

# NORDIC MINES AB (publ)

## Year-End Report 2016

### Fourth quarter of 2016

- Revenues were SEK 0.0 million (SEK 0.0 million Q4 2015) as the Laiva Mine is on care and maintenance and not in production.
- The Company reported an operating loss of SEK -12.3 million (SEK -25.0 million Q4 2015).
- Loss after tax for the period amounted to SEK -12.5 million (SEK 76.1 million Q4 2015), corresponding to SEK -0.02 (SEK 0.36) per share.
- Cash and cash equivalents were SEK 2.8 million (SEK 3.5 million 30 September 2016) at the end of the period. Thus, the Company currently does not have sufficient funds to cover its needs for the next three months starting from the date of this report.
- Equity was SEK 489.7 million (SEK 501.9 million 30 September 2016) at the end of the period.
- Secured shareholder loans of SEK 4.5 million to fund the running costs of the Company.
- On 19 October, the Company appointed Mr. Ola Wahlquist, ex Audit Partner of the Year 2015, Ernst & Young as a Senior Advisor. Mr Wahlquist is a subject matter expert in Risk Management, Compliance and Audit related issues.
- On 25 October, Nordic Mines announced the appointment of Mr Tony Butler as CFO and Mr Rune Nordström, as its Head of Corporate Communications and Investor Relations.
- On 27 October, Nordic Mines appointed Ludmilla Lundberg as Senior Advisor, Compliance & Reporting. Ludmilla comes with 20 years of experience in compliance and reporting
- On 30 November, the Company announced a shareholder loan with Lau Su Holding AB and announced the Company's intention to hold an Extraordinary General Meeting to seek shareholder approval to amend the articles of association in order to create a new preferential class of shares and to approve a placement of USD1.5 million in a combination of preferential and ordinary shares to Lau Su Holding AB. On 9 January the Board of Directors resolved to cancel the Extraordinary General Meeting and the proposed financing in favour of pursuing alternative fundraising, on which see below.
- On 21 December, the Company received assay results from the first batches of the Bjorkdal sorting test sample carried out in September. It is evident that optical sorting systems have the potential to transform the economics at the Laiva mine. Whilst the forecast upgrades to 1.33 g/t were close to our best expectation, it is clear that further threshold optimization work needs to be carried out

### Full Year 2016

- Revenues were SEK 0.0 million (SEK 0.0 million 2015) due to the production stop at the Laiva mine.
- The Company reported an operating loss of SEK -37.2 million (SEK -92.3 million 2015).
- Loss after tax for the period amounted to SEK -37.3 million (SEK 0.0 million 2015), corresponding to SEK -0.07 (SEK 0.00 2015) per share.
- Total comprehensive income for the period was SEK -35.2 million (SEK -2.6 million 2015).

### Significant events after December 31, 2016

- On 9 January 2017, the Board of Directors decided to cancel the extraordinary general meeting discussed above. The decision was taken because the Board of Directors of Nordic Mines has decided to take necessary steps to carry out a rights issue of common shares to the Company's shareholders of approximately USD 5.0 million, subject to shareholders' approval.
- On 18 January, Nordic Mines appointed the investment bank, Evli Bank plc to lead a rights issue on behalf of the Company.
- On 18 January, the Company announced the resignation from the Board of Directors of Mr Pranay Panda with immediate effect.
- The Company secured a further SEK 2.6 million (USD 0.3 million) in shareholder loans from Lau Su Holding AB.

### CEO's Statement

During the fourth quarter, Nordic Mines continued to make progress at the Laiva Project.

The primary Management focus over the past 2 quarters has been twofold. The first has been to explore ways to reduce the mining and processing of waste material, crucial in low grade gold deposits such as Laiva. The second is to plan a drill programme which will a) allow for the mining of wider sections than previously and b) to step out to expand the resource, develop new pits and reduce the strip ratio in the early production years.

Drilling will allow Management to establish the grade of the potentially immediately mineable resource and upgrade an element of the existing resource to mineable. It will also allow for accurate management of bench height and dip together with the associated strip.

Management conducted a lengthy laser optical sorting programme over two years culminating in a large sorting test at Mandalay's Bjorkdal Mine in Sweden in August 2016. Optical sorting, in various forms, has been widely used in mining since the 1990's. Sorting is essentially a secondary strip. We consider the results at Bjorkdal very successful: back calculated grades reporting to the mill have been upgraded by 45%. These results confirm that optical sorting of our quartz diorite and volcanic ores is likely to form an influential element of our plan to return the Laiva deposit to long term profitable production once funded.

The Laiva deposit strike length has been traced for over 8 kms. It is a relatively unexplored deposit to date and management is confident that there is potential to increase mineable resources significantly along strike and at depth; an opinion based on known mineralised and drilled outcrops and drill hole data from the historic 79,000 meters 499 hole drill programmes.

### **Funding**

The Board of Directors of Nordic Mines is examining various strategic options available in order to create shareholder value and expedite taking the Laiva Mine back into production. We anticipate that some of these options will crystallize over the next month or two. The Board will announce the preferred way forward, as soon as possible. The options range from dual listing in a second major stock market, partnering with prominent gold investors, an outright sale, executing a rights issue or a combination. Due diligence is being undertaken on some of these potential options.

In the meantime, Lau Su Holdings AB ("Lau Su") intends to make a further shareholder loan to the Company of USD 0.5 million as a bridge to a larger financing. Subject to terms and board approval, Lau Su has also indicated that it is prepared to underwrite a percentage of a proposed rights issue. All of Lau Su's outstanding shareholder loans would be expected to convert into ordinary shares in the Company on the same terms as the rights issue. Nordic Mines hopes to make an announcement to the market shortly in this regard.

### **Results, fourth quarter 2016**

Net sales were SEK 0.0 million (SEK 0.0 million) during the fourth quarter of 2016 and year to date as the Laiva mine remains on care and maintenance and is not in production.

Production costs amounted to SEK -3.8 million (SEK -2.7 million Q4 2015) during the last quarter of 2016. Even though there has not been any production during the quarter, the Company has maintained some of the organisation around the Laiva mine, for example for maintenance work and environmental supervision. The mine and the plant also have a number of fixed costs, for example balancing the water levels in the mining area, which remain even though the mine is not in production. Depreciation, amortisation and impairment losses for the fourth quarter of 2016 were SEK -3.5 million (SEK -5.8 million Q4 2015).

Sales and administration costs amounted to SEK -4.6 million (SEK -11.1 million Q4 2015).

The Company reported an operating result of SEK -12.3 million (SEK -25.0 Q4 2015).

Net financial items were SEK -0.2 million (SEK 101.0 million, primarily accumulated interest). The Company's income tax for the period has an impact on profit of SEK 0.0 million (SEK 0.0 million).

Loss for the period after tax amounted to SEK -12.5 million (SEK 76.1 million Q4 2015).

### **Cash flow and financial position**

Cash flow from operating activities including changes in working capital for the fourth quarter of 2016 amounted to SEK -7.7 million (SEK -34.3 million Q4 2015). Net cash flow from the financing operations amounted to SEK 7.0 million (SEK 48.9 million Q4 2015) during the same period. Cash and cash equivalents at the end of the period amounted to SEK 2.9 million compared to SEK 3.5 million as of 30 September 2016. Therefore the Company does not currently have sufficient funds to cover its needs for the next three months at the date of this report. If

external funds are not provided, it is the assessment of the Board that there is a high risk that the Company will be facing a liquidity deficit. However, the majority owner Lau Su has announced to the Board that they are strongly committed to fulfil the new management's funding needs for the Company going forward. For more information please refer to *Liquidity Risks*.

At the end of the period, the Group's equity was SEK 489.7 million, compared to SEK 501.9 million as of 30 September 2016. For risks related to the Company's equity, please refer to the *Going Concern Principle*. The equity/assets ratio was 88.7 per cent compared to 89.8 per cent as of 30 September 2016. Net debt was SEK 8.5 million compared to SEK 0.8 million as of 30 September 2016.

### Investments

Since the Company is currently not conducting any mining operations at the Laiva mine, only smaller investments have been made. Net investments during the quarter amounted to SEK -0.0 million, compared to SEK 0.6 million during the same quarter of 2015.

### Segment reporting

As per January 2013, the Group stopped using a segment division as there has only been one productive mine in Finland within the Group, and exploration work is currently limited to an administrative scope due to cost savings. The consolidated income statements and balance sheets have been reviewed and valued thereafter.

### Employees

During the fourth quarter of 2016, the average number of employees was 16.

No serious accidents were reported during the period.

### Exploration

Due to cost savings, Nordic Mine's exploration work was more or less suspended at the beginning of 2013. In total, capitalised exploration expenses as of 31 December 2016 amounted to SEK 64.7 million.

### Mineral resource and mineral reserve, 1 January 2015, prepared by SRK Consulting UK Ltd

The tables below shows the most recent update to the Mineral Resource estimate that includes ore sorting that reduces the amount of waste rock and the previous Mineral Resource estimate without sorting.

#### Laiva Mineral Resource – With sorting (16 May 2016)

Category	Tonnage (t)	Au Grade (g/t)	Gold (kg)	Gold (tr.oz)
Measured	-	-	-	-
Indicated	24,317,397	1.13	27,535	885,000
<b>Measured + Indicated</b>	<b>24,317,397</b>	<b>1.13</b>	<b>27,535</b>	<b>885,000</b>
Inferred	4,374,277	1.64	7,187	231,000

The mineral resource is reported at a cut off of 0.3 g/t.

The calculation of the mineral resource was based on an assumed five-year gold price of €1,225 per tr.oz (USD 1,400 per tr.oz).

#### Laiva Mineral Resource – Without sorting (1 January 2015)

Category	Tonnage (t)	Au Grade (g/t)	Gold (kg)	Gold (tr.oz)
Measured	-	-	-	-
Indicated	15,970,000	1.52	24,300	780,000
<b>Measured + Indicated</b>	<b>15,970,000</b>	<b>1.52</b>	<b>24,300</b>	<b>780,000</b>
Inferred	3,220,000	2.08	6,700	215,000

The mineral resource is reported at a cut-off grade of 0.6 g/t.

The model for the calculation of the mineral resource is limited by an assumed gold price of €1,300 per troy ounce (USD 1,510 per troy ounce).

The reported mineral resource includes the mineral reserve shown below.

#### Laiva Mineral Reserve – Without sorting (1 January 2015)

Category	Tonnage (t)	Au Grade (g/t)	Gold (kg)	Gold (tr.oz)
Proved	-	-	-	-
Probable	9,367,000	1.19	11,200	360,000
<b>Proved + probable</b>	<b>9,367,000</b>	<b>1.19</b>	<b>11,200</b>	<b>360,000</b>

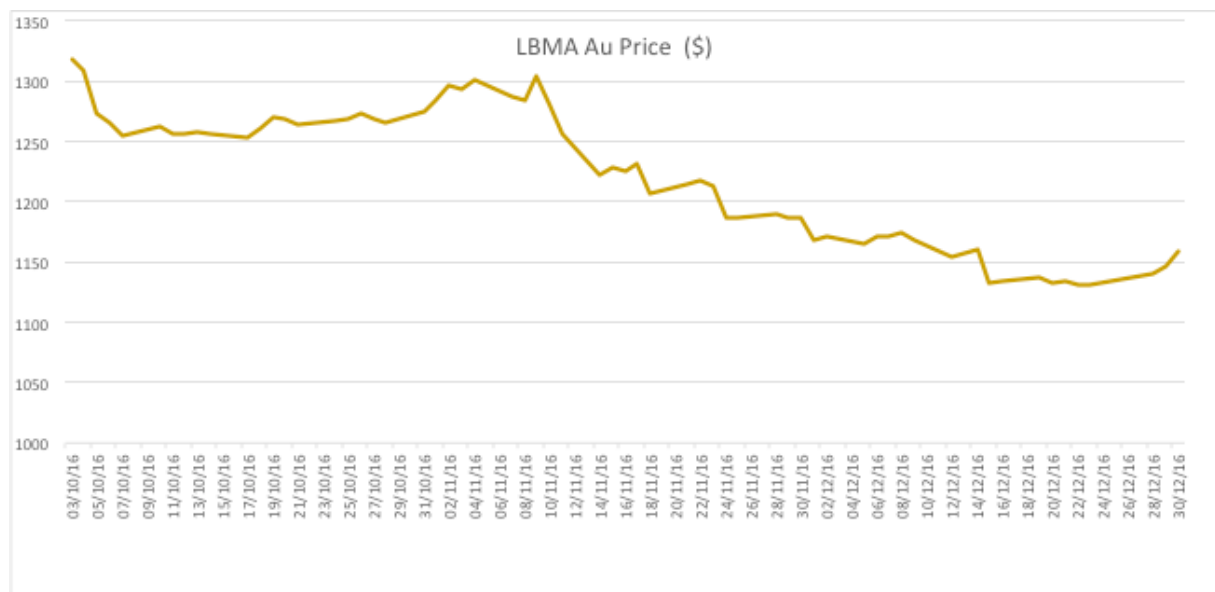
The mineral reserve is reported at a cut-off grade of 0.6 g/t.

The calculation of the mineral reserve was based on an assumed five-year gold price of €1,020 per troy ounce (USD 1,184 per troy ounce).

For definitions, see the section *Definitions in accordance with SveMin*.

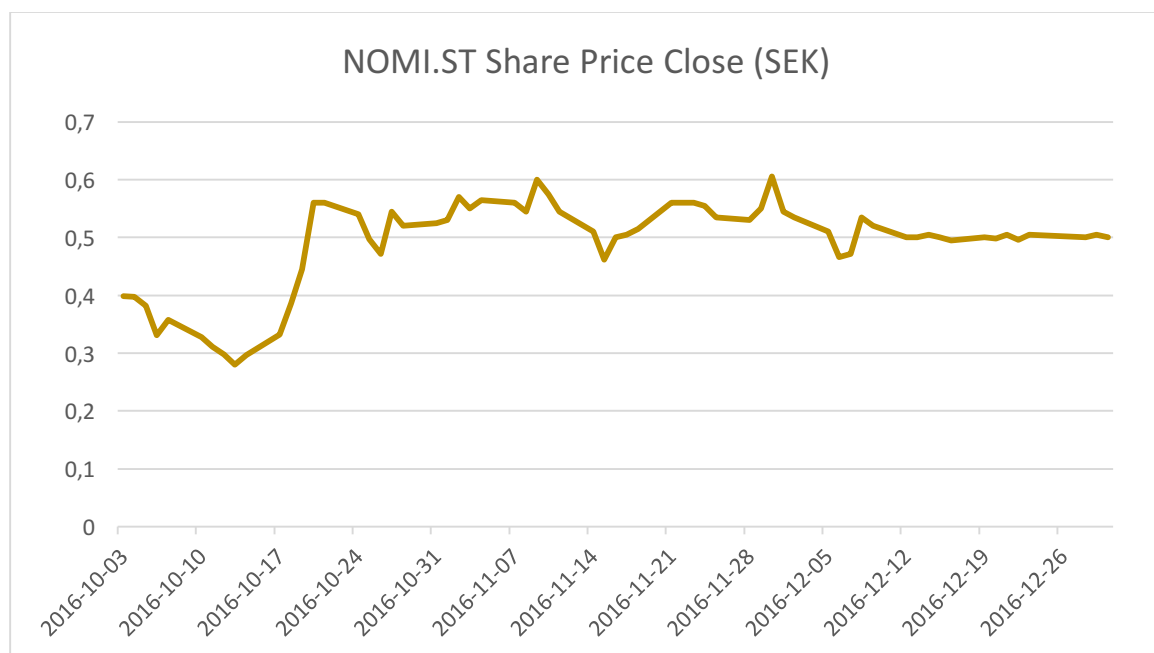
#### The gold market and price of gold

According to LBMA (London Bullion Market Association) gold fixing, the price of gold was listed at the beginning of the quarter per troy oz at USD 1,318.65 and EUR 1,175.27, and at the end of the quarter at USD 1,159.1 and EUR 1,100.03.



### The Nordic Mines share

The Nordic Mines share has been traded on the Nasdaq Stockholm's Small Cap list since July 2008. The ticker symbol for the share is NOMI and the ISIN code is SE0007491105.



## Shareholders

As per 30 December 2016, the number of shareholders in Nordic Mines amounted to approximately 13,000. The ten largest shareholders in the Company are listed in the table below.

Shareholders as at 30 December 2016	Number of shares	Holdings %
EUROCLEAR BANK S.A/N.V, W8-IMY	143 801 629	25,42 %
STATE STREET BANK & TRUST COM., BOSTON	51 356 381	9,08 %
CBSG-PHILLIP SEC P/L-CL(INSTI NDVP)	47 754 771	8,44 %
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	18 069 220	3,19 %
NORDNET PENSIONS FÖRSÄKRING AB	7 084 479	1,25 %
SWEDBANK FÖRSÄKRING AB	6 360 547	1,12 %
HANDELSBANKEN LIV	4 746 245	0,84 %
HILMAND, BIRTE	4 600 000	0,81 %
CBLDN-UBS FINANCIAL SERVICES INC	4 129 996	0,73 %
MENDRIS, NICO	3 350 000	0,59 %
OTHER	274 469 488	48,52 %
<b>Total</b>	<b>565,722,756</b>	<b>100%</b>

Source: Euroclear

## Share capital

As per 30 December 2016, the market capitalisation amounted to SEK 282.9 million divided between 565,722,756 shares with a quota value of SEK 0.5 each.

Equity amounted to SEK 489.7 million at 31 December 2016, compared to SEK 501.9 million at 30 September 2016.

## Significant risks and uncertainties

All enterprise is associated with a certain degree of risk. Nordic Mines' operations must be assessed based on the risk, cost and difficulty that companies in the mining and exploration business often face. The risks in the majority of cases are such that the Company cannot protect itself from them.

The risk faced by mining and exploration companies is mainly associated with the outcome of the exploration itself, the production and the market price on the metal markets, but there is also risk associated with licensing issues related to exploration, processing and the environment.

The Group is also exposed to a number of financial risks: liquidity risk, credit risk, gold price risk and currency risk. The Board and Management attempt to address these risks by identifying, evaluating and mitigating the risks listed above where appropriate.

A more detailed analysis is available in the 2015 Annual Report as well as in the prospectus from 2015, which are available on the Company's website, [www.nordicmines.se](http://www.nordicmines.se).

### Liquidity risk

The Company currently does not have sufficient funds to cover its needs for the next three months at the date of this report. Cash and cash equivalents totalled SEK 2.9 million at the end of the fourth quarter 2016 and the Company basically does not have any income since production as the plant was closed, albeit there have been some modest timber sales in the fourth quarter. The Company is dependent on external capital contributions for continued operations.

The Company does not currently have the funds to restart operations at the Laiva mine. In order to fund the restart of the Laiva mine, a capital contribution in addition to existing cash and cash equivalents would be required. This capital contribution is intended to fund working capital related to the restart, initial investments and a liquidity reserve for unforeseen costs and administration. This funding is assumed to be a combination of debt financing and additional equity contributions.

If the Company fails to raise additional capital, there is a risk that a liquidity deficit will eventually occur. Given such a development, it is a risk that the Finnish composition plan would default, thus leading to a new reorganisation, bankruptcy or other winding down of the Company.

#### *Composition plan Nordic Mines Oy*

On 31 July 2014, the Uleåborg District Court decided to adopt the composition plan proposal filed with the court by the administrator for Nordic Mines' Finnish subsidiary. The composition plan includes conditions that allow the Company's creditors and the composition plan supervisor, attorney Hannu Ylönen from the Krogerus law firm, to apply for the composition to be revoked under certain conditions. Ground for termination include those related to the Group companies not fulfilling their payment obligations under the composition plan.

If Nordic Mines Oy breaches the composition plan, there is a risk that the Finnish composition plan will fail, which could lead to a new reorganisation, bankruptcy or other winding down of the Company. In the event the Finnish composition plan defaults, the relevant creditors' claims return to Nordic Mines Oy, at their full amount, and in the event of bankruptcy all shareholders will lose the entire amount of their previously invested share capital.

A more detailed analysis on the Composition plan in Nordic Mines Oy is available in the prospectus from 2015, which is available on the Company's website, [www.nordicmines.se](http://www.nordicmines.se).

#### *Gold price risk*

Sales commenced in January 2012 and essentially have consisted of a single product, doré bars, containing gold, silver and copper. A decline in the price of gold could have a negative impact on the Group's future profit as well as a negative impact on the Company's possibilities for restarting operations at the Laiva mine.

#### *Currency risk*

Gold is quoted in USD, the majority of the costs occur in EUR and the Group is consolidated in SEK. Accordingly, the Company is directly dependent on exchange rates for these currencies. If USD strengthens against EUR, this has a positive effect. If EUR strengthens against SEK, this has a positive effect on sales, but a negative effect on costs.

#### *Employees*

Nordic Mines currently has a small organisation and is dependent on a number of key individuals. A limited expected lifetime and to date weak profitability for the Laiva mine can result in restricted opportunities to recruit key personnel once the mine restarts its operations.

### **Going concern principle**

The Company currently does not have sufficient funds to cover its needs for the next twelve months at the date of this report. The Company basically has had no income since the production at the process plant was closed down, and it is therefore dependent on external capital contributions for its continued operation. For more information please refer to *Liquidity Risks* above.

There are no guarantees that external capital will be raised for continued operations. There are also no guarantees that, at the point in time when a decision must be made about the restart of operations, Nordic Mines will have sufficient liquidity to finance a restart of operations at the Laiva mine.

In a situation where it can no longer be assumed that the Group is a going concern, there is a risk that the Group's assets and the Parent Company's carrying amounts on receivables to Group companies and participations in subsidiaries will be subject to significant impairment losses.

### **Accounting principles**

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU and recommendation RFR 1 issued by the Swedish Financial Reporting Board on Supplementary Accounting Rules for Groups, which specifies the additions to the IFRS disclosures that are required as stipulated in the Annual Accounts Act. This financial report was prepared in accordance with IAS 34, Interim Financial Reporting. The Parent Company's financial statements are prepared in accordance with the Annual Accounts Act and RFR 2, Accounting for Legal Entities. The Group uses the same accounting principles as those described in the 2015 Annual Report. No new IFRS additions or regulations that affect the Group have entered into force.

### Upcoming informational meetings and announcements

Annual Report 28 April 2017

Annual General Meeting 28 June 2017

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Interim report Q1 23 May 2017

Interim report Q2 22 August 2017

Interim report Q3 21 November 2017

Interim report Q4 27 February 2018 (Year-End Report)



The Board of Directors and the Chief Executive Officer hereby confirm that this interim report gives a true and fair view of the Company's and the Group's operations, financial position and results of operations, and describes significant risks and uncertainties faced by the Company and the companies in the Group.

The report for October – December 2016 has not been reviewed by the Company's auditors.

Stockholm, 28 February 2016

NORDIC MINES AB (publ)

Vinod Sethi  
*Chairman of the Board*

*D. Saradhi Rajan*  
*CEO and Director of the Board*

Hans Andreasson  
*Director of the Board*

Torsten Börjemalm  
*Director of the Board*

Salim Govani  
*Director of the Board*

Kari Langenoja  
*Director of the Board*

*Krister Söderholm*  
*Director of the Board*

#### **Note**

Nordic Mines is required to publish this information pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was published on 28 February 2016, at 8:00 a.m. GMT.

#### **For further information, please contact:**

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### Definitions according to SveMin

A **Mineral Resource** is a concentration of occurrences of materials in or on the earth's crust in such form, quality and quantity that is of interest financially and for which financially profitable extraction is deemed possible. The location, quantity, grade, continuity and other geological characteristics of a mineral resource are measured, estimated or interpreted based on specific geological facts, tests and knowledge. On the basis of its geological certainty, a mineral resource is classified into the following categories: inferred mineral resource, indicated mineral resource and measured mineral resource.

An **Inferred Mineral Resource** is the part of a mineral resource for which the tonnage, density of occurrences, form, physical characteristics, grade and mineral content can be estimated with a low level of confidence. This is inferred from geological evidence, tests and assumed but not verified geological or grade continuity. It is based on information gathered using appropriate techniques through exploration and testing of, for example, outcrops, trenches, pits, workings and drill holes. The information is limited or of uncertain quality and reliability.

An **Indicated Mineral Resource** is the part of a mineral resource for which the tonnage, density of occurrences, form, physical characteristics, grade and mineral content can be assumed with a reasonable level of confidence. It is based on information gathered using appropriate techniques through exploration and testing of, for example, outcrops, trenches, pits, workings and drill holes. However, this information is too inconsistent or inappropriately distributed to guarantee geological or grade continuity.

A **Measured Mineral Resource** is the part of a mineral resource for which the tonnage, density of occurrences, form, physical characteristics, grade and mineral content can be assumed with a high level of confidence. It is based on information gathered using appropriate techniques through detailed and reliable exploration and testing of, for example, outcrops, trenches, pits, workings and drill holes. This information is sufficiently consistent to prove geological and/or grade continuity.

A **Mineral Reserve** is the part of a measured or indicated mineral resource that is deemed to be economically feasible for extraction. This includes diluting material and losses which may occur when the material is mined. Appropriate assessments and studies have been conducted and modified taking into consideration realistic assumptions related to mining, metallurgical, economic, marketing, legal, environmental, social and political factors. These assessments show on the reporting date that extraction can be reasonably justified. On the basis of their geological certainty, mineral reserves are classified into the following categories: probable mineral reserve and proven mineral reserve.

When using the term "mineral reserve", there is an expectation that studies have been conducted at the Pre-Feasibility level as a minimum, including a mining plan that is technically appropriate and economically viable.

A **Probable Mineral Reserve** is the part of an indicated or under some circumstances measured mineral resource for which extraction is economically viable. This includes diluting material and losses which occur when the material is mined. Studies at a minimum of the Pre-Feasibility level have been conducted and modified to take into consideration mining, metallurgical, economic, marketing, legal, environmental, social and political factors. These assessments show on the reporting date that extraction can be reasonably justified.

A **Proven Mineral Reserve** is the part of a measured mineral resource for which extraction is deemed to be economically viable. This includes diluting material and losses which occur when the material is mined. Studies at a minimum of the Pre-Feasibility level have been conducted and modified to take into consideration mining, metallurgical, economic, marketing, legal, environmental, social and political factors. These assessments show on the reporting date that extraction is justified.

## Consolidated Statement of Comprehensive Income

SEK 000	Note	Q4 2016	Q4 2015	Full year 2016	Full year 2015
Sales revenues		0	0	0	0
Cost of goods sold		-7 232	-8 495	-31 982	-51 155
<i>of which production costs</i>		-3 771	-2 735	-16 844	-23 573
<i>of which depreciation, amortization and impairment</i>		-3 460	-5 760	-15 138	-27 582
<b>Gross income</b>		<b>-7 232</b>	<b>-8 495</b>	<b>-31 982</b>	<b>-51 155</b>
Selling and administrative expenses		-4 638	-11 142	-24 460	-35 870
Other operating income	1	7 034	-2	31 730	4 868
Other operating expenses	1	-7 493	-5 326	-12 496	-10 116
<b>Operating income</b>		<b>-12 329</b>	<b>-24 965</b>	<b>-37 208</b>	<b>-92 273</b>
Financial income		3	105 307	253	105 310
Financial expenses		-163	-4 275	-293	-13 059
<b>Income after financial items</b>		<b>-12 489</b>	<b>76 067</b>	<b>-37 248</b>	<b>-22</b>
Income tax		-6	-2	-6	-2
<b>Net income</b>		<b>-12 495</b>	<b>76 065</b>	<b>-37 254</b>	<b>-24</b>
<b>Other comprehensive income</b>					
Exchange rate differences for the period	2	227	-1 830	2 028	-2 543
Total comprehensive income net of tax for the period		227	-1 830	2 028	-2 543
<b>Total comprehensive income for the period</b>		<b>-12 268</b>	<b>74 235</b>	<b>-35 226</b>	<b>-2 567</b>
Net income attributable to:					
equity holders of the parent company		-12 495	76 065	-37 254	-24
		<b>-12 495</b>	<b>76 065</b>	<b>-37 254</b>	<b>-24</b>
Total comprehensive income attributable to:					
equity holders of the parent company		-12 268	74 235	-35 226	-2 567
		<b>-12 268</b>	<b>74 235</b>	<b>-35 226</b>	<b>-2 567</b>
Average number of shares before dilution, thousand		565 723	212 552	565 723	93 661
Average number of shares after dilution, thousand		565 723	212 552	565 723	93 661
Earnings per share before dilution, SEK		-0,02	0,36	-0,07	0,00
Earnings per share after dilution, SEK		-0,02	0,36	-0,07	0,00
Comprehensive income per share before dilution, SEK		-0,02	0,35	-0,06	-0,03
Comprehensive income per share after dilution, SEK		-0,02	0,35	-0,06	-0,03

\* In September 2015 Nordic Mines implemented the consolidation of shares (reverse split) on a 1:100 basis. Historical numbers has been converted as well.

## Consolidated Statement of Comprehensive Income, quarterly

		Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
		2015	2015	2015	2015	2016	2016	2016	2016
<b>Belopp i Tkr</b>	<b>Note</b>								
Sales revenues		0	0	0	0	0	0	0	0
Cost of goods sold		-17 178	-16 896	-8 586	-8 495	-8 927	-9 421	-6 402	-7 232
<i>of which production costs</i>		-9 541	-9 546	-1 751	-2 735	-4 605	-3 632	-4 836	-3 771
<i>of which depreciation, amortization and impairment</i>		-7 637	-7 350	-6 835	-5 760	-4 322	-5 789	-1 567	-3 460
<b>Gross income</b>		<b>-17 178</b>	<b>-16 896</b>	<b>-8 586</b>	<b>-8 495</b>	<b>-8 927</b>	<b>-9 421</b>	<b>-6 402</b>	<b>-7 232</b>
Selling and administrative expenses		-6 973	-9 714	-8 041	-11 142	-6 850	-6 384	-6 588	-4 638
Other operating income	1	334	365	4 171	-2	4 462	8 962	11 272	7 034
Other operating expenses	1	-2 470	-2 174	-146	-5 326	-1 995	-1 615	-1 393	-7 493
<b>Operating income</b>		<b>-26 287</b>	<b>-28 419</b>	<b>-12 602</b>	<b>-24 965</b>	<b>-13 310</b>	<b>-8 458</b>	<b>-3 111</b>	<b>-12 329</b>
Financial income	2	0	0	1	105 307	0	1	249	3
Financial expenses		-2 871	-2 881	-3 032	-4 275	-138	38	-30	-163
<b>Income after financial items</b>		<b>-29 156</b>	<b>-31 300</b>	<b>-15 633</b>	<b>76 067</b>	<b>-13 448</b>	<b>-8 419</b>	<b>-2 892</b>	<b>-12 489</b>
Income tax		0	0	0	-2	0	0	0	-6
<b>Net income</b>		<b>-29 156</b>	<b>-31 300</b>	<b>-15 633</b>	<b>76 065</b>	<b>-13 448</b>	<b>-8 419</b>	<b>-2 892</b>	<b>-12 495</b>
Other comprehensive income									
Exchange rate differences for the period	2	-1 895	-632	1 814	-1 830	520	902	379	227
Total comprehensive income net of tax for the period		-1 895	-632	1 814	-1 830	520	902	379	227
<b>Total comprehensive income for the period</b>		<b>-31 051</b>	<b>-31 932</b>	<b>-13 819</b>	<b>74 235</b>	<b>-12 928</b>	<b>-7 517</b>	<b>-2 513</b>	<b>-12 268</b>
Net income attributable to: equity holders of the parent company		-29 156	-31 300	-15 633	76 065	-13 448	-8 419	-2 892	-12 495
		<b>-29 156</b>	<b>-31 300</b>	<b>-15 633</b>	<b>76 065</b>	<b>-13 448</b>	<b>-8 419</b>	<b>-2 892</b>	<b>-12 495</b>
Total comprehensive income attributable to: equity holders of the parent company		-31 051	-31 932	-13 819	74 235	-12 928	-7 517	-2 513	-12 268
		<b>-31 051</b>	<b>-31 932</b>	<b>-13 819</b>	<b>74 235</b>	<b>-12 928</b>	<b>-7 517</b>	<b>-2 513</b>	<b>-12 268</b>
Average number of shares before dilution, thousands		54 030	54 030	54 030	212 552	565 723	565 723	565 723	565 723
Average number of shares after dilution, thousands		54 030	54 030	54 030	212 552	565 723	565 723	565 723	565 723
Earnings per share before dilution, SEK		-0,54	-0,58	-0,29	0,36	-0,02	-0,01	-0,01	-0,02
Earnings per share after dilution, SEK		-0,54	-0,58	-0,29	0,36	-0,02	-0,01	-0,01	-0,02
Comprehensive income per share before dilution, SEK		-0,57	-0,59	-0,26	0,35	-0,02	-0,01	0,00	-0,02
Comprehensive income per share after dilution, SEK		-0,57	-0,59	-0,26	0,35	-0,02	-0,01	0,00	-0,02

\* In September 2015 Nordic Mines implemented the consolidation of shares (reverse split) on a 1:100 basis. Historical numbers has been converted as well.

## Other information

	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
	2015	2015	2015	2015	2016	2016	2016	2016
Throughput, ore milled (ton)	0	0	0	0	0	0	0	0
Gold grade, gram per ton	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Availability/hours capacity utilization (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gold recovery in plant (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gold production (kg)	0	0	0	0	0	0	0	0
Gold production (tr oz)	0	0	0	0	0	0	0	0
Gold sold/delivered (kg)	0	0	0	0	0	0	0	0
Gold sold/delivered (tr oz)	0	0	0	0	0	0	0	0
Cash cost (USD/oz)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cost per ore milled, ton (EUR)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cost per ore milled, ton (SEK)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LTIFR, including contractors (accidents per 1 million working hours)	0	0	0	0	0	0	0	0
USD/SEK, average rate	8,32	8,42	8,47	8,50	8,45	8,21	8,52	9,21
EUR/SEK, average rate	9,38	9,30	9,42	9,31	9,32	9,27	9,50	9,70
EUR/SEK, closing rate	9,33	9,22	9,47	9,16	9,24	9,42	9,63	9,57

## Consolidated Statement of Financial Position

SEK 000	Note	31 Mar 2015	30 Jun 2015	30 Sep 2015	31 Dec 2015	31 Mar 2016	30 Jun 2016	30 Sep 2016	31 Dec 2016
<b>ASSETS</b>									
<b>Non-current assets</b>									
Intangible assets	3	63 797	63 414	64 313	63 188	63 482	64 123	64 925	64 684
Property, plant and equipment	4	448 682	438 066	438 327	423 608	421 972	421 590	426 844	421 438
Financial assets		22 165	21 920	22 495	21 821	22 010	22 422	22 936	22 781
<b>Total non-current assets</b>		<b>534 644</b>	<b>523 400</b>	<b>525 135</b>	<b>508 617</b>	<b>507 464</b>	<b>508 135</b>	<b>514 705</b>	<b>508 903</b>
<b>Current assets</b>									
Inventories and work in progress	5	31 031	30 689	34 487	34 586	34 885	35 537	35 990	35 233
Current receivables		10 833	8 137	7 970	6 404	5 800	6 016	4 776	5 312
Cash and cash equivalents		57 872	40 658	21 081	32 602	14 819	6 735	3 473	2 881
<b>Total current assets</b>		<b>99 736</b>	<b>79 484</b>	<b>63 538</b>	<b>73 592</b>	<b>55 504</b>	<b>48 288</b>	<b>44 239</b>	<b>43 426</b>
<b>TOTAL ASSETS</b>		<b>634 380</b>	<b>602 884</b>	<b>588 673</b>	<b>582 209</b>	<b>562 968</b>	<b>556 423</b>	<b>558 944</b>	<b>552 329</b>
<b>EQUITY AND LIABILITIES</b>									
<b>Equity</b>									
		<b>435 698</b>	<b>403 766</b>	<b>389 947</b>	<b>524 891</b>	<b>511 963</b>	<b>504 446</b>	<b>501 932</b>	<b>489 665</b>
<b>Non-current liabilities</b>									
Borrowings	6	123 098	124 207	130 073	0	0	0	0	0
Provisions		26 674	26 379	27 071	26 204	26 431	26 925	27 543	27 357
Other liabilities		0	0	0	15 467	15 601	15 893	6 668	6 623
<b>Total non-current liabilities</b>		<b>149 772</b>	<b>150 586</b>	<b>157 144</b>	<b>41 671</b>	<b>42 032</b>	<b>42 818</b>	<b>34 211</b>	<b>33 980</b>
<b>Current liabilities</b>									
Accounts payable		28 403	28 341	24 888	9 408	5 307	6 472	15 453	13 750
Borrowings		5 208	3 095	1 487	1 062	528	0	4 309	11 355
Other liabilities		1 166	1 299	1 119	1 856	367	347	644	578
Accrued expenses and prepaid income		14 133	15 797	14 088	3 321	2 771	2 340	2 395	3 001
<b>Total current liabilities</b>		<b>48 910</b>	<b>48 532</b>	<b>41 582</b>	<b>15 647</b>	<b>8 973</b>	<b>9 159</b>	<b>22 801</b>	<b>28 684</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>634 380</b>	<b>602 884</b>	<b>588 673</b>	<b>582 209</b>	<b>562 968</b>	<b>556 423</b>	<b>558 944</b>	<b>552 329</b>
<b>Pledged assets</b>	7	<b>20 169 614</b>	<b>#####</b>	<b>#####</b>	<b>22 131</b>	<b>22 136</b>	<b>22 147</b>	<b>22 161</b>	<b>220 566</b>
<b>Financial guarantees</b>	8	<b>35 304</b>	<b>35 089</b>	<b>35 594</b>	<b>34 962</b>	<b>35 127</b>	<b>35 488</b>	<b>9 632</b>	<b>9 567</b>

## Consolidated Statement of Changes in Equity

SEK 000	Equity	Other capital	Reserves	Retained earnings	Total equity
<b>Opening balance at January 1, 2015</b>	<b>391 835</b>	<b>935 444</b>	<b>-39 886</b>	<b>-820 644</b>	<b>466 749</b>
<b>Comprehensive income</b>					
Net income				-24	-24
Other result for the period			-2 543		-2 543
<b>Total comprehensive income for the period</b>			<b>-2 543</b>	<b>-24</b>	<b>-2 567</b>
Transactions accounted for directly against equity		-13 457			-13 457
Transactions with equity holders					
New share Issue	5 117	97 222			102 339
Issue expenses		-28 173			-28 173
Reduction in equity	-147 245			147 245	0
<b>Total comprehensive income for the period</b>	<b>-142 128</b>	<b>69 049</b>	<b>0</b>	<b>147 245</b>	<b>74 166</b>
<b>Total equity at December 31, 2015</b>	<b>249 707</b>	<b>991 036</b>	<b>-42 429</b>	<b>-673 423</b>	<b>524 891</b>
<b>Opening balance at January 1, 2016</b>	<b>249 707</b>	<b>991 036</b>	<b>-42 429</b>	<b>-673 423</b>	<b>524 891</b>
<b>Comprehensive income</b>					
Net income				-37 254	-37 254
Other result for the period			2 028		2 028
<b>Total comprehensive income for the period</b>			<b>2 028</b>	<b>-37 254</b>	<b>-35 226</b>
<b>Total equity at December 31, 2016</b>	<b>249 707</b>	<b>991 036</b>	<b>-40 401</b>	<b>-710 677</b>	<b>489 665</b>

## Consolidated Statement of Cash Flows

SEK 000	Q4 2016	Q4 2015	Full year 2016	Full year 2015
<b>Operating cash flow</b>	<b>-12 329</b>	<b>-25 005</b>	<b>-37 208</b>	<b>-92 273</b>
Interest paid	-163	-4 275	-293	-13 059
Interest received	3	105 307	253	105 310
<u>Adjustments for items not included in cash flow:</u>	0			
Depreciations and write-offs	3 539	5 185	15 741	27 269
Provisions	-186	-867	1 153	-889
Others	2 421	-106 077	-12 478	-106 313
<b>Cash flow after operating activities before changes in working capital</b>	<b>-6 715</b>	<b>-25 732</b>	<b>-32 832</b>	<b>-79 955</b>
<b>Cash flow from changes in working capital</b>				
Changes in inventories and work in progress	757	-99	-647	-3 066
Changes in current receivables	-536	1 567	1 092	5 513
Changes in accounts payable	-1 703	-13	4 342	-7 827
Changes in current liabilities	540	-10 030	-1 598	-12 531
<b>Cash flow from operating activities</b>	<b>-7 657</b>	<b>-34 307</b>	<b>-29 643</b>	<b>-97 866</b>
<b>Investing activities</b>				
Acquisition of fixed assets	8	-616	-1 168	-838
Recovery/ acquisition of other fixed assets	155	-19	-960	
<b>Cash flow from investing activities</b>	<b>163</b>	<b>-635</b>	<b>-2 128</b>	<b>-838</b>
<b>Financing activities</b>				
Rights issue		60 709		60 709
Amortization and loans	7 001	-11 823	1 449	-10 137
<b>Cash flow from financing activities</b>	<b>7 001</b>	<b>48 886</b>	<b>1 449</b>	<b>50 572</b>
<b>Changes in cash and cash equivalents</b>	<b>-493</b>	<b>13 944</b>	<b>-30 322</b>	<b>-48 132</b>
<b>Cash and cash equivalents in the beginning of the period</b>	<b>3 473</b>	<b>21 081</b>	<b>32 602</b>	<b>83 197</b>
<b>Exchange rate change in cash and cash equivalents</b>	<b>-99</b>	<b>-2 423</b>	<b>601</b>	<b>-2 463</b>
<b>Cash and cash equivalents in the end of the period</b>	<b>2 881</b>	<b>32 602</b>	<b>2 881</b>	<b>32 602</b>

## Consolidated Statement of Cash Flows, quarterly

SEK 000	Q 1 2015	Q 2 2015	Q 3 2015	Q 4 2015	Q 1 2016	Q 2 2016	Q 3 2016	Q 4 2016
<b>Operating cash flow</b>	<b>-25 371</b>	<b>-27 794</b>	<b>-14 103</b>	<b>-25 005</b>	<b>-13 310</b>	<b>-8 458</b>	<b>-3 111</b>	<b>-12 329</b>
Interest paid	-2 871	-2 881	-3 032	-4 275	-138	38	-30	-163
Interest received	2	0	1	105 307	0	1	249	3
<u>Adjustments for items not included in cash flow:</u>								
Depreciations and write-offs	7 727	7 438	6 919	5 185	4 673	3 829	3 700	3 539
Provisions	-419	-295	692	-867	227	494	618	-186
Others	3 201	3 440	-6 877	-106 077	-2 398	-3 168	-9 333	2 421
<b>Cash flow after operating activities before changes in working capital</b>	<b>-17 731</b>	<b>-20 092</b>	<b>-16 400</b>	<b>-25 732</b>	<b>-10 946</b>	<b>-7 264</b>	<b>-7 907</b>	<b>-6 715</b>
<b>Cash flow from changes in working capital</b>								
Changes in inventories and work in progress	489	342	-3 798	-99	-299	-652	-453	757
Changes in current receivables	1 084	2 698	164	1 567	604	-216	1 240	-536
Changes in accounts payable	-4 299	-62	-3 453	-13	-4 101	1 165	8 981	-1 703
Changes in current liabilities	-2 409	1 797	-1 889	-10 030	-2 039	-451	352	540
<b>Cash flow from operating activities</b>	<b>-22 866</b>	<b>-15 317</b>	<b>-25 376</b>	<b>-34 307</b>	<b>-16 781</b>	<b>-7 418</b>	<b>2 213</b>	<b>-7 657</b>
<b>Investing activities</b>								
Acquisition of fixed assets	-324	-513	615	-616	-529	-278	-369	8
Recovery/ acquisition of other fixed assets	349	245	-575	-19	-189	-412	-514	155
<b>Cash flow from investing activities</b>	<b>25</b>	<b>-268</b>	<b>40</b>	<b>-635</b>	<b>-718</b>	<b>-690</b>	<b>-883</b>	<b>163</b>
<b>Financing activities</b>								
Rights issue	0	0	0	60 709	0	0	0	0
Amortization and loans	-1 568	-1 004	4 258	-11 823	-400	-236	-4 916	7 001
<b>Cash flow from financing activities</b>	<b>-1 568</b>	<b>-1 004</b>	<b>4 258</b>	<b>48 886</b>	<b>-400</b>	<b>-236</b>	<b>-4 916</b>	<b>7 001</b>
<b>Changes in cash and cash equivalents</b>	<b>-24 409</b>	<b>-16 589</b>	<b>-21 078</b>	<b>13 944</b>	<b>-17 899</b>	<b>-8 344</b>	<b>-3 586</b>	<b>-493</b>
<b>Cash and cash equivalents in the beginning of the period</b>	<b>83 197</b>	<b>57 872</b>	<b>40 658</b>	<b>21 081</b>	<b>32 602</b>	<b>14 819</b>	<b>6 735</b>	<b>3 473</b>
<b>Exchange rate change in cash and cash equivalents</b>	<b>-916</b>	<b>-625</b>	<b>1 501</b>	<b>-2 423</b>	<b>116</b>	<b>260</b>	<b>324</b>	<b>-99</b>
<b>Cash and cash equivalents in the end of the period</b>	<b>57 872</b>	<b>40 658</b>	<b>21 081</b>	<b>32 602</b>	<b>14 819</b>	<b>6 735</b>	<b>3 473</b>	<b>2 881</b>

## Consolidated Key Ratios

	Q4 2016	Q4 2015	Full year 2016	Full year 2015
Investments in plant, SEK 000	-8	616	1 168	838
EBITDA SEK 000	-8 790	-19 205	-21 467	-64 691
Income after financial items, SEK 000	-12 489	76 067	-37 248	-22
Return on total assets, %	Neg	14	Neg	2
Return on equity, %	Neg	14	Neg	Neg
Equity, SEK 000	489 665	524 891	489 665	524 891
Total assets, SEK 000	552 329	582 209	552 329	582 209
Net debt, SEK 000	8 474	-31 540	8 474	-31 540
Equity/assets ratio, %	88,7	90,2	88,7	90,2
Average number of employees	36	47	39	62
Number of employees at the end of the period	36	44	36	44
Equity per share after dilution, SEK	0,87	0,93	0,87	0,93
Number of shares, thousands	565 723	565 723	565 723	565 723
Number of shares after dilution (at the end of the period), thousands	565 723	565 723	565 723	565 723
Number of shares after dilution (average), thousand	565 723	212 552	565 723	212 552
Cash flow per share, SEK	0,00	0,02	-0,05	-0,09

## Consolidated Quarterly Key Ratios

	Q 1 2015	Q 2 2015	Q 3 2015	Q 4 2015	Q 1 2016	Q 2 2016	Q 3 2016	Q4 2016
Investments in plant, SEK 000	673	164	-615	616	529	278	369	-8
EBITDA SEK 000	-18 650	-21 069	-5 767	-19 205	-8 637	-4 629	589	-8 790
Income after financial items, SEK 000	-29 156	-31 300	-15 633	76 067	-13 448	-8 419	-2 892	-12 489
Return on total assets, %	Neg	Neg	Neg	14	Neg	Neg	Neg	Neg
Return on equity, %	Neg	Neg	Neg	14	Neg	Neg	Neg	Neg
Equity, SEK 000	435 698	403 766	389 947	524 891	511 963	504 446	501 932	489 665
Balance sheet total, SEK 000	634 380	602 884	588 673	582 209	562 968	556 423	558 944	552 329
Net debt, SEK 000	70 434	86 644	110 479	-31 540	-14 291	-6 735	836	8 474
Equity/assets ratio, %	68,7	67,0	66,2	90,2	90,9	90,7	89,8	88,7
Average number of employees	72	67	63	47	45	42	38	36
Number of employees at the end of the period	69	66	61	44	44	38	38	36
Equity per share after dilution, SEK	8,06	7,47	7,22	0,93	0,90	0,89	0,89	0,87
Number of shares, thousands	54 030	54 030	54 030	565 723	565 723	565 723	565 723	565 723
Number of shares after dilution (at the end of the period), thousands	54 030	54 030	54 030	565 723	565 723	565 723	565 723	565 723
Number of shares after dilution (average), thousand	54 030	54 030	54 030	212 552	565 723	565 723	565 723	565 723
Cash flow per share, SEK	-0,45	-0,31	-0,39	0,02	-0,03	-0,01	-0,01	0,00

## Parent Company Income Statement

SEK 000	Q4 2016	Q4 2015	Full year 2016	Full year 2015
Administrative costs	-3 675	-8 983	-21 389	-27 039
Other operative income	7 922	141	27 649	5 280
Other operating costs	-7 487	-5 310	-12 482	-10 065
<b>Operating income</b>	<b>-3 240</b>	<b>-14 152</b>	<b>-6 222</b>	<b>-31 824</b>
Financial items, net	4 901	1 921	19 002	7 576
<b>Income after financial items</b>	<b>1 661</b>	<b>-12 231</b>	<b>12 780</b>	<b>-24 248</b>
Income tax	-3	-	-3	-
<b>Net income</b>	<b>1 658</b>	<b>-12 231</b>	<b>12 777</b>	<b>-24 248</b>
Average number of shares before dilution, thousand	565 723	212 552	565 723	93 661
Average number of shares after dilution, thousand	565 723	212 552	565 723	93 661
Basic earnings per share, SEK	0,00	-0,06	0,02	-0,26
Diluted earnings per share, SEK	0,00	-0,06	0,02	-0,26

## Parent Company Balance Sheet

SEK 000	Note	31 Dec 2016	31 Dec 2015
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		63 879	62 383
Property, plant and equipment		31 136	31 443
Financial assets		290 403	239 718
<b>Total non-current assets</b>		<b>385 418</b>	<b>333 544</b>
<b>Current assets</b>			
Current receivables		1 571	1 826
Cash and cash equivalents		1 697	29 961
<b>Total current assets</b>		<b>3 268</b>	<b>31 787</b>
<b>TOTAL ASSETS</b>		<b>388 686</b>	<b>365 331</b>
<b>EQUITY AND LIABILITIES</b>			
Equity		373 236	360 779
Non-current liabilities	7	68	68
Current liabilities		15 382	4 484
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>388 686</b>	<b>365 331</b>
Pledged assets		198 409	31
Contingent liabilities		9 567	34 962



## Parent Company Statement of Changes in Equity

SEK 000	Equity	Statutory reserve	Share premium reserve	Retained earnings	Total Equity
<b>Opening balance at January 1, 2015</b>	<b>391 835</b>	<b>26 000</b>	<b>909 444</b>	<b>-1 056 689</b>	<b>270 590</b>
Transactions accounted for directly against equity			39 959		39 959
New share issues	5 117		97 222		102 339
Issue expenses			-28 173		-28 173
Reduction in equity	-147 245			147 245	0
Net income				-24 248	-24 248
Translation difference				312	312
<b>Total equity at December 31, 2015</b>	<b>249 707</b>	<b>26 000</b>	<b>1 018 452</b>	<b>-933 380</b>	<b>360 779</b>

SEK 000	Equity	Statutory reserve	Share premium reserve	Retained earnings	Total Equity
<b>Opening balance at January 1, 2016</b>	<b>249 707</b>	<b>26 000</b>	<b>1 018 452</b>	<b>-933 380</b>	<b>360 779</b>
Net income				12 777	12 777
Translation difference				-320	-320
<b>Total equity at December 31, 2016</b>	<b>249 707</b>	<b>26 000</b>	<b>1 018 452</b>	<b>-920 923</b>	<b>373 236</b>

## Parent Company Statement of Cash Flows

SEK 000	Q4 2016	Q4 2015	Full year 2016	Full year 2015
Cash flow from operating activities before change in working capital	2 015	-10 168	11 283	-21 864
Change in working capital	-857	373	-202	-869
<b>Cash flow from operating activities</b>	<b>1 158</b>	<b>-9 795</b>	<b>11 081</b>	<b>-22 733</b>
<b>Cash flow from investing activities</b>	<b>-8 577</b>	<b>-36 125</b>	<b>-50 685</b>	<b>-43 206</b>
<b>Cash flow from financing activities</b>	<b>7 046</b>	<b>60 707</b>	<b>11 355</b>	<b>60 707</b>
<b>Change in cash and cash equivalents for the period</b>	<b>-373</b>	<b>14 787</b>	<b>-28 249</b>	<b>-5 232</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2 069</b>	<b>15 752</b>	<b>29 961</b>	<b>35 764</b>
<b>Exchange rate change in cash and</b>	<b>1</b>	<b>-578</b>	<b>-15</b>	<b>-571</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1 697</b>	<b>29 961</b>	<b>1 697</b>	<b>29 961</b>

## Note 1 Other operating income and other operating costs

	Q 1	Q 2	Q 3	Q 4	Full year	Q 1	Q 2	Q 3	Q 4
SEK 000	2015	2015	2015	2015	2015	2016	2016	2016	2016
Exchange gains (unrealized)	334	365	4 171	-2	4 868	4 462	7 559	8 507	4 738
Forest sales							1 403	2 765	2 296
Exchange losses (unrealized)	-2 470	-2 174	-146	-5 326	-10 116	-1 995	-1 615	-1 393	-7 493
<b>Total other operating income and other operating costs</b>	<b>-2 136</b>	<b>-1 809</b>	<b>4 025</b>	<b>-5 328</b>	<b>-5 248</b>	<b>2 467</b>	<b>7 347</b>	<b>9 879</b>	<b>-459</b>

## Note 2 Group reserves

	31 Mar	30 Jun	30 Sep	31 Dec		31 Mar	30 Jun	30 Sep	31 Dec
SEK 000	2015	2015	2015	2015		2016	2016	2016	2016
<b>Translations</b>									
At beginning of period	-39 886	-41 781	-42 413	-40 599		-42 429	-41 909	-41 007	-40 628
Exchange rate differences									
- Group	-1 895	-632	1 814	-1 830		520	902	379	227
<b>Total translations</b>	<b>-1 895</b>	<b>-632</b>	<b>1 814</b>	<b>-1 830</b>		<b>520</b>	<b>902</b>	<b>379</b>	<b>227</b>
<b>Closing balance</b>	<b>-41 781</b>	<b>-42 413</b>	<b>-40 599</b>	<b>-42 429</b>		<b>-41 909</b>	<b>-41 007</b>	<b>-40 628</b>	<b>-40 401</b>
<b>Total hedges</b>	<b>-41 781</b>	<b>-42 413</b>	<b>-40 599</b>	<b>-42 429</b>		<b>-41 909</b>	<b>-41 007</b>	<b>-40 628</b>	<b>-40 401</b>

## Note 3 Intangible Assets

	31 Mar	30 Jun	30 Sep	31 Dec		31 Mar	30 Jun	30 Sep	31 Dec
SEK 000	2015	2015	2015	2015		2016	2016	2016	2016
Opening balance	64 341	63 797	63 414	64 313		63 188	63 482	64 123	64 925
Exchange rate differences	-544	-383	899	-1 125		294	641	802	-241
<b>Closing balance</b>	<b>63 797</b>	<b>63 414</b>	<b>64 313</b>	<b>63 188</b>		<b>63 482</b>	<b>64 123</b>	<b>64 925</b>	<b>64 684</b>

## Note 4 Property, plant and equipment

	31 Dec 2016			
	Buildings, land	Mine assets	Machinery and production Inventory facility	Total property plant
<b>SEK 000</b>				
Opening book value	25 397	110 284	6 622	281 305
Purchases			31	1 137
Exchange rate differences			13	12 390
Depreciation	-57		-870	-14 814
<b>Closing book value</b>	<b>25 340</b>	<b>110 284</b>	<b>5 796</b>	<b>280 018</b>

## Note 5 Inventories and work in progress

	31 Mar 2015	30 Jun 2015	30 Sep 2015	31 Dec 2015	31 Mar 2016	30 Jun 2016	30 Sep 2016	31 Dec 2016
<b>SEK 000</b>								
Consumables	31 031	30 689	34 487	34 586	34 885	35 537	35 990	35 233
<b>Total inventories and work in progress</b>	<b>31 031</b>	<b>30 689</b>	<b>34 487</b>	<b>34 586</b>	<b>34 885</b>	<b>35 537</b>	<b>35 990</b>	<b>35 233</b>

## Note 6 Bank loans

Nordic Mines AB has during the fourth quarter 2015 acquired all of the lenders' claims on the Group pursuant to the existing project financing agreement (the "Bank Debt"). The repurchase of the Bank Debt meant that Nordic Mines AB acquires the Bank Debt at a purchase price of EUR 5 million, corresponding to an additional write-down of the initial loan amounts of approximately EUR 10 million. Prior to the first write-down during the summer 2014, the amount of the Bank Debt exceeded EUR 45 million. Nordic Mines AB has also acquired the warrants previously held by the lenders, such warrants corresponding to an ownership of 12 per cent in Nordic Mines AB following exercise of the warrants. The warrants has thereafter been cancelled. Through the acquisition the Group has resumed full control over the assets that are pledged pursuant to the project financing agreements.

## Note 7 Pledged assets

SEK 000	31 Mar 2015	30 Jun 2015	30 Sep 2015	31 Dec 2015	31 Mar 2016	30 Jun 2016	30 Sep 2016	31 Dec 2016
<b>Own liabilities and provisions</b>								
Restricted cash, Deposition Trade-, Traffic- & Environment authority in Finland	21 535	21 535	21 535	21 535	21 535	21 535	21 535	21 535
Restricted cash, Bergstaten	31	31	31					
Restricted cash, TUKES (TEUR 65)				596	601	612	626	622
Leasehold mortgages (MEUR 700)	6 529 460	6 457 360	6 626 830					
Floating charges (MEUR 730)	6 809 294	6 734 104	6 910 837					
Property mortgages (MEUR 730)	6 809 294	6 734 104	6 910 837					
Pledged shares in the subsidiary, Nordic Mines Marknad AB								198 409
<b>Total</b>	<b>#####</b>	<b>#####</b>	<b>#####</b>	<b>22 131</b>	<b>22 136</b>	<b>22 147</b>	<b>22 161</b>	<b>220 566</b>

A significant portion of the project funding raised in March 2011 is from the land around Laiva, the properties and machinery owned by the Company, which were pledged to the benefit of the project financiers. In relation to the acquisition of the bank debt by the Company in 2015 the beneficiary went over from Nordic Mines' lenders to the Nordic Mines parent company and is therefor not accounted for as of 31 December 2015. The value was set by the National Land Survey of Finland at EUR 730 million at the time of the initial pledge. The book value has historically been accounted for significantly lower on the corresponding assets.

## Note 8 Contingent liabilities

SEK 000	31 Mar 2015	30 Jun 2015	30 Sep 2015	31 Dec 2015	31 Mar 2016	30 Jun 2016	30 Sep 2016	31 Dec 2016
Guarantee Tallqvist AB (MEUR 1)	9 328	9 225	9 467	9 164	9 243	9 416	9 632	9 567
Guarantee Atlas Copco AB (maximum amount)	15 840	15 840	15 840	15 840	15 840	15 840		
Guarantee Nordea Oy (MEUR 1,1)	10 136	10 024	10 287	9 958	10 044	10 232		
<b>Total</b>	<b>35 304</b>	<b>35 089</b>	<b>35 594</b>	<b>34 962</b>	<b>35 127</b>	<b>35 488</b>	<b>9 632</b>	<b>9 567</b>