

Gold, copper and silver production in Azerbaijan



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The information on reserves and resources included in this presentation has been extracted from RNS announcements dated 18 September 2018 ("Gedabek Open Pit – JORC Resources and Reserves") and 2 October 2017 ("Completion of Ugur JORC Resource").

Group overview – operational



- Established - listed on AIM since 2005 with first gold production in 2009
- Experienced board and strong management
- Excellent relationship with the Government in a very stable jurisdiction
- Main site at Gedabek in western Azerbaijan – comprises three mines and processing facilities
- Highly developed infrastructure – good road access and electricity from national power grid
- Pipeline of exploration prospects and potential for numerous future mines

Group overview – production and financial



- Growing production: 71,461 gold equivalent ounces (“GEOs”) produced in 2017
- FY 2018 production to be at the upper-end of targeted 78,000 - 84,000 GEOs
- Revenues of \$40m and profit before tax \$8.1m (H1 2018)
- Group currently has net cash
- Low cost – all in sustaining cost of gold production of \$543 per oz. (H1 2018)
- Dividend policy to target distributing 25 per cent. of free cash flow each year by way of an approximately equal interim and final dividend
- Maiden dividend (interim) of US\$0.03 (2.2864 pence) per ordinary share paid on 8 November 2018

Market information and investors



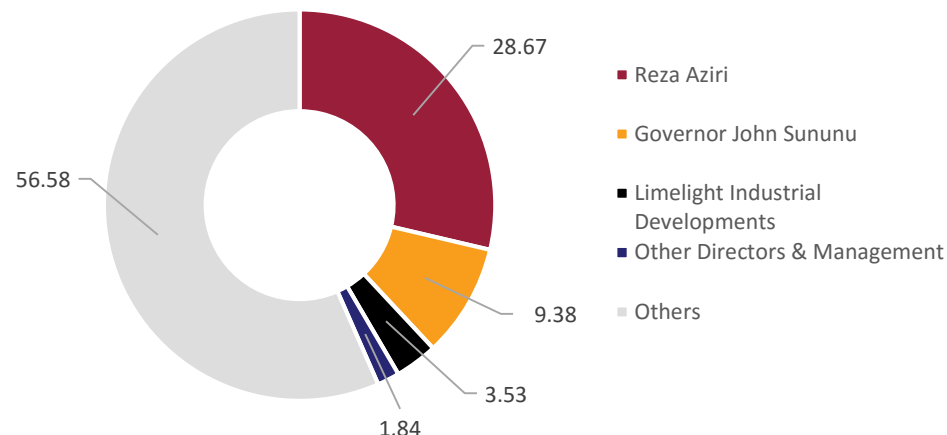
Market	AIM
Ticker	AAZ
Share price*	81.7p
Shares in issue	114,392,024
Market capitalisation*	£93.45 million
Nominated adviser	SP Angel Corporate Finance
Broker	SP Angel Corporate Finance

* As at 20 November 2018

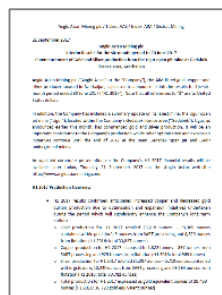
Recent share price performance



Shareholder Analysis



Recent news flow



21 Nov	Airborne Geophysical Survey
8 Nov	Payment of maiden dividend
11 Oct	Q3 2018 production report
19 Sep	Interim results and dividend policy
18 Sep	JORC Reserve & Resource update – Gedabek Open pit
17 Sep	H1 Geological Update
5 Sep	Net cash

Directors and senior management



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, mining

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
- Initial founder of the US Azerbaijan Chamber of Commerce and has been appointed chairman for life

Richard Round*

Non-executive director

- Over 25 years of finance and industry experience
- Held a number of executive finance director roles in various public and private natural resource groups

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

***Member of the board**

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

Bill Morgan

Chief financial officer

- UK chartered accountant over 30 years
- Regional CFO Kinross - Russia Region, CFO Hambledon Mining plc and Bakyrchik Gold plc

Farhang Hedjazi

Vice president, technical services

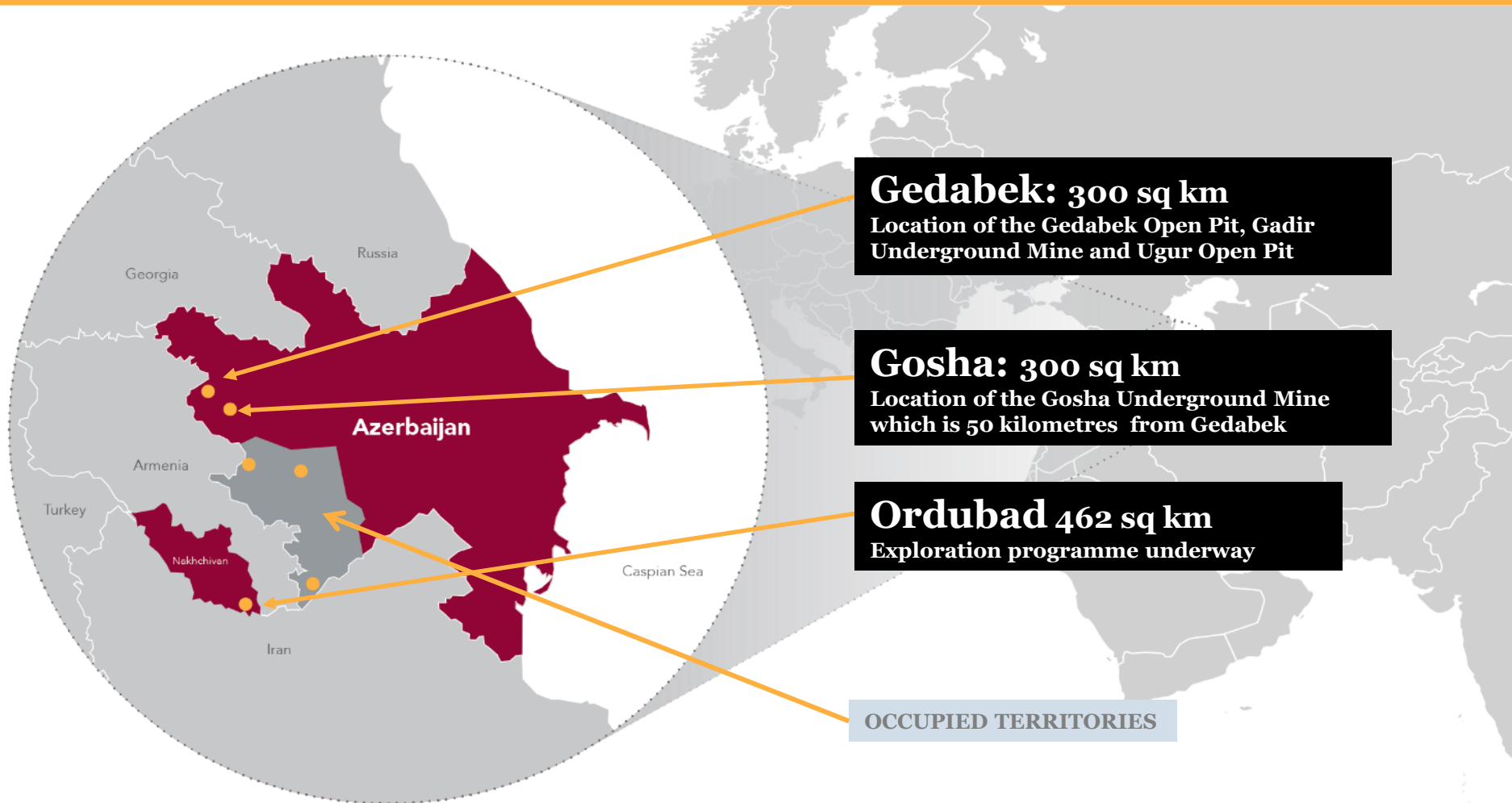
- Worked in the field since 1985 and constructed process plants including zinc smelters, CIL plants, gold heap leach facilities and managed underground mines
- M SC. In non-ferrous extractive metallurgy

Stephen Westhead

Director of geology and mining

- A Chartered Geologist with over 30 years of experience having worked 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

Mining concessions (contract areas) in Azerbaijan



Gedabek open pit & surrounding site

Gedabek open pit

Gadir underground mine

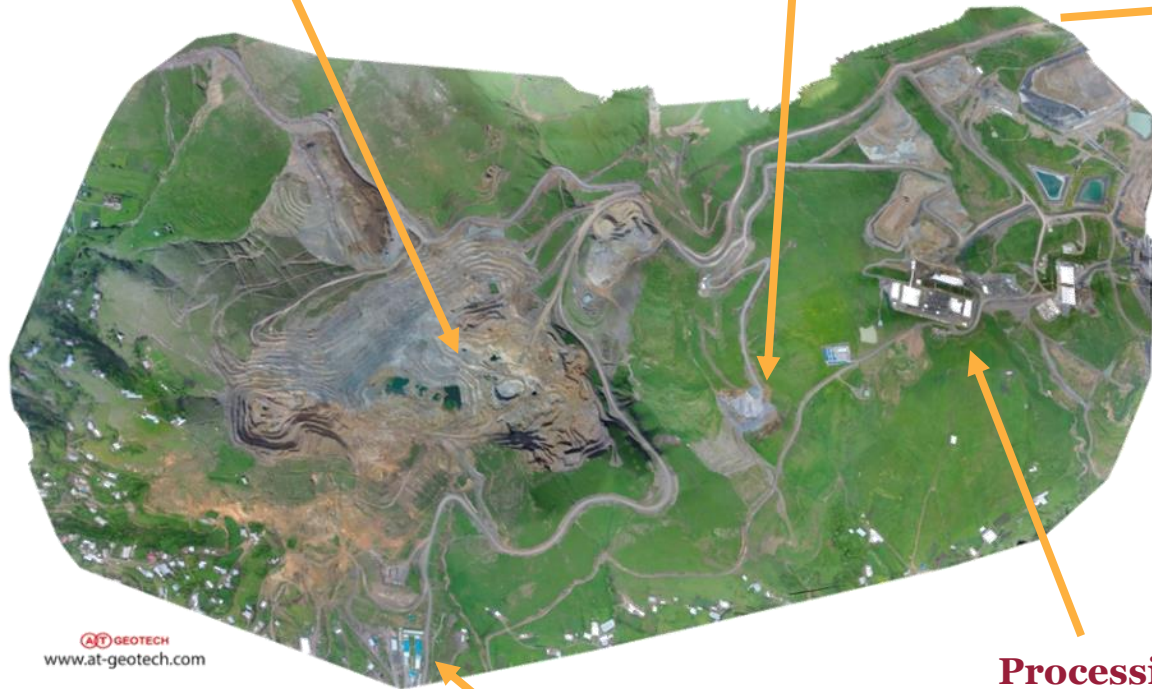
Ugur open pit

4.5 km road from Ugur to Processing facilities

Gadir underground mine

Processing facilities

Offices & Camp



Gedabek open pit mine

- Producing since 2009
- YTD Q3 2018 – 141,652 tonnes mined at an average grade of 1.20 g/t of gold
- Ore grades about 0.5 % copper
- JORC Total Mineral Resource (combined) of over 1 million ounces of gold and 95,000 tonnes of copper
- 2017 and 2018 - extensive development underway
- Objective to enhance current resource and reserves to prolong mine life



Gedabek open pit

Resources (classified according to the JORC Code)



GOLD – COPPER Mineral Resources (cut-off 0.3g/t gold)	Tonnage (millions)	Gold Grade (g/t)	Copper Grade (%)	Silver Grade (g/t)	Gold (‘000 ounces)	Copper (‘000 tonnes)	Silver (‘000 ounces)
Measured	18.0	0.9	0.2	8.3	532	38.0	4,800
Indicated	11.1	0.7	0.1	5.6	264	15.7	2,011
Measured and Indicated	29.1	0.9	0.2	7.3	796	53.7	6,811
Inferred	8.5	0.7	0.1	5.0	189	9.7	1,361
Total	37.6	0.8	0.2	6.8	986	63.4	8,172
COPPER Mineral Resources (<0.3g/t gold & >0.3% Cu)	Tonnage (millions)	Gold Grade (g/t)	Copper Grade (%)	Silver Grade (g/t)	Gold (‘000 ounces)	Copper (‘000 tonnes)	Silver (‘000 ounces)
Measured	5.3	0.1	0.5	2.1	21	26.3	356
Indicated	0.9	0.1	0.5	1.6	3	4.4	48
Measured and Indicated	6.2	0.1	0.5	2.0	24	30.7	404
Inferred	0.5	0.1	0.4	1.5	1	1.9	23
Total	6.7	0.1	0.5	2.0	25	32.6	426

Resources data
as April 2018

- Gold-Copper resources form upper level of open pit area
- Additional copper resource underlying Au-Cu resource where gold is <3.0 g/t
- Combined metal:
 - **over 1Moz gold**
 - **95,000 tonnes of copper**

Gedabek open pit

Reserves (classified according to the JORC Code)



Ore Reserves	Tonnage (millions)	Gold Grade (g/t)	Copper Grade (%)	Silver Grade (g/t)	Gold (‘000 ounces)	Copper (‘000 tonnes)	Silver (‘000 ounces)
Proved	10.9	0.9	0.3	8.8	311	31.9	3,084
Probable	1.2	0.8	0.3	9.5	32	4.1	373
Proved and probable	12.1	0.9	0.3	8.9	343	36.0	3,457

Ugur open pit mine

- Discovered in Oct 2016 – production commenced in Sept 2017 (fast track capability)
- JORC Total Mineral Resource of 199,000 ounces gold and 1,049,000 ounces of silver
- YTD Q3 2018 – 887,702 tonnes mined at an average grade of 1.24 g/t gold
- YTD Q3 2018 – 50,156 ounces of gold produced as doré from mainly Ugur ores
- Part free digging, **exceptional processing properties** (oxide)



Ugur deposit

Resources and Reserves (classified according to the JORC Code)



Mineral Resources	Tonnage (millions)	Gold Grade (g/t)	Silver Grade (g/t)	Gold (ounces)	Silver (ounces)
Measured	4.12	1.2	6.3	164,000	841,000
Indicated	0.34	0.8	3.9	8,000	44,000
Measured and Indicated	4.46	1.2	6.2	172,000	884,000
Inferred	2.50	0.3	2.1	27,000	165,000
Total	6.96	0.9	4.7	199,000	1,049,000

Ore Reserves	Tonnage (millions)	Gold Grade (g/t)	Silver Grade (g/t)	Gold (ounces)	Silver (ounces)
Proved	3.37	1.3	7.2	142,000	779,000
Probable	0.22	0.8	4.1	5,000	29,000
Proved and probable	3.59	1.3	7.0	147,000	808,000

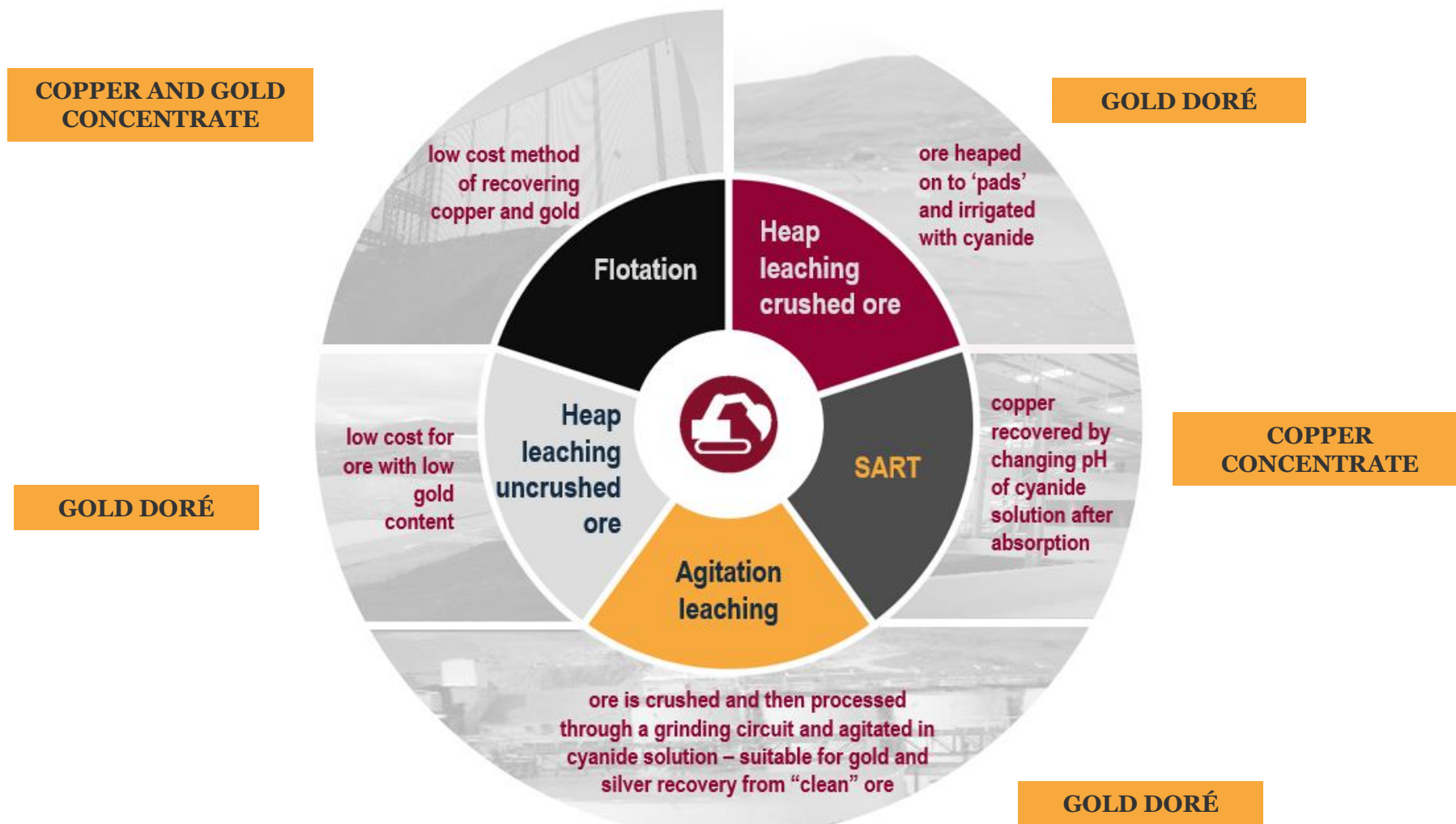
Resources and Reserves as Sept 2017

Gadir underground mine

- Producing since 2015
- YTD Q3 2018 – 91,204 tonnes mined at an average grade of 4.97 g/t of gold
- 2018 - 7,500 metres of core surface drilling planned for both Gadir and between Gadir and Gedabek open pit
- Over 8km of underground development
- Grades of over **3 ounces per tonne** intersected in drilling and confirmed in tunnel (see right)
- Significant expansion potential and objective to establish a considerable JORC resource (commenced H2 2018)



Processing and production



Recent investments at Gedabek

Mining, infrastructure and processing



Recent investments at Gedabek

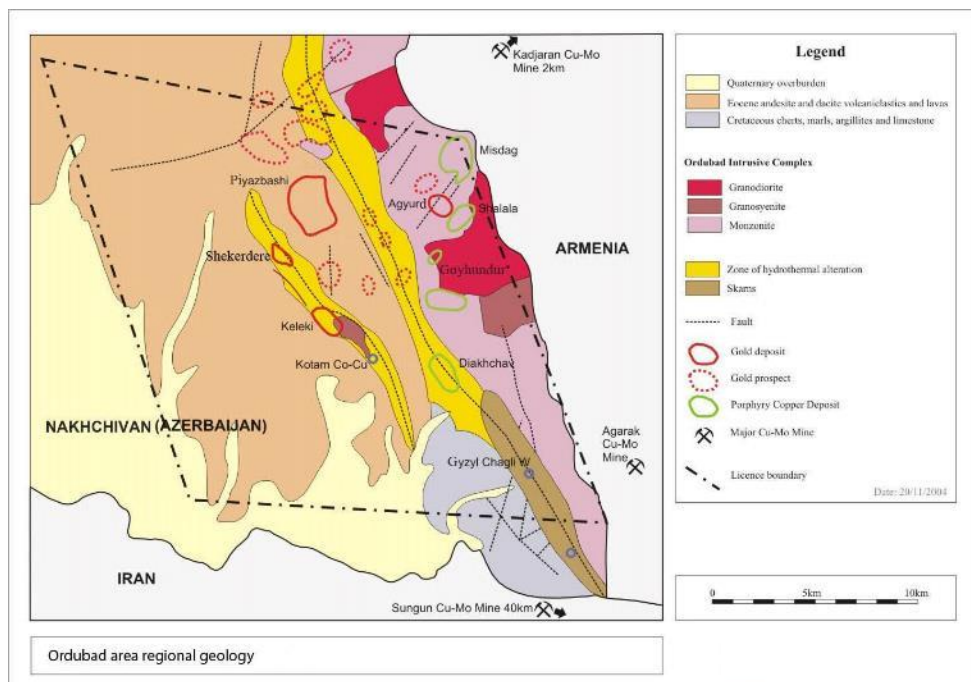
Mining, infrastructure and processing



New Underground and Surface Mining Equipment (2018)



- Extensive alteration zones of porphyry style identified at Ordubad (Shekerdere), with confirmation of copper and gold mineralisation, are the subject of an extensive geochemical sampling programme
- Discussions ongoing for ground based electrical geophysics, core drilling and research institute cooperation for remote sensing interpretation for porphyry style ore analysis (commence Q4 2018)



- Large Soviet classified resources from many deposits will be subject to reassessment
- Known province for copper porphyry style mineralisation (Iran – Sungun)
- Staff, infrastructure and equipment build up in Q4 2018 for 2019 onwards exploration plan

Exploration programme in 2018 - Significant upside potential



- 2018 is the first year of a three-year rolling programme of near mine, brownfield and greenfield areas exploration
- A total of over 40,000 metres of surface and underground drilling is planned
- Large number of known mineral occurrences to be assessed and evaluated at both Gedabek and Ordubad
- Airborne geophysics (ZTEM) programme underway at Gedabek
- Ground based geophysics for Gadir and Ugur to test for extensions at the Gedabek area
- Drilling and preliminary investigation for new mineral zones at Gosha and surrounding area
- Expected cost in 2018 around \$6 million which will be funded from internal cash flow

Exploration programme in 2018 - Airborne geophysical survey underway



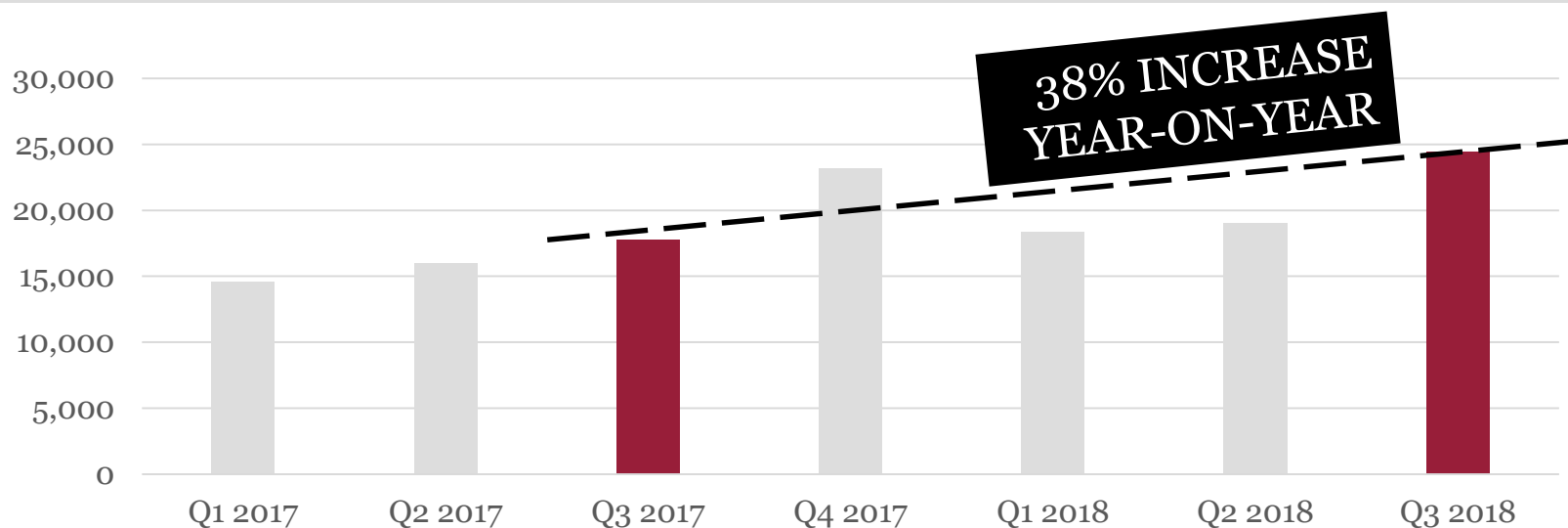
Helicopter carrying out airborne survey

- Airborne geophysical survey of entire Gedabek contract area currently underway
- Survey is to define new drill targets and identify new mineral deposits
- Being conducted by Geotech – a leading airborne geophysical survey company
- Helicopter services supplied by the Government of Azerbaijan
- Around 77 per cent. complete – 2,590 kilometres of planned 3,385 kilometres surveyed
- Preliminary results show magnetic and electromagnetic anomalies relating to geological entities at depth
- Survey findings available - Q1 2019

FY 2017 & YTD Q3 2018 Production & Sales



Production in gold equivalent ounces for Q3 2017 to Q3 2018



Production and sales for FY 2017 and YTD Q3 2018

	Gold & silver production and sales (doré)				Copper & gold production and sales(concentrate)			
	Gold (oz)	Silver (oz)	Gold sold (oz)	Av. Price (\$)	Concentrate (t)	Copper produced (t)	Gold produced (oz)	Concentrate sales (t)
FY 2017	52,534	22,728	43,496	1,265	9,330	1,991	7,083	8,499
YTD Q3 2018	50,156	20,540	44,415	1,216	5,101	1,057	4,417	3,091

Production sharing agreement with Government of Azerbaijan (“PSA”)



- Gold production shared with the Government which takes physical delivery of the gold
- Company buys gold for the Government for physical delivery for its share of the production of concentrate and silver bullion
- Government entitled to 51% of “Profit Production”

Annual Profit Production



Value of production less all operating and capital cash costs incurred during the year

- Minimum Profit Production of 25% of the value of production until all costs recovered

Profit Production of 25%



Government receives 12.75% (51 x 25%)

- Unrecovered capital and operating costs c/fwd indefinitely for off-set against future production. Interest costs are not allowed but cash costs include the notional financing costs of the project
- Company retains 87.25% of revenue until all costs are recovered

Company is currently subject to minimum Profit Production (12.75 % production share) which is expected to continue to at least 2023 assuming ongoing investment

Net cash increased by \$38m from net debt of \$35m at 1 January 2017 to net cash of \$3m at 30 September 2018

\$000 (except AISC)	HY1 2018 (to 30 June 2018)	FY 2017 (to 31 December 2017)	FY 2016 (to 31 December 2016)
Revenue	39,967	71,806	79,184
Gross profit	12,439	14,981	16,414
Operating profit	9,057	9,222	11,714
Profit before tax	8,066	5,684	6,779
Cash generated from operations	24,580	29,835	29,579
Capital expenditure	8,183	9,397	10,679
All in sustaining costs (AISC) (\$/oz)	543	604	616

FY 2018 Production target



78,000 to 84,000
gold equivalent
ounces



+16% increase
over 2017

Metal	FY 2016 (Actual)	FY 2017 (Actual)	FY 2018 (Target)
Copper (tonnes)	1,941	1,991	2,100 – 2,300
Silver (ounces)	165,131	172,853	–*
Gold (ounces)	65,394	59,617	64,000 – 70,000

* Group does not give guidance on silver production as not material to total gold equivalent ounce production

Why invest in Anglo Asian Mining?



Anglo Asian is building
a long-term sustainable
mining business



- **ESTABLISHED** – produced first gold May 2009
- **EXPERIENCED** – highly qualified team with decades in the industry – directors and senior managers own 41% of the Company fully aligning them with shareholders
- **FIRST MOVER ADVANTAGE** – only listed miner in Azerbaijan
- **CASH GENERATIVE** – highly cash generative with fast reducing debt and net cash at end of Q3 2018
- **MAIDEN DIVIDEND** – US\$0.03 interim dividend paid in November 2018
- **FAST TRACK ABILITY** – Ugur mine brought into production in one year from discovery
- **EXPLORATION POTENTIAL** – several high-grade targets under investigation



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