Lappland Goldminers

Storgatan 36
921 31 Lycksele
Tel +46-(0)950 275 00
www.lapplandgoldminers.se
Org.nr. 556544-3339

Interim report
January – December 2013

March 20th, 2014

Corporate restructuring process according to plan

October - December 2013:

- Lappland Goldminers AB's full scale test of the Karoliina mineralization showed positive results for the gold recovery and confirmed that the mineral process at Pahtavaara is working for the new ore from the Karoliina mineralization.
- Lycksele District Court approved the company's application for an extension of the ongoing corporate restructuring process up to December 27th.
- An Extra General Meeting held on December 10th 2013 elected Sven Rasmusson as new member and chairman of the Board.
- Thomas Häggkvist was appointed new CEO for the parent company and the Group as per December 12th 2013.
- Lappland Goldminers applied for an additional extension of the restructuring process until March 24th 2014. The application was approved by Lycksele District Court on January 10th 2014.
- As a result of the non-concluded sales process related to the Group's gold project in Fäboliden, the Board has decided to impair the value of the project in the balance sheet to 0 resulting in a negative effect in the income statement of SEK 178.8 million.

Events after the expiration of the reporting period:

- The production of gold at the Company's gold mine at Pahtavaara during the period January and February 2014 amounted to 100.5 kg.
- Lappland Goldminers proposes a composition agreement to its creditors followed by a set off share issue and a subsequent preferential rights issue
- The Lycksele District court has set out a date for the creditors meeting to the 1st of April at 13.00.
- As a part of the ongoing restructuring process the company has summoned to an EGM, to be held on the 14th of April to decide upon a set off issue and an authorisation for a preferential rights issue.
- The District court in Helsinki has during January 2014 approved the 5 year restructuring program for the wholly owned subsidiary Lappland Goldminers Oy.
- As a consequence of the impairments made in the annual accounts, the Board has prepared a balance sheet for liquidation purposes (KBR I) to be referred to an upcoming Extra General Meeting to decide upon.

Financial overview

TSEK	October-December		January - December	
	2013	**2012**	**2013**	**2012**
Sales	**27,859**	34,900	**80,955**	210,795
Result before depreciation and write-downs, Pahtavaara	**-11,019**	-4,762	**-22,512**	54,431
Result before depreciation and write-downs, Group	**-14,977**	-7,678	**-41,198**	33,106
Net income/loss	**-238,144**	-52,476	**-296,652**	-58,227
Cash flow from operating activities*	**-10,501**	3,980	**1,145**	34,634
Capital expenditure	**5,958**	19,406	**19,272**	80,596
Equity/total assets, % **	**-144**	29	**-144**	29
Gold production Pahtavaara, kgs	**101**	126	**344**	582
Gold production Pahtavaara, ounces	**3,238**	4,042	**11,045**	18,722
Gold deliveries, kgs	**118**	122	**324**	613
Gold deliveries, tr.oz	**3,798**	3,910	**104,30**	19,717

* before working capital changes - ** defined as shareholders' equity divided by total assets

Comments from the CEO, Thomas Häggkvist

The development of the Group's activities continued during the quarter with gold production at Pahtavaara and a corporate restructuring plan established aiming to secure the continued existence of the Group. Based on the presented restructuring proposal we are creating the necessary platform for the continuation of the Group's operations.

The Pahtavaara area is interesting for additional exploration activities based on the Group's existing infrastructure and sufficient processing capacity to support a profitable production of gold. Several of the bigger mining companies of the world are represented in the area running exploration and mining activities successfully in the close vicinity of the Pahtavaara mine. The mine at Pahtavaara has periodically been feeding the mill with high grade ore in an enrichment process over which the company has control of at present. Based on that, we are convinced that it is possible to create an economically viable gold producer of Lappland Goldminers based on the Pahtavaara project.

There are a number of steps in the process towards completion of the corporate restructuring of the Group as value impairments, reduction of debts and effects from dilutions from planned issues of shares, which negatively affects the stakeholders of the company. Despite the latest development we are convinced that our presented solution is better for all interested parties than a liquidation alternative. With some support from the price of gold and with grades in line with the company's projections, I believe that value will be created in the future based on the Group's operations.

Production and sales

	October - December		January - December	
	2013	**2012**	**2013**	**2012**
Pahtavaara				
Gold production, tr.oz	**3,238**	4,042	**11,045**	18,722
Gold production, kgs	**101**	126	**344**	582
Ore mined, tonnes	**109,228**	132,727	**328,908**	529,886
Ore milled, tonnes	**99,990**	134,430	**366,640**	515,514
Gold grade*, grams per tonne	**1.17**	1.07	**1.11**	1.30
Gold recovery, %	**86.0**	87.2	**81.7**	86.8
Gold deliveries, tr.oz	**3,798**	3,910	**10,430**	19,717
Gold deliveries, kgs	**118**	122	**324**	613

Pahtavaara

The operation at the Pahtavaara mine got a new Managing Director, Markus Karlsson, during summer 2013. The mining activity at the Pahtavaara mine has continued with an average monthly production of about 34 kg (1,080 tr.oz). The mining and processing of the new type of ore from the Karoliina mineralization commenced in the beginning of 2014. The production of gold during January and February 2014, after the expiration of the reporting period, amounted to about 100.5 kg (3 251 tr.oz), of which the main part was attributable to February production. The average grades during February amounted to 2.5 g/ton but was fluctuating quite significantly indicating that there is a need of additional drilling in order to be able to make more far reaching conclusions. However, it verifies the company's conviction that the Pahtavaara area holds potential to deliver high grade gold ore to the existing infrastructure held by the company.

The full-scale test of the Karoliina mineralization at the Pahtavaara mine was conducted from September 26th to October 6th 2013. During the test approximately 15,000 tonnes of ore was processed. The test refers to the part of the mineralization that contains a higher proportion of sulphides, compared to the previously mined ore at Pahtavaara. The result from the test was positive and confirmed that the company has a solution for the processing, of the ore from the new Karoliina Mineralization, that works. The overall gold recovery in the full-scale test exceeds 80 percent, split into a gravimetric process and a flotation process. The flotation concentrate also contains a substantial amount of copper. The Company's assesses that the copper bi-product credit should be able to increase the product value.

Sales during the fourth quarter were MSEK 27.9 (MSEK 34.9). In total, gold deliveries from the mine were 118 kgs (3,798 tr.oz), compared to 122 kgs (3,910 tr.oz) for the corresponding period 2012. Gold production during the fourth quarter was 101 kgs (3,238 tr.oz), compared to 126 kgs (4,042 tr.oz) in the corresponding period 2012.

Fäboliden

The process that was started during 2013, aiming to find a partner or sell the Fäboliden Gold project in its entirety has been put on hold during the 4th quarter of 2013. The board is of the opinion that it is not possible to reach an acceptable deal based on this asset before the Group has come out of the corporate restructuring process and thereby secured its continued existence. The project is at present more to be considered as an option to invest in gold to be commercialised when the Group and the gold market are in better conditions. As a consequence of the so far non-concluded sales process and the current gold price, the Board has decided to impair the project's value to zero in the balance sheet of the Group.

Organization

Thomas Häggkvist replaced Henrik Grind as CEO of Lappland Goldminers during the fourth quarter 2013. In addition, the group's former CFO Jonathan Forsberg left the company after a period of parental leave. This resulted in that Häggkvist shouldered the roles of both CEO and acting CFO of the Company. This is an additional measure taken as part of the Group's focus on reducing costs. The aim is that this focus, along with the necessary funding processes, will create conditions to take the group out of the pending corporate restructuring processes and to create a platform for further development of Lappland Goldminers Group.

The corporate restructuring process of Lappland Goldminers Group

The Pahtavaara mine produced less gold than expected during the first quarter of 2013. This was mainly due to a different mineral composition in the mined ore, compared to ore previously mined, in combination with lower than expected gold grades. Successful exploration activities during spring 2013 demonstrated potential for expanding the ore reserves going forward. This further strengthens the Company's view that there are further unexplored mineralizations close to existing infrastructure. As a result of a too high debt burden within the Finnish subsidiary in relation to the production of gold reached during end of 2012 and beginning of 2013, the Board of the company decided to apply for a corporate restructuring process of the Finnish subsidiary owning the Pahtavaara mine in May 2013. The restructuring process was approved in early June 2013. Based on that the Finnish subsidiary entered in to a restructuring process, being the only revenue generating company within the Group, the possibility of the parent company to obtain short-term repayment of the capital lent over the years to the Finnish subsidiary was thereby eliminated.

As a consequence of the production disturbances in the Pahtavaara gold mine and the corporate restructuring process in the Finnish subsidiary, the parent company applied for and was granted a corporate restructuring process at the end of June 2013, including even the Swedish subsidiary Lappland Goldminers Fäboliden AB. During the restructuring process, the day-to-day operation of the parent company is financed by a loan of 10 million with so-called super priority from the Company's largest shareholder Ponderus Invest. The loan secures Lappland Goldminers funding for the main part of the reconstruction period, which is a requirement by the district court to approve a restructuring application. The company thereby created the necessary freedom of action to implement the ongoing action plan at Pahtavaara aiming to resume profitable mining operation, and to develop a plan for restructuring and refinancing of the Swedish parent company.

The corporate restructuring program in Lappland Goldminers Oy including, among other things, a composition agreement of 50%, was approved in January 2014 by the Helsinki District Court. The program includes a conditional debt reduction of approximately SEK 30 million. The restructuring program is based on that the company shall be debt free after five years. Total debts in the Finnish subsidiary after the composition agreement amounts to about SEK 48 million of which priority debts (with security) amounts to about SEK 25 million. The conditional debt reduction can be partly or entirely reversed and included in the instalment plan based on certain conditions, among which the company's cash position as per the expiration of each year is an important factor. The conditional debt reduction does not imply that the impaired amount, under the Finnish restructuring plan, reduces the reported debt in the balance sheet of the subsidiary.

The restructuring process in the Parent company dragged on during the fall 2013 without any solution being presented. The Company's management and the chairman were replaced in late 2013. A restructuring plan for the Swedish operations was prepared immediately for execution during first half of 2014. The work of restructuring the Swedish parent company is ongoing and expected to be completed in May-June 2014. The restructuring process in Sweden is aiming to reduce debt through a composition arrangement to a level that the Board believes is manageable followed by a funding of the group of about SEK 40 million in new capital. The Parent Company is targeting to obtain the financial strength to be able to survive without contributions from the Finnish subsidiary during an upcoming two to three year period. The Board's proposed restructuring process contains mainly the following measures:

- A composition agreement with the holders of the convertible loan and its other subordinated creditors based on that each creditor is receiving 30% of his/her outstanding claim in combination with a right to set it off against new shares at a subscription price of SEK 1.

- The Board of the company proposes a new share issue with preferential rights of the existing shareholders of maximum SEK 42 million at a subscription price of SEK 1, with the aim to be fully, or to the greater part, underwritten.

- To implement a significant cost reduction program aiming to reduce the so called overhead costs of the Group related to head office and administration to a minimum level.

As a result of the proposed composition agreement to the creditors under the restructuring process in Sweden and Finland along with the subsequent offset issue and rights issue, the Group's total debt burden will be reduced by approximately SEK 160 million (of which approximately SEK 30 million is a conditional write down of debts under the Finnish program) while the Group's total equity is strengthened.

The Company believes that the composition proposal, together with the subsequent set-off issue and preferential rights issue, will create the necessary platform for a continued development of the Group's assets.

Income statement

Sales during the third quarter 2013 amounted to MSEK 27.9 (MSEK 34.9). Depreciation charges were MSEK 9.2 (MSEK 28.8), write-downs during the period amounted to MSEK 207.9 (MSEK 11.6). The depreciation charges are primarily due to depreciation of capitalized ore development at Pahtavaara. Depreciation charges are calculated from the production volumes in relation to the remaining mineral reserves and mineral resources, and future investments needed to extract those. On February 21st, 2013, the Company presented an estimate of the mineral reserves and mineral resources at Pahtavaara, as of January 1, 2012. This estimate was the base for depreciations during 2013.

The impairments are mainly attributable to the reduction of the book value of the Fäboliden gold project as a result of the non-concluded sales process of the project during 2013.

The Group net result after financial items during the fourth quarter was MSEK -238.1 (MSEK 52.5) and was affected negatively by financial items of MSEK -6.1 (MSEK -4.4).

The Group result during the fourth quarter was MSEK -238.1 (MSEK -52.5).

Cash flow

The net change in cash position during the interim period was MSEK -11.7 (MSEK -4.9. Cash flow from operations, before working capital changes, was MSEK -21.7 (MSEK -12.0).

Working capital changes during the fourth quarter have a negative effect on cash flow during the period with MSEK -10.5 (MSEK 4.0). In total, cash flow from operations, after working capital changes, was MSEK -32.2 (MSEK -8.0).

Capital expenditures during the fourth quarter were MSEK 6 (MSEK 19.4) of which 100% is referable to Pahtavaara. Capital expenditures at Pahtavaara are mainly related to infrastructure when the mining operations are developing new areas.

Financial position

In order to finance the corporate reorganization process for the Swedish operations, the parent company was granted a loan of MSEK 10 with so-called super priority from the main shareholder of the company, Ponderus Invest. As a result of the loan Lappland Goldminers has secured the financing of the Swedish corporate restructuring process throughout 2013. Cash and bank balances as of December 31st 2013 amounted to MSEK 3.5 in the Swedish companies. Cash and bank balances in the Finish subsidiary amounted to MSEK 0.8 as per the end of the year 2013. In addition the Company has account receivables outstanding amounting to MSEK 13.1 along with a gold inventory valued at MSEK 8.0.

Parent company

The parent company sales during the quarter amounted to MSEK 0.1, referable to sales of consultancy services. The operating costs can mainly be referred to group overhead costs for geology, administration and group management and were MSEK 3.0 (MSEK 1.8). The Company's impairments during the quarter amounted to MSEK 309.5 (MSEK 0.0) and is attributable to the adjustments of the Parent company's shares and receivable related to its subsidiaries. Financial net of MSEK -0.2 (MSEK -8.8) for the period, mainly relate to internal interest costs.

Impairments – Parent company

As a consequence of the restructuring plan in the Finnish subsidiary the values related to shares and receivables in Lappland Goldminers Oy have been impaired in the balance sheet of the parent company. Below adjustments have been made in the balance sheet of the parent company referable to its holdings of shares and receivables on Lappland Goldminers Oy as per December 31st 2013.

- The parent company has converted receivables amounting to SEK 114 million, of the SEK 133.1 million in total, to shares by way of an unconditional shareholder contribution during the 4th Quarter 2013. The SEK 114 million that was converted to shares was a so called capital loan that, according to the Finnish companies act, is subordinated all other creditors' receivables held on the Finnish Subsidiary.
- The value of those shares was impaired based on an assessment made in connection with the preparation of the balance sheet for liquidation purposes in the parent company.
- The remaining receivables of SEK 19 million related to the Finnish subsidiary were reduced with 50% under the implementation of the Finnish restructuring plan.

As per the expiration of 2013 the parent company's receivables related to the Finnish subsidiary amounted to SEK 9.3 million. The value of the shares in Lappland Goldminers Oy in the balance sheet of the parent company amounts to SEK 20 million as a result of projected cash flows calculated on the economics constituting the foundation of the Finnish restructuring plan. The parent company's possibility to have its claim repaid or to receive dividends is limited during the duration of the 5-year restructuring program decided for Lappland Goldminers Oy as it is subject to consent from the other creditors under restructuring program.

Below follows a breakdown of the impairments made in the balance sheet of the Parent company as per year end 2013:

The impairments refer to	Amount (TSEK)
Receivables on Lappland Goldminers Fäboliden	174,372
Shares and receivables related to Lappland Goldminers Oy	107,524
Shares and receivables related to Lappland Guldprospektering	15,627
Claim on bankruptcy's estate related to Sorsele project	12,012
Other	57
Total	**309,592**

Impairments - Group

In connection with the corporate restructuring process the board has reached the conclusion that the book values referable to the mineral projects of the Group need to be impaired. Below follows a breakdown of the impairments of the Group as per year end 2013:

The impairments refer to	Amount (TSEK)
Fäbolidens mineral project	178,754
Stortjärnhobben mineral project	17,169
Claim on bankruptcy's estate related to Sorsele project	12,012
Other	59
Total	**207,994**

Balance sheet for liquidation purposes (KBR 1)

Based on the impairments of the Company's assets related to shares in subsidiaries and receivables from subsidiaries, as part of the ongoing restructuring process and preparation of the annual accounts for 2013, the Board of the Company has prepared a balance sheet for liquidation purposes showing a negative equity amounting to about SEK -130 million. The Company's equity is thereby less than 50% of the share capital. Based on that the composition agreement and above refinancing proposals will re-establish the equity of the company, the Board considers the preparation of such a balance sheet, at the current situation, to be of immaterial importance and more to be referred to the formal requirements of the Swedish Companies Act regulating situations where companies have consumed its equity.

Segmented Financial Information
(Excluding financial intercompany transactions)

Full year ended December 31, 2013

TSEK

	Pahtavaara	**Exploration**	**Fäboliden**	**Group Functions**	**Total**
Sales	80,732	-	-	223	80,955
Cost of sales	-103,244	-	-	-	-103,244
Gross profit	**-22,512**	**0**	**0**	**224**	**-22,288**
Explorations costs	-	-2,025	-	-	-2,025
Administration	-	-	-2,219	-14,666	-16,885
Result before depreciation	**-22,512**	**-2,025**	**-2,219**	**-14,442**	**-41,198**
Depreciation	-28,214	-	-	-66	-28,280
Write-downs	-	-12,021	-178,754	-17,219	-207,994
Result after depreciation	**-50,726**	**-14,046**	**-180,973**	**-31,727**	**-277,472**
Financial income	1,215	-	-	14	1,229
Financial cost	-4,111	-	-1,512	-14,786	-20,409
EBT	**-53,622**	**-14,046**	**-182,485**	**-46,499**	**-296,652**
Taxes	0	0	0	0	0
Net income	**-53,622**	**-14,046**	**-182,485**	**-46,499**	**-296,652**
Capital expenditures	17,369	-	1,903	-	19,272

The company does not presently uss a segmented balance sheet to monitor the operations.

A segmented balance sheet is therefore no presented in this report.

Full year ended December 31, 2012

TSEK

	Pahtavaara	**Ersmarksberget**	**Exploration**	**Fäboliden**	**Group Functions**	**Total**
Sales	210,709	-	-	-	86	210,795
Cost of sales	-156,278	-	-	-	-	-156,278
Gross profit	**54,431**	**0**	**0**	**0**	**86**	**54,517**
Maintenance costs, Ersmarksberget	-	-2,309	-	-	-	-2,309
Explorations costs	-	-	-4,397	-	-	-4,397
Administration	-	-	-	-465	-14,239	-14,704
Result before depreciation	**54,431**	**-2,309**	**-4,397**	**-465**	**-14,153**	**33,107**
Depreciation	-58,458	-	-	-	-172	-58,630
Write-downs	-	-	-	-	-14,638	-14,638
Result after depreciation	**-4,027**	**-2,309**	**-4,397**	**-465**	**-28,963**	**-40,161**
Financial income	213	-	-	-	8	221
Financial cost	-8,268	-2	-	-308	-9,709	-18,287
EBT	**-12,082**	**-2,311**	**-4,397**	**-773**	**-38,664**	**-58,227**
Taxes	0	0	0	0	0	0
Net income	**-12,082**	**-2,311**	**-4,397**	**-773**	**-38,664**	**-58,227**
Capital expenditures	53,248	-	-	27,348	-	80,596

The company does not presently use a segmented balance sheet to monitor the operations.

A segmented balance sheet is therefore no presented in this report.

Unit costs and realized gold prizes

Three months ended December 31, 2013
Reconciliation of unit cash cost of delivered gold to consolidated income statement

	Total kgs delivered	Total ounces delivered	Cost SEK/oz	USD/oz	Cash operating costs
Operation					
Pahtavaara	118	3,798	10,202	1,544	38,747
Cash operating costs, excluding depreciations					**38,747**

Treatment and refining charges excluded

Calculation of realized prices*

	Total kgs delivered	Total ounces delivered	Realized price SEK/oz	USD/oz	Sales
Operation					
Pahtavaara	118	3,798	7,301	1,105	27,728
Total sales					**27,728**

* it should be noted that the realized prices differ from the market price due to the terms of the smelting contracts with the customers

Full year ended December 31, 2013

Reconciliation of unit cash cost of delivered gold to consolidated income statement

	Total kgs delivered	Total ounces delivered	Cost SEK/tr.oz	USD/tr.oz *	Cash operating costs
Operation					
Pahtavaara	324	10,430	9,899	1,501	103,244
Cash operating costs, treatment and refining charges excluded					**103,244**

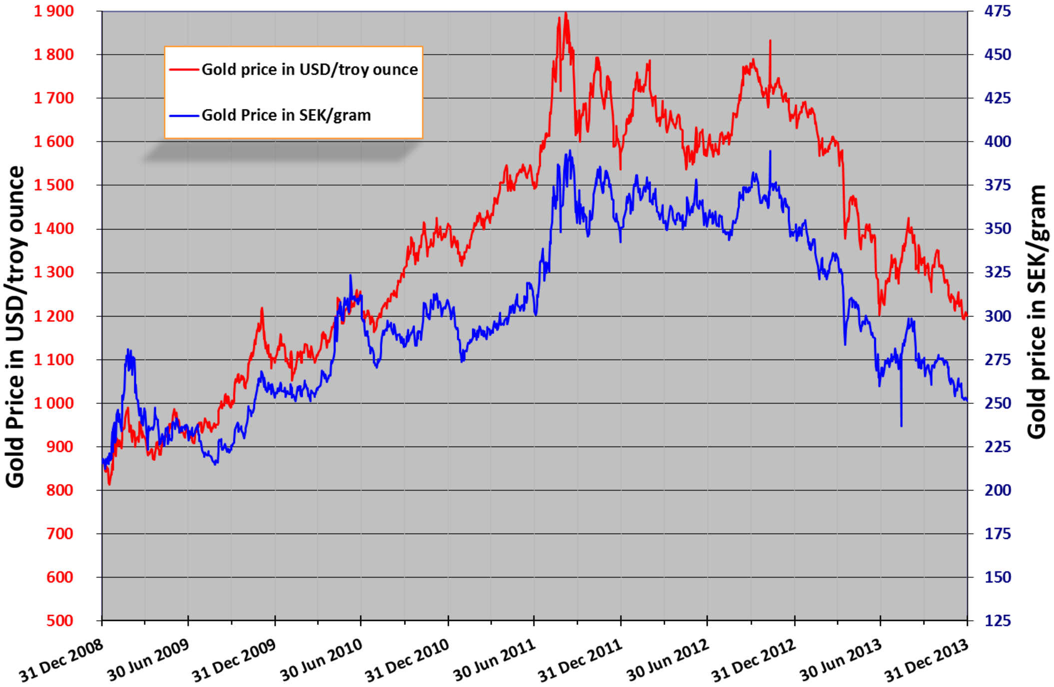
Treatment and refining charges excluded

Calculation of realized prices*

	Total kgs delivered	Total ounces delivered	Realized price SEK/tr.oz	USD/tr.oz **	Sales
Operation					
Pahtavaara	324	10,430	7,740	1,174	80,732
Total sales					**80,732**

* it should be noted that the realized prices differ from the market price due to the terms of the smelting contracts with the customers

Gold price



Gold price	(USD/tr oz)
1st of October 2013:	1,332
31st of December 2013:	1,201
Average, reporting period:	1,273

Gold price	(SEK/kg)
1st of October 2013:	272,237
31st of December 2013:	251,414
Average, reporting period:	266,351

Other information

Accounting principles

This report has been prepared in compliance with IAS 34 - Interim Financial Reporting and according to Swedish "Årsredovisningslagen". The same accounting principles have been applied as in the last issued Annual Report. For detailed information regarding accounting principles, see the Annual Report 2012.

Forward sales of gold

The Group has, as of December 31st, 2013, no forward sales on future deliveries.

Major customers

The sales of the Group presently come from the Pahtavaara mine. The mine produces two types of gold concentrate: gravity concentrate and flotation concentrate. Currently, all concentrate is shipped to a limited number of customers in Europe.

Risks and uncertainties

A number of risk factors can have a negative impact on the operations of the Group and the Parent company. External and internal factors can influence the financial position and the growth of Lappland Goldminers. Factors, among others, which can influence the Company are the price of gold, currency risks, estimates of mineral reserves and mineral resources, interest risks, liquidity- and financing risks, electricity- and energy prices, key staff and employees, permits, environmental factors and political risks.

Since the end of June 2013 the parent company of the Lappland Goldminers Group and its subsidiaries are in a corporate reorganization process. The reason for the reorganization is that the Board considered that the Company is unable to meet its commitments regarding the company's current liabilities.

If the restructuring- and refinancing plan presented by the board, for some reason, is not executed it is an apparent risk that the company has to file a petition of bankruptcy.

For further information regarding risks and uncertainties see pages 28-30 of the 2012 Annual Report of Lappland Goldminers.

Environment
The operations of the Company require, in many cases, permissions from authorities. See page 16 of the 2012 Annual report of Lappland Goldminers for further information regarding environmental impact.

Employees
The Company and subsidiaries have 65 employees as of December 31st 2013 of which 11 are temporarily made redundant. The Group started the year with 76 employees. In addition to this, the Group engages consultants and contractors for various projects on a continuing basis.

Reversed split
The company carried out a reversed split during the quarter resulting in that 20 old shares became one (1) new. The reversed split resulted in that the total amount of outstanding shares was reduced from 138,881,560 to 6,944,078.

Reporting dates

- 1st Quarter 2014: 24th of April, 2014
- 2nd Quarter and first half year 2014: 21st of August, 2014
- 3rd Quarter and 9 month, 2014: 24th of November, 2014
- 4th Quarter and Year End report 2014: 26th of February, 2015

Related party transactions
In addition to board fees, the Chairman Lars Olof Nilsson has sold consulting services from his company to Lappland Goldminers for SEK 330,000 during 2013.

In connection to the company's filing for corporate reorganization protection for its Swedish operations, Lappland Goldminers was granted a loan of MSEK 10 from Pondurus Invest with so-called super priority. The loan runs with an interest rate of 12 percent annually. Ponderus Invest is the main shareholder of the Group and is controlled by Peter Edwall who also is a director in the Board of Lappland Goldminers AB.

Annual Report
The Annual Report for 2012 is available on the Company's web site with possibility for downloading and printing.

Lycksele March 20th, 2014

Thomas Häggkvist
Chief Executive Officer

The interim report for the period January – December 2013 has not been reviewed by the Company's auditors.

For further information please contact:
Thomas Häggkvist, CEO/acting CFO, Phone: +46 70 552 26 22
E-mail: thomas.haggkvist@lgold.se

Income statement - Group

TSEK	October-December		Full year	
	2013	2012	2013	2012
Sales	27,859	34,900	80,955	210,795
Costs of goods sols	-47,944	-68,404	-131,458	-214,737
Gross result	**-20,085**	**-33,504**	**-50,503**	**-3,942**
Exploration costs	-108	-1,303	-2,025	-4,397
Administration costs	-2,373	-1,673	-14,731	-14,876
Other costs	-1,618	-	-2,219	-2,309
Write-downs of assets	-207,853	-11,553	-207,994	-14,639
Operating result	**-232,037**	**-48,033**	**-277,472**	**-40,163**
Financial net				
Financial income	148	177	1,229	222
Financial costs	-6,255	-4,620	-20,409	-18,286
Result after financial items	**-238,144**	**-52,476**	**-296,652**	**-58,227**
Tax	0	0	0	0
Net income / loss	**-238,144**	**-52,476**	**-296,652**	**-58,227**
Net income attributable to:				
Shareholders of the parent company	*-238,144*	*-52,476*	*-296,652*	*-58,227*
Minority shareholdings	-	-	-	-
Basic average number of shares outstanding, thousands	*6,945*	*138,881*	*83,577*	*138,881*
Diluted average number of shares outstanding, thousands	*7,650*	*152,974*	*92,057*	*152,138*
Basic income / loss per share	*-34.29*	*-0.38*	*-3.55*	*-0.42*
Diluted income / loss per share	*-34.29*	*-0.38*	*-3.55*	*-0.42*

Consolidated statement of comprehensive income

TSEK	October-December		Full year	
	2013	2012	2013	2012
Net income/loss	**-238,144**	**-52,476**	**-296,652**	**-58,227**
Other comprehensive income				
Translation differences	-3,017	7,364	-3,310	2,227
Tax related to other comprehensive income	0	0	0	0
Total other comprehensive income	**-3,017**	**7,364**	**-3,310**	**2,227**
Total comprehensive income for the period	**-241,161**	**-45,112**	**-299,962**	**-56,000**
Total comprehensive income attributable to:				
Shareholders of the parent company	*-241,161*	*-45,112*	*-299,962*	*-56,000*

Consolidated Balance Sheet

TSEK	December 31 2013	December 31 2012
Assets		
Long-term assets		
Mineral properties and capitalized exploration expenses	30,616	240,636
Buildings and land	27,122	5,890
Biological assets	-	24,547
Tailing dams and mines	38,984	21,467
Equipment	1,692	3,311
Other financial assets	262	319
Restricted cash	6,061	5,754
Total long-term assets	**104,737**	**301,924**
Current assets		
Inventories	8,026	3,494
Other receivables	2,831	17.786
Prepaid costs and accrued income	1,017	4,420
Accounts receivable	13,055	38,684
Cash and bank	4,250	590
Total current assets	**29,179**	**65,065**
Total assets	**133,916**	**366,989**
Shareholders' equity and liabilities		
Shareholders' equity		
Share capital	2,778	2,778
Contributed surplus	570,367	570,367
Cumulative translation differences	-8,282	-4,971
Retained earnings	-461,137	-402,910
Net income/Loss	-296,652	-58,227
Total shareholders' equity	**-192,925**	**107,037**
Long term liabilities		
Provision for mine site rehabilitation	44,948	43,307
Long-term interest bearing liabilities	2,085	9,724
Total long term liabilities	**47,033**	**53,031**
Short-term liabilities		
Overdraft facilities	5,115	12,948
Other financial liabilities	70,555	33,539
Convertible loan	121,996	118,163
Accounts payable	60,660	24,590
Other short-term liabilities	6,820	6,767
Accrues expenses and prepaid income	14,663	10,914
Total short term liabilities	**279,809**	**206,921**
Total liabilities	**326,842**	**259,952**
Total shareholders' equity and liabilities	**133,916**	**366,989**

Statement of changes in shareholders' equity

TSEK	October-December		Full year	
	2013	2012	2013	2012
Shareholders' equity beginning of period	**47,982**	**152,149**	**107,037**	**160,726**
Translation differences	-2,463	7,364	-3,310	2,227
Other	-	-	-	2,311
Net income/loss	-238,144	-52,476	-296,652	-58,227
Shareholders' equity end of period	**-192,625**	**107,037**	**-192,925**	**107,037**

Consolidated statement of cash flow*

TSEK	October-December		Full year	
	2013	2012	2013	2012
Operating activities				
Operating result	-232,037	-48 033	-277,472	-40,163
Depreciation and write-downs	217,050	40 460	236,274	73,270
Other adjustments	-	-	-	-2,384
Received interest	148	177	1,229	222
Paid interest	-6,255	-4,620	-20,410	-18,286
Cash flow from operating activities before	**-21,094**	**-12,016**	**-60,379**	**12,658**
Changes in working capital				
Changes in accounts receivable and other receivables	1,357	5,831	27,127	-8,191
Changes in inventories	3,772	-2,828	-4,399	4,807
Changes in accounts payable and other payables	5,464	1,251	38,796	13,618
Adjustment for Lappland Goldmniers Sorsele AB	-	11,742	-	11,742
Cash flow from operating activities	**-10,501**	**3,980**	**1,145**	**34,634**
Capital expenditures	**-5,958**	**-19,406**	**-19,272**	**-80,596**
Financing activities				
Changes in short- and long term financial liabilities	4,769	10,431	22,636	11,774
Changes in restricted cash	-	-54	-65	-55
Cash flow from financing activities	**4,769**	**10,377**	**22,571**	**11,719**
Translation differences in cash and bank	-53	112	-784	-2,293
Net change of cash and bank	**-11,743**	**-4,937**	**3,660**	**-36,536**
Cash and bank beginning of period	15,993	5,527	590	37,126
Cash and bank end of period	**4,250**	**590**	**4,250**	**590**

* Cash flow 2012 adjusted for wound up of Lappland Goldminers Sorsele AB

Income statement - Parent company

TSEK	October-December		Full year	
	2013	2012	2013	2012
Sales	131	30	223	86
Exploration costs	-108	-656	-2,025	-3,750
Operating costs	-2,971	-2,025	-15,350	-14,307
EBITDA	**-2,948**	**-2,651**	**-17,152**	**-17,971**
Write-downs	-309,451	-12,149	-309,592	-16,949
Operating result	**-312,399**	**-14,800**	**-326,744**	**-34,920**
Financial net				
Financial income and costs	-155	-1,617	-9,920	-19,156
Result after financial items	**-312,554**	**-16,417**	**-336,664**	**-54,076**
Tax	0	0	0	0
Net income/loss	**-312,554**	**-16,417**	**-336,664**	**-54,076**

Consolidated statement of comprehensive income - Parent company

TSEK

	October-December		Full year	
Net income/loss				
	-312,554	**-16,417**	**-336,664**	**-54,076**
Other comprehensive income				
Translation differences	**-**	**-**	**-**	**-**
Tax related to other comprehensive income	**-**	**-**	**-**	**-**
Total other comprehensive income	**0**	**0**	**0**	**0**
Total comprehensive income for the period	**-312,554**	**-16,417**	**-336,664**	**-54,076**

Balance Sheet - Parent company

TSEK	Full year 2013	Full year 2012
Assets		
Material fixed assets	53	119
Financial long-term assets	20,409	338,192
Total long-term assets	**20,462**	**338,312**
Current assets	18,568	13,851
Total assets	**39,031**	**352,162**
Shareholders' equity and liabilities		
Shareholders' equity	**-129,419**	**207,052**
Long-term liabilities	-	4,000
Short-term liabilities	168,450	141,110
Total liabilities	**168,450**	**145,110**
Total shareholders' equity and liabilities	**39,031**	**352,162**

Changes of shareholders' equity - Parent company

TSEK	October - December		January - December	
	2013	2012	2013	2012
Shareholders' equity beginning of period	**182,943**	**223,468**	**207,052**	**261,128**
Costs related to convertible / other	193	-	193	-
Net income/loss	-312,554	-16,416	-336,664	-54,075
Shareholders' equity end of period	**-129,419**	**207,052**	**-129,419**	**207,052**