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# Gold, copper and silver production in Azerbaijan

Anglo Asian Mining  
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AIM: AAZ

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The information on reserves and resources included in this presentation has been extracted from an RNS announcement dated 2 November 2020 (“Gedabek Open Pit and Gadir Underground Mine - Revised JORC Mineral Resources and Reserves, Ugur Open Pit - Remaining Mineable Material, New Mine Life of Eight Years”) and from an RNS announcement dated 24 March 2022 (Zafar JORC Mineral Resource completed – 6.8 million tonnes of mineralisation with average copper grade of 0.50 per cent.).

# Introduction to Anglo Asian Mining PLC

Well-established Group now entering its third cycle of development and growth

## First two growth phases: Early 2000's to 2019

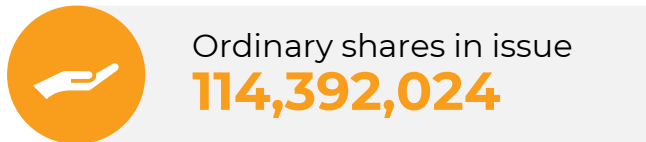
- Company has been established in Azerbaijan since early 2000's
- Well established in Azerbaijan and very much part of the establishment
- First two development and growth phases:
  - **Early 2000's-2014:** gold doré production from open pit mining & heap leaching
  - **2014-2019:** agitation and flotation plants, underground mining, discovery of Ugur and concentrate production
- Solid financials: cash reserves, no debt and regular dividend payer since 2018

## Current growth phase: 2020 to 2025 and beyond

- Contract areas in territory previously controlled by Armenia now restored
- 3 new contract areas added with Heads of Terms signed with the Government in 2021
- First investment outside Azerbaijan
- Regular discoveries of new sources of ore (Ugur, Gilar, Zafar and Gosha new vein)

# Capital Structure and Share Price Performance

Very simple capital structure - AIM listed and no recent changes in the number of shares issued



380,000 share options outstanding at an average price of 113p  
\*Closing price 23 November 2021

### Major Shareholders





# Board of Directors

Highly regarded board members with excellent relationships in Azerbaijan



**Khosrow Zamani \***  
**Non-Executive  
Chairman**

Former director Southern Europe and Central Asia of the International Finance Corporation (“IFC”)

Oversaw the IFC portfolio of more than US\$2 billion, diversified across the financial, oil and gas and mining industries



**Governor John Sununu**  
**Non-Executive Director**

Two terms Governor of New Hampshire, USA  
Chief of staff to President George H.W. Bush

Former partner in Trinity International Partners and currently President of JHS Associates, Ltd



**Reza Vaziri**  
**President and CEO**

Head of the foreign relations office at the ministry of the Imperial Court of Iran before moving to the US in 1980

Prominent businessman in Azerbaijan



**Professor John Monhemius \***  
**Non-Executive Director**

Over 40 years experience in hydrometallurgy and environmental control in mining and metallurgical processes

Acted as a consultant to large mining and chemical companies



**Michael Sununu**  
**Non-Executive Director**

Wealth of financial and directorial experience and former board member of Optima Bank & Trust

Founder and Manager of Sununu Enterprises LLC and Sununu Holdings LLC and consultant to energy, materials and infrastructure industries

*\*Independent non-executive director*

# Senior Management

Very stable operational team with many decades in the mining business



**Farhang Hedjazi**  
**Senior Vice**  
**President, Technical**  
**Services**

Worked in the field since 1985 and constructed process plants including zinc smelters, CIL plants, gold heap leach facilities and managed underground mines  
MSc. In non-ferrous extractive metallurgy



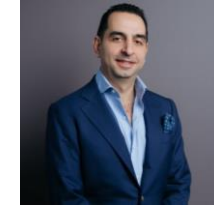
**Bill Morgan**  
**Chief Financial**  
**Officer**

UK chartered accountant over 40 years  
Regional CFO Kinross - Russia Region, CFO Hambledon Mining plc and Bakyrchik Gold plc  
20+ years experience in the gold mining industry in Russia / FSU



**Stephen Westhead**  
**Vice President**

Chartered Geologist with over 30 years of experience in India, CIS, Eastern Europe and Russia  
Project management expertise from exploration, construction and production  
PhD in structural controls on mineralisation, a MSc in Mineral Exploration and Mining Geology and a BSc in Applied Geology



**Amirreza Vaziri**  
**Business Development**  
**Director**

Previous roles ranging from co-founder and CEO of Tech Startup to Director of Business Development at an international technology company.  
Strong focus on Partnerships & M&A, in line with Anglo Asian's strategic vision for growth.  
B.A in International Business from the University of Maryland's Smith School of Business, MSc in International Management from Kings College London.

# Anglo Asian Mining's Current Operations

Gedabek open pit near end of its life, declining production to be augmented with Vejnaly (2022) and Zafar (2023)

Six Contract Areas (“concessions”) in Azerbaijan



**Gedabek:** The current main production site

**Gosha:** Hosts a small underground mine

**Ordubad:** Early-stage exploration area

**Soutely, Kyzlbulag and Vejnaly:** Access only to Vejnaly which was obtained in late 2021



Mining at Gedabek from both Open pit and Underground mines

Variety of production methods



**Crushed and ROM Heap Leach:** gold and silver doré

**Agitation (tank) Leach:** gold and silver doré

**Flotation and SART production:** Copper and gold concentrate



Gedabek site very well established with excellent infrastructure

Power from the electricity grid

Water treatment plant - potable water

Excellent road access to Baku and Georgia

# FY 2021 - Operational Update

Performance in line with expectations despite inflationary headwinds



Total production for FY 2021 of 64,610 GEOs



Cash at 31 December 2021 of \$37.5 million with no debt



Interim dividend of 4.5 cents per share (3.2937 pence)



Results for FY 2021 and final dividend: May 2022



Five-year extension to Gedabek contract area approved – first of two permissible extensions

FY 2021  
Production  
**64,610 GEOs**  
FY 2020: 67,249 GEOs

FY 2021  
Ending Cash Position  
**\$37.5 million**  
H1 2021: \$30.9 million

H1 2021  
Dividend  
**\$0.045 / share**  
H1 2020: \$0.045 / share



# Developments during Covid-19 (Since early 2020)

New Growth drivers have emerged during COVID-19 pandemic



Agreement to acquire three new contract areas and relinquish Soutely

**Xarxar** and **Garadagh** are adjacent to Gedabek / Gosha to create a continuous area

**Demirli** is adjacent to Kyzlbulag – they now fully encompasses the Demirli mine



Exploration “wins” at Gedabek and Gosha

Final Resource for **Zafar** now published – new copper mine at Gedabek

**Gosha new vein** discovery at Gosha underground mine

Significant geological exploration program on-going



Restoration of three new contract areas following resolution of conflict with Armenia

Significant operation at **Vejnaly** ramping up following granting of access

**Kyzlbulag** hosts the existing Demirli copper/moly mine



Russian peacekeepers at **Demirli** but whether this will prevent our future access is uncertain



First investment outside Azerbaijan

19.8 % acquired of **Libero Copper & Gold Corporation**

Libero has a significant portfolio of exploration properties in the Americas

# Restored contract areas: Kyzlbulag & Vejnaly

A mixture of existing mines with excellent exploration potential and production from Vejnaly this year

## Kyzlbulag – Demirli deposit

- Deposit hosts a Cu/Mo mine – no current mining
- Report published in 2016 that the mine contains 275,000 metric tonnes of copper
- Intact plant in which the “Vallex Group” claim to have invested US\$130 million
- Armenian Government have announced the mine contains enough reserves for 25 years
- Russian peacekeepers present – operation will commence once access is granted by the Government of Azerbaijan



Source: Google Earth

## Vejnaly – Zangilan region of Azerbaijan

- Contains the Vejnaly deposit which has been partially mined
- Staff now permanently resident on site and mine planning underway
- Site assets transferred to the Company free of charge
- Activity steadily ramping up with production commencing in H2 2022



# New Concessions Agreement – September 2021

Transformational acquisition of three new concessions containing existing mines and known deposits



Transaction demonstrates the Company's long standing partnership with the Government of Azerbaijan



Company granted 3 new contract areas following a review of its existing contract areas



Transaction is subject to the ratification of the Parliament of Azerbaijan



Soutely contract area has been relinquished

LAND UNDER CONCESSION FOLLOWING RATIFICATION OF AMENDED  
PSA

**2,544 SQUARE KILOMETRES**

COPPER RESOURCE OF EXISTING PORTFOLIO + NEW CONCESSIONS +  
ZAFAR + OUR SHARE OF LIBERO

**OVER ONE MILLION TONNES**

Garadagh and Xarxar together with Gedabek and Gosha will create one continuous territory of **1,408** square kilometres

Garadagh contains a known porphyry copper deposit with an in-situ resource of over **300,000** tonnes of copper

Xarxar shows significant potential as it is likely part of the same Garadagh mineral system

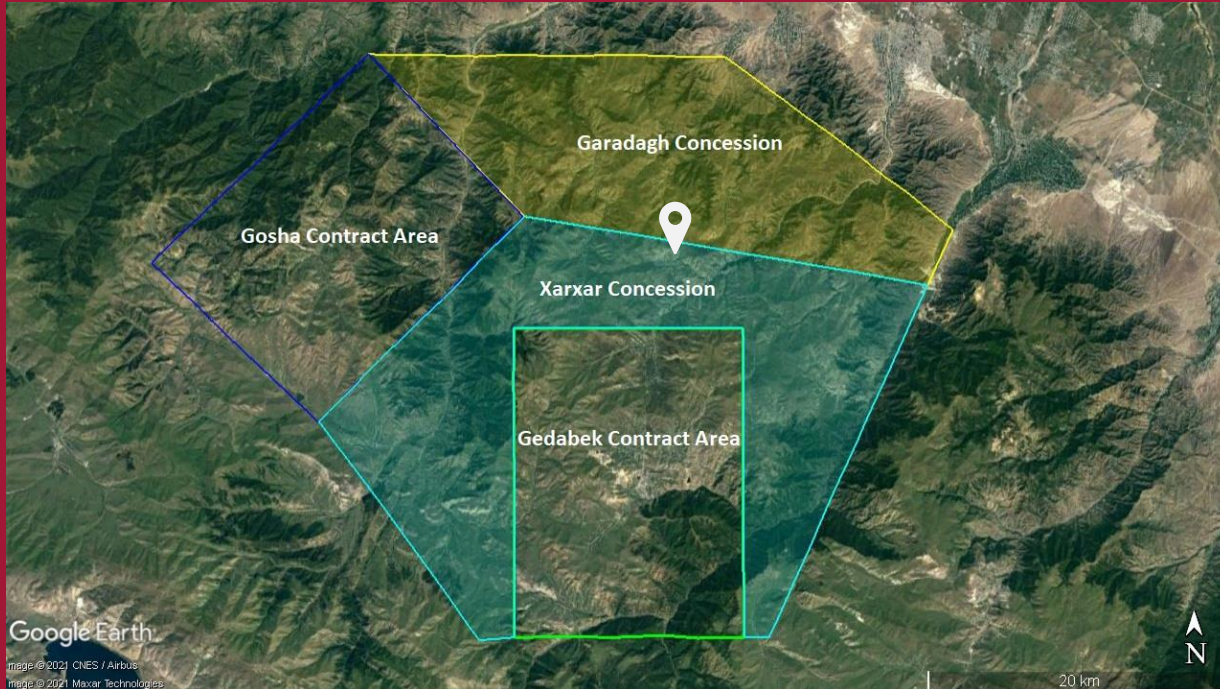
Demirli is adjacent to Kyzilbulag in Karabakh and contains **275,000** tonnes of copper

# New Contract Areas : Garadagh and Xarxar

A major porphyry copper resource with over \$3bn of in-situ copper

Map of the new Garadagh and Xarxar contract areas

These two areas, together with Gosha and Gedabek create one continuous area of 1,408 square kms



📍 *Soviet resources of the Garadagh deposit at 1 January 1992*

Garadagh deposit - copper content				
		Category C1	Category C2	Total C1 and C2
Ore	Millions of tonnes	<b>25.35</b>	<b>23.69</b>	<b>49.04</b>
Copper content	Thousands of tonnes	<b>168.0</b>	<b>150.7</b>	<b>318.7</b>
Grade	Per cent.	<b>0.65</b>	<b>0.64</b>	<b>0.64</b>



# Contract Areas (after ratification)

Eight contract areas with a land area of over 2,500 square kilometers

- Gedabek**  
Active – production & exploration
- Garadagh**  
Awaiting parliamentary ratification
- Xarxar**  
Awaiting parliamentary ratification
- Gosha**  
Active – production & exploration

- Demirli**  
Awaiting parliamentary ratification
- Kyzilbulag**  
Recently restored

- Ordubad**  
Active – exploration

- Vejnaly**  
Recently restored

-  Exploration potential shown by known metal anomaly targets in the CAs
-  Regional structural geology on SE trend from Gedabek
-  Gold, copper and zinc deposit targets

# Exploration Win: New Zafar Mine at Gedabek

Mine planning now well underway with production starting next year



**Copper-gold mineral occurrence** approx. 1.5 kms NW of the Gedabek processing plant



## Final JORC Mineral Resource: March 2022

- 6.8 mt of mineralisation: 0.5% Cu, 0.6% Zn and 0.4 g/t Au
- In-situ Mineral Resource of 28,000t of Cu, 73,000oz of Au and 36,000t of Zn



**Ore reserves** anticipated in H2 2022



**Total drilling carried out** approximately 41,000 metres



## Mining to commence mid-2023

- Sub-level caving and/or cut and fill mining
- Haulage of ore to plant using existing contractors trucks



## Existing flotation plant to be modified

- Third line for zinc and some upgrades
- No major capital investment



## 1 million of tonnes of ore processed p.a.

- ~ 10,000 ounces of gold pa
- ~ 4,000 tonnes of copper pa
- ~ 4,800 tonnes of zinc pa



**Ore mined from open pit** will be treated by leaching with the copper extracted by the SART plant once Zafar is operational

# Mining / Processing in FY 2021\*

The Company produces ore from various mines with several processing options

## Gedabek Open Pit

- Producing gold and copper since 2009
- **1,815,857 tonnes of ore at 0.74 g/t gold mined in FY 2021\***



## Gedabek Underground

- Portal opened and tunnelling now connected to Gadir UG mine
- **248,792 tonnes of ore at 1.42 g/t gold mined in FY 2021\***



## Agitation Leaching†

- Similar to CIL except uses resin not carbon
- **Processed 641,391 tonne of ore of average grade 1.68 g/t gold in FY 2021\***



## Gadir Underground Mine

- Commenced production in 2015 and tunnelling now connected to Gedabek UG mine
- **115,943 tonnes of ore at 1.91 g/t gold mined in FY 2021\***



## Gosha Underground Mine

- Company's first underground mine
- **New vein "Hasan" recently discovered at the mine**



## Flotation Processing

- Produces concentrate from copper rich ore
- **Treated 478k tonne of ore containing 2,529 tonnes of copper in FY 2021\***



† The Company also processes ore by crushed ore heap leaching and run-of-mine (ROM) heap leaching

\* 12 months to 31 December 2021

# Current Exploration Activity

Extensive exploration programme underway which delivers results

## Active Contract Areas

### Gedabek Contract Area

- Zafar drilling now stopped as mineral resources completed but one rig operating in the vicinity to look for extensions
- Reverse circulation drilling of open pit continuing for grade control and to define further mineralisation
- Two rigs operating at Gilar
- One rig operating at the Avshancli property

### Gosha Contract Area

- Surface drilling now stopped
- Extensive underground exploration programme underway at the Gosha mine to define the mineralisation limits of the new “Hasan” vein
  - Underground tunnels are being widened and drill galleries are being constructed

## Exploration and Development Opportunities

### Ordubad Contract Area

#### 462 square kilometres in Nakhchivan region of Azerbaijan

- Exploration activities have been very limited as access to the site has been curtailed due to COVID-19

### Restored Territories

#### Vejnaly and Kyzlbulag contract areas

- No exploration currently at Kyzlbulag as access has not yet been obtained
- Exploration programme for Vejnaly is now being planned and agreed with the Government

### New Contract Areas

#### Garadagh, Xarxar and Demirli deposits

- No exploration as access has currently not yet been obtained
- Extensive exploration already at Garadagh with data handed over upon ratification
- Exploration will commence at existing underground tunnel at Xarxar upon ratification



# Investment in Libero Copper & Gold Corporation – December 2021

First investment outside of Azerbaijan



Acquisition of 19.8% stake in Libero Copper & Gold Corporation completed in January 2022 for CAN\$6.3 million



Anglo Asian Non-Executive Director Michael Sununu appointed to Libero Board



Strategic partnership established with Libero to determine future exploration strategies



Highly experienced and competent management team

Libero is listed on the TSX Venture Exchange (ticker: LBC) in Canada and owns, or has the option to acquire, several copper exploration properties in North and South America.

Libero has strong relationships with local communities across its geographies and is committed to maintaining its social licence to operate.

Libero's portfolio of exploration assets includes:

## Mocoa

One of the world's largest undeveloped copper-moly resources  
*Putumaya, Colombia*

## Big Bulk

A porphyry copper-molybdenum deposit  
*British Columbia, Canada*

## Big Red

A porphyry copper-gold target  
*British Columbia, Canada*

## Esperanza

A porphyry copper-gold and epithermal gold project  
*San Juan, Argentina*

**The acquisition is in line with the Company's strategy of increasing its interests in copper and gold properties both in Azerbaijan and Internationally.**

# Anglo Asian Investment Case



## Cash generative

Cash generative with no debt



## Growth potential

Clear strategy focused on both Azerbaijan and international expansion



## Fast track ability

Production from recent new discoveries and restored contract areas in 2022



## Experienced team

Highly qualified team with strong in-country relationships



## Low cost

Operations in the lowest quartile of the cost curve



## Strong balance sheet

Solid capital position available to finance growth



## Reliable dividend payer

Regular dividends payable since 2018



## First mover advantage

Only listed miner in Azerbaijan



# Contacts

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# Appendices

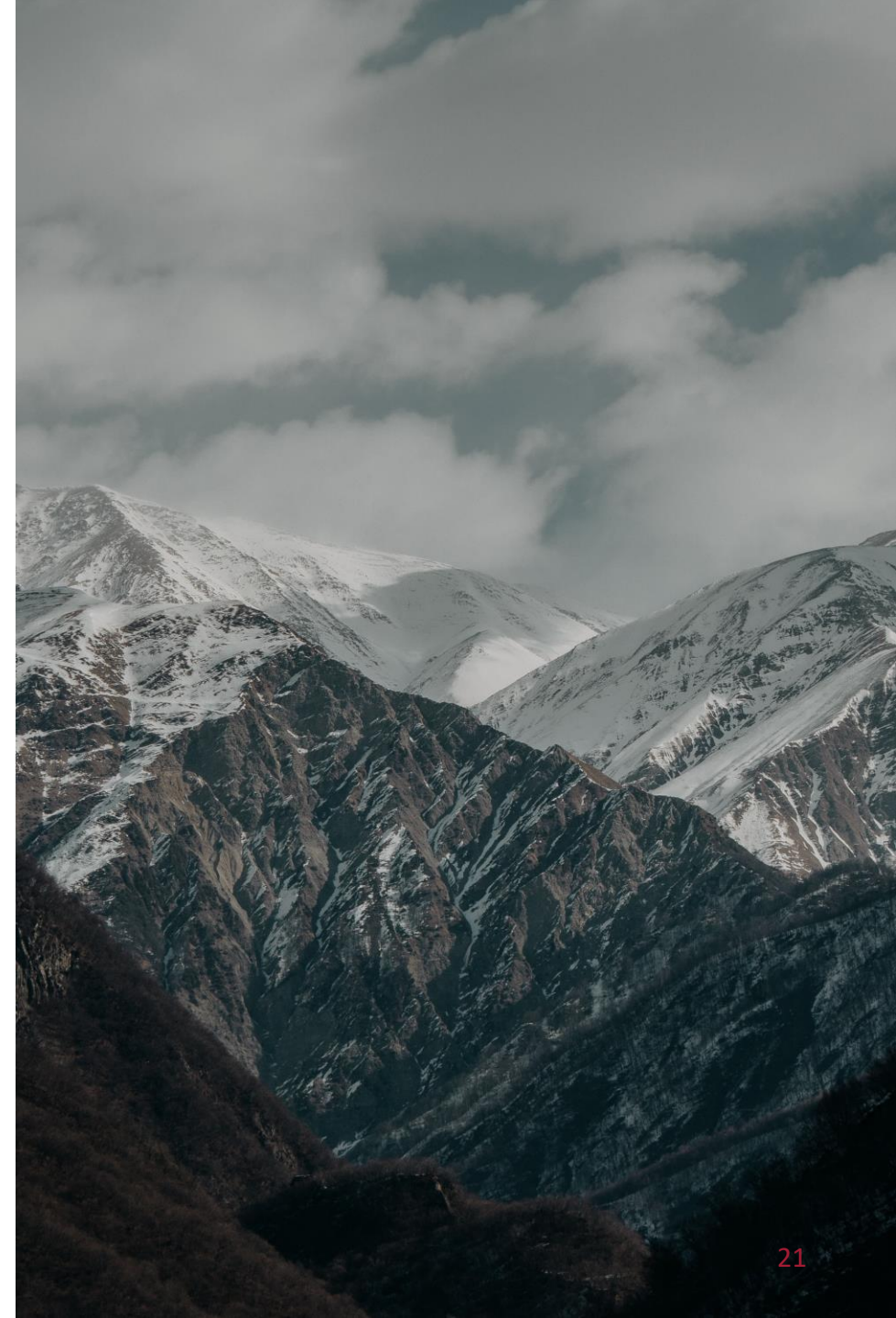


# Appendix 1 – Zafar Deposit

Mineral Resources, November 2021 (classified according to the JORC Code)

Mineral Resources	In-situ grades				Contained metal		
	Tonnage (million tonnes)	Copper grade (%)	Gold grade (g/t)	Zinc grade (%)	Copper (tonnes)	Gold (ounces)	Zinc (tonnes)
Measured and indicated	5.5	0.5	0.4	0.6	25,000	64,000	32,000
Inferred	1.3	0.2	0.2	0.3	3,000	9,000	3,000
<b>Total</b>	<b>6.8</b>	<b>0.5</b>	<b>0.4</b>	<b>0.6</b>	<b>28,000</b>	<b>73,000</b>	<b>36,000</b>

Copper cut-off grade of > 0.3 per cent. copper equivalent  
 All tonnages reported are dry metric tonnes



# Gold, copper and silver production in Azerbaijan

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