Donbass was provided in the amount of US\$10.9 thousand.
- the company provided financial support for publication of the municipal newspaper "Vestnik Kaa-Khema", distributed in the Kaa-Khem kozhuun.

Our People

The company's approach is based on principles of sustainable development and is focused on employing local residents, providing financial and non-financial incentives, professional growth and training opportunities, and creation of safe and healthy working environment.

As at the end of 2023, 263 employees of LLC "Tardan Gold" (61.2% of the total number of employees) were residents of the Republic of Tyva, 132 employees (31%) came from the neighboring Krasnoyarsk region and Khakassia Republic, and 7.8% came from other regions of the country.

The company aims to offer competitive remuneration. Indexation of salaries was carried out in 2023. The average monthly salary exceeded the average monthly salary in the region by approximately 10%.

The company implements a number of professional development programs. In 2023, 30 employees improved their qualifications through such programs, and 2 employees learned new professions at local colleges.

The company continues its long-term cooperation with Employment Centers of the Kaa-Khemsky district and the Republic Tyva, keeping them informed of job opportunities in the company.

Employees receive fire safety trainings and industrial safety trainings on an ongoing basis.

Board of Directors



Peter Daresbury

*Born 1953,
Chairman since 2014*

Board member since November 27, 2012. Peter was born in 1953 and 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 Far East Antimony Ltd, Sen Ltd and Jockey Club Catering Ltd and Non-Executive Director of 4C Labs. Peter has an MA in history from Cambridge University.

Shareholding in the Company:

Shares – 125,258;
Stock options – No



Preston Haskell

*Born 1966,
Member of the Board since 2009*

Born in 1966, Board member since 2009. Preston Haskell is a citizen of Sweden and Saint Kitts and Nevis, and has been active as a businessman in real estate and mining industries in Russia and in Africa. Preston was Chief Executive Officer of the Company from 2009 until May 2012, and Chairman of the Board from May 2012 to May 2014. Preston has a Degree in Business Administration from the University of Southern California in the U.S.

Shareholding in the Company:

Shares – 51,563,892
(through companies);
Stock options – No



Jukka Pitkäljärvi

*Born 1960,
Member of the Board since 2020*

Jukka Pitkäljärvi is a citizen of Finland, born in 1960. Mr. Pitkäljärvi has worked more than 30 years in the international mining and metallurgical industry. He started his career as a mining geologist and steadily worked his way to Senior Management positions in the mining industry and later on in Project Development. He is currently Vice President Finland Operations for Strategic Resources Inc. 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).

Shareholding in the Company:

Shares – No;
Stock options – No



Thor Åhlgren

*Born 1997,
Member of the Board since 2022*

Thor Åhlgren is a Swedish citizen and has a Master of Science in Applied Mathematics and a Bachelor of Science in Mechanical Engineering, both from the Royal Institute of Technology, Stockholm. Thor has previously worked with financial transactions involving mining companies as an investment analyst and as a corporate finance analyst. Thor is currently a board member and CEO of Runaware Holding and is working with investments at Molcap Invest AB.

Thor Åhlgren is regarded as independent in relation to the Company and its management, and not independent in the relation to the Company's major shareholders.

Shareholding in the Company:

Shares – No;
Stock options – No

Group Management



Danilo Lange

Born 1973, CEO since 2020

Danilo Lange is a citizen of Germany, born in 1973. 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. Danilo has a degree in Science from the University of Applied Science & Economics in Munich, Germany.

Shareholding in the Company:

Shares – 250,000;
Stock options – No



Alexander Buchnev

Born in 1982, CFO since 2022

Alexander graduated from the Financial Academy in Moscow in 2004 with a Degree in Crisis Management. Alexander is qualified as an ACCA and his 20 years' extensive financial and accounting experience includes CFO of Planeta Sirius Group, a top 5 Russian workwear producer, as well as CFO of VEDK Group, a gold producer in the Republic of Yakutia (Russia), and 8 years of experience at Ernst&Young. Alexander previously already worked for Auriant Mining Group as CFO and IFRS Leader in 2013-2018.

Shareholding in the Company:

Shares – No;
Stock options – No



Petr Kustikov

Born in 1978, COO since 2020

Prior to the appointment of COO Petr had been Head of Project Development at Auriant since 2016, and played a leading role in the construction of the successful CIL plant at the Company's Tardan mine. Petr started his career at Muruntau open pit which is one of the world's largest gold mines. He is an experienced mine manager, having worked in that role at both Oxus Gold and Orsu Metals. Petr graduated from Navoi State Mining Institute with a degree in Mining Engineering and has completed his Master in Business Administration from the Plekhanov Russian University of Economics, Moscow. Petr has been a member of the Australasian Institute of Mining and Metallurgy since 2014. Immediately prior to joining Auriant he was a Leading Consultant at SRK Consulting (Russia) based in Moscow.

Shareholding in the Company:

Shares – No;
Stock options – No



Ekaterina Babaeva

Born 1982, Group General Counsel since 2012

Ekaterina Babaeva joined Auriant Mining in April 2012 as acting Group General Counsel and was, then, appointed Group General Counsel in August 2012. Previously, Ekaterina was Legal Advisor to the chairman of Colliers International CIS from 2004 to 2009, having previously worked as a lawyer in a company providing auditing and legal advisory services. Ekaterina graduated from the Lomonosov Moscow State University with a Degree in Law (Highest Honors) and holds an LL.M (Corporate and Commercial Law) from the London School of Economics and Political Science, which she received in 2018 upon successfully completing the LSE Executive LL.M program. Ekaterina leads the work of Auriant Group's legal team. Her areas of professional interest are cross-border transactions, corporate restructurings, complex litigation and international arbitration, as well as organizational management, human resource development, and executive coaching.

Shareholding in the Company:

Shares – 235,492;
Stock options – No



Konstantin Chernov

Born 1975, Head of HR since 2016

Before joining Auriant Mining, Konstantin worked as Head of HR projects for Lenzoloto JSC, a subsidiary of Polyus in Irkutsk. Previously, he was the HR Director for the building contractor at the Elginskoye deposit (Metallurgshakhtspetsstroy) located in Yakutia. He has extensive experience in the mining sector including such positions as: HR Director in Artel starateley Amur JSC (Russkaya platina), HR Director at the deposits Mayskoe, Kubaka, Sopka Kwartsevaya (Polymetal) located in the Chukotsky region and the Magadanskaya oblast. He graduated from Magadan North-Eastern State University in Magadan with a degree in Law.

Shareholding in the Company:

Shares – No;
Stock options – No



Maria Carrasco

Born 1977, Deputy CEO since 2016

Maria Carrasco is a Swedish citizen. She joined Auriant Mining as Head of the Stockholm Office and Deputy CEO in 2016. Maria Carrasco's previous experience includes working as CEO of the Ural region branch of United Europe Holding group, a Key Account Manager for the LVMH Group, Head of sales in several large Russian and international companies in the perfume and cosmetic industry. She also has more than 5 years' experience as a tax specialist in the Swedish Tax Agency. Maria studied economics and business administration and engineering in Russia and graduated from Orenburg State University.

Shareholding in the Company:

Shares – No;
Stock options – No

Auditor

Authorised public accountant Johan Kaijser the Company's auditor since EGM held in October 2023.

Directors Report 2023

The Board of Directors and the Chief Executive Officer of Auriant Mining AB (publ) hereby submit the annual financial statements for financial year 1 January -31 December 2023.

Group structure and operations

The Group is comprised of the Parent Company Auriant Mining AB (publ.), incorporated in Sweden ("AUR AB"), and its subsidiaries, which include six subsidiaries in Russia and two companies incorporated under the laws of Cyprus. The Russian subsidiaries are limited liability companies ("LLC").

The operations involve exploration and production of gold in Russia, primarily in the Republic of Tyva and in the Zabaikalsky region. The operations of the Group are performed via the subsidiaries. The license areas operated are Tardan, Greater Tardan, Staroverinskaya, Uzhunzhul, Kara-Beldyr and Ayen creek basin.

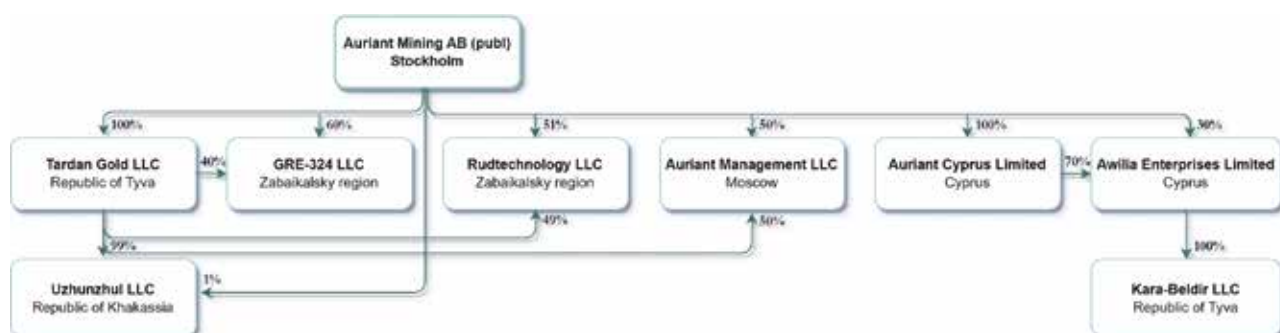
From March 29, 2005 until July 2010, AUR AB was listed on the Nordic Growth Market stock exchange, and since July 19, 2010, AUR AB is listed on the Nasdaq First North Premier Growth Market stock exchange in Sweden. The number of shareholders as of December 31, 2023 was 3,048.

Company	Location	Operations	Ownership
Auriant Mining AB	Stockholm, Sweden	Parent Company	See the Auriant Share section

Subsidiaries

LLC Tardan Gold	Kyzyl, Republic of Tyva, Russia	License holder and operator of hard rock gold production and exploration at the Tardan and Greater Tardan license areas	100% owned by AUR AB
LLC GRE-324	Chita, Zabaikalsky region, Russia	License holder, alluvial gold producer at the Staroverinskaya license area	60% owned by AUR AB 40% owned by LLC Tardan Gold
LLC Uzhunzhul	Abakan, Republic of Khakassia, Russia	License holder, the Uzhunzhul license area	1% owned by AUR AB 99% owned by LLC Tardan Gold
LLC Auriant Management	Moscow, Russia	Consultancy services to the Russian subsidiaries	50% owned by AUR AB 50% owned by LLC Tardan Gold
Awilia Enterprises Limited	Limassol, Cyprus	Owner of the operating company, LLC Kara-Beldyr	70% Auriant Cyprus Limited 30% owned by AUR AB
Auriant Cyprus Limited	Limassol, Cyprus	Co-owner of Awilia Enterprises Limited (holds 70% in Awilia Enterprises Limited)	100% owned by AUR AB
LLC Kara-Beldyr	Kyzyl, Republic of Tyva, Russia	License holder, the Kara-Beldyr license area	100% owned by Awilia Enterprises Limited
LLC Rudtechnology*	Kalga, Kalganskiy district, Zabaikalsky region, Russia	Owner of the equipment previously used at the Solcocon heap leaching plant (now out of operation)	51% owned by AUR AB 49% owned by LLC Tardan Gold

*The information is presented as of 31 December 2023. In the beginning of 2024, LLC Rudtechnology was liquidated.





Principal risks and uncertainties

Various risks may affect the results of the operating, financial and investing activities of the companies in mining and exploration industry, including Auriant Mining Group.

The principal risks relating to the industry and Auriant Mining Group are described below:

Operational risks – production related risks

Failure to achieve production plan

The production capacity of a mine and gold processing plant, or the quality of mineral reserves and the availability of qualified staff, might not be in line with the production plan due to different circumstances which might lead to the non-achievement of the plan.

The Company regularly analyses and discusses production plans, the grade control process, and pre-development exploration result.

Unexpected business interruptions

- i) *Weather.* Unexpected business interruptions caused by weather conditions might lead to a significant delay in production and consequent decrease in profits. The Group's assets are located in the Republic of Tyva and in the Zabaikalsky region, in remote areas that can be subject to severe climatic conditions. Exploration and extraction levels may not be fully achieved as a result.
- ii) *External contractors.* The Group's operations are materially dependent on outside contractors, including but not limited to, providers of transportation and excavation services (in addition to transportation and excavation made using own fleet of equipment), drilling, blasting, equipment maintenance services, electricity and other utilities supply, transportation of materials to the mine, etc. Delay in the delivery or the failure of mining equipment could significantly delay production and impact the Group's profitability.

Preventive maintenance procedures are undertaken on a regular basis to ensure that machines and equipment will properly function under extreme cold weather conditions. Management maintains enough essential supplies at each site to minimize the risk of operational breakdowns. Equipment and spare parts are ordered with adequate lead time. The Group also has contingency plans in place to address any disruption to services.

Obtaining necessary permits and approvals

Besides licenses for exploration and mining of natural resources, the Company must obtain additional permits

and approvals to be able to actually carry out mining and production activities. For newly explored deposits, those permits and approvals include, without limitation, approval of resources with GKZ (State Resource Committee); approval of project documentation for open pit construction and operation; renting land to be used for mining activities and related activities; permits for potentially hazardous activities (such as blasting operations and operations with poisonous materials); environmental safety review, etc.

Infrastructure

The commencement of gold production at Kara-Beldyr is contingent, among other things, upon timely implementation of the Government's final decision to finance the power line in the Republic of Tyva and its construction.

The company actively engages with state authorities to ensure that electricity needs of the Kara-Beldyr project are taken into account in the development programs implemented in the Republic of Tyva.

Financial risks

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

The financial risks description, assessment and mitigation measures are further disclosed in the Accounting policy (v) and Note 20.

Geological risks

Gold exploration is associated with high risk. All estimates of recoverable mineral resources are mainly based on probabilities. Estimates of mineral resources and ore reserves are based on extensive test drilling, statistical analyses and model studies and remain theoretical in nature until verified by industrial mining. There is no methodology for determining with certainty the exact amount of gold available or the shape of a potential ore body and its distribution. The exact amount of gold is known only when the gold has been extracted from the gold deposit. Data relating to mineral resources and ore reserves as presented by the Company, and by others, should be viewed against this background, and deviations are therefore possible.

The Group employs a highly qualified team of geologists with considerable regional expertise and experience, and mining engineers to undertake mine planning, design and production scheduling. The Group utilises assistance of external advisors on a regular basis to make sure that the latest exploration techniques and innovative technologies to design and undertake its exploration programmes are implemented.

Health, Safety and Environmental risks

The Group companies are subject to extensive environmental, health and safety controls and regulations, and any breach of these regulations could result in fines. Furthermore, material breach of those regulations could result in the suspension of operations, which could have a material adverse effect on the Group's reputation, operating results and financial condition. The Group companies are subject to extensive environmental controls and regulations in Russia. Mining and exploration operations involve the use of environmentally toxic and hazardous materials, such as cyanides and diesel fuel and lubricants, as well as processes that could lead to discharge of materials and contaminants into the environment, disturbance of land, flora and fauna, and other environmental concerns. The licenses under which the Group operates include conditions regarding environmental compliance. The terms of the Group's subsoil licenses include site clean-up, restoration and rehabilitation obligations. In case of Group companies' failure to comply with those obligations, they may be held liable for the resulting damage in addition to administrative fines, which may have an adverse impact on the Group's financial results.

The Group implements proactive environmental planning. The Group's experienced environmental experts ensure compliance with applicable regulations and apply cost-effective, technically sound solutions to environmental challenges.

Legal risks

Maintenance of licenses risks

Federal Agency for Subsoil Use (Rosnedra) may suspend or revoke the Group companies' subsoil use licenses if it recognizes their violation, revealed by Federal Service for Supervision of Natural Resource Usage (Rosprirodnadzor) or other authorized governmental bodies. Such revocation or suspension may lead to a halt or cessation of operations at the relevant license area. Failure to comply with the terms of licenses and permits may result in financial sanctions and reputational damage.

There are established processes in place to monitor the required and existing licenses and permits on an on-going basis. Processes are also in place to ensure compliance with the requirements of the licences and permits. The Group companies take steps to promptly rectify any violations revealed by governmental bodies.

Community risks

The Group's projects can be delayed or stopped due to community and environmental activists' protests

and lack of cooperation by local and regional authorities in granting land lease rights over land plots, where exploration or mining activities are planned to be carried out.

The Group companies continuously maintain relationships with local communities. For more information, please see the Corporate Social Responsibility section of this Annual report.

Economic sanctions risks

Financial and economic sanctions imposed by a number of countries against the Russian economy, businesses and individuals, and counter-measures imposed by Russia, may affect Auriant Mining Group's operations in a number of ways, including but not limited to the following risks. The Group may not have access to capital outside of Russia, including from countries that have not themselves imposed sanctions, due to risks of secondary sanctions. The Group's ability to enter into business transactions in Russia may be further restricted by the Russian counter-measures, since the Group includes a Swedish parent company. Like other Russian gold producers who sell gold in Russia, the Group companies may need to sell gold at higher discounts and/or face lack of demand due to buyers losing access to the international gold market. The Group companies operating in Russia may experience shortages of supplies and price increases. Bans on exports of equipment into Russia may limit the Group's choice of equipment for new projects, delay implementation of new projects and make them less economically viable. The ability of the Russian subsidiaries to make payments to the Swedish parent company may be further restricted. The Group companies may experience closures of their bank accounts and difficulties with opening new ones. The current sanctions may also have other negative implications, and there remains a possibility of further sanctions (and counter-measures) which may have further negative impact.

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

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

The Auriant Share

The number of outstanding shares as of December 31, 2023 was 98,768,270. All outstanding shares are fully paid.

The share capital of the Company as of December 31, 2023 was SEK 500,000 with a quotient value per share 0.0051. The share capital limits at the

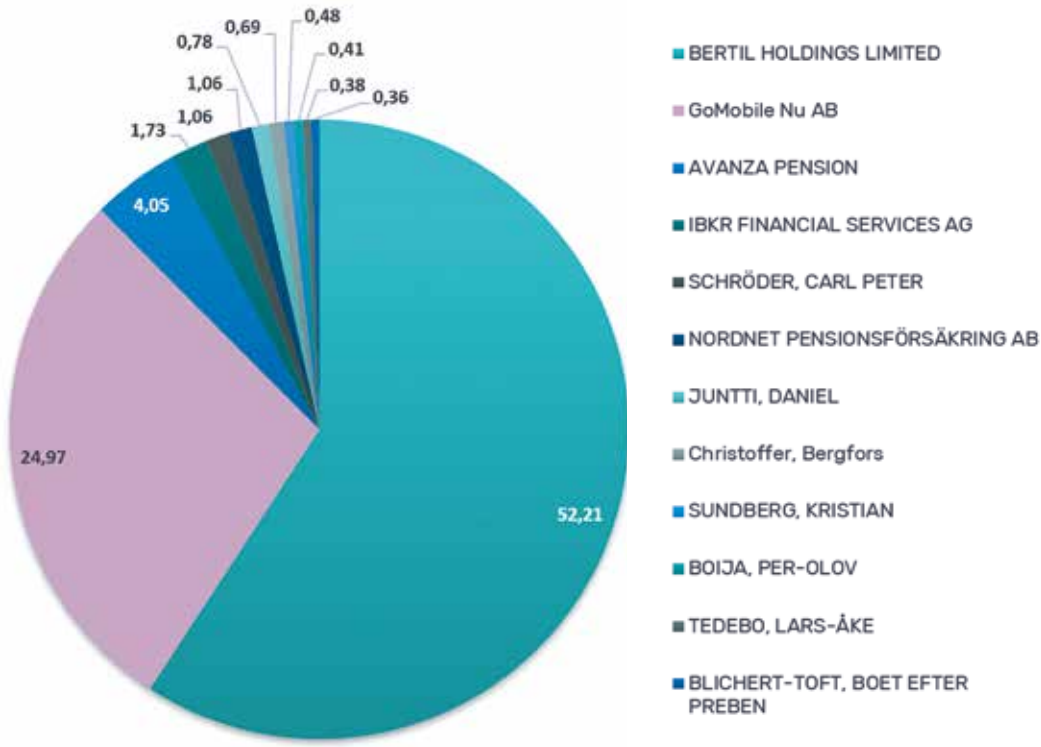
2023 year-end according to the articles of association were not less than SEK 500,000 and not more than SEK 2,000,000. The limit for the number of shares according to the articles of association was not less than 47,400,000 and not more than 189,600,000.

Largest owners

The 12 largest shareholders in Auriant Mining AB as of December 29, 2023

Shareholder	Number of shares	% share of ownership
BERTIL HOLDINGS LIMITED	51 563 892	52,21
GoMobile Nu AB	24 660 785	24,97
AVANZA PENSION	3 997 973	4,05
IBKR FINANCIAL SERVICES AG	1 707 694	1,73
SCHRÖDER, CARL PETER	1 047 719	1,06
NORDNET PENSIONS FÖRSÄKRING AB	1 044 739	1,06
JUNTTI, DANIEL	771 967	0,78
Christoffer, Bergfors	685 141	0,69
SUNDBERG, KRISTIAN	477 635	0,48
BOIJA, PER-OLOV	404 536	0,41
TEDEBO, LARS-ÅKE	377 008	0,38
BLICHERT-TOFT, BOET EFTER PREBEN	356 612	0,36
Subtotal for the 12 largest owners	87 095 701	88,18
Other 3,036 shareholders	11 672 569	11,82
Total number of shares outstanding before dilution	98 768 270	100,00

Source: Euroclear



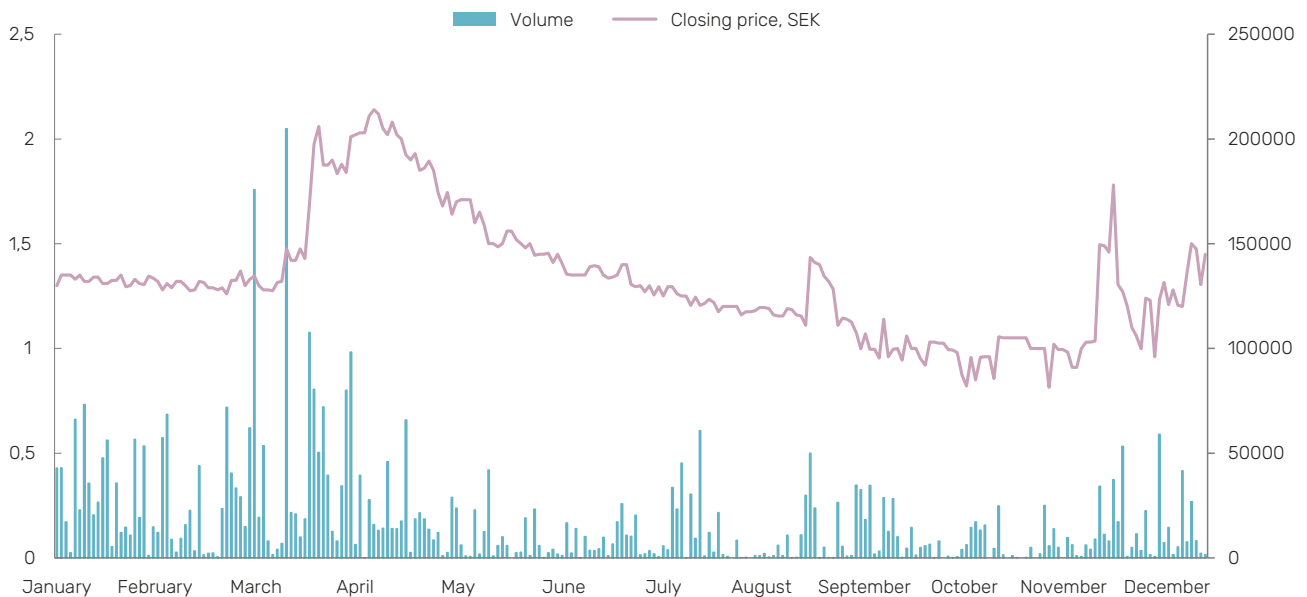
Stock Options and Warrants

As at the end of 2023, there were no outstanding stock options or warrants in the Company.

Auriant Share Price

The Auriant share is listed on Nasdaq First North Premier Growth Market (ticker AUR). The share price and daily numbers of shares traded are displayed in the graph below. As of December 31, 2023 the Company had a market capitalization of approximately MSEK 143.2 (equivalent to US\$ 14.3 million).

Auriant Mining AB share price, SEK



Changes in share capital

Event	Date	Change in number of shares	Outstanding number of shares	Quotient value/ share	Offer price/ share	Change	Closing share capital
Formation of the Company	24.02.2004	1,000	1,000	100	100	100,000	100,000
New share issue *	13.07.2004	2,000,000	2,500,000	0.2	0.4	400,000	500,000
New share issue	20.09.2004	88,774	2,588,774	0.2	0.4	17,755	517,755
Issue in kind	20.09.2004	85,500,000	88,088,774	0.2	0.4	17,100,000	17,617,755
New share issue	15.11.2004	50,000,000	138,088,774	0.2	0.4	10,000,000	27,617,755
New share issue	16.03.2005	25,000,000	163,088,774	0.2	0.48	5,000,000	32,617,755
New share issue	20.06.2005	36,000,000	199,088,774	0.2	0.57	7,200,000	39,817,755
New share issue via share warrants	12.07.2005	36,756	199,125,530	0.2	0.6	7,351	39,825,106
New share issue via issue of warrants	03.10.2005	5,483,272	204,608,802	0.2	0.6	1,096,654	40,921,760
New share issue	13.10.2005	24,000,000	228,608,802	0.2	1.21	4,800,000	45,721,760
New share issue via issue of warrants	17.01.2006	2,143,677	230,752,479	0.2	0.6	428,735	46,150,496
New share issue via issue of warrants	22.06.2006	6,000,000	291,196,923	0.2	0.4	1,200,000	58,239,385
Offset share issue	06.07.2006	54,444,444	285,196,923	0.2	1.44	10,888,889	57,039,385
New share issue	03.10.2006	75,000,000	366,196,923	0.2	2.02	15,000,000	73,239,385
New share issue	01.02.2007	36,000,000	402,196,923	0.2	1.86	7,200,000	80,439,384
Offset share issue	07.05.2007	10,013,147	412,210,070	0.2	2.03	2,002,629	82,442,014
New share issue	24.07.2008	117,774,304	529,984,374	0.2	0.55	23,554,861	105,996,875
New share issue via share warrants	03.10.2008	135,388	530,119,762	0.2	0.55	27,078	106,023,952
New share issue via share warrants	04.11.2008	7,314	530,127,076	0.2	0.55	1,463	106,025,415
New share issue via share warrants	11.12.2008	660	530,127,736	0.2	0.55	132	106,025,547
New share issue	15.12.2008	497,264	530,625,000	0.2	0.2	99,453	106,125,000
Reduction of quotient value	17.03.2009	-	530,625,000	0.05	-	-79,593,750	26,531,250
Issue in kind	17.03.2009	3,000,000,000	3,530,625,000	0.05	0.06	150,000,000	176,531,250
Reversed split	15.07.2009	-3,512,971,875	17,653,125	10	-	0	176,531,250
Reduction of share capital	01.09.2010	-	17,653,125	1.125	-	-156,671,484	19,859,766
New share issue	01.09.2010	139,492,384	157,145,509	1.125	1.6	156,928,932	176,788,698
New share issue	14.09.2010	1,732,616	158,878,125	1.125	1.6	1,949,193	178,737,891
New share issue	08.10.2010	1,291,742	160,169,867	1.125	1.7031	1,453,210	180,191,101
New share issue	08.10.2010	3	160,169,870	1.125	1.125	3	180,191,104
Reverse split	20.10.2010	144,152,883	16,016,987	11.25	-	-	180,191,104
New share issue	28.07.2011	1,600,000	17,616,987	11.25	17.50	18,000,000	198,191,104
New share issue via issue of warrants	12.04.2013	185,442	17,802,429	11.25	11.25	2,086,223	200,277,327
Reduction of share capital	18.09.2015	-	17,802,429	0.1125	-	198,274,553	2,002,773
New share issue	08.09.2017	56,967,773	74,770,202	0.1125	2.50	6,408,874	8,411,648
New share issue	24.10.2017	76,980	74,847,182	0.1125	2.65	8,660	8,420,308
New share issue	09.04.2018	23,801,320	98,648,502	0.1125	2.50	2,677,648	11,097,956
New share issue	07.07.2020	70,000	98,718,502	0.1125	1.89	7,875	11,105,831
New share issue	03.08.2020	49,768	98,768,270	0.1125	1.89	5,599	11,111,430

* Reduction of par value per share to SEK 0.20.

Corporate Governance Report 2023

Corporate governance involves the regulations and structure established to govern and manage a company in an effective and controlled manner. Corporate governance is primarily aimed at meeting the shareholders' requirements with regard to the return on their investment, and at providing all stakeholders with comprehensive, and correct, information as regards the company and its development. The Corporate Governance of Auriant Mining AB (publ) is based on the Swedish Companies Act, the Swedish Corporate Governance Code, the Articles of Association and other relevant laws and rules. Auriant Mining AB (publ) (in this Corporate Governance Report also referred to as "Auriant", the "Company" or the "Parent Company") is a Swedish public limited liability company with its registered office in Stockholm, Sweden and with business operations primarily in Siberia, Russia. Auriant was founded in 2004 and was listed on the NGM Equity, Nordic Growth Market on March 29, 2005 under the name, Central Asia Gold AB (publ). Since July 19, 2010, Auriant's shares are listed on the Swedish stock exchange, Nasdaq First North Premier, which became a SME-classified Growth Market on 1 September 2019 and is therefore now referred to as Nasdaq First North Premier Growth Market. The shares are traded under the ticker "AUR". Auriant applies the Swedish Corporate Governance Code (the "Code"). The Code is based on the "comply or explain" principle, which implies that companies applying the Code can deviate from specific rules, but they must provide an explanation for such deviation. Deviations from the Code rules are detailed in the Company's Corporate Governance Reports. Governance, management and control responsibilities in Auriant are divided between the shareholders's meeting, the Board of Directors and the Chief Executive Officer.

The Shareholders' Meeting

The shareholders' right to decide on Auriant's business matters is exercised at the Shareholders' Meeting of the Company, which is the Company's highest decision-making body. The Board of

Directors is appointed by the Shareholders' Meeting, and the Chief Executive Officer is appointed by the Board of Directors. The Shareholders' Meeting has a sovereign role over the Board of Directors and the Chief Executive Officer. The duties of the Shareholders' Meeting include the election of Members of the Board, the approval of principles for the appointment of the Nomination Committee and an instruction to the Nomination Committee, the adoption of the income statement and balance sheet, resolutions on the appropriation of profits and discharge from liability for the members of the Board and the Chief Executive Officer, the determination of fees payable to the members of the Board and to the auditors and determination of the principles governing remuneration for the Chief Executive Officer and senior executives, the election of auditors and, where relevant, amendments to the Articles of Association.

Shareholders

There were, as of the end of 2023, in total, 98,768,270 shares in the Company and the same number of votes. There were 3,048 shareholders in the Company as of December 29, 2023. The largest shareholder was Bertil Holdings Limited with 52.21% of shares. The second largest shareholding was that of GoMobile Nu AB, which held 24.97% of shares as of December 31, 2023. There are no other shareholders representing more than one tenth of the voting rights of all shares in the Company. Upon the reduction pursuant to the resolution of the Annual General Meeting 2023 (as further detailed below), the share capital of the Company as of December 31, 2023 totaled SEK 500,000.

Annual General Meeting 2023

Auriant's 2023 Annual General Meeting (the "AGM", the "Annual General Meeting") was held on May 16, 2023 at Mangold's offices, Nybrogatan 55, 114 40 Stockholm. The minutes from the meeting are available at www.auriant.com.

The following principal resolutions were adopted at the AGM 2023:

- The Board of Directors and the Chief Executive Officer were discharged from liability for the previous financial year.
- It was resolved that until the end of the next annual general meeting, the number of Board Members shall be four (4) without any deputy board member, and that the number of auditors shall be one (1) without any deputy auditor.
- Lord Daresbury (Peter), Preston Haskell, Jukka Pitkääjärvi and Thor Åhlgren were re-elected to the Board.
- Peter Daresbury was re-elected as Chairman of the Board.
- It was resolved that the remuneration to the Chairman of the Board shall be SEK 400,000, and SEK 250,000 to each of the other ordinary board members. It was decided that remuneration amounting to SEK 25,000 per year and member shall be paid for participation in each committee established by the Board. The maximum amount of remuneration payable to the Board, including remuneration for work in committees, is SEK 1,375,000.
- It was resolved to re-elect the authorised public accountant Johan Kaijser as the Company's auditor.
- The AGM approved the principles for appointment of the Nomination Committee and the instruction for the Nomination Committee in accordance with the Nomination Committee's proposal.
- The AGM authorised the Board to resolve to increase the Company's share capital by new share issues, to the extent that it corresponds to a dilution of not more than 20 percent, after full exercise of the authorisation. The purpose of the authorisation is to increase the financial flexibility of the Company and the acting scope of the Board. Should the Board resolve on an issue with deviation from the shareholders' preferential rights, the new issue shall be made at market terms and conditions. The authorization is effective until the next Annual General Meeting.
- The AGM resolved to amend the capital limits in § 4 of the Company's articles of association and lower the capital limits from a minimum of SEK 5,322,450 and a maximum of SEK 21,329,800 to a minimum of SEK 500,000 and a maximum of SEK 2,000,000.
- It was resolved to reduce the share capital with SEK 10,611,430.315619 to cover the Company's losses. The reduction was performed without cancellation of shares. Following the reduction, the share capital amounts to SEK 500,000.

At the Annual General Meeting 2023, a total of 76,210,730 shares were represented by 2 shareholders either in person or via proxy. The shares represented comprised approximately 77.16 per cent of the total number of shares in the Company.

Extraordinary General Meeting 2023

The Extraordinary General Meeting was held on October 31, 2023 at Nybrogatan 55, 114 40 Stockholm. It was resolved at the Extraordinary General Meeting, in accordance with the nomination committee's proposal, to elect the authorised public accountant Johan Kaijser as the Company's new auditor until the end of the next annual general meeting.

At the Extraordinary General Meeting 2023, a total of 76,224,677 shares were represented by 2 shareholders either in person or via proxy. The shares represented comprised approximately 77.18 per cent of the total number of shares in the Company. The minutes from the meeting are available at www.auriant.com.

Annual General Meeting in 2024

The Annual General Meeting of shareholders will be held on Tuesday, May 14, 2024. The annual report for 2023 is available on the Company's website as of April 23, 2024.

Nomination Committee

The Nomination Committee works to promote common interests of all shareholders of the Company and focuses on ensuring that the Company's Board of Directors is comprised of members possessing the knowledge and experience corresponding to the needs of the Company.

The role of the Nomination Committee is to present proposals to the AGM for: (i) the election of AGM Chairman; (ii) the number of members of the Board; (iii) the election of the Chairman of the Board and other Board Members; (iv) Board fees, allocated between the Chairman and other Members; (v) any remuneration for committee work; and (vi) the election and payment of auditors and alternate auditors (where applicable). In addition, the Nomination Committee shall make proposals for decisions regarding the principles to be applied in establishing a new Nomination Committee and, if deemed necessary, a proposal regarding changes to the instruction to the Nomination Committee.

The principles for the appointment of the Nomination Committee were approved by the AGM on May 16, 2023, as follows. 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. Those shareholders who are not registered with Euroclear, and who wish to appoint a member to the Nomination Committee, shall submit an application to the Chairman of the Board no later than September 1 and provide evidence of shareholding. 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 that represents 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.

The Annual General Meeting 2023 resolved that the Instruction to the Nomination Committee shall remain unchanged. The Instruction is available on the Company's website.

The Nomination Committee for the 2024 AGM is comprised of Lord Peter Daresbury, Chairman of the Board; Risto Silander, appointed by the largest shareholder Bertil Holdings Limited; and

Per Åhlgren, appointed by the second largest shareholder GoMobile Nu AB. The shareholders that appointed members of the Nomination Committee jointly represented 77.18 percent of the voting rights in the Company as of the last banking day in September 2023. The Nomination Committee was duly constituted by the three members appointed as above, and is chaired by Per Åhlgren.

Board of Directors

In accordance with the Swedish Companies Act, the Board of Directors is responsible for the organisation of the Company and the administration of the Company's business, and shall continually assess the Company's and the Group's financial situation. The Board of Directors deals with issues of material significance, such as business plans, including profitability targets, budgets, interim reports and annual reports, the establishment of important policies, the structure of internal control systems, and significant organisational changes. Each year, Auriant's Board adopts written rules of procedure for the Board of Directors, written instructions to the Chief Executive Officer, written instructions regarding financial reporting and a Chart of Authority further detailing the division of work between the Board and the Chief Executive Officer. The rules of procedure regulate, among other things, the Board's duties, the minimum number of Board meetings to be held each year, the manner in which meetings are to be notified and the documents required to be distributed prior to Board meetings and the manner in which the minutes of Board meetings are to be drawn up. The written instructions regarding financial reporting regulate the reporting system in place, as the Board needs to be able to continually assess the Company's and Group's financial position. The written instructions to the Chief Executive Officer, together with the Chart of Authority, regulate the division of work, authorities, and responsibilities between the Board and the Chief Executive Officer.

According to the Articles of Association, the Board of Directors shall comprise a minimum of three, and maximum of ten, ordinary Members, and not more than five Deputy Board Members, elected by the Annual General Meeting.

Chairman of the Board of Directors

The 2023 Annual General Meeting re-elected Lord Peter Daresbury as Chairman of the Board. During 2022, Auriant's Chairman of the Board led the

Board's work and ensured that the Board fulfilled its duties. The Chairman of the Board continually followed the Group's business and development through contact with the Chief Executive Officer.

Members of the Board of Directors

At year-end 2023, Auriant's Board was comprised of four ordinary Board Members, Peter Daresbury

(Chair), Thor Åhlgren, Preston Haskell, and Jukka Pitkääjärvi, all elected by the Annual General Meeting on May 16, 2023.

The members of the Board are presented in greater detail in the Board of Directors section of the annual report, and the details of the members' independence vis á vis the Company and its management are presented below.

Board members' independence* and shares in Auriant

Board member	Shares in Auriant (owned by the Board member or by his closely related parties)	Stock options in Auriant	Independent in relation to the Company and the Company's management	Independent in relation to the Company's major shareholders
Peter Daresbury (Chair)	125,258	0	Yes	Yes
Thor Åhlgren	0	0	Yes	No
Preston Haskell	51,563,892	0	No	No
Jukka Pitkääjärvi	0	0	Yes	Yes

* Independence as defined by the Swedish Code of Corporate Governance.

Board members' attendance at Board meetings in 2023

Name	Position	Attended Board meetings / Number of meetings
Peter Daresbury	Chair	7/7
Thor Åhlgren	Member	7/7
Preston Haskell	Member	7/7
Jukka Pitkääjärvi	Member	7/7

The Board's work in 2023

The Board held 7 meetings in 2023, including 3 ordinary meetings with personal attendance, and 4 meetings held by teleconference. In addition, the Board passed 18 resolutions *per capsulam*, i.e. by correspondence. Important issues dealt with by the Board in 2023, in addition to the approval of the annual financial statements and the interim reports, and approval of the budgets, included:

- The Company's and the Group's financial position and liquidity
- Strategic decision-making

- Preparation for the Annual General Meeting and the Extraordinary General Meeting.

The Board has conducted an evaluation of its work under the guidance of the Chairman of the Board. The evaluation is carried out on the basis of a self-assessment questionnaire. The questionnaire is circulated to the Board in the beginning of the year. Each ordinary Board member and deputy Board member is to complete the questionnaire independently. Responses are collated by the Chairman of the Board who then leads a discussion of the key points arising from the questionnaire, especially those areas that require improvement.

This usually takes place at the last Board meeting in person prior to the AGM. Copies of completed questionnaires are also to be provided to the Nomination Committee. The evaluation ensures that the basic stipulations of the Code of Corporate Governance are complied with.

Board committees

Remuneration Committee

During 2023, the Remuneration Committee was comprised of Peter Daresbury and Preston Haskell. The Committee was chaired by Peter Daresbury. The Remuneration Committee submits proposals for resolution by the Board regarding salary and other terms of employment of the CEO. The Committee also considers and approves the CEO's proposals regarding salaries and other terms of employment of the Group's management. The Committee's other tasks include monitoring and evaluating programmes for variable remuneration to the executive management.

In 2023, the Remuneration Committee held three meetings, attended by both members of the Committee.

Finance and Audit Committee

In 2023, the composition of the Finance and Audit Committee remained unchanged. The Committee was comprised of Peter Daresbury, Thor Åhlgren and Jukka Pitkäljärvi, with Peter Daresbury serving as Chairman of the Committee. The members of the Committee have the necessary competence and experience in accounting matters.

In 2023, the Finance and Audit Committee held two meetings. Each member of the Committee attended both meetings.

Technical Committee

During 2023, the Technical Committee was comprised of Jukka Pitkäljärvi and Preston Haskell. Mr. Pitkäljärvi served as Chairman of the Committee. The Committee's task is to advise the remainder of the Board on mining and technical issues.

In 2023, the Technical Committee held one meeting, attended by both members of the Committee.

The Committees report to the Board on their work on a regular basis.

Board fees

The Board of Directors' fees are decided by the Shareholders' Meeting. The following Board fees

were approved by the Annual General Meeting of shareholders in 2023: for the Chairman of the Board Peter Daresbury, SEK 400,000; and SEK 250,000 to each of the other ordinary board members. It was decided that remuneration amounting to SEK 25,000 per year and member shall be paid for participation in each Committee established by the Board. It was further resolved that the maximum amount of remuneration payable to the Board, including remuneration for work in committees, shall be SEK 1,375,000.

Group management

As of the end of 2023, the Group's management was comprised of the CEO, deputy CEO, CFO, COO, Head of HR and Group General Counsel. The management of the Company as at the date of this report is presented on pages 40-41 of the annual report.

The Chief Executive Officer is responsible for the on-going management of the Company. The CEO's work is evaluated once a year. Mr. Danilo Lange is the CEO of the Company since September 2020.

In the event that the CEO becomes unable to fulfill CEO's duties, the deputy CEO shall substitute for the CEO until a new CEO is appointed. Such events are specified in the written instructions to the CEO, adopted by the Board. Ms. Maria Carrasco is the Deputy CEO of the Company since October 2016.

Remuneration of Executive Management

For information regarding remuneration to the Chief Executive Officer, senior executives and other employees, please see Note 5 on page 80-81 of the annual report.

Long-term incentive programs

The Board regularly evaluates the need for long-term incentive programs. At present, no long-term incentive programs are established in the Company.

Auditor

The AGM appoints the auditor of the Company. The auditor's task is to examine the Company's annual financial statements and accounts, as well as the administration and management by the Board and the Chief Executive Officer. The AGM of May 16, 2023 re-elected the auditing firm Öhrlings PricewaterhouseCoopers AB as the Company's

auditors, with Authorized Public Accountant Anna Rozhdestvenskaya as the auditor-in-charge. However, in August 2023 PricewaterhouseCoopers AB informed the Company of their decision to terminate the engagement for internal policy reasons. The Extraordinary General Meeting held on October 31, 2023 resolved, in accordance with the nomination committee's proposal, to elect the authorised public accountant Johan Kaijser as a new auditor of the Company until the end of the next annual general meeting.

The audit is conducted in accordance with the International Standards on Auditing and generally accepted auditing standards in Sweden.

The audit of the annual accounts is conducted during the period from February to April in the year following the financial year in question, and also includes a review of the nine-month bookclosing in November of the financial year in question.

Internal control

Internal control is often defined as a process that is influenced by the Board, the company management and other employees, and which is established and developed to provide reasonable assurance that the company's targets are being met in terms of the business operations being both appropriate to the goals of the company and being efficient. Reasonable assurance is also to be provided as regards the reliability of the financial reporting and compliance with relevant laws and regulations. Internal control consists of various aspects, including control environment, risk assessment, control activities, and monitoring.

Control environment

The control environment primarily consists of the organisational structure, the assignment of responsibilities and powers, management philosophy, ethical values, staff competence, policies and guidelines, as well as routines. In addition to the relevant legislation, the framework within which Auriant's Board and management work is comprised of the owners' aims and the Swedish Corporate Governance Code. The formal decision-making procedure is based on the division of responsibility between the Board and the CEO, which the Board establishes each year in the form of written instructions to the Chief Executive Officer and the Chart of Authority. The CEO can delegate a degree of decision-making to other senior executives. Any one of members of the Board have the authority to sign on behalf of the Company. The CEO, in his/her normal business activities, is

also entitled to sign on behalf of the Company. The CEO must act in accordance with the division of responsibilities and limits of authority set out in the Chart of Authority.

Risk assessment

A structured risk assessment makes it possible to identify material risks having an effect on internal control with regard to financial reporting and where these risks exist within the organisation. Auriant's Board continually assesses the Company's risk management, by assessing the preventative measures needed to be taken to reduce the Company's risks. Principal risks and uncertainties as well as measures to address them are set out on pages 44-45 of the annual report.

Control activities

Control measures are required to prevent, detect and correct errors and discrepancies. Each quarter, Auriant Mining's Finance Department compiles financial reports providing details of earnings and cash flow for the most recent accounting period. Deviations from the budget and forecasts are analysed and commented on. Documented processes exist for the compiling of the information on which the financial reports are based. Detected errors and discrepancies are analyzed and followed up.

Monitoring

Financial monitoring is carried out on a quarterly basis. In addition, Group management receives operational results on a weekly and monthly basis. Monitoring is, then, carried out in comparison with budgets. Targets for the expected volume of gold production for the full year are set during the budgeting process at the end of the previous year.

The Board receives weekly production updates and monthly operational reports, including plan-to actual analysis, of the Group. Financial reports of the Group, including profit and loss statements, and statements of financial position, are analyzed by the Board on a quarterly basis, cash flows statements on a monthly basis. The Board continuously evaluates the information provided by the management.

Given its size, the Company has chosen not to establish a separate internal audit unit. If the Board finds it appropriate, internal control will be further expanded. The issue of internal control will be discussed by the Board again in 2024.

Deviations from the Swedish Corporate Governance Code

The Swedish Corporate Governance Code (the "Code") is based on the "comply or explain" principle. This means that companies are not obliged to comply with every rule in the Code at all times, but are allowed the freedom to choose alternative solutions which they feel are better suited to their particular circumstances, as long as they openly report every deviation, describe the alternative solution they have chosen, and explain their reasons for doing so.

A revised Swedish Corporate Governance Code applies since 1 January 2024. In 2023, the Company did not comply with the following rules of then applicable version of the Code, for the reasons set out below:

- *Code rule 9.2 provides that, except for the Chairman of the Board who may chair the Remuneration Committee, the other members of the Committee elected by the shareholders meeting are to be independent of the Company and its executive management.*

The Board member Mr. Preston Haskell, who is not independent in relation to the Company and executive management in accordance with the criteria set out in the Code rule 4.4, was a member of the Remuneration Committee in 2023. Mr. Haskell's involvement in the Remuneration Committee is considered to be in the best interests of all shareholders of the Company for the following reasons. Mr. Haskell is, himself, the largest owner in the Company, indirectly owning, through companies, 52.21% of the shares, and, furthermore, he has significant knowledge and experience of executive remuneration issues. Mr. Haskell is not a member of the executive management of the Company.

Proposal for loss distribution

The Group's equity at year-end 2023 amounted to US\$ -22.1 mln, of which share capital is US\$ 0.064 mln.

In the Parent Company the unrestricted shareholders equity amounts to:

	2023 SEK
Share premium reserve	780,638,510
Retained earnings	- 1,038,247,859
Net income/loss for the year	49,901,806
Total unrestricted equity	-207,707,544

The Board of Directors and the Chief Executive Officer propose that the Parent Company's accumulated losses be carried forward and that no dividend be paid for the financial year.


Auditor's Report on the Corporate Governance Report

The auditor's report on this Corporate Governance Report is included in the Auditor's Report, presented on page 114 of the annual report.



04

Financial Statements



58	Operational Key Ratios	99	Parent Company Income Statement
59	Consolidated statements	99	Parent Company Statement of Comprehensive Income
59	Consolidated Income Statement	100	Parent Company Balance Sheet
59	Consolidated Statement of Comprehensive Income	101	Parent Company Statement of Changes in Equity
60	Consolidated Statement of Financial Position	102	Parent Company Cash Flow Statement
61	Consolidated Statement of Changes in Equity	104	Notes to the Parent Company Financial Statements
62	Consolidated Cash Flow Statement	113	Board Assurance
63	Notes to the Consolidated Financial Statements	114	Auditors Report
99	Parent Company Financial Statements	116	Additional Information

Operational Key Ratios, US\$

	2023	2022	2021	2020	2019	Definitions
Profitability						
Ore processed, 000 tonnes	417	413	428	394	372	Quantity of ore processed
Gold sands processed, 000 m3	43	49	128	45	151	Volume of gold sands processed
Gold production, oz	21,486	25,082	29,283	31,014	22,137	Gold production obtained during the period (troy oz)
Gold sales, oz	19,415	28,364	26,316	30,428	21,021	Actual sold gold production during the period (troy oz)
Revenue from sale of gold and gold equivalents, US\$ 000	37,343	51,054	47,685	53,409	29,762	Revenue from sale of gold and gold equivalents
Average realized gold price, US\$/oz	1,923	1,800	1,812	1,755	1,416	Average price received during the period (USD/oz)
Total cash costs per ounce, US\$/oz	1,172	1,245	806	676	884	Average total cash costs per ounce of gold produced
Profit/loss before income tax, US\$ 000	533	9,149	9,584	13,517	-1,514	
Return on total assets, %	-11.7%	11.0%	10.6%	15.1%	-1.8%	Net profit/loss for the period as a percentage of average total assets during the period
Capital structure						
Equity, US\$ 000	-22,081	1,419	-6,241	-13,277	-24,317	Total equity at the end of the period, including non-controlling interests
Interest-bearing liabilities, US\$ 000	51,842	51,413	58,996	67,359	83,929	Total interest-bearing liabilities at the end of the period
Equity ratio, %	-46.66%	2.07%	-9.13%	-20.50%	-33.0%	Equity, including non-controlling interests, as a percentage of the balance sheet total
Cash flow and liquidity						
Cash flow before investments, US\$ 000	4,772	12,312	17,761	27,484	8,856	Cash flow from operating activities
Cash flow after investments and financing, US\$ 000	-1,307	-529	1,036	560	-1,055	Operating cash flow plus cash flow after investments and financing
Liquid assets, US\$ 000	49	1,125	1,474	422	145	Bank deposits and cash at the end of the period
Total assets, US\$ 000	47,319	72,282	72,167	64,870	73,734	
Investments						
Capital investments, US\$ 000	993	1,374	2,701	2,065	9,711	Net investments in material fixed assets, minus any disinvestments
Employees						
Average number of employees during the period	491	564	584	571	507	
Share data						
Number of outstanding shares before dilution	98,768,270	98,768,270	98,768,270	98,768,270	98,648,502	Number of issued shares at the end of the period, excluding the effect of outstanding warrants and any incentive options
Average number of outstanding shares during the period before dilution	98,768,270	98,768,270	98,768,270	98,698,673	98,648,502	Number of shares at the end of the period, including outstanding warrants with a redemption price lower than current stock exchange price.
Number of warrants outstanding	-	-	-	-	345,000	Number of non-exercised warrants at the end of the respective period.
Quotient value, US\$	0.00	0.01	0.01	0.01	0.01	Each share's proportion of the total share capital
Earnings per share, US\$	-0.07	0.08	0.07	0.11	-0.01	Net profit/loss after tax divided by the average number of outstanding shares during the period
Equity per share, US\$	-0.22	0.01	-0.06	-0.13	-0.25	Total equity, including non-controlling interests, in relation to the number of issued shares at the end of the period.
Market price per share at the end of the period, US\$	0.14	0.12	0.34	0.70	0.35	Latest market price paid for the shares on the last trading day of the respective period.

Consolidated Income Statement

	Note	2023 US\$000	2022 US\$000
Revenue	1	37,343	51,054
Cost of sales	2	-27,654	-37,482
Gross profit		9,689	13,572
General and administrative expenses	3	-3,357	-2,814
Other operating income	4	67	1,004
Other operating expenses	4	-567	-349
Operating profit		5,832	11,413
Financial income	6	13	1,691
Financial expenses	7	-5,312	-3,955
Profit before income tax		533	9,149
Income tax	8	-7,555	-1,587
Net profit for the period		-7,022	7,562
Whereof attributable to:			
The owners of the parent company		-7,022	7,562
Earnings per share before dilution (US\$)	17	-0.07	0.08
Earnings per share after dilution (US\$)		-0.07	0.08
Number of shares issued at period end		98,768,270	98,768,270
Average number of shares for the period		98,768,270	98,768,270
Average number of shares for the period after dilution		98,768,270	98,768,270

Consolidated Statement of Comprehensive Income

	2023 US\$ 000	2022 US\$ 000
Net profit for the period	-7,022	7,562
Items that may be subsequently reclassified to profit or loss		
Translation difference	-16,478	98
Total comprehensive income for the period	-23,500	7,660

Consolidated Statement of Financial Position

	Note	31-12-2023 US\$000	31-12-2022 US\$000
ASSETS			
NON-CURRENT ASSETS			
Intangible fixed assets			
Mining permits and capitalised exploration costs	9	19,860	19,214
Tangible fixed assets			
Buildings and land	10	12,712	14,006
Machinery, equipment and other technical plant	11	11,791	13,686
Construction in progress	12	647	797
		25,150	28,489
Stripping assets		1,421	3,372
Deferred taxes recoverable	8	1,753	8,014
Total non-current assets		34,236	56,396
CURRENT ASSETS			
Inventories	14	10,134	11,868
Accounts receivable trade	20	64	62
Other current receivables	15	2,211	2,098
Prepaid expenses	15	625	733
Cash and bank holdings	16	49	1,125
Total current assets		13,083	15,886
TOTAL ASSETS		47,319	72,282
EQUITY AND LIABILITIES			
EQUITY			
Share capital	17	64	1,438
Additional paid in capital		79,220	79,220
Translation difference reserve		-29,681	-13,203
Retained earnings		-71,684	-66,036
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		-22,081	1,419
TOTAL EQUITY		-22,081	1,419
NON-CURRENT LIABILITIES			
Deferred tax	8	2,316	3,632
Provisions	18	712	1,375
Bank loans and other notes	19,20	1,938	287
Debt to shareholder	19,20	-	39,029
Other non-current liabilities	24	13,462	12,298
Total non-current liabilities		18,428	56,621
CURRENT LIABILITIES			
Trade and other accounts payable	21	1,354	1,360
Bank loans payable	19,20	2,348	9,295
Debt to shareholder	19,20	45,331	-
Other current liabilities	22	1,940	3,587
Total current liabilities		50,972	14,242
TOTAL EQUITY AND LIABILITIES		47,319	72,282

Consolidated Statement of Changes in Equity

Attributable to the shareholders of the Parent Company

All amounts in US\$000	Share capital	Additional paid in capital	Translation difference reserve	Retained earnings	Non-controlling interest	Total equity
Equity as at December 31, 2021	1,438	79,220	-13,301	-73,598	-	-6,241
Comprehensive income						
Net profit/loss for the period			-	7,562	-	7,562
Other comprehensive income	-	-	98	-	-	98
Total comprehensive income for the period	-	-	98	7,562	-	7,660
Equity as at December 31, 2022	1,438	79,220	-13,203	-66,036	-	1,419
Transactions with shareholders						
Reduction in share capital	-1,374	-	-	1,374	-	-
Total transactions with shareholders for the period	-1,374	-	-	1,374	-	-
Comprehensive income						
Net profit/loss for the period			-	-7,022	-	-7,022
Other comprehensive income	-	-	-16,478	-	-	-16,478
Total comprehensive income for the period	-	-	-16,478	-7,022	-	-23,500
Equity as at December 31, 2023	64	79,220	-29,681	-71,684	-	-22,081

Consolidated Cash Flow Statement

	2023	2022
	US\$ 000	US\$ 000
OPERATING ACTIVITIES		
Receipts from gold sales	37,343	51,053
VAT and other reimbursement	3,476	5,453
Payments to suppliers	-21,204	-27,426
Payments to employees and social taxes	-10,296	-11,991
Income tax paid	-2,518	-3,013
Other taxes paid	-2,029	-1,764
Net cash flows from in operating activities	4,772	12,312
INVESTING ACTIVITIES		
Purchase and construction of property plant and equipment	-247	-801
Exploration and research work	-543	-265
Net cash flows used in investing activities	-790	-1,066
FINANCING ACTIVITIES		
Proceeds from borrowings, net	-	67
Repayment of borrowings, net	-4,076	-10,266
Interest paid	-671	-826
Lease payments	-542	-717
Other finance income/expenses	-	-33
Net cash used in financing activities	-5,289	-11,775
Net increase/(decrease) in cash and cash equivalents	-1,307	-529
Net foreign exchange difference	231	179
Opening balance cash and cash equivalents	1,125	1,474
Closing balance cash and cash equivalents	49	1,125

Notes to the consolidated financial statements

1. General information

Auriant Mining AB (publ.) ("AUR AB", "the Parent company" or "the Company") and its subsidiaries (collectively referred to as "the Group" or "the Auriant Mining Group") currently engage in the exploration for and production of mineral gold in different regions of the Russian Federation. The Parent Company is a registered public limited liability company with its head office in Sweden. The address of the head office is Box 55696, 102 15 Stockholm.

AUR AB was listed on the Swedish NGM Nordic Growth Market stock exchange on March 29, 2005 and has been listed on the Swedish NASDAQ First North Premier Growth Market stock exchange since July 19, 2010. At present, the Company has 3,048 shareholders.

The Board of directors approved these consolidated accounts for publication on April 23, 2024.

2. Basis of preparation

2.1 Basis of preparation

The consolidated financial statements of the Auriant Mining Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). IFRS include the standards and interpretations approved by

the IASB including IFRS, International Accounting Standards ("IAS") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). Some additional information is disclosed based on the standard RFR 1 Supplementary accounting regulations for groups from the Swedish Financial Reporting Board and the Swedish Annual Accounts Act.

The consolidated financial statements for 2023 have been prepared using the historical cost method and on accounting principles assuming that the Group will continue its operations during a period sufficient to carry out its objectives and commitments, and will not be liquidated in the foreseeable future.

The Parent Company accounts have been 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 Company are the same as for the Group with a few exceptions. These exceptions are, where applicable, described under each section below.

2.2 Changes in accounting policies

The following is a list of new or amended IFRS standards and interpretations that have been applied from January 1, 2023 and effect on the Group's consolidated financial statement:

Title	Subject	Effective for annual periods beginning on or after	Effect on the consolidated financial statements
IFRS 17 Insurance Contracts	Sets out principles for the recognition, measurement, presentation and disclosure of insurance contracts	1 January 2023	No effect
Amendments to IAS 8	Definition of Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023	No effect
Amendments to IAS 1	Disclosure of Accounting Policies	1 January 2023	No effect
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023	No effect
Conceptual Framework for Financial Reporting	Updates of references to or from the Conceptual Framework for Financial Reporting	1 January 2023	No effect

The following new, amended or improved accounting policies and interpretations have been published and are to be applied in 2024 or thereafter: IAS 1, Presentation of financial statements, on the classification of liabilities, IFRS 16, Leases, on reporting lease liability associated with sale and leaseback transactions and Amendments to IAS 1 and IFRS 7 Disclosures: Supplier Finance Arrangements. These new and amendmend policies are not expected to have a material impact on the financial reporting for the financial year 2024.

3. Summary of significant accounting policies

(a) Basis of consolidation

The consolidated financial statements are prepared in accordance with the Group's accounting principles and include the accounts of the Parent Company and all subsidiaries over which the Group holds the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The existence and effect of potential voting rights that are currently exercisable, or convertible, are taken into consideration in assessing whether the Group has a controlling interest in another entity.

Subsidiaries are fully consolidated from the date on which controlling interest is transferred to the Group. They are deconsolidated from the date on which such controlling interest ceases. The Group uses the acquisition method of accounting to report business combinations. On an acquisition-by-acquisition basis, the Group reports any non-controlling interest in the acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net assets. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. The accounting principles of subsidiaries have been changed, where necessary, to ensure consistency with the accounting principles adopted by the Group.

In the Parent company accounts, investments in subsidiaries are reported at cost less any impairment charges. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. The excess of the consideration transferred the amount of any non-controlling interest in the acquired entity and the fair value on the acquisition date of any previous equity interest in the acquired entity exceeding the fair value of the

Group's share of the identifiable net assets acquired is reported as goodwill. If this amount is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income are reclassified to profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities.

(b) Business combinations and goodwill

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or

share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-Based Payments at the acquisition date (see below); and

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain. The Group has no goodwill as of December 31, 2023 (December 31, 2022 - nil).

When the consideration transferred by the Group in a business combination includes contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified.

Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss.

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

(c) Translation of foreign currency

Functional currency and reporting currency

As of 1 January 2023 the Group changed its functional currency from the US Dollar to Russian Rouble. The functional currency of individual companies is determined by the primary economic environment in which the entity operates or the one in which it primarily generates and expends cash. Economic sanctions and restrictions imposed on certain 15 Russian institutions since February 2022 resulted in change of factors influences on:

- the sales prices for gold and gold equivalents;
- the currency in which funds from financing activities were generated.

For all Russian entities the functional currency is the Russian Rouble (RUB). The functional currency of the Group's entities located and operating in Cyprus is EURO. The functional currency of the parent company is Swedish Krona (SEK).

In accordance with the requirements in IAS 21 the effect of a change in functional currency is accounted for prospectively, i.e., an entity translates all items into the new functional currency using the exchange rate at the date of the change.

The Group has chosen to present its consolidated financial statements in USD only, as management believes it is a convenient presentation currency for international users of the consolidated financial statements of the Auriant Mining Group.

In accordance with the Swedish Accounting Act, the Parent Company's financial information is reported in Swedish krona and not the Group's presentation currency of U.S. dollars.

Translation of foreign subsidiaries and other foreign operations

The earnings and the financial positions of all Group companies (none of which have a high-inflation currency) that have a different functional currency

from the reporting currency are translated to the Group's reporting currency as follows:

- (a) assets and liabilities for each of the statements of financial position are converted at the closing rate;
- (b) income statements for each of the subsidiaries are converted at the average exchange rate (provided that this average rate constitutes a reasonable approximation of the accumulated effect of the rates applying on the date of the transaction, otherwise assets and liabilities are converted at the rate on the date of the transaction), and
- (c) all exchange rate differences arising are recognised as a separate component of other comprehensive income and the cumulative effect is included in the translation difference reserve in equity.

Goodwill and adjustments to the fair value arising upon the acquisition of a foreign company are treated as assets and liabilities attributable to this operation and are converted at the closing rate.

Receivables and liabilities in foreign currency

Receivables and liabilities in foreign currency are valued at the exchange rate on the balance sheet date. Exchange rate differences for operational receivables and operational liabilities are included in operating income, while exchange rate differences for financial receivables and liabilities are reported in financial items. Unrealised exchange rate gains and losses relating to operational receivables and liabilities are reported net under other operating income/expenses.

Currency rates used in the report:

Year 2023	RUB/USD	SEK/USD	SEK/RUB	Year 2022	RUB/USD	SEK/USD	SEK/RUB
Average Q1	72,9711	10,428	6,9976	Average Q1	87,3479	9,345	9,4568
Average Q2	81,24021	10,5194	7,7229	Average Q2	66,5114	9,8382	6,7608
Average Q3	94,2001	10,8098	7,7229	Average Q3	59,4783	10,547	5,6394
Average Q4	92,7534	10,6850	8,6807	Average Q4	62,6937	10,7245	5,8458
Average H1	77,2824	10,4737	8,7143	Average H1	76,5718	9,5916	7,9832
Average 9m	83,3838	10,5857	7,8770	Average 9m	70,3730	9,9101	7,1012
Average 12m	85,8116	10,6128	8,0857	Average 12m	68,3522	10,1245	6,7512
March 31	77,0863	10,3539	7,4451	March 31	84,0851	9,2641	10,4868
June 30	87,0341	10,8509	8,0209	June 30	51,1580	10,2194	5,0060
September 30	97,4147	10,8413	8,9855	September 30	57,4130	11,1227	5,1618
December 31	89,6883	10,0416	8,9317	December 31	70,3375	10,4371	6,7392

(d) Revenue recognition

Revenue is measured at the fair value of consideration to which the entity expects to be entitled in a contract with a customer in exchange for transferring promised goods, excluding amounts collected on behalf of third parties, such as value added tax (VAT). Group recognizes revenue when it transfers control of a product or service to a customer.

Sale of gold

Revenue from the sale of gold is reported when a purchase agreement has been concluded and when delivery to the buyer has been completed. Reporting is preceded by the semi-finished product that the Group produces, a gold ore concentrate, being delivered to a refinery that enriches the ore concentrate into the end product, 24 carat pure gold and a certain residual amount of silver. Sales are reported gross before the mineral resources extraction tax (MRET). The MRET amounts to 6% of the produced volume of gold, multiplied by the sales

price. The MRET is, thus, directly related to the volume of gold produced, but not to the actual volume sold. Consequently, the MRET is reported as a production cost among operating expenses. The sale of gold is currently not subject to value added tax in Russia.

Other income

Any other income not received in the ordinary course of the Group's activities is reported as "other operating income".

Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, which is the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

(e) Depreciation and amortisation

Intangible fixed assets

Intangible fixed assets are subject to amortisation according to the unit of production method. According to the unit of production method, amortisation is reported at the same rate as production. This means that the total expected production of gold from each license object is evaluated during the licence object's expected useful economic lifetime and amortisation in each period is carried out corresponding to the period's proportional share of the total expected production. The amortisation of a license object is reported when commercial production from that license object has commenced.

Tangible fixed assets

Tangible fixed assets, except construction in progress, are depreciated according to the particular asset's estimated useful lifetime. If applicable, the asset's residual value is taken into account when establishing the depreciable amount of the asset.

The straight-line method of depreciation is applied for tangible fixed assets, based on the following expected useful lifetimes:

Buildings	10 – 60 years
Processing plants	2 – 10 years
Machinery	2 – 10 years
Computers	3 years

Assets held under lease are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

(f) Current and deferred income tax

The income tax expense for the period represents the sum of the tax currently payable and deferred tax. Taxes are recognised in the income statement, except when the tax refers to items recognised in other comprehensive income or directly in equity. In such cases, the tax is also recognised in the statement of other comprehensive income or in equity.

The current tax expenses are reported on the basis of the tax regulations determined on the balance sheet date or which, in practice, were determined in the countries in which the Parent Company subsidiaries operate and generate taxable income. Management regularly assesses the applications made in income tax returns in relation to situations where applicable tax regulations are the subject of interpretation. When considered appropriate, provisions are reported

for amounts that are likely to be payable to the Tax Agency.

Deferred income taxes are recognised, applying the liability method, on all temporary differences arising between the taxable value of assets and liabilities and their reported values in the consolidated financial statements. However, deferred tax is not recognised if it arises as a consequence of a transaction constituting the initial recognition of an asset or liability that is not a business combination and which, at date of the transaction, affects neither the recognised nor taxable results. Deferred income tax is calculated applying the tax rates (and legislation) which have been determined or announced on balance sheet date and which are expected to apply when the deferred tax asset in question is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent it is probable that future tax surpluses will be available against which temporary differences can be offset.

Deferred tax is reported on the basis of the temporary differences arising on participations in subsidiaries and joint ventures, except when the Group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

(g) Employee benefits

All of the Group's pension plans are defined contribution plans, in which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current period and prior periods. Wages, salaries, contributions to the Russian Federation state pension and social security funds, paid annual leave and sick leave and bonuses are accrued in the period in which the associated services are rendered by the employees of the Group.

(h) Share-based payments (long-term incentive programs)

Equity-settled share-based payments to employees (long-term incentive programs) and others providing similar services are measured at the fair value of the equity instruments at the grant date and subsequently expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss as personnel costs such that the cumulative expense reflects the revised estimate,

with a corresponding adjustment to the equity (additional paid in capital) on the group and on the parent level. The accounting treatment is based on the standard IFRS 2 Share-based Payment.

There were no long-term incentive programs in 2022 and 2021.

(i) Intangible fixed assets

The intangible assets of the Auriant Mining Group consist of mining permits (licenses), exploration and evaluation expenditures and mine development costs.

Licenses

Licences for mining permits are initially reported at acquisition value. Such licences are acquired in Russia (the Group's only area of operation at present) usually at an open, public licence auction, where the winning price in the auction comprises the acquisition value.

Exploration and evaluation expenditures

Exploration costs are reported in accordance with IFRS 6 Exploration for and Evaluation of Mineral Resources. The Group applies the so-called "Successful Effort method" for its exploration costs, implying that all expenses for licensing, exploration and evaluation are initially capitalised.

Exploration work is reported at acquisition value and includes various activities, such as drilling of various natural areas, geochemical and magnetic surveys and analyses in laboratories. Exploration work can, in addition, include salary costs for the staff conducting the work, for materials and fuel, depreciation on machinery and equipment and administrative expenses directly attributable to the sites subject to the exploration work. Borrowing costs directly attributable to exploration projects commencing after January 1, 2009, are included in the capitalised amount of exploration costs.

Capitalised exploration costs are reported in accordance with IAS 38 Intangible assets when it has been established that there is extractable ore at an individual mining or placer property and technical possibilities and commercial potential for extraction of the ore body can be proven.

Purchased exploration and evaluation assets are recognized as assets at acquisition cost or at fair value if purchased as part of a business combination. An impairment review is performed, either individually or at cash-generating unit level (license areas) when there is an indication that the carrying amount of the assets may exceed their recoverable amounts.

Mine development costs

Mine development costs are capitalised and include expenditure incurred to develop new ore bodies, to define future mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production, and also include interest and financing costs relating to the construction of mineral property.

Mine development costs are amortised, upon commencement of production, applying a unit of production method based on the estimated proven and probable mineral reserves to which they relate, or they are written off if the property is abandoned. The net carrying amounts of mine development costs at each mining property are reviewed for impairment either individually or at the cash-generating unit level (license areas) when events and changes in circumstances indicate that the carrying amount may not be recoverable. To the extent that these values exceed their recoverable amounts, such excess is fully recognised as expenses in the "Other expenses" line of the consolidated income statement in the financial year in which this is determined.

Costs for development of a mining property where production has commenced are capitalised if it is likely that such costs will produce additional performance gains in the mining property, resulting in the likelihood of prospective economic benefits, which includes future revenue from newly discovered gold, cost savings or other benefits resulting from the use of the asset in question. Should this not apply, these expenses are reported as production costs in the period in which they incur.

Intangible fixed assets are subject to amortisation according to the unit of production method. According to the unit of production method, amortisation is reported at the same rate as production. This means that the total expected production of gold from each license object is evaluated during the licence object's expected useful economic lifetime and amortisation in each period is carried out corresponding to the period's proportional share of the total expected production. The amortisation of a license object begins to be reported when commercial production from that license object is underway.

(j) Stripping costs

As part of its mining operations, the Group incurs stripping (waste removal) costs both during the development phase and production phase of its operations. Stripping costs incurred in the development phase of a mine, before the production phase commences (development stripping), are capitalised as part of the cost of constructing the mine and are subsequently amortised over its useful

life applying a units of production method. The capitalisation of development stripping costs ceases when the mine/component is commissioned and ready for use as determined by management.

Stripping costs incurred during the production phase are generally considered to result in two benefits, either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories. Where the benefits are realised in the form of improved access to ore to be mined in the future, the costs are recognised as a non-current asset, referred to as a stripping activity asset, provided the following criteria are met:

- a. Future economic benefits (improved access to the ore body) are probable;
- b. The component of the ore body for which access will be improved can be accurately identified;
- c. The costs associated with the improved access can be reliably measured.

If not all of these criteria are fulfilled, the production stripping costs are charged to the statement of profit or loss as operating costs as they incur.

In identifying components of the ore body, the Group works closely with the mining operations' personnel for each mining operation to analyse each of the mine plans. Generally, a component will be a subset of the total ore body, and a mine may have several components. The mine plans and, therefore, the identification of components, can vary between mines for a number of reasons. These include, but are not limited to: the type of commodity, the geological characteristics of the ore body and/or the geographical location.

The stripping activity asset is initially measured at cost, which is comprised of the accumulation of costs directly incurred to perform the stripping activity improving access to the identified ore component, plus an allocation of directly attributable overhead costs. If incidental operations take place at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, then, these costs are not included in the cost of the stripping activity asset.

If the costs of the inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is applied to allocate the production stripping costs between the inventory produced and the stripping activity

asset. This production measure is calculated for the identified component of the ore body and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the expected volume of waste extracted compared with the actual volume for a given volume of ore production of each component.

The stripping activity asset is, subsequently, depreciated applying the units of production method over the life of the identified ore body component that became more accessible as a result of the stripping activity. Economically recoverable reserves are applied to determine the expected useful life of the identified ore body component. The stripping activity asset is, then, carried at cost less depreciation and any impairment losses.

As of December 31, 2023, the Group recognised the stripping assets in an amount of US\$ 1.4 mln (December 31, 2022: US\$ 3.4 mln).

(k) Tangible fixed assets

Tangible fixed assets consist of buildings, machinery, office equipment, tools, technical plants and construction in progress.

Fixed assets

All fixed assets are reported at historical cost less depreciation. The initial cost of an asset is comprised of its purchase price or construction cost, any costs directly attributable to bringing the asset into operation and the initial estimate of the restoration obligation. The purchase price or construction cost is comprised of the aggregate amount paid and the fair value of any other consideration provided to acquire the asset. Borrowing costs directly attributable to tangible assets acquired after January 1, 2009 are also included in the acquisition value. The capitalised value of a financial lease is also included within tangible fixed assets. Expenditure for improvement of the performance of the assets over and above their original performance increases the reported value of these assets. Expenditure for repair and maintenance is reported as an expense in the period in which it is incurred.

Fixed assets are depreciated according to the particular asset's estimated useful lifetime (for details, refer to the paragraph e "Depreciation and amortisation"). If applicable, the asset's residual value is taken into account when establishing the depreciable amount of the asset.

Gains and losses on disposals are determined by comparing sales revenues with their reported value. These items are reported under other operating

income and other operating expenses, respectively, in the income statement.

Russian legislation does not, yet, permits the ownership of land within the license area. Land owned by the company consists of plots at which office buildings or warehouses are situated. Land is not depreciated.

Construction in progress

Assets under construction are accounted for as construction in progress. When the construction in progress is completed and in a condition necessary to be capable of operating in the manner intended by management, the objects are reclassified to fixed assets. Construction in progress is not depreciated.

Tangible fixed assets impairment

The assets' residual value and useful life are reviewed on each balance sheet date and adjusted when necessary. When an asset's reported value is deemed to possibly not be able to be recovered, an impairment loss is reported immediately reflecting its recoverable amount.

At each reporting date, management assess whether there is any indication of impairment within the categories of property, plant and equipment. If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and an impairment loss is recognised as an expense in the "Other expenses" line of consolidated income statement. An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell.

(I) Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets include cash and cash equivalents, accounts receivable, shares and participations, loan claims and derivative instruments. Financial assets are classified into three valuation categories: measured at "fair value through profit or loss" (FVTPL), "fair value through other comprehensive income" (FVTOCI) and "amortised cost".

Fair value through profit and loss:

Assets included in this category are financial assets that do not meet the requirements for valuation at amortized cost or at fair value through other comprehensive income. Financial assets and liabilities held for trading are always classified as "Financial assets at fair value through profit or loss" as well as financial assets that are managed and evaluated based on fair values. Holdings in this category are reported as short-term investments if their term to maturity on the acquisition date is less than three months and as "Other interest-bearing current receivables" if the term to maturity is between three and twelve months. Derivative instruments, except where used for hedge accounting, are included in this category as well. Assets in this category are valued regularly at fair value and changes in value are reported in the income statement. Derivative instruments taken up in respect of business-related items are reported in the operating profit, while derivative instruments of a financial nature are reported in financial items. Assets in this category are included in current assets, with the exception of items with maturity dates more than twelve months after the balance sheet date, which are classified as non-current assets.

Amortized cost:

Financial assets found in this category have a business model to receive contractual cash flows and the contractual cash flows are payments only of principal and interest. Loans and receivables, investments and accounts receivable are financial assets that can be found in this category. The claims arise when cash, goods or services are provided directly to the debtor without an intention of trading in the receivables. Assets in this category are valued at amortized cost. The amortized cost is determined based on the effective interest rate, which is calculated on the acquisition date. Accounts receivable with a maturity of less than 12 months are not recognized at amortized cost, but at the amount that are expected to be received, net after deduction of impairment. They are included in Current assets, except for items with a maturity in excess of 12 months after the closing date, which are reported as Fixed assets.

Fair value through other comprehensive income:

Financial assets (debt instruments) found in this category have a business model to both receive contractual cash flows and sell the asset and the contractual cash flows are payments only of principal and interest. Assets in this category are valued regularly at fair value with changes in value in other comprehensive income. Upon removal of the investments from the balance sheet, any accumulated profit or loss previously reported in comprehensive income is reversed to the income statement. They are included in current assets, with the exception of items with maturity dates more than twelve months after the balance sheet date, which are classified as non-current assets. The group held no instruments in this category during 2023 and 2022.

At initial recognition, it is allowed to irrevocably classify equity instruments (shares) that are not held for trading purposes at fair value through other comprehensive income. The group applies this for unlisted shares.

Impairment of financial assets

In accordance with IFRS 9, the Group evaluates at each reporting period whether there is any objective evidence that financial assets measured at amortised cost are impaired under an expected credit loss model.

The Group always recognises lifetime expected credit losses ("ECL") for its trade and other receivables (the "simplified approach" under IFRS 9) and updates this expectation at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of

on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor;
- An actual or expected significant adverse change in the regulatory, economic, or technological

environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per the globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

If there is objective evidence that impairment losses on financial assets measured at amortised cost have been incurred, the amount of the loss is measured as the difference between the assets's carrying amount and the present value of estimated future cash flows.

When impairment is recognised, the carrying amount of the financial asset is reduced by an allowance for doubtful accounts and impairment losses are recognised in profit or loss. The carrying amount of financial assets measured at amortised cost is directly reduced for the impairment when they are expected to become uncollectible in the future and all collateral is implemented or transferred to the Group. If, in a subsequent period, the amount of the impairment loss provided changes due to an event occurring after the impairment was recognised, the previously recognised impairment losses are adjusted through the allowance for doubtful accounts.

De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows

from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating interest income or expense, respectively, over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments, as applicable, through the expected life of the financial asset or liability, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets designated as at FVTPL.

Financial liabilities

All financial liabilities are measured at fair value at initial recognition, which corresponds to cost, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, except for derivatives measured at fair value through profit or loss. The Group determines the classification at initial recognition.

After initial recognition, financial liabilities are measured based on the classification as follows:

- Financial liabilities measured at amortised cost are measured at amortised cost using the effective interest method. Amortisation under the effective interest method and gains or losses on de-recognition are recognised as profit or loss in the consolidated statement of income.
- Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as measured at fair value through profit or loss at initial recognition; The net gain or loss recognised in the consolidated statement of profit or loss incorporates any interest paid on the financial liability and is included in the Gain / (loss) on derivative financial instruments and investments, net.

Financial liabilities, including borrowings, are initially measured at fair value, which corresponds to cost, net of transaction costs, and subsequently measured at amortised cost using the effective interest method, with interest expense recognised within Finance cost.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(m) Inventories

Inventories include the following major categories:

- *Raw materials and consumables* consumed in mining and production process as well as raw materials, spare part, fuel and other maintenance supplies;
- *Work in progress* inventories include ore in stockpiles, gold concentrate at various advances levels (gold in circuit) and gold Doré;
- *Finished goods* represent refined gold (on external refinery plants) to sale quality.

Inventories are valued at the lower of cost and the net realisable value on the balance sheet date, with cost being determined primarily on a weighted average cost basis. Cost includes direct materials, direct labour costs and production overheads, including depreciation of relevant property, plant and equipment and mining properties. Net realisable value represents the estimated selling price less all expected costs to be incurred.

Provisions are recorded to reduce inventories to net realisable value where the net realisable value is lower than relevant inventory cost at the reporting date. Provisions are reversed to reflect subsequent recoveries in net realisable value where the inventory is still on hand at the reporting date.

(n) Cash and cash equivalents

Cash and cash equivalents are defined as cash and bank balances, as well as short-term investments with a maturity of three months or less from acquisition date which can easily be transformed into cash.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs. Subsequently, borrowings are carried at amortised cost applying the effective interest method.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised during the period is required to complete and prepare the asset for its intended use. All other borrowing costs are expensed.

Split accounting is applied for convertible bonds to measure the liability and the equity components upon initial recognition of the instrument. The fair value of the consideration in respect of the liability component is measured first, at the fair value of a similar liability that does not have any associated equity conversion option. This becomes the liability component's carrying amount at initial recognition. The liability component is classified as other financial liability measured at amortised cost using the effective interest method. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. The equity component is not remeasured after initial recognition and classified in equity part of the balance sheet.

(p) Trade and other payables

Trade payables are accrued when the counterparty has performed its obligations under the contract; they are carried at amortised cost applying the effective interest method.

(q) Value added tax

Gold production and subsequent sales are not subject to output value added tax. Input VAT is recoverable against income tax. Where input VAT is not recoverable, the VAT provision is reported in the statement of financial position corresponding with the statement of comprehensive income in the relevant period.

(r) Leases

The Group assesses all contracts whether they contain leases and recognises a right-of-use asset and corresponding lease liability with respect to all lease agreements in which it is the lessee except for leases of low value (assets of a value less than US\$ 5 thousand) and leasing liability with remaining term of twelve months or less. These assets are not included when determining the liability or right-of-use asset in the balance sheet.

Lease liabilities are initially measured at the present value of the future lease payments, fixed and variable depending on an index or a rate, discounted by the incremental borrowing rate. Each lease payment is allocated between an amortization of the liability and finance cost. Lease liabilities are remeasured when there are changes in future lease payments. Right-of-use assets are measured at cost, comprising the

amount of the initial measurement of the lease liability, lease payments made at or before the commencement date and any initial direct costs and any restoration costs. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease. When there is a remeasurement of, or adjustment to the lease liability, a corresponding adjustment is made to the right-of-use asset.

The right-of-use assets are presented within Tangible fixed assets in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss when incurred.

For more information refer to Note 13.

The parent company applies the exception rules according to RFR 2 and does not apply IFRS 16. The Parent company did not have any leasing contracts as of December 31, 2023 and December 31, 2022.

(s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

The Group reviews its site restoration provisions annually. The provisions for site restoration at the reporting date represents management's best estimate of the present value of the future restoration costs required. Changes to estimated future costs are reported in the statement of financial position by either increasing or decreasing the restoration liability.

(t) Equity

Transaction costs directly related to new share issues or options are recognised in equity as a reduction of the issue proceeds.

(u) Cash flow statement

Cash flows from operating, investing and financing activities are reported using the direct method.

Interest paid and received is classified as financing activities in the cash flow statement.

Cash and cash equivalents are defined as cash and bank balances, as well as short-term investments with maturity of three months or less from the date of acquisition, which can easily be transformed into cash.

(v) Management of financial risks

The Group's activities expose it to a variety of financial risks: a) market risk (including currency and gold price risk and interest rate risk), b) credit risk and c) liquidity risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group attempts to mitigate the effects of these risks by ensuring that the Board and the management have the relevant competence. Consequently, the company works proactively by carrying out suitable measures to counteract and manage the risks and, in addition, the Group obtains advice from consultants, when necessary. The company does not use derivative instruments to hedge financial risks.

The Group's assessed risk exposure relating to financial instruments is further described in Note 20.

(w) Segment reporting

Operating segments are recognised in a manner complying with the internal reporting submitted to the chief operating decision maker. At the Group level, this function has been identified as the CEO, who is responsible for and manages the day-to-day administration of the Group in accordance with the guidelines of the Board.

Since the date of its formation, the Group has only extracted one product, gold, in one economic environment, Russia. An operating segment is a Group of assets and performed activities exposed to risks and rewards differentiating them from other operating segments. A geographical area is an area in which assets, goods or services are exposed to risks relating to a certain economic environment differentiating them from risks associated with activities in other economic environments. As a result, the Group is only considered to have one operating segment.

Estimations and evaluations in the financial statements

In order to prepare financial statements in accordance with IFRS, estimations and assumptions must be undertaken affecting the reported assets and liabilities, as well as income and expenses and other information submitted in the annual financial statements. The evaluations and estimations made

by the Board of Directors and the management are based on historic experience and forecasts of future developments. The actual outcome may differ in future periods from these estimations.

In particular, information about significant areas of uncertainty regarding the estimations considered by management in preparing the consolidated financial statements is provided below.

Ore calculation principles

The Group reports ore reserves in accordance with Russian geological standards. In brief, this means that, after the initial exploration period for a mining licence, all mineral licence holders in Russia must undergo an ore classification inspection (roughly equivalent to a western feasibility study) by the Russian State Committee on Reserves, GKZ, either in Moscow or at GKZ's appropriate regional office. This ore classification is performed once and can, then, be updated as required. If the ore reserves are approved, they are entered in the Russian state register of reserves and will provide the basis for production requirements that are, consequently, drawn up for the licence holder. The Russian principles for ore classification are similar, but not identical, to western standards.

The Russian registered ore reserves form the basis for the Group's amortisation of mining permits and exploration costs in accordance with the Unit of production method.

The registered ore reserves are, thus, established by an external, governmental body (GKZ), which is independent of the Group. The calculation of the reserves is based on a very comprehensive range of geological and financial data summarised in a Russian feasibility study. Ore reserves are not static, but may vary over time depending on factors, such as the price of gold, new geological information, currency exchange rates and cost levels. A change in ore reserves can have a considerable impact on such matters as amortisation, restoration costs and the value of assets.

Restoration costs

An obligation regarding future restoration costs arises when there is an environmental impact due to a mining operation in the form of exploration, evaluation, development or on-going production. The restoration costs are calculated on the basis of a restoration plan. The Group reviews its mine restoration provision annually. Significant estimates and assumptions are made in determining the provision for mine restoration as there are numerous factors affecting the ultimate amount to be paid. These factors include estimates of the extent and

costs of restoration activities, technological changes, regulatory changes, cost increases as compared with inflation rates, and changes in discount rates. These uncertainties may result in future actual expenditure differing from the reported provisions. The provisions at reporting date represent management's best estimate of the present value of future, required restoration costs. Changes in estimated future costs are reported in the statement of financial position by increasing, or decreasing, the restoration liability and restoration asset provided the initial estimate was originally reported as part of an asset measured in accordance with IAS 16 Property, Plant and Equipment. Any reduction in the restoration liability and, therefore, any deduction from the reported restoration asset, may not exceed the reported value of that asset. If it does, any excess over the reported value is reported immediately in profit or loss. If the change in the estimate results in an increase in the restoration liability and, therefore, an increase in the reported value of the asset, the entity is required to consider whether this is an indication of an impairment of the asset as a whole and is to test for impairment in accordance with IAS 36.

The amount of the restoration costs depends on the type of land in which the mining operation is located. If the mining operation is located within an area originally classified as agricultural, forestry or building land, the restoration requirements are more extensive. If, on the other hand, the land in question did not have any particular alternative use at the time of the initiation of the mining operation, the restoration requirements are more modest. At present, none of the different mining licences in eastern Siberia held by the Group are located on agricultural, forestry or building land. See Note 18 for further details.

Impairment of assets

The Group reviews each cash generating unit annually, in order to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell, and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. The fair value of mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates, such as the cost of future expansion plans

and eventual disposal, applying assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a pre-tax discount rate reflecting current market assessments of the time value of funds and the risks specific to the asset. Management has assessed its cash generating units as comprising an individual mining licence, which is the lowest level for which cash inflows are largely independent of the other assets.

An impairment test was carried out on the Group's productive gold assets as at December 31, 2023. The most significant portion of the intangible and tangible fixed assets relates to the Tardan license area. For this purpose, a discounted cash flow model has been applied extending over an 8-year period, together with a consideration of the value of registered reserves. A number of variables are simulated in the model. Among the more important assumptions are the price of gold and the required yield. The key assumptions applied in the test were the average price of gold during the test period of 1,900 - 1,950 USD/oz (2022: 1,870 - 1,950 USD/oz), and a discounting rate of 12.0% (2022: 12.0%). A number of other assumptions are also important. The results of the assessment of these base assumptions are that no impairment is required at year-end 2023.

An impairment test of significant assets is also performed at Parent Company level. The impairment test is based on an 8-year cash flow model forecast prepared for Auriant's production units. Cash flows are discounted to their present value using a discount rate reflecting current market assessments of the time value of funds and the risks specific to the asset. The net present value of the forecasted cash flow is compared with the book values of shares and loans provided by the Parent Company. Where an impairment indicator exists, i.e. the book value exceeds the net present value of the forecasted cash flow; an impairment provision is recorded at year end. Based on the impairment test performed as at December 31, 2023 there is no impairment indicated in 2023 in the subsidiary LLC "Tardan Gold". The recoverable value of investments in the subsidiary LLC "Tardan Gold" on 31 March 2023 based on the current market situation was reassessed. The key assumptions applied in the test were the average price of gold during the test period of 1,870 for year 2023 and 1,950 USD/oz from 2024 (2022: 1,870-1,950 USD/oz), and a discounting rate of 12.0% (2022: 12.0%), RUB/USD rate of 80.00 (2022: 71-75). Based on the impairment test performed as at March 31, 2023, the Company reported a reversal of previous years

impairment of investments in LLC "Tardan Gold" in a total amount of MSEK 121.

See Note P9 *Shares in Group companies* for further details.

Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are to be reported in the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecasted earnings from the operations and on the application of existing tax laws in each jurisdiction. To the extent that actual taxable income differs significantly from estimated, forecasted taxable income, the ability of the Group to realise the net deferred tax assets reported at reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to secure tax deductions in future periods. See Note 8 for further details.

Inventories

Net realisable value tests are performed at least once per year and represent the estimated future sales price of the product, based on prevailing spot metal prices at the reporting date, less estimated costs to complete production and bring the product to sale. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage based on the expected processing method. Stockpile tonnages are verified by means of periodic surveys. See Note 14 for further details.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities reported in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques, including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in determining fair values. The judgments include considerations of inputs, such as liquidity risk, credit risk and volatility. Changes in assumptions regarding these factors could affect the reported fair value of the financial instruments. See Note 20 for further details.

Note 1

REVENUE

Group revenue from the sale of gold and gold equivalents of US\$ 37.3 mln in 2023 (2022: US\$ 51.1 mln) was generated by the Russian entities of the Group. No revenue was generated in Sweden. Physical volume of gold sold decreased by 32% or 278 kg (8,948 oz) down to 604 kg (19,415 oz) in 2023. The average realized gold price per ounce increased from US\$ 1,800 in 2022 to US\$ 1,923 in 2023, or by 7%.

In 2023 the Group continued to diversify its gold sales channels selling gold to new banks and customers.

	2023 US\$000	2022 US\$000
Revenue from sale of hard rock gold	36,007	50,503
Revenue from sale of alluvial gold	1,243	428
Revenue from sale of gold equivalents	92	122
Total revenue from sale of gold and gold equivalents	37,343	51,054

Note 2

COST OF SALES

	2023 US\$000	2022 US\$000
External expenses	9,060	11,029
Materials	5,703	10,581
Employee benefit expenses	7,991	10,106
Taxes	1,073	996
Alluvial operator costs	942	268
Depreciation, amortization and write downs	2,575	4,878
Change in stripping asset	1,256	-950
Change in stock of finished and semi-finished goods	-947	574
Total cost of sales	27,654	37,482

In 2023, the Group's cost of sales decreased by 26% compared to 2022, down to US\$ 27.7 mln, this is almost in line with reduction of cash operating expenses by 25% down to US\$ 24.8 mln.

Most of the Group's operating expenses are denominated in Russian roubles (RUB). Stronger RUB vs the USD can negatively impact the Group's margins by increasing the USD value of its RUB-denominated costs, while a weaker RUB positively affects its margins as it reduces the USD value of the Group's RUB-denominated costs. Average RUB depreciation against the USD during 2023 by 26% had a positive effect on the Group's margin.

The average cash cost per ounce produced at LLC "Tardan Gold" decreased by 6% down to US\$ 1,172/oz in 12m 2023 from US\$ 1,245/oz in 12m 2022.

Stripping asset depreciation and change in work in progress in 2023 were in line with mining and production activities.

In 2023 and 2022, the Company engaged one contractor working at LLC "GRE-324", on the basis of 71% split of gold sales. Alluvial operator costs increased in line with the gold sales: 20 kg (642 oz) of gold was produced and sold in 2023 compared to 8 kg (254 oz) in 2022.

Note 3

GENERAL AND ADMINISTRATIVE EXPENSES

	2023 US\$000	2022 US\$000
Employee benefit expenses	2,605	2,091
External expenses*	736	702
Depreciation, amortization and write downs	17	21
Total general and administrative expenses	3,357	2,814

General and administrative expenses relate to LLC "Management Company Auriant" and Parent Company.

* External expenses include audit services. For the remuneration to auditors refer the table below:

Audit fees

	2023 US\$000	2022 US\$000
Audit engagement	71	141
Tax advisory services	-	2
Other services	8	12
Total fees for the audit and related services	79	155
Statutory auditing firms		
Statutory audit and related services	10	10
Total fees for the audit and related services to auditing firms	89	165

Audit assignment is defined as fees for the statutory audit (i.e. audit work required to present the Audit Report and provide audit advice in connection with the audit assignment).

Note 4

OTHER INCOME AND EXPENSES

	2023 US\$000	2022 US\$000
Other operating income		
Services to contractors (rent, accommodation services, other)	46	15
Inventory stock-take surplus	15	20
Fixed assets sale	5	68
Reversal of waste disposal provision for year 2021*	-	899
Other	1	2
Total other operating income	67	1,004

* In 2022 other operating income related to correction of fees for waste disposal for year 2021 and reduction of the amount by US\$ 0.9 mln.

	2023 US\$000	2022 US\$000
Other operating expenses		
Inventory obsolescence	-161	-60
Liquidation of fixed assets	-113	-57
Bank fees	-98	-42
Sponsorship fees	-78	-87
Penalties from suppliers and tax authorities	-23	-11
Effect of disposal of subsidiary	24	-
Other	-118	-93
Total other operating expenses	-567	-349

In December 2023 the Group liquidated its 100% subsidiary LLC "Rudtechnology". Net effect from liquidation was insignificant and amounted to US\$ 0.024 mln.

Note 5

EMPLOYEE BENEFITS

	2023 US\$000	2022 US\$000
Salaries and remuneration in Sweden		
Board of Directors	125	142
Senior executives	87	70
CEO	56	56
	268	268
Salaries and remuneration in Russia		
CEO	1,011	505
Senior executives	438	451
Other employees	6,716	8,316
	8,166	9,272
Total salaries and remuneration	8,434	9,540
Social security expenses in Sweden		
Board of Directors	30	30
Senior executives	30	25
CEO	18	17
<i>including pension expenses</i>	-	-
	78	72
Social security expenses in Russia		
CEO	2	1
<i>including pension expenses</i>	-	-
Senior executives	97	97
<i>including pension expenses</i>	83	67
Other employees	1,984	2,487
<i>including pension expenses</i>	1,276	1,563
	2,083	2,585
Total social security expenses	2,161	2,657
Total employee benefit expenses	10,595	12,197

The Group's personnel costs for the financial years ended 31 December 2023 and 2022 are included in the consolidated income statement lines Cost of sales and General and administrative expenses.

Remuneration and other benefits of the Board and Senior executives

	2023 US\$000	2022 US\$000
Board of directors		
Lord Daresbury (Peter), Chairman of the Board	42	44
Preston Haskell	28	30
Jukka Tapani Pitkäljärvi	28	27
Thor Åhlgren	26	-
James Provoost Smith	-	23
Birgit Köster Hoffman	-	18
Total Board of directors	125	142
Senior Executives*		
Payroll	525	521
<i>including bonuses</i>	<i>64</i>	<i>-</i>
Chief Executive Officer		
Payroll	1,067	561
<i>including bonuses paid for 2022 results</i>	<i>237</i>	<i>253</i>
<i>including bonuse accrued for 2023 results</i>	<i>487</i>	<i>-</i>
Total Senior Executives and CEO	1,592	1,082

Remuneration to the Board of Directors is approved by AGM.

* Senior Executives in 2023 and 2022 includes CFO, Deputy CEO, Group General Counsel, Chief Operating Officer and Head of HR.

	2023	2022
Group – Board of Directors at year-end		
Men	4	4
Group – Management at year-end		
Women	2	2
Men	4	4

	Total 2023	of which woman	Total 2022	of which woman
Number of employees				
Average number of employees				
Parent Company in Sweden	2	1	2	1
Subsidiaries in Russia	489	83	562	91
Total for the Group	491	84	564	92
Number of employees at year-end				
Parent company in Sweden	2	1	2	1
Subsidiaries in Russia	458	77	511	77
Total for the Group	460	78	513	78

Note 6

FINANCIAL INCOME

	2023 US\$000	2022 US\$000
Exchange rate differences	-	1,422
Other interest income	13	269
Total financial income	13	1,691

Other interest income in 2023 and 2022 related to interest on bank deposits.

Note 7

FINANCIAL EXPENSES

	2023 US\$000	2022 US\$000
Interest expenses on loans and borrowings	-5,119	-3,833
Interest expenses on leasing	-29	-70
Unwinding of discount of site restoration provision	-72	-52
Total interest expenses	-5,219	-3,955
Exchange rate differences	-93	-
Total financial expenses	-5,312	-3,955

Interest expenses on loans and borrowings increased by 34% in 2023 and amounted US\$ 5.1 mln. The conversion of the currency of the bank loan from USD to RUB in February 2023 led to a new interest rate linked to a key rate of the Central bank. Due to the Central bank key rate increase, the loan interest rate during 2023 ranged from 10.75% to 19.25% at RUB currency (2022: 5.0% at USD currency).

The average interest rate on bond liability to Golden Impala increased from 8.6% in 2022 to 12.2% in 2023 as interest rate is linked to LIBOR and calculated as 6.44%+3m LIBOR.

From December 1, 2023 the terms the Golden Impala bond were changed as follows:

- 12 months grace period on interest accrual was implemented;
- the currency of 50% of the total debt was converted from USD to SEK.

Note 8

INCOME TAX AND DEFERRED INCOME TAX

	2023 US\$000	2022 US\$000
Current tax	-2,182	-1,970
Deferred tax	-5,373	383
Total	-7,555	-1,587
Connection between tax expense and reported profit/loss		
Pre-tax profit	533	9,149
Tax according to applicable tax rate	135	-1,431
Tax effect of expenses that are non-deductible for tax purposes	-984	-987
Tax effect of non-taxable income	730	1,812
Reversal of deferred tax liability	-	256
Effect of changing the functional currency	-6,610	-
Tax losses for which no deferred income tax asset was recognised	-87	-383
Tax effect of loss carry-forwards for which deferred taxes recoverable are not reported	-739	-854
Total	-7,555	-1,587

The applicable tax rate for the Russian subsidiaries is 20%. The main business activities in the Group are carried out in Russia and the applicable tax rate used for the Group is 20%. In 2020, LLC "Tardan Gold" became a participant of the Regional Investment Projects ("RIP") and obtained the right to apply the reduced income tax rate at 17%.

According to Russian legislation, tax losses are accumulated in the statement of financial position and can be offset against future taxable earnings. In the subsidiaries, deferred tax assets on tax losses carried forward are reported when it is probable that the subsidiary will generate sufficient taxable profits to utilise the tax losses within the foreseeable future. According to the Russian tax law, tax losses available for offsetting against future taxable income are not limited in time.

In 2023, income tax charge at LLC «Tardan Gold» amounted to US\$ 2.2 mln (2022: US\$ 2.0 mln).

Tax loss carry-forwards in the Parent Company are not reported as deferred tax assets in the balance sheet, as it is uncertain whether such tax losses can be utilised based on the managerial character of the Parent Company.

As at 31 December 2023 the total accumulated tax losses carried forward amounted to US\$ 22.2 mln with US\$ 16.0 mln related to the Parent Company and US\$ 6.2 mln to Russian subsidiaries.

Deferred taxation is attributable to the temporary differences that exist between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

Deferred tax relates to the following:

	Losses available for offsetting against future taxable income	Exploration costs	Work in progress	Depreciation of fixed assets	Site restoration provision	Accruals	Inventories	Other current assets and liabilities	Deferred forex gain (since year 2022)	Functional currency on non-monetary items	Total
As at 1 January 2021	1,546	-1,754	-1,427	-636	51	61	1	10	-	6,241	4,093
Charge to income statement	-89	567	434	-41	19	-31	-1	-	-845	370	383
Exchange differences	-168	162	-92	-	-1	5	-	-	-	-	-94
As at 31 December 2022	1,289	-1,025	-1,085	-677	69	35	-	10	-845	6,611	4,382
Charge to income statement	67	22	182	165	15	100	2	-8	693	-6,611	-5,373
Exchange differences	-63	6	226	136	-15	-12	-	-2	152	-	428
As at 31 December 2023	1,293	-997	-677	-376	69	123	2	-	-	-	-563

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. The following analysis shows deferred tax balances presented for financial reporting purposes:

	31-12-2023	31-12-2022
Deferred tax assets	1,753	8,014
Deferred tax liabilities	-2,316	-3,632

Note 9

MINING PERMITS AND CAPITALISED EXPLORATION COSTS

	31-12-2023	31-12-2022
	US\$000	US\$000
Opening balance	44,787	43,647
Capitalized exploration costs	558	177
FV revaluation of contingent liability effect	1,448	963
Translation difference	-18,182	-
Closing balance	28,611	44,787
Opening balance amortizations and write downs	-24,927	-24,433
Amortization for the period	-494	-3,113
Translation difference	12,745	-
Closing amortizations and write downs	-12,185	-24,927
Closing net book value	16,426	19,860

Assets are mainly represented by exploration and mine development costs and are held by the Russian subsidiaries of the Group (no assets are held by the Swedish Parent Company). Intangible assets represent a significant portion of the assets in the Group and impairment tests are regularly carried out by management in order to ensure that the recoverable values of these assets is not lower than their carrying values. The impairment tests are carried out through the use of a discounted cash flow model over the calculated lifetime of the asset/deposit and with consideration of the registered reserves on the deposit/license area. A number of variables are simulated in the model. Among the more important variables are the price of gold and the yield required. An impairment test was carried out on the Group's productive gold assets as at 31 December, 2023. The key assumptions applied in the test were the average price of gold during the test period of 1,900 - 1,950 USD/ oz, and a discounting rate of 12.0%. The result of the impairment tests was that no impairment of the intangible assets was required as at December 31, 2023.

Note 10

BUILDINGS AND LAND

	31-12-2023	31-12-2022
	US\$000	US\$000
Opening balance	23,724	23,662
Fixed assets put into use	108	65
Change in site restoration provision	-454	-
Disposals	-2	-3
Translation difference	-11,181	-
Closing balance accumulated acquisition values	12,195	23,724
Opening balance	-11,012	-9,656
Depreciation for the financial year	-685	-1,356
Disposals	2	-
Internal transfer	3	-
Translation difference	6,374	-
Closing balance accumulated depreciation	-5,318	-11,012
Closing net book value	6,877	12,712

Note 11

MACHINERY, EQUIPMENT AND OTHER TECHNICAL PLANTS

	31-12-2023 US\$000	31-12-2022 US\$000
Opening balance	42,366	43,047
Purchases	294	463
Fixed assets put into use	654	996
Internal transfer	-3	-
Disposals	-1,538	-2,140
Translation difference	-21,184	-
Closing accumulated acquisition values	20,589	42,366
Opening balance	-30,575	-29,361
Depreciation for the financial year	-1,905	-3,049
Disposals	787	1,835
Translation difference	18,472	-
Closing accumulated depreciation	-13,221	-30,575
Closing net book value	7,368	11,791

Note 12

CONSTRUCTION IN PROGRESS

	31-12-2023 US\$000	31-12-2022 US\$000
Opening balance	647	797
Purchases during the year	699	911
Fixed assets put into use	-762	-1,061
Translation difference	-193	-
Closing book value	391	647

Note 13

RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

This note provides information for leases where the group is a lessee. At 31 December 2023 right-of-use assets comprised of properties related to Tardan license area. Lease terms for production equipment are generally between 3 and 5 years.

The Company excluded the following lease agreements from the right-of-use assets and lease liabilities and recognises the lease payments associated with those leases as expenses on a straight-line basis over the lease term:

- Lease agreements of land plots to explore for or use minerals and similar non-generative resources;
- Short-term lease agreements that expire within 12 months from the date of initial application.

Amounts recognised in the Consolidated statement of financial position:

	31-12-2023	31-12-2022
	US\$000	US\$000
Right-of-use assets		
Machinery, equipment and other technical plants	2,359	3,746
Total Right-of-use assets	2,359	3,746
Lease liabilities		
Current	58	453
Non-current	42	65
Total lease liabilities	99	519

For information on the maturity of the lease liability, please refer to Note 20.

Amounts recognised in the Consolidated income statement:

	2023	2022
	US\$000	US\$000
Depreciation charge of right-of-use assets	-711	-1,452
Interest expense	-29	-70

The total cash outflow for leases in 2023 was US\$ 0.5 mln (2022: US\$ 0.7 mln).

The Company has no leasing agreements that have not yet begun but to which the Company is committed.

No significant variable lease payments that are not included in the lease liability have been identified.

Note 14

INVENTORIES

	31-12-2023 US\$000	31-12-2022 US\$000
Raw materials and consumables	2,561	2,663
Finished goods	4,154	2,254
Work in progress	3,419	6,951
Total	10,134	11,868

The cost of inventories recognised as expense amounted to US\$ 5.7 mln. (2022: US\$ 10.6 mln).

Work in progress included the balances of gold in process of 36.0 kg (2022: 41.8 kg) and the ore in stock of 63.7 thousand tonnes (88.9 thousand tonnes as at December 31, 2022).

The balance of finished goods on December 31, 2023 related to 106.4 kg of gold produced but not sold (43.4 kg on December 31, 2022).

Note 15

OTHER CURRENT RECEIVABLES AND PREPAID EXPENSES

	31-12-2023 US\$000	31-12-2022 US\$000
VAT receivable*	538	1,073
Income tax advances	557	929
Other taxes	864	-
Other current receivables	265	115
Less allowance for doubtful debts	-15	-19
Total other current receivables	2,211	2,098
Prepaid expenses	625	733
Total prepaid expenses	625	733

* The sale of gold is subject to 0% output VAT but the purchase of the majority of materials is subject to input VAT at a rate of 20%. Consequently, Auriant Mining Group companies always have a significant amount of VAT receivables with the state. It usually takes 3-6 months to recover VAT.

Prepaid expenses are comprised of advances paid out to suppliers for materials and services to be provided in 2024 during the normal course of the Group's business.

Note 16

CASH AND CASH EQUIVALENTS

	31-12-2023 US\$000	31-12-2022 US\$000
Cash at bank, incl.:	49	1,125
in RUR	35	221
in CNY	9	-
in USD	1	880
in EUR	2	15
in TRY	2	8
in GBP	-	1
Total cash and cash equivalents	49	1,125

Note 17

EARNINGS PER SHARE AND OTHER INFORMATION REGARDING SHARE AND EQUITY

a) Before dilution

Earnings per share before dilution are calculated by dividing the profit/loss attributable to the Parent Company's shareholders by the weighted average number of ordinary shares during the period.

	2023 US\$000	2022 US\$000
Profit/Loss attributable to the Parent Company's shareholders	-7,022	7,562
Weighted average number of ordinary shares	98,768,270	98,768,270
Earnings per share, US\$	-0.07	0.08

b) After dilution

As at the end of 2023, there were no outstanding stock options or warrants in the Company.

	2023 US\$000	2022 US\$000
Profit/Loss attributable to the Parent Company's shareholders	-7,022	7,562
Weighted average number of ordinary shares	98,768,270	98,768,270
Number of share options at year end	-	-
Average number of shares for the period after dilution	98,768,270	98,768,270
Earnings per share after dilution, US\$	-0.07	0.08

c) Number of shares outstanding, quotient value per share, and the limits of share capital

At the 2023 and 2022 year-ends, the number of shares was as follows:

	2023	2022
Number of shares		
Opening balance	98,768,270	98,768,270
New share issued during the period	0	0
Number of shares outstanding at each year-end	98,768,270	98,768,270
Share capital in SEK	500,000	11,111,430
Share capital in US\$	64,466	1,438,254

The Parent's company share capital in 2023 was reduced down to 500,000 SEK. The share capital limits at the 2023 year-end according to the articles of association were not less than MSEK 0.5 and not more than MSEK 2.0 and the quota value of each share is SEK 0.00506235453. The limit for number of shares was not less than 47,400,000 and not more than 189,600,000. The number of authorised and fully paid shares at the year-end 2023 is 98,768,270.

Note 18

PROVISIONS

	31-12-2023 US\$000	31-12-2022 US\$000
Opening provision for restoration costs	1,375	1,247
Additional provisions charged to property, plant and equipment (Note 10)	-434	-
Unwinding of discount	72	52
Translation difference	-300	76
Total provisions	712	1,375

The present value of restoration costs is calculated for each license in each subsidiary on an annual basis and is based on technical specialists' assessment of the amount of work and machinery needed to comply with the restoration requirements in each license agreement. The assessment of future restoration costs is based on the assumptions stated in each license agreement. Decrease of site restoration provision in 2023 mainly relates to the change in discount rate to 11.8% (7.5% in 2022). The provision for restoration costs as regards the Tardan license area is estimated to be utilised at the end of the mining license period - 2032. The provision relating to the Staroverinskaya license area is estimated to be utilized at the end of the mining license period - 2029.

Note 19

LONG TERM AND SHORT-TERM LOANS, BONDS AND NOTES

	31-12-2023 US\$000	Effective interest rate in 2023	31-12-2022 US\$000	Effective interest rate in 2022
Debt to shareholder, USD*	-	-	39,029	8.6%
Long-term bank loans payable, USD**	1,713	10.75%-19.25%	-	-
Long-term notes payable, RUR	225	-	287	-
Total long-term loans, notes and bond	1,938	-	39,316	-
Debt to shareholder, USD*	45,331	12.2%	-	-
Short-term bank loans payable, USD**	2,348	10.75%-19.25%	9,295	5.0%
Total short-term loans and bond	47,679	-	9,295	-

* Debt to shareholder was represented by Consolidated bond, the liability to Golden Impala Limited (a company related to the major shareholder). From December 1, 2023 the terms the Golden Impala bond were changed as follows:

- 12 months grace period on interest accrual was implemented;
- the currency of 50% of the total debt was converted from USD to SEK.

Prior to the changes becoming effective, the principal amount of the bond was equal to US\$ 36.0 mln, and interest accrued as of 30 November 2023 was equal to US\$ 7.4 mln. The new principal amount is comprised of MSEK 237.4 and US\$ 14.3 mln. The applicable interest rate before the start of the grace period was 3 Months U.S. Dollars LIBOR plus 6.44% per annum, and the same interest rate will apply to both USD and SEK tranches when the grace period ends. The currency of the interest accrued before the start of the grace period remains U.S. Dollars. As the Maturity date of bond is 31 December 2024 the liabilities to Golden Impala were reclassified in short-term liabilities.

** In February 2023, the Group extended the repayment period of the existing VTB bank loan of US\$ 7.6 mln until the end of 2024. The total available amount under the loan agreement was unchanged, the currency of the bank loan was converted from USD into RUB with a new interest rate of central bank key rate plus a margin of 3.25%. In June 2023, the Group refinanced VTB bank loan, increasing duration of the loan until September 2025 at new interest rate of central bank key rate plus a margin of 3.15%. Loan principal amount and its currency remained unchanged. In 2023, the Group repaid US\$ 3.8 mln of bank loan principal amount in accordance with the schedule.

Loan covenants.

Under the terms of the loan agreement, the Group is required to comply with certain financial and non-financial covenants that, if breached by the Company, permit the bank to increase the interest rate of the loan. As of December 31, 2023, and 2022, the Group complied with all covenants.

US\$000

Liability to Golden Impala as of December 31, 2022**39,029**

Changes during the period due to:

Interest accrued	4,388
Interest paid	-
Translation difference	1,914
Liability to Golden Impala as of December 31, 2023	45,331

Note 20

FINANCIAL ASSETS, LIABILITIES AND RISKS

This Note contains information regarding financial assets and liabilities, including the risks in the financial instruments to which the Group is exposed.

All financial assets and liabilities are valued at amortized cost except for royalty liabilities that are valued at fair value.

The Group's financial instrument categories and classifications are described in note "Summary of significant accounting policies".

Financial liabilities

	31-12-2023 US\$000	31-12-2022 US\$000
Debt to shareholder*	-	39,029
Bank loans and notes payable**	1,938	287
Lease payable	42	65
Liability to KFM***	2,052	2,313
Other long-term liabilities****	11,368	9,920
Total long-term financial liabilities	15,400	51,614
Bank loans payable**	2,348	9,295
Debt to shareholder*	45,331	-
Lease payable	58	453
Liability to KFM***	289	289
Trade accounts payable	589	779
Other current liabilities	9	5
Total short-term financial liabilities	48,624	10,822

* Debt to shareholder was represented by Consolidated bond, the liability to Golden Impala Limited (a company related to the major shareholder).

** Bank loans payable were represented by the liability to the local bank.

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

**** Other long-term liabilities as at December 31, 2023 and December 31, 2022 included liability to Centerra in accordance with royalty agreement, described in note 25 "Other long-term liabilities".

A Group maturity analysis in relation to the total contractual, undiscounted cash flows is presented below:

	31-12-2023 US\$000	31-12-2022 US\$000
Fair value of financial liabilities, US\$000	Fair value	Fair value
Debt to shareholder	45,331	39,029
Bank loans payable	4,061	9,295
Other current and long-term liabilities	13,718	12,527
Trade accounts payable	589	779
Leases payable	99	518
Notes payable	225	287
Total financial liabilities	64,024	62,436

The fair values of non-current borrowings and finance lease liabilities are based on discounted cash flows using a current borrowing rate. The fair values of the borrowings and finance lease liabilities are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature. The fair values of trade and other payables are the same as their carrying amounts due to their short-term nature.

The following table shows the undiscounted contractual maturities of the financial liabilities as at 31 December 2023:

Maturity structure of financial liabilities as at December 31, 2023	< 1 year from reporting date, US\$000	> 1 year but < 5 years from reporting date, US\$000	> More than 5 years, US\$000	Total, US\$000
Trade accounts payable	589	-	-	589
Liability to KFM	338	1,325	914	2,577
Other liabilities	9	3,695	7,673	11,377
Debt to shareholder	45,331	-	-	45,331
Banks loans payable	2,848	1,851	-	4,699
Notes payable	-	-	225	225
Leases payable	69	49	-	117
Total financial liabilities	49,185	6,919	8,813	64,916

Interest rates are included in the Maturity structure of financial liabilities. Interest rates for lease liabilities are fixed. Interest rates on loans received from banks and shareholders are variable during the terms of the loan and the Group is, therefore, currently directly exposed to an interest rate risk in the short-term.

Finance lease liabilities are payable as follows:

	31-12-2023 US\$000	31-12-2023 US\$000	31-12-2022 US\$000
	Minimum lease payments	Interest	Present value of payments
Less than one year	69	11	58
Between one and five years	49	7	42
Total	117	18	99

Financial assets disclosures:

Cash and cash equivalents, US\$000	31-12-2023 US\$000	31-12-2023 US\$000	31-12-2022 US\$000	31-12-2022 US\$000
	Fair value	Reported value	Fair value	Reported value
Cash and cash equivalents in RUR	35	35	221	221
Cash and cash equivalents in CNY	9	9	-	-
Cash and cash equivalents in EUR	2	2	15	15
Cash and cash equivalents in TRY	2	2	8	8
Cash and cash equivalents in USD	1	1	880	880
Cash and cash equivalents in GBP	-	-	1	1
Total cash and cash equivalents	49	49	1,125	1,125

Fair and carrying values of financial assets:

All amounts in US\$000	31-12-2023	31-12-2023	31-12-2023	31-12-2022	31-12-2022	31-12-2022
	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000
	Fair value	Reported value	Maximum credit risk	Fair value	Reported value	Maximum credit risk
Accounts receivable trade	64	64	64	62	62	62
Other current receivables	265	265	265	115	115	115
Less allowance for doubtful debts	-15	-15	-15	-19	-19	-19
Cash and cash equivalents	49	49	-	1,125	1,125	-
Total financial assets	363	363	314	1,282	1,282	157

The fair value of the financial instruments is included at the price that would be received in selling an asset or paying to transfer a liability in an orderly transaction between market participants as at measurement date. The Group applies the following hierarchy for determining and disclosing the fair value of financial instruments measured at fair value through the valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques used inputs having a significant effect on the recorded fair value that are not based on observable market data.

All financial instruments measured at fair value apply Level 2 valuation techniques in both years. There have been no transfers between fair value levels during the reporting period.

Other receivables are non-interest bearing and are generally due for settlement within 30 days and are therefore all classified as current. Due to their short-term nature, the carrying amounts of trade and other receivables approximate their fair values. Cash and cash equivalents are carried at amortised cost which approximates their current fair value.

Policy for the management of financial risks

The Group's activities expose it to a variety of financial risks: a) market risk (including currency and gold price risk and interest rate risk), b) credit risk and c) liquidity risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group attempts to mitigate the effects of these risks by ensuring that the Board and the management have the relevant competence. Consequently, the Group works proactively by carrying out suitable measures to counteract and manage the risks and, in addition, the Group obtains advice from consultants, when necessary. The Group does not use derivative instruments to hedge financial risks.

a1) Currency and gold price risk

The Group is exposed, through its activities, to both currency risk and gold price risk, as changes in exchange rates and gold prices affect the Group's results and cash flows. The Group's policy is, in general, not to hedge this currency and gold price risk. However, under certain circumstances, e.g. if lending banks require it or if the Board of Directors considers it to be warranted, the risks can be limited, e.g. through forward sales of gold or through currency hedging measures.

Currency exposure and analysis

The Group is exposed to foreign exchange risk in relation to net financial items denominated in foreign currencies. The functional currency of individual companies is determined by the primary economic environment in which the entity operates or the one in which it primarily generates and expends cash. The functional currency of the subsidiaries operating in Russia is the Russian Rouble (RUB), while the functional currency of Parent Company is SEK. The Group has chosen to present its consolidated financial statements in USD only, as management believes it is a convenient presentation currency for international users of the consolidated financial statements of the Auriant Mining Group.

In addition, the Group is exposed to currency risk in its operations, as changes in exchange rates affect the Group's results and cash flow. The Group's policy is, in general, not to hedge this currency risk. In the event of fluctuations in the exchange markets, material adverse effects may arise as regards the Group's business, financial condition and results.

The Group's income is subject to exchange rate fluctuations. The Group's revenue from gold sales is linked to U.S. dollars, whereas the majority of the Group's operating expenses are denominated in roubles. Accordingly, an appreciation of the rouble against the U.S. dollar may negatively affect the Group's margins by increasing the U.S. dollar value of its rouble-denominated costs. Conversely, an appreciation of the U.S. dollar may positively affect the Group's margins by decreasing the U.S. dollar value of its rouble-denominated costs. RUB depreciation against the USD during 2023 had a positive effect on the Group's margin. In 2023, the average USD/RUB exchange rate amounted to 85.8116 (2022: 68.3522) – the RUB depreciated by 26% against the USD. As at 31 December 2023, the RUB depreciated against the USD by 28% compared to 31 December 2022, which resulted in decreasing RUB-denominated monetary assets and liabilities in the Consolidated statement of financial position.

Group financial assets and liabilities by currency:

All amounts in US\$000	31-12-2023	31-12-2023	31-12-2023	31-12-2023	31-12-2023	31-12-2023	31-12-2023
	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000	US\$000
	SEK	USD	EUR	TRY	CNY	RUR	Total
Cash and cash equivalents	-	1	2	2	9	35	49
Trade accounts receivable	-	-	-	-	-	64	64
Other current receivables	43	-	-	-	-	206	250
Total financial assets	43	1	2	2	9	306	363
Trade accounts payable	6	-	-	-	-	584	589
Other current and long-term liabilities	9	13,709	-	-	-	-	13,718
Debt to shareholder	23,638	21,693	-	-	-	-	45,331
Loans payable	-	-	-	-	-	4,061	4,061
Notes payable	-	-	-	-	-	225	225
Lease payable	-	-	-	-	-	99	99
Total financial liabilities	23,653	35,402	-	-	-	4,969	64,024
Net financial items	-23,609	-35,401	2	2	9	-4,664	-63,661

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

	31-12-2023	31-12-2023	31-12-2023	31-12-2023
	Changes in	Effect on profit	Changes in	Effect on profit
	Exchange rate of RUR, %	before income tax, US\$000	Exchange rate of SEK, %	before income tax, US\$000
	10%	Decrease by 3,145	10%	Decrease by 100
	-10%	Increase by 3,145	-10%	Increase by 100

Price risk analysis

The Group is exposed, through its activities, to a gold price risk, as changes in gold prices affect the Group's results and cash flow. The Group's policy is to manage these risks through sales of gold to a diversified client base (different banks and refineries). As a result, various bases for spot gold prices are used such as the London AM/ PM fixing, Central Bank rate and trade-book market orders (stop-loss or take-profit). The Group derives substantially all of its revenue from the sale of gold. Accordingly, the Company's financial results largely dependent on the price of gold. The gold market is cyclical and sensitive to changes in general economic conditions, and may be subject to significant volatility. As a result, it is not possible to accurately forecast the price of gold. The price of gold is influenced by various factors, many of which are outside the control of the Group, including, but not limited to:

- speculative trading activities in gold;
- currency exchange rates, particularly movements in the value of the U.S. dollar against other currencies;
- the overall level of forward sales by gold producers;
- the overall level and cost of production;
- actual or expected inflation and interest rates;
- global and regional supply and demand, and expectations of future supply and demand.

The market gold price is a significant factor that influences the Group's profitability and operating cash flow generation. The average LBMA price of gold was US\$ 1,890 per ounce in Q1 2023 (US\$ 1,877 in Q1 2022), US\$ 1,976 per ounce in Q2 2023 (US\$ 1,871 in Q2 2022), US\$ 1,928 in Q3 2023 (US\$ 1,729 in Q3 2022) and US\$ 1,971 in Q4 2023 (US\$ 1,726 in Q4 2022) The Company sold gold at an average price of US\$ 1,923 per ounce in 2023 (US\$ 1,800 in 2022).

Significant sustained declines in the price of gold may render any of the gold exploration or development activities undertaken by the Group less profitable or unprofitable and may have a material adverse effect on the Group's business, results and financial position. The table below summarises the impact on profit before tax of changes in gold prices. The analysis is based on the assumption that the gold prices move 10% with all other variables held constant.

Change in price of gold in USD by:	Effect on operating profit, US\$000
+10%, other things being equal	Increase by 3,734
-10%, other things being equal	Decrease by 3,734

a2) Interest rate risk

The Group's interest-bearing loans are comprised of loans in Russian banks and loans from shareholders/related parties. Currently, all interest bearing loans have variable interest rates during the terms of the loans and, therefore, the Group is currently directly exposed to an interest rate risk in the short term. In the event of a higher interest rate in the future, there may be material adverse effects on the Group's business, financial condition and results.

A substantial amount of Group's interest-bearing loans are long-term loans, i.e. due for repayment in more than one year. The remaining portion is due in less than 5 years. The Group is engaged, on a regular basis, in negotiations with existing finance providers in order to roll current obligations over to subsequent periods and in order to maintain an optimal debt repayment pattern. The terms and conditions of the loans can be changed or adjusted during these negotiations, including potential interest rate increases. In the case of the Group not being able to find alternative finance sources, there may be an increase in interest rate expenses, which, in its turn, may have a material adverse effect on the Group's business, net income and financial position.

Sensitivity

The Group's sensitivity profit or loss to interest rates is prepared assuming a 100 basis point change as it is used when reporting interest rate risk internally for key management personnel and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 100 basis points higher/lower, the Group's profit for the year ended 31 December 2023 would have decreased/increased by TUSD 457 (2021: TUSD 517).

b) Credit risk

As a rule, surplus liquidity is to be kept in current bank accounts or invested in savings accounts or overnight deposits, as the case may be. Accounts and deposits are opened in the same banks as those providing financing to the Group. With respect to gold sales, there are generally no receivables arising from these transactions – the Group sells gold to the bank, which holds a special license for conducting operations with precious metals. In the course of transaction, the Group either receives a pre-payment from the bank once the refinery reports have been received with the Dore bar from the Group or, if gold is not sold on a pre-payment basis, once the buyer settles its obligation within three working days. Auriant has quite a small amount of accounts receivable from other parties, with overwhelming majority originating from the renting out the Group's equipment. Provisions for bad debts are reported based on the estimation of expected credit losses. In the event of a counterparty default, material adverse effects may impact the Group's business, financial condition and results.

c) Liquidity risk

The Company is at a development stage, and, therefore, requires continued capital expenditure. Funds for these investments cannot only be obtained from internally generated income. The Company's growth, therefore, remains dependent on external financing. External financing may be secured in the form of borrowing or via a capital injection. For companies in a development stage, equity financing is the most common method. Since its formation, the company has executed preferential or directed new share issues on several occasions. The successful execution of share issues is, however, and to a large extent, dependent on the market climate. However, external financing in the form of bank loans has become, for the Group, one of the most important sources of working capital and has, also, ensured investment activity growth. If the Group is unable to secure financing, material adverse effects may impact the Group's business, financial condition and results. The Group is leveraged although most of its debt is medium to long-term (i.e. due after 1 year) and fits the Company's future cash flows pattern. Newly built gold producing plant is capable to provide steady production flow without seasonality which is going to be main source for debt repayment in coming years.

Risk related to political situation

Financial and economic sanctions imposed by the global community against the Russian economy, businesses and individuals, and counter-measures imposed by Russia have limited direct effect on Auriant Mining Group's operations. The Company's subsidiaries continue to sell gold with discounts to the LBMA gold price, as previously reported. The discounts have risen following the decision of G7 to stop gold import into its countries. The indirect effect of immense sanctions is also substantial and includes continuing risks associated with global financial system as well as supply chain delivery. The Group may not have access to capital outside of Russia, in particular from countries that have imposed sanctions. The Group's ability to enter into business transactions in Russia may be restricted by the Russian counter-measures, since the Group includes a Swedish Parent Company. The Group companies operating in Russia may experience shortages of supplies and price increases. Bans on exports of equipment into Russia may limit the Group's choice of equipment for new projects, delay implementation of new projects and make them less economically viable. The ability of the Russian subsidiaries to make payments to the Swedish Parent Company may be further restricted. The Group companies may experience closures of their bank accounts and difficulties with opening new ones. The situation is dynamic, and a lot of uncertainties exist and there remains a possibility of further sanctions (and counter-measures) which may have further negative impact. The Company continuously monitors the situation and takes additional mitigation measures.

Note 21

TRADE AND OTHER ACCOUNTS PAYABLE

	31-12-2023 US\$000	31-12-2022 US\$000
Trade accounts payable	589	779
Other payables*	75	489
Accrued fees	689	91
Total trade and other accounts payable	1,354	1,360

* As at 31 December 2023 and 2022, other payables mainly consisted of finance lease liability.

Note 22

OTHER CURRENT LIABILITIES

	31-12-2023 US\$000	31-12-2022 US\$000
Short-term debt to KFM	289	289
Payroll and social contributions	1,271	1,978
Tax liabilities*	371	1,315
Other short-term liabilities to related parties	9	5
Total other current liabilities	1,940	3,587

* Tax liabilities at the end of year 2022 included the waste disposal provision of US\$ 0.9 mln accrued in LLC "Tardan Gold" for 2019-2022, which were partially paid during 2023 and reduced to US\$ 0.2 mln.

Note 23

PLEGDED ASSETS

There were no pledged assets as at 31 December 2023.

In 2022 under the loan agreements with VTB the Group pledged 100% of shares of LLC "Tardan Gold" and a list of fixed assets in amount of US\$ 11.7 mln. In June 2023, the Group refinanced VTB bank loan without concluding new pledged agreements. Pledged agreements with VTB were cancelled.

Note 24

OTHER LONG-TERM LIABILITIES

	31-12-2023 US\$000	31-12-2022 US\$000
Other long-term liabilities *	11,368	9,920
Long-term debt to KFM	2,052	2,313
Lease payable	42	65
Total other long-term liabilities	13,462	12,298

* In October 2014, the Group acquired 70% interest in LLC «Kara-Beldir» from Canada's Centerra Gold Inc. and increased its share in LLC «Kara-Beldir» to 100%. As consideration for this transaction, Auriant Mining AB will pay Centerra Gold Inc. a Net Smelter Royalty of 3.5% on any mineral revenue from Kara-Beldir in the future. As the result, the Group accrued contingent consideration to Centerra Gold Inc. The value of contingent consideration was measured based on the fair value from the cash flow model. Cash flow model included 3 scenarios: realistic, optimistic and pessimistic with probabilities of 90%, 5% and 5% respectively. The range of main assumptions for scenarios were the following: gold price: 1600-2000 \$/oz, WACC – 17.5%. All changes in fair value considerations are accounted for through the asset's cost. As of December 31, 2023 contingent consideration equals to US\$ 11.368 mln (December 31, 2022 – US\$ 9.920 mln).

Note 25

TRANSACTIONS WITH RELATED PARTIES

The majority shareholder and the ultimate parent of Auriant Mining AB is Bertil Holdings Limited owning approximately 52% of the shares in the Company. Bertil Holdings Limited is a company indirectly owned by a Board Member Mr. Preston Haskell. The remaining approximately 48% of the shares in Auriant are held amongst 3,047 shareholders.

Financing

As at 31 December 2023, the bond liability to Golden Impala Limited amounted to US\$ 45.3 mln.

Accrued interest expenses for transactions with related parties in 2023 amounted to US\$ 4.4 mln, compared to US\$ 3.1 mln in 2022.

From December 1, 2023 the terms the Golden Impala bond were changed as follows:

- 12 months grace period on interest accrual was implemented;
- the currency of 50% of the total debt was converted from USD to SEK.

Prior to the changes becoming effective, the principal amount of the bond was equal to US\$ 36.0 mln, and interest accrued as of 30 November 2023 was equal to US\$ 7.4 mln. The new principal amount is comprised of MSEK 237.4 and US\$ 14.3 mln. The applicable interest rate before the start of the grace period was 3 Months U.S. Dollars LIBOR plus 6.44% per annum, and the same interest rate will apply to both USD and SEK tranches when the grace period ends. The currency of the interest accrued before the start of the grace period remains U.S. Dollars. As the Maturity date of bond is 31 December 2024 the liabilities to Golden Impala were reclassified in short-term liabilities.

Financing Golden Impala Limited	US\$000
Liability to Golden Impala as of December 31, 2021	35,955
Interest accrued for the period	3,074
Liability to Golden Impala as of December 31, 2022	39,029
Interest accrued for the period	4,388
Translation difference	1,914
Liability to Golden Impala as of December 31, 2023	45,331

The table below summaries transactions undertaken with related parties during the year:

	2023 US\$000	2022 US\$000
Interest expenses to related parties:		
Interest to companies controlled by the ultimate controlling party	4,388	3,074
Interest to shareholders	-	6
Balances with related parties at the end of the year:		
Liabilities to companies related to the ultimate controlling party	45,331	39,029
Liabilities to shareholders	-	5

For Board and Senior Executives remuneration please refer to Note 5.

Note 26

SUPPLEMENTARY INFORMATION TO THE STATEMENT OF CASH FLOW

The following table shows changes in liabilities attributable to financing activities:

	Liabilities from financing activities							Total US\$ 000
	Debt to shareholder	Borrowings due within 1 year	Borrowings due after 1 year	Finance leases due within 1 year	Finance leases due after 1 year	Other liabilities within 1 year	Other liabilities after 1 year	
	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	
Financial liabilities as at January 1, 2022	35,955	10,363	8,083	451	424	3,722	-	58,998
Cash flows	-	-9,851	-	-717	-	-1,174	-	-11,742
Acquisitions - finance leases	-	-	-	43	33	-	-	77
Reclassifications	-	8,083	-8,083	392	-392	-2,313	2,313	-
Foreign exchange adjustments	-	-	-	69	-	-	-	69
Other non-cash movements	3,074	700	-	214	-	60	-	4,048
Financial liabilities as at December 31, 2022	39,029	9,295	-	453	65	294	2,313	51,450
Cash flows	-	-4,432	-	-542	-	-314	-	-5,289
Acquisitions - finance leases	-	-	-	28	42	-	-	70
Reclassifications	-	-1,713	1,713	65	-65	261	-261	-
Foreign exchange adjustments	1,914	-1,483	-	25	-	8	-	463
Other non-cash movements	4,388	681	-	29	-	49	-	5,148
Financial liabilities as at December 31, 2023	45,331	2,347	1,713	58	42	298	2,052	51,842

Note 27

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period.

Parent Company Financial Statements

Parent Company Income Statement

	Note	2023 TSEK	2022 TSEK
Income			
Other operating income	P3	-	500
Operating costs			
General and administrative expenses	P4	-8,783	-7,892
Operating result		-8,783	-7,392
Financial income	P6	14,587	16,048
Financial expenses	P7	-76,901	-66,583
Reversal of impairment of investments in subsidiaries	P9	121,000	-
Result after financial items		49,902	-57,927
Income tax	P8	-	-
Result for the year		49,902	-57,927

Parent Company Statement of Comprehensive Income

	Note	2023 TSEK	2022 TSEK
Net result for the year		49,902	-57,927
Other comprehensive income			
Translation differences		-	-
Total comprehensive income for the year		49,902	-57,927

Parent Company Balance Sheet

	Note	31-12-2023 TSEK	31-12-2022 TSEK
ASSETS			
NON-CURRENT ASSETS			
Financial non-current assets			
Investments in subsidiaries	P9	447,303	325,996
Loans to subsidiaries	P10	91,350	117,744
Total non-current assets		538,653	443,740
CURRENT ASSETS			
Other current receivables	P11	458	1,498
Prepaid expenses	P11	113	205
Cash and cash equivalents	P15	23	355
Total current assets		594	2,058
TOTAL ASSETS		539,247	445,798
EQUITY AND LIABILITIES			
EQUITY			
Restricted equity			
Share capital		500	11,111
Statutory reserve		266,306	266,306
Total restricted equity		266,806	277,417
Unrestricted equity			
Share premium reserve		780,639	780,639
Translation difference		-	-
Retained earnings		-1,038,248	-990,932
Net result for the year		49,902	-57,927
Total unrestricted equity		-207,707	-268,220
TOTAL EQUITY		59,099	9,197
NON-CURRENT LIABILITIES			
Long-term loans	P12	20,606	431,496
Total non-current liabilities		20,606	431,496
CURRENT LIABILITIES			
Trade and other accounts payable	P13	819	1,578
Debt to shareholder	P12	455,199	-
Other current liabilities	P14	3,525	3,527
Total current liabilities		459,543	5,105
TOTAL EQUITY AND LIABILITIES		539,247	445,798

Parent Company Statement Of Changes in equity

All amounts in TSEK	Restricted Equity		Unrestricted Equity			Net income for the period	Total equity
	Share capital	Statutory reserve	Share premium reserve	Translation difference reserve	Retained earnings		
Equity as at December 31, 2021	11,111	266,306	780,639	-	-867,127	-123,805	67,124
Profit/loss brought forward	-	-	-	-	-123,805	123,805	-
Comprehensive income							
Net profit/loss for the period	-	-	-	-	-	-57,927	-57,927
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-57,927	-57,927
Equity as at December 31, 2022	11,111	266,306	780,639	-	-990,932	-57,927	9,197
Profit/loss brought forward	-	-	-	-	-57,927	57,927	-
Transactions with shareholders							
Reduction in share capital	-10,611	-	-	-	10,611	-	-
Total transactions with shareholders for the period	-10,611	-	-	-	10,611	-	-
Comprehensive income							
Net profit/loss for the period	-	-	-	-	-	49,902	49,902
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	49,902	49,902
Equity as at December 31, 2023	500	266,306	780,639	-	-1,038,248	49,902	59,099

Parent Company Cash Flow Statement

	2023	2022
	TSEK	TSEK
OPERATING ACTIVITIES		
Receipts from customers	741	-
VAT and other reimbursement	-	912
Payments to suppliers	-5,958	-5,079
Payments to employees and Board Members	-2,774	-3,042
Net cash flows used in operating activities	-7,991	-7,209
INVESTING ACTIVITIES		
Borrowings given/Proceeds from borrowings given	11,281	18,488
Net cash flows used in investing activities	11,281	18,488
FINANCING ACTIVITIES		
Proceeds from borrowings	527	722
Repayment of borrowings	-3,264	-10,302
Interest paid	-533	-1,217
Other finance income/expenses		-363
Net cash from financing activities	-3,271	-11,160
Net increase/(decrease) in cash and cash equivalents	19	119
Net foreign exchange difference	-352	-42
Opening balance cash and cash equivalents	355	278
Closing balance cash and cash equivalents	23	355



Notes to the Parent Company Financial Statements

Note P1

GENERAL INFORMATION

Auriant Mining AB (publ.) ("AUR AB", "the Parent company" or "the Company") and its subsidiaries (collectively referred to as "the Group" or "the Auriant Mining Group") are focused on gold exploration and production in Russia, primarily in Zabaikalye and the Republics of Khakassia and Tyva. The Parent Company is a registered public limited liability company with its head office in Sweden. The address of the head office is Box 55696, 102 15 Stockholm. AUR AB was listed on the Swedish NGM Nordic Growth Market stock exchange on March 29, 2005 and has been listed on the Swedish NASDAQ First North Premier Growth Market stock exchange since July 19, 2010. At present, the Company has 3,048 shareholders.

Note P2

ACCOUNTING PRINCIPLES AND BASIS OF PREPARATION

The Parent Company accounts have been 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 Company are the same as for the Group with a few exceptions. These exceptions are, where applicable, described under each section of Summary of significant accounting policies on pages 63-76 of the annual report. The Annual Report was prepared on a historical cost basis.

In accordance with the Swedish Accounting Act, the Parent Company's financial information is reported in Swedish krona (SEK).

Note P3

REVENUE FROM SUBSIDIARY COMPANIES

	2023 TSEK	2022 TSEK
Other operating income		
Consulting services to subsidiary	-	500
Total other operating income	-	500

The total amount of the Parent Company's revenue for 2022 year was related to consulting services provided to the subsidiary company LLC «Auriant Management». The agreement was terminated in June 2022 due to restrictive measures imposed by EU regulation.

Note P4

GENERAL AND ADMINISTRATIVE EXPENSES

	2023 TSEK	2022 TSEK
Employee benefit expenses	3,673	3,445
External expenses*	5,110	4,447
Total general and administrative expenses	8,783	7,892

* External expenses include audit services. For the remuneration to auditors refer the table below:

	2023 TSEK	2022 TSEK
Audit services		
Audit engagement	750	1,430
Tax advisory services	-	19
Other services	85	125
Total fees for the audit and related services	835	1,574

Audit assignment is defined as fees for the statutory audit (i.e. audit work required to present the Audit Report and provide audit advice in connection with the audit assignment).

Note P5

EMPLOYEE BENEFITS

	2023 TSEK	2022 TSEK
Salaries and remuneration in Sweden		
Board of Directors	1,328	1,437
Senior executives	916	707
CEO	599	563
	2,843	2,707
Social security expenses in Sweden		
Board of Directors	322	308
Senior executives	320	253
CEO	188	177
<i>including pension expenses</i>	-	-
	830	738
Total employee benefit expenses	3,673	3,445

Remuneration and other benefits of the Board* and Senior executives

	2023 TSEK	2022 TSEK
Board of directors		
Lord Daresbury (Peter), Chairman of the Board	450	450
Preston Haskell	300	300
Jukka Tapani Pitkäljärvi	300	275
Thor Åhlgren	278	-
Birgit Köster Hoffman	-	183
James Provoost Smith	-	229
Total Board of directors	1,328	1,437
Senior Executives*		
Payroll	916	707
Chief Executive Officer		
Payroll	599	563
<i>including bonuses</i>	<i>275</i>	<i>283</i>
Total Senior Executives and CEO	1,515	1,269

*Remuneration to the Board of Directors is approved by AGM.

	2023	2022
Group – Board of Directors and CEO at year-end		
Men	5	5
Group – Management at year-end		
Women	1	1
Men	-	-

Note P6

FINANCIAL INCOME

	2023 TSEK	2022 TSEK
Interest income from Group companies	14,587	16,048
Total financial income	14,587	16,048

Note P7

FINANCIAL EXPENSES

	2023 TSEK	2022 TSEK
Interest expenses on loans and borrowings	-46,897	-32,007
Total interest expenses	-46,897	-32,007
Exchange rate differences	-30,004	-34,576
Total financial expenses	-76,901	-66,583

Note P8

INCOME TAX

	2023 TSEK	2022 TSEK
Current tax	-	-
Deferred tax	-	-
Total	-	-
Connection between tax expense and reported profit/loss		
Pre-tax profit/loss	49,902	-57,927
Tax according to applicable tax rate	-10,280	11,933
Tax effect of expenses that are non-deductible for tax purposes	-6,804	-3,288
Tax effect of non-taxable income	24,926	-
Tax effect of loss carry-forwards for which deferred taxes recoverable are not reported	-7,842	-8,645
Total	-	-

The applicable tax rate for the Parent Company is 20.6%. Currently, tax loss carry-forwards in the Parent Company are not reported as deferred tax assets in the balance sheet, as it is uncertain whether such tax losses can be utilised based on the managerial character of the Parent Company. The total tax losses carried forward in the parent company amounts to MSEK 161 and are not limited in time.

Note P9

SHARES IN GROUP COMPANIES

Subsidiaries	Co. ID	Regd office	Proportion of ordinary shares directly held by Parent (%)	Proportion of ordinary shares held by the group (%)	Book value of shares in subsidiaries on Parent Company on December 31, 2023 (TSEK)	Book value of shares in subsidiaries on Parent Company on December 31, 2022 (TSEK)
LLC Tardan Gold	1041700563519	Kyzyl	100%	100%	411,032	290,032
LLC Uzhunzhul*	1071901004746	Abakan	1%	100%	2,577	2,577
LLC GRE-324*	1037542001441	Chita	60%	100%	-	-
LLC Rudtechnology*	1077530000570	Kalga	51%	100%	-	-
LLC Auriant Management Company	1097746422840	Moscow	50%	100%	8,518	8,518
Auriant Cyprus Limited**	334919	Limassol	100%	100%	620	493
Awilia Enterprises Limited	270158	Limassol	30%	100%	24,557	24,377
LLC Kara-Beldyr***	1071701001460	Kyzyl	0%	100%	-	-
Total					447,303	325,996

* The subsidiaries LLC "Uzhunzhul", LLC "GRE-324", LLC "Rudtechnology" and LLC "Auriant Management Company" are indirectly owned by 100% through the subsidiary LLC "Tardan Gold". In December 2023 the Group liquidated its 100% subsidiary LLC "Rudtechnology".

** 70% of Awilia Enterprises Limited is indirectly owned through the subsidiary Auriant Cyprus Ltd.

*** The subsidiary LLC "Kara-Beldyr" is indirectly owned through the subsidiary Awilia Enterprises Limited; hence there is no book value for this company in Auriant Mining AB.

The investment in subsidiaries represent a significant portion of the assets in the Parent Company and impairment tests are regularly carried out by the board and management of Auriant Mining AB in order to assess that the recoverable value of these assets is not less than their reported values. The impairment test is carried out through the application of discounted cash flow model. The model is sensitive to a number of variables and assessments, with some of the more important being the price of gold and required yield. The recoverable value of investments in the subsidiary LLC "Tardan Gold" on 31 March 2023 based on the current market situation was reassessed. The key assumptions applied in the test were the average price of gold during the test period of 1,870 for year 2023 and 1,950 USD/oz from 2024 (2022: 1,870-1,950 USD/oz), and a discounting rate of 12.0% (2022: 12.0%), RUB/USD rate of 80.00 (2022: 71-75). Based on the impairment test performed as at March 31, 2023, the Company reported a reversal of previous years impairment of investments in LLC "Tardan Gold" in a total amount of MSEK 121. There is no additional impairment of investments on 31 December 2023. All investments and loans into LLC "GRE-324", LLC "Rudtechnology" were impaired in 2015.

Note P10

LOANS TO SUBSIDIARIES

	31-12-2023 TSEK	31-12-2022 TSEK
Opening balance	117,744	100,132
Accrued interest	14,587	16,048
Repaid during the year	-11,977	-18,488
Translation difference	-29,003	20,052
Closing book value	91,350	117,744

Note P11

OTHER CURRENT RECEIVABLES AND PREPAID EXPENSES

	31-12-2023 TSEK	31-12-2022 TSEK
VAT receivable	23	179
Other current receivables*	435	1,319
Total other current receivables	458	1,498
Prepaid expenses	113	205
Total prepaid expenses	113	205

Note P12

TRANSACTIONS WITH RELATED PARTIES

The majority shareholder and the ultimate parent of Auriant Mining AB is Bertil Holdings Limited owning approximately 52% of the shares in the Company. Bertil Holdings Limited is a company indirectly owned by a Board Member Mr. Preston Haskell. The remaining approximately 48% of the shares in Auriant are held amongst 3,047 shareholders.

Financing

As at 31 December 2023, the bond liability to Golden Impala Limited amounted to MSEK 455.2.

Accrued interest expenses for transactions with related parties in 2023 amounted to MSEK 46.4, compared to MSEK 31.4 in 2022.

Financing Golden Impala Limited	TSEK
Liability to Golden Impala as of December 31, 2021	325,164
Interest accrued for the period	31,403
Interest paid	-
Exchange rate differences	50,787
Liability to Golden Impala as of December 31, 2022	407,354
Interest accrued for the period	46,373
Interest paid	-
Exchange rate differences	1,472
Liability to Golden Impala as of December 31, 2023	455,199

The table below summaries transactions undertaken with related parties during the year:

	2023	2022
	TSEK	TSEK
Interest expenses to related parties:		
Interest to companies controlled by the ultimate controlling party	46,373	31,403
Interest to shareholders*	1	62
Balances with related parties at the end of the year		
Liabilities to companies related to the ultimate controlling party	455,199	407,354
Liabilities to shareholders*	-	50

* In April 2022 Auriant Mining AB entered into the conditional loan commitment agreement with its related party, GoMobile Nu AB, which currently holds approximately 24 percent of the shares and the votes in the Company. Under the loan commitment agreement, the creditor made available, between 10 May 2022 and 9 May 2023 (the commitment period), a loan facility of up to SEK 9,400,000, which could be drawn by the Company in one or more tranches. A stand-by fee of 1,5 percent per annum is payable on any undrawn amount of the loan facility during the commitment period. The main purpose of the facility was to serve as a back-up solution to enable the Company to pay its general corporate expenses while the Company was working to open a new bank account. As the Company has successfully opened a new bank account, which has become fully operational, the Board considered that the loan facility was no longer needed. The Company has therefore exercised its right under the agreement to end the commitment period earlier, so as to limit the stand-by fee expenditure. The Company has not drawn any tranches under the loan commitment agreement prior to its termination.

Note P13

TRADE AND OTHER ACCOUNTS PAYABLE

	31-12-2023	31-12-2022
	TSEK	TSEK
Trade accounts payable	56	690
Other payables	13	13
Accrued fees*	750	875
Total trade and other accounts payable	819	1,578

*Accrued expenses represented by auditor's fees.

Note P14

OTHER CURRENT LIABILITIES

	31-12-2023 TSEK	31-12-2022 TSEK
Short-term debt to KFM*	2,903	3,017
Payroll and social contributions	474	448
Other short-term liabilities to related parties	89	50
Tax liabilities	59	12
Total other current liabilities	3,525	3,527

* In November 2022 an amendment to payment schedule of existing debt between Auriant Mining AB and KFM was signed. In line with the new schedule, starting from January 2023, the remaining debt will be paid to KFM according to a payment plan providing for monthly payments until 31 December 2031, where each monthly payment will not exceed USD 29,000 (including principal and accrued interest of 2%).

Note P15

OTHER LONG-TERM LIABILITIES

	31-12-2023 TSEK	31-12-2022 TSEK
Debt to shareholder	-	407,354
Long-term debt to KFM	20,606	24,142
Total other long-term liabilities	20,606	431,496

Note P16

SUPPLEMENTARY INFORMATION TO THE STATEMENT OF CASH FLOW

The following table shows changes in liabilities attributable to financing activities:

	Debt to shareholder TSEK	Other liabilities within 1 year TSEK	Other liabilities after 1 year TSEK	Total TSEK
Financial liabilities as at January 1, 2022	325,164	33,657	-	358,821
Cash flows	-	-10,796	-	-10,796
Reclassifications	-	-24,142	24,142	-
Foreign exchange adjustments	50,787	3,745	-	54,532
Other non-cash movements	31,403	603	-	32,007
Financial liabilities as at December 31, 2022	407,354	3,067	24,142	434,563
Cash flows	-	-3,271	-	-3,271
Reclassifications	-	4,437	-4,437	-
Foreign exchange adjustments	1,472	-1,766	901	607
Other non-cash movements	46,373	525	-	46,898
Financial liabilities as at December 31, 2023	455,199	2,992	20,606	478,798



Board Assurance

The Board of Directors and the Chief Executive Officer confirm that the consolidated financial statements and the annual report have been prepared in accordance with International Financial Reporting Standards, IFRS, as adopted by the EU and that they provide a true and fair view of the Group's results and financial position. The financial statements of the Parent Company have been prepared in accordance with generally accepted

accounting principles in Sweden and provide a true and fair view of the Parent Company's results and financial position. The Directors' Report for the Group and the Parent Company, respectively, provide a true and fair view of the Group's and the Parent Company's activities, results and financial position, and describe significant risks and areas of uncertainty faced by the Parent Company and the companies within the Group.

Stockholm, April 23, 2024

Lord Daresbury
Chairman of the Board

Preston Haskell
Board Member

Jukka Pitkälä
Board Member

Thor Åhlgren
Board Member

Danilo Lange
CEO

The annual report and the consolidated financial statements have, as stated above, been approved for issue by the Board of Directors on April 23, 2024. The Group's income statement and balance sheet, and the Parent Company's income statement and balance sheet will be subject adoption by the annual general meeting on May 14, 2024.

Our audit report was submitted on April 23, 2024

Johan Kaijser

Authorised Public Accountant

Auditor's Report

Unofficial translation

To the general meeting of the shareholders of Auriant Mining AB (publ),
corporate identity number 556659-4833

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Auriant Mining AB (publ) for the year 2023, with the exception of corporate governance report on pages 49 - 55. The annual accounts and consolidated accounts of the company are included on pages 42 - 55, 59 - 111 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-41 and 57-58. The Board of Directors and the Managing Director are responsible for this other information. Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information. In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated. If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing

Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Auriant Mining AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the loss dealt with in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the

company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Auditor's report on the corporate governance report

The Board of Directors is responsible for that the corporate governance statement on pages 49 - 55 has been prepared in accordance with the Annual Accounts Act. Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's

examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions. A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm 23 April 2024

Johan Kaijser
Authorized Public Accountant

Additional Information

Translation

This text is the English version of the 2023 Swedish Annual Report. If any discrepancies exist between the two versions, the Swedish version shall prevail.

Definitions

"Auriant Mining", "AUR" and "the Company" refer to Auriant Mining AB (publ) with Swedish Corporate Identity number 556659-4833 and to its subsidiary companies.

Dates for financial information in 2024

Auriant Mining AB's financial year runs from 1 January to 31 December. In 2024, the Company will issue interim financial information as follows:

Interim report (1) January-March 2024:

31 May 2024

Interim report (2) January - June 2024:

30 August 2024

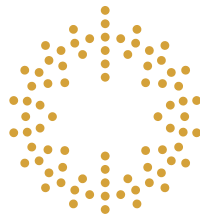
Interim report (3) January - September 2024:

29 November 2024

Interim report (4) January - December 2024:

28 February 2025





AURIANT

MINING

Stockholm, Sweden

Phone: +46 (0) 70 7 27 70 97, Fax: +46 (0) 86 2 43 72 0, info@auriant.com