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Stockholm August 1, 2006

Varyag Resources will be listed on August 7 - shares corresponding to a value of SEK 441 million was subscribed

There has been great interest in the offer to acquire shares in Varyag Resources. The interim shares of Varyag Resources will be listed on Stockholm Stock Exchange new list First North as of August 7, 2006.

Both the domestic general public as well as institutional investors in Sweden and internationally has shown great interest in Varyag Resources shares.

After the implementation of the offer, the total number of shareholders will amount to approximately 2,700. Foreign ownership is initially expected to amount to approximately 22 percent.

- In the current market conditions I am happy to see such great interest in our share and eventually our Russian private equity strategy, says Varyag Resources CEO Torbjörn Gunnarsson.

In all 8,818,800 number of shares were subscribed. Accordingly, after payment, Varyag Resources will be provided with SEK 440,940,000, prior to issue costs.

Varyag Resources shares will be traded on the First North list at Stockholm Stock Exchange under the short name VARY as of August 28, 2006. Between August 7 - August 25, 2006, an interim share will be traded. On August 7, 2006, HQ Banks obligation as liquidity provider will commence, first in the interim shares and eventually in the regular shares of the company.

HQ Bank has been lead manager and sole bookrunner, with Alfa Bank as senior co manager and Avanza as co manager in the offer.

For further information, please contact:

Torbjörn Gunnarsson, CEO Varyag Resources, Telefon: +46 70 486 17 18

Varyag Resources is a private equity company that will be listed on the Stockholm Stock Exchange. Overall objective is to provide shareholders with an attractive return by investing, actively manage and divest investments in unlisted companies, primarily in the natural resources sector in Russia and the CIS. Varyag offers a unique investment opportunity for all stock market participants.