

NORDIC MINES AB (publ)

Delårsrapport tredje kvartalet 2016

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Tredje kvartalet 2016

- Vinsten uppgick till 0,0 miljoner SEK (0,0 miljoner SEK), eftersom Laivagruvan inte är i drift, utan det endast sker underhållsarbete i gruvan för närvarande.
- Företaget rapporterade en operativ förlust på -3,1 miljoner SEK (-12,6 miljoner SEK).
- Förlust efter skatt under perioden uppgick till -2,9 miljoner SEK (-15,6 miljoner), motsvarande -0,01 SEK (-0,29 SEK) per aktie.
- Likvida medel uppgick till 3,5 miljoner SEK (6,7 miljoner SEK, 30 juni 2016) vid slutet av perioden.
- Eget kapital var 501,9 miljoner SEK (504,4 miljoner SEK, 30 juni 2016) i slutet av perioden.
- Nasdaq Stockholm har gett Nordic Mines böter motsvarande sju gånger den årliga listningskostnaden (cirka 1,5 miljoner SEK).
- Aktieägarlån på 4,3 miljoner SEK har säkrats för att finansiera driftskostnader av företaget.
- Nasdaq Stockholm satte företaget under observationsstatus på grund av att företaget inte har tillräckliga tillgångar för de kommande tre månaderna.
- Ett positivt test med optisk sorteringsteknik har genomförts med 70 ton malm vid Björkdalsgruvan i Sverige.

Januari – September 2016

- Vinsten uppgick till 0,0 miljoner SEK (0,0 miljoner SEK) eftersom Laivagruvan inte är i drift.
- Företaget rapporterade en förlust på -24,9 miljoner SEK (-67,3 miljoner SEK).
- Förlust efter skatt uppgick till -24,7 miljoner SEK (-76,1 miljoner SEK) för den aktuella perioden, motsvarande -0,04 SEK (-1,41 SEK) per aktie.
- Det totala resultatet för perioden blev -23,0 miljoner SEK (-76,8 miljoner SEK).

Viktigare händelser efter 30 september 2016

- Företaget har säkrat ytterligare 2,3 miljoner SEK i aktieägarlån
- Företaget har gjort flera förändringar i ledningen under oktober för att förstärka Nordic Mines ledning.
- Bolaget säkrade 2,0 miljoner US \$ i finansiering från Lau Su Holding AB i en kombination av aktieägarlån, nytt eget kapital och preferensaktier som kommer att vara föremål för aktieägarnas godkännande. De konverterar också sina befintliga aktieägarlån av 0,25 miljoner USD till preferensaktier. För mer information läs pressmeddelandet om finansiell ombyggnad, släpptes 30 november 2016.
- Lao Tzu Investments AB konverterar sitt aktieägarlån på 0,25 miljoner dollar till preferensaktier på samma villkor som Lau Su Holding AB, under förutsättning av bolagsstämmans godkännande.

Uttalande från vd:n

Under det tredje kvartalet har ledningen i Nordic Mines fortsatt att fokusera på förberedelser för en lönsam nystart av Laivaguldgruvan. Vi räknar med att produktionen kan komma igång igen inom 10 månader efter det att vi fått finansieringen klar för en nystart av gruvan. Just nu är vi i slutfasen av en omstrukturering av värdekedjan både ekonomiskt och operativt genom planerna att outsourca gruvans anrikningsverk genom ett leasingavtal. För mer information om det, se pressmeddelandet med titeln "Ekonomisk omstrukturering med mål att återstarta gruvan under 2017" skickat den 30 november 2016.

Strategi

Genom ett omfattande arbete har vi ökat effektiviteten med 20 procent i värdekedjan "gruva till malm". Vi har gjort en omstrukturering av värdekedjan då vi hittat tekniska lösningar som är effektivare för att bryta och sortera malm än den teknik som användes i Laivagruvan tidigare.

Det finns stora fördelar med att använda den operativa "göra mer med mindre"-modellen, som beskrivs i pressmeddelandet som nämns i texten ovan. Vårt mål är att ha en operativ modell för vinstdrivande guldproduktion vid olika miniminivåer för produktionsvolym och guldpriser. En effektiv teknik för sortering av malmen i anrikningsverket bidrar till att den här operativa modellen är kapitaleffektiv. Vi sikar på att ha en bruttomarginal på 38 procent vid ett guldpris på USD 1080 /uns.

Vårt första steg skulle bli att fokusera på malmbrytning utan sorteringen för att göra företaget lönsamt och livskraftigt. Därefter ska sorteringen överträffa grundscenariot, med den ursprungliga metoden för sortering av malmen. Mer om detta beskrivs i pressmeddelandet med titeln "Ekonomisk omstrukturering med mål att återstarta gruvan under 2017" skickat den 30 november 2016.

Det har nyligen också skett förändringar i företagets ledning med mål att ha en organisation som kan arbeta utifrån den nya operativa modellen. Fortlöpande kommer vi att se över kompetensen i företaget så eventuella luckor kan fyllas i tid. De nya medlemmarna som tillkommit i företagets ledning har omfattande kunskap, erfarenhet och meriter inom gruvbrytning. Sammantaget bedömer vi nu att Laivagruvan är ett livskraftigt projekt som kan bli lönsamt tack vare ny kunskap och erfarenhet.

De senaste sex månadernas arbete med optisk lasersortering av låggradig guldmalm har varit mycket givande. Vi tror att den här sorteringstekniken kommer att förstärka gruvans ekonomiska förutsättningar. Tidigare har vi gjort tester av den här tekniken vid Steinert och Tomra i Tyskland. Nu har vi genomfört ytterligare tester med större mängder guldmalm i Björkdalsgruvan i Sverige. Samtliga testresultat har varit positiva. Den nya sorteringstekniken möjliggör att snabbare sortera större mängder malm jämfört med tidigare. Det innebär att vi kan övergå till att bryta malm med så kallad bulkmetod istället för en selektiv metod, som användes när gruvan var i drift förra gången.

Med optisk sortering kan vi även göra en ombearbetning av det upplag av sulfid som finns vid gruvan. Det handlar om redan brutet material som förväntas innehålla 0,9 gram guld per ton efter en ombearbetning. Genom att kunna använda redan brutet malm på det här sättet kan produktionen av guld komma igång snabbare än vi tidigare planerat.

Efter positiva testresultat är nästa steg i processen att utforma en sorteringsalgoritm genom att installera en pilotversion av sorteringsverket och sortera ut guld från gråbergsupplaget. Att ta utveckla en sådan sorteringsalgoritm skulle inte bara uppgradera sorteringsmodellen totalt sett, utan även processen med sortering av redan brutet gråberg kan ge ett värdefullt tillskott på ungefär 97,9 miljoner SEK netto till företagets investeringskostnader som beräknas till cirka 176 miljoner SEK.

Parallellt med detta har ytterligare arbete genomförts med att uppdatera anrikningsverkets utformning och andra förändringar av transportband. Utöver detta har vi även gjort en åtstramning av ekonomin för att stödja vår satsning med målet att starta gruvan igen.

Prospektering

En långsiktig bild av Laivagruvan är inte komplett utan att något sägs om dess prospekteringspotential. Det finns en stor prospekteringspotential vid Laiva. Detta är en av de viktigaste faktorerna för en nystart.

Det finns ett stort område med guldfyndigheter runt omkring Laivagruvan, Det här är känt sedan tidigare provtagning. Ett stort antal prover som gjorts har visat på liknande guldhalter som idag finns i de två existerande dagbrotten med 1,1 gram per ton.

Vid provborrningar som skedde 2012, under det norra dagbrottet hittades exempel (individual assay) på mellan 10 till 79 gram guld per ton 150 meter under ytan. Vid en etablering av den nya finansieringsmodellen kommer det ske uppföljningar av dessa höga borrhavsresultat genom ytterligare provborrningar.

Fortsatta utredningar av dessa fyndigheter är något som styrelsen kommer att prioritera vid en nystart av gruvan. Blir en ny finansiering av gruvan möjlig ser vi ljus på framtiden och anser att det är möjligt att bygga ut och utöka gruvans produktion.

Medel

Ytterligare fem miljoner USD i kapital krävs för att införa den operativa modellen och en pilotversion av sorteringsverket för att sortera ut guld från det befintliga gråbergsupplaget. Den nuvarande aktieägaren Lau Su

Holding AB har åtagit sig att ta fram 2 miljoner USD i kapitalfinansiering till Nordic Mines och vår nuvarande aktieägarskuld på 0,75 miljoner USD kan omvandlas till kapital. Detta innebär att de som stödjer förslaget redan har garanterat över 50 procent av kapitalet som krävs för att guldproduktionen ska kunna starta under 2017. Trots att vi har garantier för luckan på två miljoner USD även i denna modell skulle vi föredra en institutionell närvaro i Nordic Mines balansräkning. Detta kan möjligtvis åstadkommas genom en nyemission som diskuteras med lokala investmentbanker.

Böter från Nasdaq Stockholm

Disciplinnämnden vid Nasdaq Stockholm ("Disciplinnämnden") ålade Nordic Mines AB (publ) ("Nordic Mines" eller "Bolaget") att till Nasdaq Stockholm betala ett vite om sju gånger årsavgiften (uppgående till ett belopp om ca MSEK 1,5). Disciplinnämndens beslut grundade sig bland annat på Aktiemarknadsnämndens tidigare bedömning att det sätt på vilket Lau Su Holding AB tilläts att teckna nya aktier i Bolagets Företrädesemission 2015 inte var i enlighet med god sed på aktiemarknaden.

Vid tillfället för företrädesemissionen befann sig Bolaget i en mycket ansträngd finansiell situation och kunde inte se att några andra handlingsalternativ var tillgängliga. Som redogörs i Bolagets tidigare yttrande till Aktiemarknadsnämnden är det Bolagets uppfattning att det förelåg en hög sannolikhet för att den finska ackordsplanen skulle komma att förfalla i det fall Bolaget misslyckades med att slutföra Företrädesemissionen 2015. Detta i sin tur skulle kunna ha lett till en ny företagsrekonstruktion, konkurs eller annan avveckling av Bolaget.

Ny ledning

Under oktober genomförde företaget flera nytillsättningar i ledningen:

Ola Wahlquist, ex Audit Partner of the Year 2015, Ernst & Young utnämndes till Senior Advisor 19 oktober 2016. Ola Wahlquist är en framstående expert på riskhantering, frågor om compliance samt revision. Ola har över 30 års erfarenhet på ledande nivå, och var Senior Partner på Ernst & Young. Han har varit förbunden i uppdrag med många stora och medelstora börsnoterade bolag i Norden, inklusive gruvföretag. Ola kommer också bli invald i styrelsen, efter nödvändiga godkännanden.

Tony Butler utnämndes till CFO, 25 Oktober 2016. Tony kommer närmast från Legacy Hill Resources där han är Head of Finance med ansvar för alla delar av corporate finance, finansiell planering, system och kontroll. Tony har tidigare varit styrelseledamot för Cutfield Freeman & Co där han var verksam under 8 år samt Vice President för Metals & Mining vid Nomura International. Tony har lett flera transaktioner, bland annat inom publik M&A, kapitalanskaffningar genom både equity och debt capital markets samt såväl joint ventures som projekt- och offtakefinansieringar för flera olika typer av gruvbolag, alltifrån stora bolag som Rio Tinto och Anglo American till små gruvbolag med enstaka gruvor. Tony har arbetat med bolag som är börsnoterade på bland annat London Stock Exchange, Toronto Stock Exchange och Australia Securities Exchange. Tony har examina från Merton College i Oxford och Kings College i London samt en Graduate Diploma i juridik.

Rune Nordström utnämndes till Head of Corporate Communications and Investor Relations, 25 oktober 2016. Rune är seniorkonsult och vice VD på Nowa Kommunikation. Rune har över 20 års erfarenhet som expert inom affärskommunikation, offentliga affärer och investerarrelationer. Han har tidigare arbetat med kunder som AstraZeneca, SWECO Cres, Sector Alarm, Regeringskansliet, Stockholms läns landsting och Stockholms stad. Rune har en examen i affärskommunikation från IHM Business School samt en fil.kand. från Stockholms universitet.

Ludmilla Lundberg utnämndes till Senior Advisor för Compliance & Reporting, 27 oktober 2016. Ludmilla har 20 års erfarenhet av att arbeta med compliance och rapportering som ekonomisk controller och chefsekonom i stora börsnoterade bolag som Skanska, SEB, ABB och Vattenfall. Tidigare har Ludmilla även varit tillförordnad ekonomichef i det börsnoterade bolaget Copperstone Resources AB. Med sin breda erfarenhet kommer Ludmilla tillföra mycket till Nordic Mines.

Med de här nyförvärven till ledningen anser styrelsen att Nordic Mines stärkts på ett positivt sätt. Nu finns det goda förutsättningar att implementera Nordic Mines förändringsstrategier för framtiden.

Results, third quarter 2016

Net sales were SEK 0.0 million (SEK 0.0 million) during the third 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 -4.8 million (SEK -1.8 million) during the third quarter of 2016. Even if 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 third quarter of 2016 were SEK -1.6 million (SEK -6.8 million).

Sales and administration costs amounted to SEK -7.0 million (SEK -8.0 million).

The Company reported an operating result of SEK -3.1 million (SEK -12.6).

Net financial items were SEK 0.2 million (SEK -3.0 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 -2.9 million (SEK -15.6 million).

Cash flow and financial position

Cash flow from operating activities including changes in working capital for the third quarter of 2016 amounted to SEK -7.9 million (SEK -16.4 million). Net cash flow from the financing operations amounted to SEK -4.9 million (SEK 4.2 million) during the same period. Cash and cash equivalents at the end of the period amounted to SEK 3.5 million compared to SEK 6.7 million as of 30 June 2016. The financing announced concurrently with this report ensures the Company has sufficient funds to see the company through the next phase of its development. For more information please refer to *Liquidity risk and going concern principle*.

At the end of the period, the Group's equity was SEK 501.9 million, compared to SEK 504.4 million as of 30 June 2016. For risks related to the Company's equity, please refer to *Going Concern Principle*. The equity/assets ratio was 89.8% per cent compared to 90.7 per cent as of 30 June 2016. Net debt was SEK 0.8 million compared to SEK -6.7 million as of 30 June 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 -0.9 million, compared to SEK 0.0 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 third quarter of 2016, the average number of employees was 38.

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 30 September 2016 amounted to SEK 64.9 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
Measured + Indicated	24,317,397	1.13	27,535	885,000
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
Measured + Indicated	15,970,000	1.52	24,300	780,000
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
Proved + probable	9,367,000	1.19	11,200	360,000

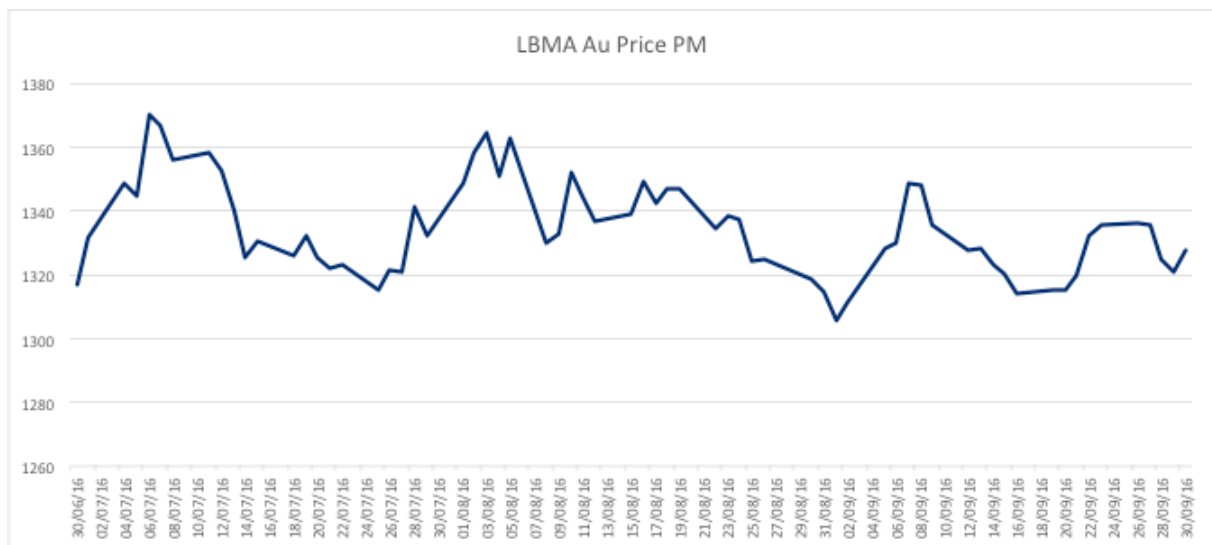
The mineral reserve is reported at a cut-off grade of 0.6 g/t.

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*.

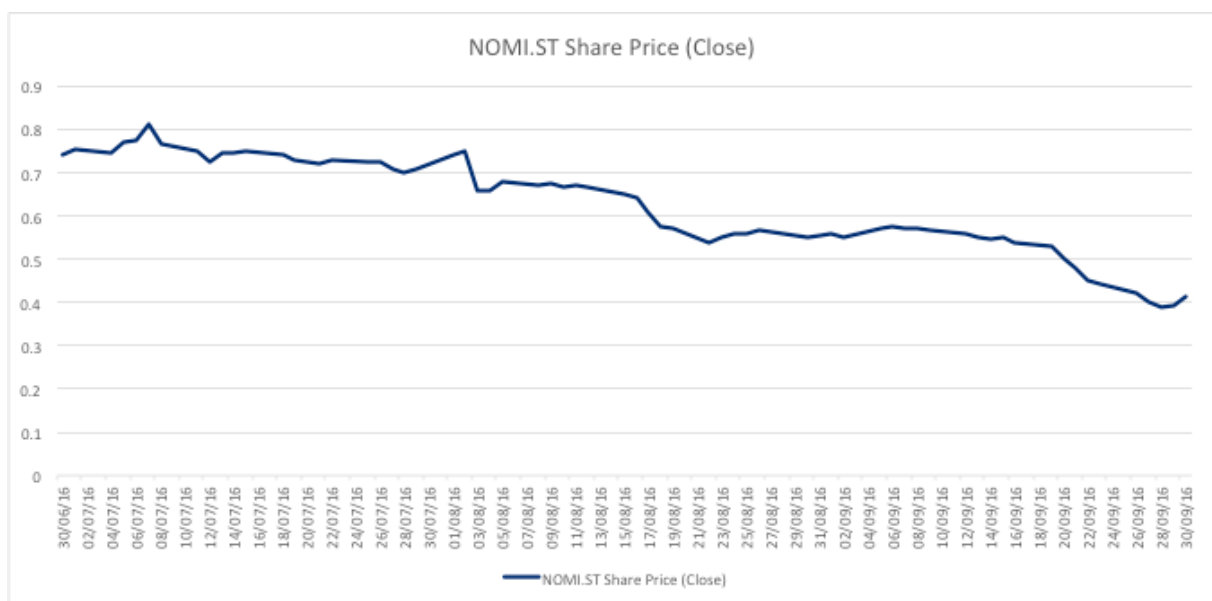
The gold market and price of gold

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 1,332, and at the end of the quarter at USD 1,328.



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 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 September 2016	Number of shares	Holdings %
EUROCLEAR BANK S.A/N.V, W8-IMY	191,514,092	33.8%
STATE STREET BANK & TRUST COM., BOSTON	55,757,576	9.9%
CBSG-PHILLIP SEC P/L-CL(INSTI NDVP	32,545,003	5.8%
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	16,181,984	2.9%
ROBUR FÖRSÄKRING	7,056,350	1.2%
NORDNET PENSIONS FÖRSÄKRING AB	7,013,448	1.2%
CBLDN-UBS FINANCIAL SERVICES INC	5,592,226	1.0%
HANDELSBANKEN LIV	4,788,946	0.8%
AZIZOLLAHIBANAB, MADJIDO	3,023,999	0.5%
MENDRIS, NICO	3,000,000	0.5%
OTHER	239,249,132	42.4%
Total	565,722,756	100%

Source: Euroclear

Share capital

As per 30 September 2016, the share capital amounted to SEK 233,08 million divided between 565,722,756 shares with a quota value of SEK 0.412 each.

Equity amounted to SEK 501.9 million at 31 September 2016, compared to SEK 504.4 million at 30 June 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.

Liquidity risk and going concern principles

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 3,5 million at the end of the third quarter 2016 and the Company basically does not have any income since production at 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 fundraising announced on 30th November with Lau Su Holding AB will provide the Company with sufficient working capital for around six months.

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 eventually will 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.

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 2014 Annual Report. No new IFRS additions or regulations that affect the Group have entered into force.

Upcoming informational meetings and announcements

Financial report for the third quarter of 2016

30 November, 2016

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.

Stockholm, 29 November 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

Pranay Panda
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 30th November 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.



Revisors rapport över översiktlig granskning av finansiell delårsinformation i sammandrag (delårsrapport) upprättad i enlighet med IAS 34 och 9 kap. årsredovisningslagen

Inledning

Vi har utfört en översiktlig granskning av delårsrapporten för Nordic Mines AB (publ) för 1 januari 2016 till 30 september 2016. Det är styrelsen och verkställande direktören som har ansvaret för att upprätta och presentera denna finansiella delårsinformation i enlighet med IAS 34 och årsredovisningslagen. Vårt ansvar är att uttala en slutsats om denna finansiella delårsinformation grundad på vår översiktliga granskning.

Den översiktliga granskningens inriktning och omfattning

Vi har utfört vår översiktliga granskning i enlighet med International Standard on Review Engagements ISRE 2410 Översiktlig granskning av finansiell delårsinformation utförd av företagets valda revisor. En översiktlig granskning består av att göra förfrågningar, i första hand till personer som är ansvariga för finansiella frågor och redovisningsfrågor, att utföra analytisk granskning och att vidta andra översiktliga granskningsåtgärder. En översiktlig granskning har en annan inriktning och en betydligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt ISA och god revisionssed i övrigt har. De granskningsåtgärder som vidtas vid en översiktlig granskning gör det inte möjligt för oss att skaffa oss en sådan säkerhet att vi blir medvetna om alla viktiga omständigheter som skulle kunna ha blivit identifierade om en revision utförts. Den uttalade slutsatsen grundad på en översiktlig granskning har därför inte den säkerhet som en uttalad slutsats grundad på en revision har.

Slutsats

Grundat på vår översiktliga granskning har det inte kommit fram några omständigheter som ger oss anledning att anse att delårsrapporten inte, i allt väsentligt, är upprättad för koncernens del i enlighet med IAS 34 och årsredovisningslagen samt för moderbolagets del i enlighet med årsredovisningslagen.

Särskild upplysning

Utan att det påverkar vårt uttalande vill vi fästa uppmärksamheten på styckena "Likviditetsrisk" och "Fortlevnadsprincip" på sidorna 7 och 8 i delårsrapporten, som anger att bolaget är i behov av ytterligare extern finansiering. Detta förhållande, tillsammans med andra omständigheter som nämns i stycket, tyder på att det finns en väsentlig osäkerhetsfaktor som kan leda till betydande tvivel om företagets förmåga att fortsätta verksamheten.

Stockholm den 30 november 2016

PricewaterhouseCoopers AB

Martin Johansson
Auktoriserad revisor

Consolidated Statement of Comprehensive Income

SEK 000	Note	Q 3 2016	Q 3 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Sales revenues		0	0	0	0	0
Cost of goods sold		-6,402	-8,586	-24,750	-42,660	-51,155
<i>of which production costs</i>		-4,836	-1,751	-13,073	-20,838	-23,573
<i>of which depreciation, amortization and impairment</i>		-1,567	-6,835	-11,678	-21,822	-27,582
Gross income		-6,402	-8,586	-24,750	-42,660	-51,155
Selling and administrative expenses		-6,588	-8,041	-19,822	-24,728	-35,870
Other operating income	1	11,272	4,171	24,696	4,870	4,868
Other operating expenses	1	-1,393	-146	-5,003	-4,790	-10,116
Operating income		-3,111	-12,602	-24,879	-67,308	-92,273
Financial income		249	1	250	3	105,310
Financial expenses		-30	-3,032	-130	-8,784	-13,059
Income after financial items		-2,892	-15,633	-24,759	-76,089	-22
Income tax		0	0	0	0	-2
Net income		-2,892	-15,633	-24,759	-76,089	-24
Other comprehensive income						
Exchange rate differences for the period	2	379	1,814	1,801	-713	-2,543
Total comprehensive income net of tax for the period		379	1,814	1,801	-713	-2,543
Total comprehensive income for the period		-2,513	-13,819	-22,958	-76,802	-2,567
Net income attributable to: equity holders of the parent company		-2,892	-15,633	-24,759	-76,089	-24
		-2,892	-15,633	-24,759	-76,089	-24
Total comprehensive income attributable to: equity holders of the parent company		-2,513	-13,819	-22,958	-76,802	-2,567
		-2,513	-13,819	-22,958	-76,802	-2,567
Average number of shares before dilution, thousands		565,723	54,030	565,723	54,030	93,661
Average number of shares after dilution, thousands		565,723	54,030	565,723	54,030	93,661
Earnings per share before dilution, SEK		-0.01	-0.29	-0.04	-1.41	0.00
Earnings per share after dilution, SEK		-0.01	-0.29	-0.04	-1.41	0.00
Comprehensive income per share before dilution, SEK		0.00	-0.26	-0.04	-1.42	-0.03
Comprehensive income per share after dilution, SEK		0.00	-0.26	-0.04	-1.42	-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
		2015	2015	2015	2015	2016	2016	2016
Belopp i Tkr	Note							
Sales revenues		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
<i>of which production costs</i>		-9,541	-9,546	-1,751	-2,735	-4,605	-3,632	-4,836
<i>of which depreciation, amortization and impairment</i>		-7,637	-7,350	-6,835	-5,760	-4,322	-5,789	-1,567
Gross income		-17,178	-16,896	-8,586	-8,495	-8,927	-9,421	-6,402
Selling and administrative expenses		-6,973	-9,714	-8,041	-11,142	-6,850	-6,384	-6,588
Other operating income	1	334	365	4,171	105,254	4,462	8,962	11,272
Other operating expenses	1	-2,470	-2,174	-146	-5,326	-1,995	-1,615	-1,393
Operating income		-26,287	-28,419	-12,602	80,291	-13,310	-8,458	-3,111
Financial income	2	0	0	1	51	0	1	249
Financial expenses		-2,871	-2,881	-3,032	-4,275	-138	38	-30
Income after financial items		-29,156	-31,300	-15,633	76,067	-13,448	-8,419	-2,892
Income tax		0	0	0	-2	0	0	0
Net income		-29,156	-31,300	-15,633	76,065	-13,448	-8,419	-2,892
Other comprehensive income								
Exchange rate differences for the period	2	-1,895	-632	1,814	-1,830	520	902	379
Total comprehensive income net of tax for the period		-1,895	-632	1,814	-1,830	520	902	379
Total comprehensive income for the period		-31,051	-31,932	-13,819	74,235	-12,928	-7,517	-2,513
Net income attributable to: equity holders of the parent company		-29,156	-31,300	-15,633	76,065	-13,448	-8,419	-2,892
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
Average number of shares before dilution, thousands		54,030	54,030	54,030	212,552	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
Earnings per share before dilution, SEK		-0.54	-0.58	-0.29	0.36	-0.02	-0.01	-0.01
Earnings per share after dilution, SEK		-0.54	-0.58	-0.29	0.36	-0.02	-0.01	-0.01
Comprehensive income per share before dilution, SEK		-0.57	-0.59	-0.26	0.35	-0.02	-0.01	0.00
Comprehensive income per share after dilution, SEK		-0.57	-0.59	-0.26	0.35	-0.02	-0.01	0.00

* 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
	2015	2015	2015	2015	2016	2016	2016
Throughput, ore milled (ton)	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
Availability/hours capacity utilization (%)	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
Gold production (kg)	0	0	0	0	0	0	0
Gold production (tr oz)	0	0	0	0	0	0	0
Gold sold/delivered (kg)	0	0	0	0	0	0	0
Gold sold/delivered (tr oz)	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
Cost per ore milled, ton (EUR)	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
LTIFR, including contractors (accidents per 1 million working hours)	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
EUR/SEK, average rate	9.38	9.30	9.42	9.31	9.32	9.27	9.50
EUR/SEK, closing rate	9.33	9.22	9.47	9.16	9.24	9.42	9.63

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
ASSETS								
Non-current assets								
Intangible assets	3	63,797	63,414	64,313	63,188	63,482	64,123	64,925
Property, plant and equipment	4	448,682	438,066	438,327	423,608	421,972	421,590	426,844
Financial assets		22,165	21,920	22,495	21,821	22,010	22,422	22,936
Total non-current assets		534,644	523,400	525,135	508,617	507,464	508,135	514,705
Current assets								
Inventories and work in progress	5	31,031	30,689	34,487	34,586	34,885	35,537	35,990
Current receivables		10,833	8,137	7,970	6,404	5,800	6,016	4,776
Cash and cash equivalents		57,872	40,658	21,081	32,602	14,819	6,735	3,473
Total current assets		99,736	79,484	63,538	73,592	55,504	48,288	44,239
TOTAL ASSETS		634,380	602,884	588,673	582,209	562,968	556,423	558,944
EQUITY AND LIABILITIES								
Equity		435,698	403,766	389,947	524,891	511,963	504,446	501,932
Non-current liabilities								
Borrowings	6	123,098	124,207	130,073	0	0	0	0
Provisions		26,674	26,379	27,071	26,204	26,431	26,925	27,543
Other liabilities		0	0	0	15,467	15,601	15,893	6,668
Total non-current liabilities		149,772	150,586	157,144	41,671	42,032	42,818	34,211
Current liabilities								
Accounts payable		28,403	28,341	24,888	9,408	5,307	6,472	15,453
Borrowings		5,208	3,095	1,487	1,062	528	0	4,309
Other liabilities		1,166	1,299	1,119	1,856	367	347	644
Accrued expenses and prepaid income		14,133	15,797	14,088	3,321	2,771	2,340	2,395
Total current liabilities		48,910	48,532	41,582	15,647	8,973	9,159	22,801
TOTAL EQUITY AND LIABILITIES		634,380	602,884	588,673	582,209	562,968	556,423	558,944
Real estate mortgages	7	20,169,614	19,947,134	20,470,070	22,131	22,136	22,147	22,161
Financial guarantees	8	35,304	35,089	35,594	34,962	35,127	35,488	9,632

Consolidated Statement of Changes in Equity

SEK 000	Equity	Other capital	Reserves	Retained earnings	Total equity
Opening balance at January 1, 2015	391,835	935,444	-39,886	-820,644	466,749
Comprehensive income					
Net income				-76,089	-76,089
Other result for the period			-713		-713
Total comprehensive income for the period			-713	-76,089	-76,802
Transactions with equity holders					
Reduction in equity	-147,245			147,245	0
Total comprehensive income for the period	-147,245	0	0	147,245	0
Total equity at September 30, 2015	244,590	935,444	-40,599	-749,488	389,947
Opening balance at January 1, 2016	249,707	991,036	-42,429	-673,423	524,891
Comprehensive income					
Net income				-24,759	-24,759
Other result for the period			1,801		1,801
Total comprehensive income for the period			1,801	-24,759	-22,958
Total equity at September 30, 2016	249,707	991,036	-40,628	-698,182	501,933

Consolidated Statement of Cash Flows

SEK 000	Q 3 2016	Q 3 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Operating cash flow	-3,111	-14,103	-24,879	-67,268	-92,273
Interest paid	-30	-3,032	-130	-8,784	-13,059
Interest received	249	1	250	3	105,310
<u>Adjustments for items not included in cash flow:</u>					
Depreciations and write-offs	3,700	6,919	12,202	22,084	27,269
Provisions	618	692	1,339	-22	-889
Others	-9,333	-6,877	-14,899	-236	-106,313
Cash flow after operating activities before changes in working capital	-7,907	-16,400	-26,117	-54,223	-79,955
Cash flow from changes in working capital					
Changes in inventories and work in progress	-453	-3,798	-1,404	-2,967	-3,066
Changes in current receivables	1,240	164	1,628	3,946	5,513
Changes in accounts payable	8,981	-3,453	6,045	-7,814	-7,827
Changes in current liabilities	352	-1,889	-2,138	-2,501	-12,531
Cash flow from operating activities	2,213	-25,376	-21,986	-63,559	-97,866
Investing activities					
Acquisition of fixed assets	-369	615	-1,176	-222	-838
Recovery/ aquisition of other fixed assets	-514	-575	-1,115	19	
Cash flow from investing activities	-883	40	-2,291	-203	-838
Financing activities					
Rights issue	0	0	0	0	60,709
Amortization and loans	-4,916	4,258	-5,552	1,686	-10,137
Cash flow from financing activities	-4,916	4,258	-5,552	1,686	50,572
Changes in cash and cash equivalents	-3,586	-21,078	-29,829	-62,076	-48,132
Cash and cash equivalents in the beginning of the period	6,735	40,658	32,602	83,197	83,197
Exchange rate change in cash and cash equivalents	324	1,501	700	-40	-2,463
Cash and cash equivalents in the end of the period	3,473	21,081	3,473	21,081	32,602

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
Operating cash flow	-25,371	-27,794	-14,103	-25,005	-13,310	-8,458	-3,111
Interest paid	-2,871	-2,881	-3,032	-4,275	-138	38	-30
Interest received	2	0	1	105,307	0	1	249
<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
Provisions	-419	-295	692	-867	227	494	618
Others	3,201	3,440	-6,877	-106,077	-2,398	-3,168	-9,333
Cash flow after operating activities before changes in working capital	-17,731	-20,092	-16,400	-25,732	-10,946	-7,264	-7,907
Cash flow from changes in working capital							
Changes in inventories and work in progress	489	342	-3,798	-99	-299	-652	-453
Changes in current receivables	1,084	2,698	164	1,567	604	-216	1,240
Changes in accounts payable	-4,299	-62	-3,453	-13	-4,101	1,165	8,981
Changes in current liabilities	-2,409	1,797	-1,889	-10,030	-2,039	-451	352
Cash flow from operating activities	-22,866	-15,317	-25,376	-34,307	-16,781	-7,418	2,213
Investing activities							
Acquisition of fixed assets	-324	-513	615	-616	-529	-278	-369
Recovery/ aquisition of other fixed assets	349	245	-575	-19	-189	-412	-514
Cash flow from investing activities	25	-268	40	-635	-718	-690	-883
Financing activities							
Rights issue	0	0	0	60,709	0	0	0
Amortization and loans	-1,568	-1,004	4,258	-11,823	-400	-236	-4,916
Cash flow from financing activities	-1,568	-1,004	4,258	48,886	-400	-236	-4,916
Changes in cash and cash equivalents	-24,409	-16,589	-21,078	13,944	-17,899	-8,344	-3,586
Cash and cash equivalents in the beginning of the period	83,197	57,872	40,658	21,081	32,602	14,819	6,735
Exchange rate change in cash and cash equivalents	-916	-625	1,501	-2,423	116	260	324
Cash and cash equivalents in the end of the period	57,872	40,658	21,081	32,602	14,819	6,735	3,473

Consolidated Key Ratios

	Q 3 2016	Q 3 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Investments in plant, SEK 000	369	-615	1,176	222	838
EBITDA SEK 000	-1,544	-5,767	-13,201	-45,486	40,565
Income after financial items, SEK 000	-2,892	-15,633	-24,759	-76,089	-22
Return on total assets, %	Neg	Neg	Neg	Neg	2
Return on equity, %	Neg	Neg	Neg	Neg	Neg
Equity, SEK 000	501,932	389,947	501,932	389,947	524,891
Total assets, SEK 000	558,944	588,673	558,944	588,673	582,209
Net debt, SEK 000	836	110,479	836	110,479	-31,540
Equity/assets ratio, %	89.8	66.2	89.8	66.2	90.2
Average number of employees	38	63	41	67	62
Number of employees at the end of the period	38	61	38	61	44
Equity per share after dilution, SEK	0.89	7.22	0.89	7.22	0.93
Number of shares, thousands	565,723	54,030	565,723	54,030	565,723
Number of shares after dilution (at the end of the period), thousands	565,723	54,030	565,723	54,030	565,723
Number of shares after dilution (average), thousand	565,723	54,030	565,723	54,030	212,552
Cash flow per share, SEK	-0.01	-0.39	-0.05	-1.15	-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
Investments in plant, SEK 000	673	164	-615	616	529	278	369
EBITDA SEK 000	-18,650	-21,069	-5,767	86,051	-8,988	-2,669	-1,544
Income after financial items, SEK 000	-29,156	-31,300	-15,633	76,067	-13,448	-8,419	-2,892
Return on total assets, %	Neg	Neg	Neg	14	Neg	Neg	Neg
Return on equity, %	Neg	Neg	Neg	14	Neg	Neg	Neg
Equity, SEK 000	435,698	403,766	389,947	524,891	511,963	504,446	501,932
Balance sheet total, SEK 000	634,380	602,884	588,673	582,209	562,968	556,423	558,944
Net debt, SEK 000	70,434	86,644	110,479	-31,540	-14,291	-6,735	836
Equity/assets ratio, %	68.7	67.0	66.2	90.2	90.9	90.7	89.8
Average number of employees	72	67	63	47	45	42	38
Number of employees at the end of the period	69	66	61	44	44	38	38
Equity per share after dilution, SEK	8.06	7.47	7.22	0.93	0.90	0.89	0.89
Number of shares, thousands	54,030	54,030	54,030	565,723	565,723	565,723	565,723
Number of shares after dilution (at the end of the period), thousand	54,030	54,030	54,030	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
Cash flow per share, SEK	-0.45	-0.31	-0.39	0.02	-0.03	-0.01	-0.01

Parent Company Income Statement

SEK 000	Q 3 2016	Q 3 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Administrative costs	-6,158	-6,158	-17,714	-18,056	-27,039
Other operative income	9,207	4,165	19,727	5,139	5,280
Other operating costs	-1,391	-145	-4,995	-4,755	-10,065
Operating income	1,658	-2,138	-2,982	-17,672	-31,824
Financial items, net	4,562	1,939	14,101	5,655	7,576
Income after financial items	6,220	-199	11,119	-12,017	-24,248
Income tax	-	-	-	-	-
Net income	6,220	-199	11,119	-12,017	-24,248
Average number of shares before dilution, thousands	565,723	54,030	565,723	54,030	93,661
Average number of shares after dilution, thousands	565,723	54,030	565,723	54,030	93,661
Basic earnings per share, SEK	0.01	0.00	0.02	-0.22	-0.26
Diluted earnings per share, SEK	0.01	0.00	0.02	-0.22	-0.26

Parent Company Balance Sheet

SEK 000	Note	30 Sep 2016	30 Sep 2015
ASSETS			
Non-current assets			
Intangible assets		64,120	63,508
Property, plant and equipment		31,216	31,530
Financial assets		281,826	203,593
Total non-current assets		377,162	298,631
Current assets			
Current receivables		2,337	2,541
Cash and cash equivalents		2,069	15,752
Total current assets		4,406	18,293
TOTAL ASSETS		381,568	316,924
EQUITY AND LIABILITIES			
Equity		371,541	258,613
Non-current liabilities	7	68	53,485
Current liabilities		9,959	4,826
TOTAL EQUITY AND LIABILITIES		381,568	316,924
Pledged assets		0	6,910,868
Contingent liabilities		35,939	35,594

Parent Company Statement of Changes in Equity

SEK 000	Equity	Statutory reserve	Share premium reserve	Retained earnings	Total Equity
Opening balance at January 1, 2015	391,835	26,000	909,444	-1,056,689	270,590
Reduction in equity	-147,245			147,245	0
Net income				-12,017	-12,017
Translation difference				40	40
Total equity at September 30, 2015	244,590	26,000	909,444	-921,421	258,613

SEK 000	Equity	Statutory reserve	Share premium reserve	Retained earnings	Total Equity
Opening balance at January 1, 2016	249,707	26,000	1,018,452	-933,380	360,779
Net income				11,119	11,119
Translation difference				-357	-357
Total equity at September 30, 2016	249,707	26,000	1,018,452	-922,618	371,541

Parent Company Statement of Cash Flows

SEK 000	Q 3 2016	Q 3 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Cash flow from operating activities before change in working capital	5,343	-1,491	9,268	-11,695	-21,864
Change in working capital	1,820	-1,939	655	-1,242	-869
Cash flow from operating activities	7,163	-3,430	9,923	-12,937	-22,733
Cash flow from investing activities	-13,593	-5,055	-42,108	-7,081	-43,206
Cash flow from financing activities	4,309	-1	4,309	-1	60,707
Change in cash and cash equivalents for the period	-2,121	-8,486	-27,876	-20,019	-5,232
Cash and cash equivalents at the beginning of the period	4,196	24,230	29,961	35,764	35,764
equivalents	-6	8	-16	7	-571
Cash and cash equivalents at the end of the period	2,069	15,752	2,069	15,752	29,961

Note 1 Other operating income and other operating costs

SEK 000	Q 1 2015	Q 2 2015	Q 3 2015	Q 4 2015	Full year 2015	Q 1 2016	Q 2 2016	Q 3 2016
Exchange gains (unrealized)	334	365	4,171	-2	4,868	4,462	7,559	8,507
Forest sales							1,403	2,765
Exchange losses (unrealized)	-2,470	-2,174	-146	-5,326	-10,116	-1,995	-1,615	-1,393
Gain from acquired bank debt				105,256	105,256			
Total other operating income and other operating costs	-2,136	-1,809	4,025	99,928	100,008	2,467	7,347	9,879

Note 2 Group reserves

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

Note 3 Intangible Assets

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

Note 4 Property, plant and equipment

					30 Sep 2016 Total property plant
SEK 000	Buildings, land	Mine assets	Machinery and Inventory	Production facility	
Opening book value	25,397	110,284	6,622	281,305	423,608
Purchases			31	1,145	1,176
Exchange rate differences			11	14,251	14,262
Depreciation	-43		-802	-11,357	-12,202
Closing book value	25,354	110,284	5,862	285,344	426,844

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
SEK 000							
Consumables	31,031	30,689	34,487	34,586	34,885	35,537	35,990
Total inventories and work in progress	31,031	30,689	34,487	34,586	34,885	35,537	35,990

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
Own liabilities and provisions							
Restricted cash, Deposition Trade-, Traffic- & Environment authority in Finland	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
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				
Total	20,169,614	19,947,134	20,470,070	22,131	22,136	22,147	22,161

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 therefore 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
Guarantee Tallqvist AB (MEUR 1)	9,328	9,225	9,467	9,164	9,243	9,416	9,632
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	
Total	35,304	35,089	35,594	34,962	35,127	35,488	9,632