

Background on Mineral Invest

Mineral Invest International MII AB is a small and relatively young international gold exploration and development company with exploration activities and near-surface (alluvial) gold production in Africa. In 2009 and 2010 the Company conducted limited trading in metals and minerals, and limited gold exploration in Ethiopia. Since 2011 the Company has focused on exploration and near-surface gold production conducted at the Company's 1442 km² license area in the Kilo-Moto Gold Belt in the northeast of the DR Congo, which is considered as one of the world's most gold-rich areas. Mineral Invest's operations are based primarily on an exploration agreement and a joint venture agreement signed with the Congolese parastatal mining company SOKIMO in August 2010 and in September 2011 respectively.

Mineral Invest's vision is to build an ethical, reputable, world-class gold company, and be among the best in the industry regarding long-term returns for shareholders, as well as humanitarian, environmental and social responsibility.

Comments on Swedwatch report #49

Swedwatch has highlighted and raised concerns about some weaknesses of Mineral Invest's responsibility in accordance with OECD Guidelines for Due Diligence and UN Guiding Principles for Business and Human Rights. Swedwatch's report #49 also indicates a number of opportunities for improvement and recommendations for Mineral Invest to meet the Company's own ambitious goals. **Mineral Invest's Board of Directors and Management team have read Swedwatch's report in its entirety and are determined to follow the recommendations that the report suggests.**

Mineral Invest, will however, below clarify and explain a number of issues and conclusions that are included in Swedwatch's report:

1. Link to a public prosecution of drug offenses

Any and all claims that Mineral Invest, including its senior management, had or have any complicity whatsoever in illegal activities including money laundering or drug trafficking is categorically and unequivocally rejected. **The public prosecutor Hans-Jörgen Hanström has provided confirmation that no current or former employee of Mineral Invest is currently under investigation (this letter is published on the Company website: www.mineralinvest.com). In addition, at the request of AktieTorget, a comprehensive and independent review of Mineral Invest has been conducted by Hamilton Advokatbyrå and it concluded that there was no wrongdoing, neither from a legal, nor an ethical perspective.**

The Board of Mineral Invest's decision to replace Jonas Eriksson as CEO was in no way related to the public prosecutor's investigation or the subsequent press reporting.

2. The joint venture agreement

In section 4.2, Swedwatch refers to legal uncertainty about Mineral Invest's joint venture agreement with SOKIMO. Mineral Invest has consulted one of its legal advisors from De Wolf & Partners, who reports the following; **"We do not share Swedwatch's view when mentioning in its report that the employment of Mr. Nsuka as chairman and Mr. Bafoa as managing director or CEO creates legal uncertainty regarding the JV Agreement with Mineral Invest, dated the 6 September 2011. It is clear that they were still in function at the time of signing the JV Agreement"**. See the full version of De Wolf & Partner's letter dated June 13, 2012 enclosed.

3. Transparency and conflicts of interest

Mineral Invest endeavours to be transparent and act with openness towards its different stakeholders.

The company's joint venture agreement with SOKIMO is a publicly available document and is readily accessible on the Ministry of Mines in the DR Congo's website. The agreement can be compared to similar agreements with other listed multinational corporations acting in the DR Congo such as Randgold Resources and AngloGold Ashanti's Kibali Gold Project and Moku Gold Mines, amongst others.

All of the Company's prepayments (e.g., "pas de porte") are fully disclosed in the agreement, including the breakdown between SOKIMO and the Congolese state. All payments, together with the required accounting documents, are registered in Mineral Invest's local accounting in the DR Congo. These accounting records have been audited by Ernst & Young, who has approved the accounting for 2010 and 2011.

Regarding reported "conflicts of interests", Mineral Invest would like to clarify that SOKIMO, aside from transfer of existing mining licenses, does not provide any goods or services. Moreover, mining licenses in the DR Congo are regulated by Cadastre Minier ("CAMI"). Financial transactions between SOKIMO and Mineral Invest are based on third party arm's length market conditions.

4. The use of military personnel to provide security

Military personnel of the Congolese national army have been present in the village of Wanga for many years before Mineral Invest established its camp in the area in April 2011. In conjunction with the planned start of production, in the third quarter of 2011 Mineral Invest had an increased need for security. Upon recommendation by the state mining company SOKIMO, a small detachment of military personnel was retained to protect Mineral Invest employees on the company's camp.

Mineral Invest performed a background check of the military commander of the Wanga detachment. This check showed that the commander had a long career in the Congolese national army, without rebel ties. However, regrettably, Mineral Invest was unable to conduct a full background review of all military personnel at this time.

Given Swedwatch's reported contravention of the UN Voluntary Principles on Security and Human Rights, Mineral Invest has decided to terminate the relationship with the Congolese military as soon as possible.

5. Corporate social responsibility

Mineral Invest has only been active in the license area since April 2011 and has already significantly impacted the local community. For example, Mineral Invest has restored the road between Wanga and Toli via Gorla, so that it is now passable to heavy traffic, trucks and buses. Besides shortening journey time, this has also resulted in a reduction of food prices by 30 per cent.

Before the end of 2012 Mineral Invest intends to develop a responsible project plan and sign a so called "Cahier de charge" with members of the local community. Examples of projects that may be part of Mineral Invest's strategic social investment programme for the local population include: continued improvement of local infrastructure such as roads and water supply, construction of schools and hospitals, agricultural development and health projects. Mineral Invest will also endeavour to offer as many jobs as possible to local employees.

6. Environmental responsibility - the use of mercury by artisanal miners

Mineral Invest does not use mercury in any of its operations. The Company has a strict environmental policy and requires that the environmental impact of its operation is carefully examined. If sufficient environmental legislation is missing, in the countries where the Company is operating, Mineral Invest will follow Swedish environmental laws.

The Company notes the presence and use of mercury amongst local artisanal miners in the DR Congo.

Mineral Invest will educate all of its employees about health and environmental impact arising from the use of mercury. The Company will also try to assist artisanal miners in finding alternatives to the use of mercury in the concession area, however the Company does not have the legal powers or enforcement rights to prohibit artisanal miners from the use of mercury.

Final comment

Mineral Invest welcomes the findings of the Swedwatch's report #49. The Company aims to operate with transparency towards its stakeholders and seeks to improve its operational standards and procedures in light of the report's recommendations. Mineral Invest's Board and Management disagree with some statements made by individual former managers of the Company, which differ materially and substantially from the Company's stated corporate social responsibility, environmental and security policies. Mineral Invest endeavours to be among the best in the industry regarding long-term returns for shareholders, as well as humanitarian, environmental and social responsibility.