# JORC TABLE 1

## Section 1 Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
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| ***Sampling techniques*** | • *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | • Diamond core drilling was used to provide drill core for geological information (primarily structural information) at depth. Full core was split longitudinally 50% using a rock diamond saw and half-core samples were taken at typically 1 metre intervals or to rock contacts if present in the core run for both mineralisation and wall rock. The drill core was rotated prior to cutting to maximise structure to core axis of the cut core.<br>• Half core samples are considered representative and have been consistently sampled.<br>• Reverse Circulation (RC) drill samples were collected via a cyclone system in calico sample bags following on site splitting using a standard Jones riffle splitter attached to the RC drill rig cyclone, and into plastic chip trays for every sample run metre (1.0m and 2.5m) interval.<br>• RC drilling was carried out for both exploration drilling and grade control during production.<br>• To ensure representative sampling, diamond drill core was marked to highlight mineralisation and alteration intensity. Drill core was also consistently marked for depth and to aid identification of sample recovery.<br>• RC samples were routinely weighed to ensure sample is representative of the metre run. Sampling of drill core and RC cutting were systematic and unbiased.<br>• RC samples varies from 3kg to 6kg, the smaller weight sample related to losses where water was present. The average sample weight was 4.7kg, which was pulverised to produce a 50g sample for Atomic Absorption Spectrometry (AAS) analysis and check fire assaying in the on-site lab.<br>• Blast hole (BH) samples were taken in the Gedabek pit (5m total length, 2.5m samples). THESE WERE NOT INCLUDED IN THE RESOURCE ESTIMATION.<br>• Channel samples (CH) were taken from the underground development drives in the west portion of Gedabek (variable length 0.2 -2.5m). THESE WERE NOT INCLUDED IN THE RESOURCE ESTIMATION.<br>• Handheld XRF (model THERMO Niton XL3t) was used to assist with mineral identification during field mapping and core logging. |
| ***Drilling techniques*** | • *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • Diamond core drilling, RC drilling and down the hole (DTH) / blast hole (BH) drilling were used at Gedabek.<br>• Upper levels of core drilling from collar to an average depth of 51.6 metres at PQ (85.0 mm) core single barrel wireline, stepping down to HQ (63.5mm) when necessary.<br>• Diamond Core Drilling with HQ (63.5mm) core single tube barrel, stepping down to NQ (47.6mm) core barrel when necessary.<br>• Diamond Core drilling with NQ (47.6mm) core single tube barrel.<br>• The proportions of PQ: HQ: NQ drilling were 9: 72: 19 percent proportionally.<br>• Oriented drill coring was not used.<br>• Reverse Circulation drilling using a 133-millimetre diameter face sampling drill bit. |

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| | | • Downhole surveying was carried out on 36.8% (the majority of drill holes were drilled vertically with shallow depths) of core drill holes utilizing Reflex EZ-TRAC equipment at a downhole interval of 12.0 metres.<br>• Drilling penetration speeds were also noted to assist with rock hardness indications. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Core recovery (TCR – total core recovery) was recorded at site, verified at the core logging facility and subsequently entered into the database. The average core recovery was 95%. Recovery measurements were poorer in fractured and faulted rocks, however the contract drill crew maximized capability with use of drill muds and reduced core runs to ensure best recovery. In zones where oxidised friable mineralisation was present, average recovery was 89%.<br>• RC recovery was periodically checked by weighing the sample per metre for RC drill cuttings and comparing to theoretical weight.<br>• Geological information was passed to the drilling crews to make the drillers aware of areas of geological complexity, to maximise recovery of sample through the technical management of drilling (downward pressures, rotation speeds, water flushing, use of clays).<br>• Zones of faulting and presence of water resulted in variable weights of RC sample, suggesting losses of fines. Historical drilling at adjacent deposits with similar situations tended to underestimate the in-situ gold grades.<br>• There is no direct relationship between recovery and grade variation, however in core drilling, losses of fines are believed to result in lower gold grades due to washout of fines in fracture zones. This is also the situation when core drilling grades are compared with RC grades. This is likely to result in an underestimation of grade, which has been confirmed during production. |
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Drill core was logged in detail for lithology, alteration, mineralisation, geological structure, and oxidation state by Anglo Asian Mining geologists, utilising logging codes and data sheets as supervised by the competent person.<br>• RC cuttings were logged for lithology, alteration, mineralisation, and oxidation state.<br>• Logging was considered sufficient to support Mineral Resource estimation, mining studies and metallurgical studies.<br>• Rock Quality Designation (RQD) logs were produced for all core drilling for geotechnical purposes. Fracture intensity and fragmentation proportion analysis was also used for geotechnical information.<br>• 8 core drill holes were drilled to pass through mineralisation into wall rocks of the backwall to the open pit. This ensured geotechnical data collected related to open pit design work with using all drill hole rock quality designation (RQD) data. This data was utilised in establishing the open pit design parameters.<br>• Independent geotechnical studies have been completed by the environmental engineering company, CQA International Limited (CQA), to assess rock mass strength and structural geological relationships for mine design parameters.<br>• Logging was both quantitative and qualitative in nature. All core was photographed in the core boxes to show the core box number, core run markers and a scale, and all RC chip trays were photographed.<br>• 100% of the surface core drilling was logged for a total of 118,609 metres of core and 100% of RC drilling for a total of 110,251 metres and 100% of bench drilling for a total of 315,636 metres. |

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| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Full core was split longitudinally using a rock diamond saw to create half-core samples that were taken at typically 1 m intervals or to rock contacts if present in the core run for both mineralisation and wall rock. The drill core was rotated prior to cutting to maximise structure to core axis of the cut core.<br>• Half core was taken for sampling for assaying, and one half remains in the core box as reference material.<br>• Reverse Circulation (RC) drill samples were collected in calico sample bags following on site splitting using a standard riffle “Jones” splitter, and into plastic chip trays for every one metre interval.<br>• Where RC samples were wet, the total sample was collected for drying at the laboratory, following which, sample splitting took place. Primary duplicates have also been retained as reference material.<br>• RC field sampling equipment was regularly cleaned to reduce the chance of sample contamination by previous samples, on a metre basis by compressed air.<br>• Both core and RC samples were prepared according best practice, with initial geological control of the half core or RC samples, followed by crushing and grinding at the laboratory sample preparation facility that is routinely managed for contamination and cleanliness control. Sampling practice is considered as appropriate for Mineral Resource Estimation.<br>• Sample preparation at the Azerbaijan International Mining Company (AIMC) on-site laboratory is subject to the following procedure:<br>  ○ After receiving samples at the laboratory from the geology department, all samples are cross referenced with the sample order list.<br>  ○ All samples are dried in an oven for 24 hours at 105-110-degree centigrade temperature.<br>  ○ First stage sample crushing to -25mm size.<br>  ○ Second stage sample crushing to -10mm size.<br>  ○ Third stage sample crushing to -2mm size.<br>  ○ After crushing the samples are riffle split and 200-250-gram sample taken.<br>  ○ A 75-micron sized prepared 50 g pulp is produced that is subsequently sent for assay preparation.<br>• Quality control procedures were used for all sub-sampling preparation. This included geological control over the core cutting, and sampling to ensure representativeness of the geological interval.<br>• Sample sizes are considered appropriate to the grain size of the material and style of mineralisation being sampled. |
| ***Quality of assay data and laboratory tests*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | • Laboratory procedures and assaying and analysis methods are industry standard. They are well documented and supervised by a dedicated laboratory team. The techniques of Atomic Absorption and Fire Assay were utilised, and as such both partial and total techniques were employed. These techniques are appropriate for obtaining assay data of rock samples.<br>• Handheld XRF (model THERMO Niton XL3t) was used to assist with mineral identification during field mapping and core logging procedures.<br>• Commencement of drilling was *21/02/2006* and completion was *28/04/2020* (the database date range for resource estimation). The following four types of drill sample are utilised; surface diamond drilling, surface mine reverse circulation, bench hole (down the hole hammer production drilling) and underground core drilling.<br>• Material drill holes are considered those drilled since the time of the last JORC resource statement (2014), as much of the material drilled prior to that has been mined out. The material drilling is |

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| | | considered to be core drilling and RC drilling as these impact on the interpretation of the geology and grade shell models in the Mining Plus 2020 MRE model, and not bench hole / production drilling (removed from the interpretation). The underground drilling is limited to the western end of Gedabek, and material for underground extension under the west margin of pit 6.<br>• QA/QC procedures included the use of field duplicates of RC samples, blanks, certified standards or certified reference material (CRMs) from OREAS (Ore Research & Exploration Pty Ltd Assay Standards, Australia), in addition to the laboratory control measures that comprised pulp duplicates, coarse duplicates, and replicate samples. This QA/QC system allowed for the monitoring of precision and accuracy of assaying for the Gedabek deposit.<br>• Taking into consideration all the QA/QC methods employed, the percentage of QA/QC samples to the total samples collected by surface mine drilling (including bench hole production drilling) is 2.0%.<br>• The percentage of QA/QC samples of the material mine location drilling (surface core and reverse circulation) samples is 4.3%.<br>• The percentage of QA/QC samples of the material mine location drilling (surface core and reverse circulation) plus exploration diamond drill hole samples only is 6.5%.<br>• It should be noted that QA/QC control prior to 2014 was at a lower standard than in recent years, where there has been an increase in QA/QC sample % and dedicated QA/QC staff have been sent on courses to put in place enhanced procedures.<br><br>• **DUPLICATES**: The duplicate samples (1667 total) show a good correlation between the original samples and the duplicates:<br>o Field duplicates show a higher variance around 1:1 correlation, which reflects the short-range variability of the orebody.<br>o Coarse duplicates show a good correlation, indicating the crushing method is consistently applied.<br>o 794 pulp duplicate samples were assayed at varying grade ranges; these showed a very close correlation, indicating that the crushing and pulverisation procedures were applied correctly and consistently.<br>• **CRMs**: A total of 3783 CRMs were inserted into the assay sequence. For Au the AIMC on-site lab tends to over-estimate low grades (< 0.3g/t Au), and slightly underestimate high grades (> 1.0g/t Au). The Ag assay results from AIMC are very variable; this is as a result of using XRF to assign grades. The Cu grades from AIMC tend to under-report against the CRM grades.<br>• **BLANKS**: the blank results show some contamination from the AIMC lab (414 samples total)<br>o The Au, Cu, Ag and Zn show a significant number of samples above the respective detection limits, which indicates contamination during the preparation procedure, as different methods were used for assaying (AAS for Au, XRF for the others), and the contamination occurs irrespective of method.<br>o The graphs are laid out in date order on the X-axis. Au, Cu and Zn show a period of time from August 2017 to May 2019 where the blank assays reported above detection limit significantly more than before or after. Mining Plus recommends that the preparation and assaying procedures during this period are reviewed and improved. |

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| | | • Mining Plus reviewed all the drill hole datasets provided by the client, and compared the assays by drill hole types using Q-Q plots:<br>o For Au, the RC versus DD comparison shows that RC has a positive bias up to 10g/t, then a negative bias at grades > 10 g/t. The blast holes and channel samples drastically over-report Au relative to the DD samples; consequently, these have been removed from the estimation database.<br>o For Cu, DD samples are negatively biased relative to RC sample by up to 50%. RC and BH and CH assays correlate well. MP suspects it is smaller sample sizes in DD that is causing it to under-report, as well as some RC acting as infill drilling in high grade zones (high biased RC grades). RC acts as infill in places of pre-production grade control drilling.<br>o Zn correlates well between DD, RC and BH up to 3% - above that, DD tends to over-report. This is not considered a problem as 99% of the samples have <1% Zn<br>• Mining Plus checked inter-laboratory assay results (in the DD and RC samples) between the internal AIMC lab (used for majority of samples) and the two external umpire labs OMAC and SGS. For Au, all labs use AAS, and for Ag, Cu and Zn, the AIMC lab uses XRF (Niton XL3 Analyzer), and OMAC/SGS use the ICP-ME method. The results are as follows:<br>o For Au, the AIMC on-site AAS method slightly over-reports compared to OMAC and SGS labs above 10g/t. Below 10g/t, the data correlates very well.<br>o Ag correlates poorly between the AIMC lab and the external labs; the AIMC data will be removed from the estimation.<br>o Cu correlates well between the labs; slightly underestimating low – and overestimating high grades at the AIMC lab relative to the external labs.<br>o Zn overestimates grade in the internal lab vs the external lab; this should be audited and assessed in more detail.<br>• The differences noted here are likely related to the different analysis methods used at the internal vs umpire labs.<br>• Mining Plus has made the decision to use the following data in the resource estimation:<br>o Au only from DD and RC samples. BH and CH samples removed.<br>o Ag only from OMAC and SGS assays; all internal AIMC XRF results removed<br>o Cu and Zn only from DD and RC. BH and CH samples removed<br>o All other unlabelled drill hole/sample types removed.<br>• Mining Plus recommends that the client review the relationships between the RC-DD and BH and CH sample datasets, as there are significant grade biases between them. Spatial distribution should be controlled during any investigations, and only drill holes spatially close together should be compared.<br>• Mining Plus also recommends that AIMC have some check assays performed at external laboratories using the same method of analysis for Ag, Cu and Zn that is used on site. This will improve understanding and confidence in these grades.<br>• Using XRF data in the estimation of Cu and Zn grades adds uncertainty to the block model, however the grades are relatively high (percents), so the margin of error is much lower than that associated with Ag. The detection limits for Cu and Zn are 15ppm and 6ppm respectively<br>• The quality of the QA/QC is considered adequate for resource and reserve estimation purposes. Please note for this MRE, the resource categories pertain only to Au, the Ag, Cu and Zn are accessory |

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| | | elements reported within the gold resource categories. |
| **Verification of sampling and assaying** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Significant intersections were verified by a number of company personnel within the management structure of the Exploration Department. Intersections were defined by the exploration geologists, and subsequently verified by the Exploration Manager.<br>• Independent verification was carried out as part of the due diligence for resource estimation in 2018 by Datamine International. Assay intersections were cross validated with drill core visual intersections.<br>• No independent verification has been performed by Mining Plus in 2020, due to COVID-19 travel restrictions.<br>• A set of 7 RC drill holes was twinned with core drilling to validate the presence of mineralisation. Reverse circulation drilling assays were compared with the core drilling assays showed. They demonstrate a positive grade bias of up to 12%. This result may be a function of sample size as the diameter of RC drill holes is much wider than the core drill holes, and produced a larger sample that are likely to be more representative of the rock mass. It is also suspected that losses may have occurred during the core drilling process especially in very strongly oxidised mineralised zones due to drilling fluid interaction. Mining Plus was unable to verify these holes.<br>• Data entry is supervised by a data manager, and verification and checking procedures are in place. The format of the data is appropriate for use in resource estimation. All data is stored in electronic MS Access databases within the geology department and backed up to the secure company electronic server that has limited and restricted access. Four main files are created relating to “collar”, “survey”, “assay” and “geology”. Laboratory data is loaded electronically by the laboratory department and validated by the geology department. Any outlier assays are re-assayed.<br>• Independent validation of the database was part of the resource model generation process, where all data was checked for errors, missing data, misspelling, interval validation, negative values, and management of zero versus absent data. One drill hole was found to have missing survey data at the collar, and one was found to have a missing FROM/TO in one assay intercept.<br>• All drilling and sampling/assaying databases are considered suitable for the Mineral Resource Estimate.<br>• No adjustments were made to the assay data. |
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • The mine area was recently (July 2020) surveyed by high resolution drone survey. Five topographic base stations were installed and accurately surveyed using high precision GPS, that was subsequently tied into the local mine grid using ground based total station surveying (LEICA TS02) equipment. All trench, drill holes collars were then surveyed using total station survey equipment. In 2018, new survey equipment was purchased which is used for precision surveying of drill holes, trenches and workings. This equipment comprised 2x Trimble R10, Model 60 and associated equipment.<br>• Since 2014 (the date of the last JORC statement), over 95% of core drill holes have been surveyed. Using Reflex EZ-TRAC equipment at a downhole interval of every 12m.<br>• The grid system used is Universal Transverse Mercator (UTM) 84 WGS zone 38T (Azerbaijan).<br>• The topographic DTM is adequate for the purposes of resource and reserve modelling (having been validated by both aerial and ground based survey techniques). |

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| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • Drill hole spacing is 20 metres over the main mineralised zone to 40 metres on the periphery of the resource.<br>• The data spacing and distribution (20 x 20 metre grid) over the mineralised zones is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. The depth and spacing is considered appropriate for defining geological and grade continuity as required for a JORC Mineral Resource estimate.<br>• No physical sample compositing has been applied for assay purposes; compositing of data is applied electronically during the estimation procedure. |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • Detailed surface mapping and subsequent drilling has controlled the surface expression of the deposit. The orientation of the drilling in multiple directions, as well as focused campaigns on specific mineralised horizons, has served to maximise the geological interpretation in terms of understanding of contact orientations.<br>• Mineralised structures have been drilled perpendicularly where possible, and data clustering has been dealt with during estimation. Given the geological understanding of the deposit type, and the application of the drilling grid orientation, grid spacing and vertical drilling, no orientation-based sample bias has been identified in the data. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | • DIAMOND DRILL CORE: the drilling site is supervised by a geologist; the drill core is placed into wooden or plastic core boxes that are sized specifically for the drill core diameter. A wooden/plastic lid is fixed to the box to ensure no spillage. Core box number, drill hole number and from/to metres are written on both the box and the lid. The core is then transported to the core storage area and logging facility, where it is received and logged into a data sheet. Core logging, cutting, and sampling takes place at the secure core management area. The core samples are bagged with labels both in the bag and on the bag, and data recorded on a sample sheet. The samples are transferred to the laboratory where they are registered as received, for laboratory sample preparation works and assaying. Hence, a chain of custody procedure has been followed from core collection to assaying and storage of pulp/remnant sample material.<br>• RC: samples are bagged at the drill site and sample numbers recorded on the bags. Batches of 18 metre samples are boxed for transport to the logging facility where the geological logging and sample preparation take place.<br>• All samples received at the core facility are logged and registered on a certificate sheet. The certificate sheet is signed by the drilling team supervisor and core facility supervisor (responsible person). All core is photographed, geotechnical logging, geological logging, sample interval determination, bulk density testing, core cutting, and sample preparation.<br>• All samples are weighed daily, and a Laboratory order prepared which is signed by the core facility supervisor prior to release to the laboratory. On receipt at the laboratory, the responsible person countersigns the order.<br>• After assaying all reject duplicate samples are sent back from the laboratory to the core facility (recorded on a signed certificate). All reject samples are placed into boxes referencing the sample identities and stored in the core facility.<br>• For external assaying, Anglo Asian Mining utilised ALS-OMAC in Ireland. Samples selected for |

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| | | external assay are recorded on a data sheet and sealed in appropriate boxes for shipping by air freight. Communications between the geological department of the Company and ALS monitor the shipment, customs clearance, and receipt of samples. Results are sent electronically by ALS and loaded into the Company database. |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • Datamine 2018 MRE: Reviews on sampling and assaying techniques were conducted for all data internally and externally as part of the resource and reserve estimation validation procedure. No concerns were raised as to the procedures or the data results. All procedures were considered industry standard and well conducted. QA/QC tolerance concerns of some of batches of assaying has been raised.<br>• Mining Plus 2020 MRE: On-site review was unable to take place due to COVID-19 travel restrictions. Review of the data used for resource estimation took place in the Mining Plus UK office. Mining Plus relied on the information / reports provided by the client AAM and on a due diligence performed on site at Gedabek by a Mining Plus geologist in 2019. |

## Section 2 Reporting of Exploration Results

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| ***Mineral tenement and land tenure status*** | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • The project is located within a current contract area that is managed under a "PSA" production sharing agreement. The project is held under **AGREEMENT: ON THE EXPLORATION, DEVELOPMENT AND PRODUCTION SHARING FOR THE PROSPECTIVE GOLD MINING AREAS: KEDABEK, 1997**<br>• The PSA grants the Company a number of periods to exploit defined licence areas, known as Contract Areas, agreed on the initial signing with the Azerbaijan Ministry of Ecology and Natural Resources ('MENR'). The exploration period allowed for the early exploration of the Contract Areas to assess prospectivity can be extended.<br>• A 'development and production period' commences on the date that the Company issues a notice of discovery, which runs for 15 years with two extensions of five years each at the option of the Company. Full management control of mining in the Contract Areas rests with Anglo Asian Mining.<br>• Under the PSA, Anglo Asian is not subject to currency exchange restrictions and all imports and exports are free of tax or other restrictions. In addition, MENR is to use its best endeavours to make available all necessary land, its own facilities and equipment and to assist with infrastructure.<br>• The deposit is not located in any national park.<br>• At the time of reporting no known impediments to obtaining a licence to operate in the area exist and the contract (licence) area agreement is in good standing |

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| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | **OTHER PARTIES**<br><br>• The Gedabek deposit has been known since ancient times. It was repeatedly mined by primitive underground methods until the second half of the XIX century. During the period 1864-1917 it was a subject to economic mining by the Siemens Brothers company. During that period, the extracted ores comprised about 1.72Mt of ore at high grades:<br>  o Approx. 56 kt of Cu total at grades of ~3.4%<br>  o Between 6.4 – 12.7 t of Au at grades of 3.7 – 7.4 g/t<br>  o Between 121 – 126 t of Ag at a grade of ~70 g/t<br>• Mining of the deposit was stopped in 1917 due to the Bolshevik revolution<br>• Historical work on the area included geological scientific works about mineralogy, geochemistry, regional geological mapping, large-scale regional geophysical programmes (magnetic and gravity), trenching, dump sampling, drilling and preliminary resource estimation by Azerbaijan geologists until 1990 in the Soviet period and by Azerbaijan geologists since 1992 to 2002 in the years after the Soviet period. Prior to 1990, 16 core holes were drilled at Gedabek.<br>• Azergyzil, an Azerbaijan state entity drilled an additional 47 core drill holes between 1998 and 2002 and also carried out re-sampling of old adits.<br><br>**ANGLO-ASIAN MINING**<br><br>• A Production Sharing Agreement was subsequently signed by AAM on 20th August 1997 with the Azerbaijan government based on that used by the established oil and gas industry in the country, and AAM initially twinned four diamond holes (originally drilled during the Azergyzil campaign) in order to establish confidence in the previous drilling and assay campaigns.<br>• Based on the results of this drilling alongside a re-assaying campaign of Azergyzil core which produced positive results on the basis of which AAM began construction of the mine in 2007. When production started in 2009, Gedabek was the first modern mining project in Azerbaijan.<br>• Prior to the drill programme targeted for resource estimation, Anglo Asian Mining carried out the following work:<br>  o Geological mapping of 5 $km^2$ at a scale of 1:10 000 (2005-2006) and of 1 $km^2$ at a scale 1:1 000 (2007-2008).<br>  o Outcrop sampling that comprised 4367 samples (2005-2007).<br>  o In 2006, Anglo Asian Mining carried out exploration at the Gedabek mineral deposit that comprised 146 core and RC drill holes, with an average drill hole depth of 113 metres. As a result of this exploration work, the ore reserve was estimated and reported by SRK Consultants in January 2007.<br>• In 2007 an induced polarisation (IP) geophysical study was carried out on the Gedabek deposit by JS Company, Turkey.<br>• Various exploration phases were carried out by Anglo Asian Mining at the Gedabek mine and in surrounding areas of the Gedabek mineral deposit from 2007 to 2014. As a result, in 2012 and 2014 estimation of mineral resources and ore reserves were completed and reported by CAE Mining. This work provided an update of the previous mineral resource estimations of SRK Consulting Incorporated (SRK, 2007) and SGS Canada Incorporated (SGS, 2010). These resource and reserve estimates |

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| | | were made in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves of the Joint Ore Reserves Committee (JORC). The exploration work of 2007-2014 resulted in an ore reserve of 20.49 Mt at grades of 1.03 g/t gold, 0.50% copper and 7.35 g/t silver (in-situ) as reported by CAE Mining in September 2014.<br>• Increasing Cu levels in the Gedabek ore began impacting on the processing within the AGL plant by reducing recoveries and increasing cyanide consumption, and so with exposure of primary sulphide mineralisation at depth a flotation (FLT) plant was built in 2015.<br>• In 2018, with an increasing appreciation of Gedabek mineralisation and its impact on processing method, combined with feed sources from Gadir underground and Ugur open pit it was decided to install a secondary crushing and milling circuit so that the two processes now ran in parallel rather than in series. This presents a total of four processing routes, meaning that while the operation has a degree of flexibility it also means that to run optimally sufficient ore variety to feed the AGL and FLT plants needs to be produced from available ore sources. The current life of mine (LOM) for Gedabek is until 2028. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • The Gedabek ore district is extensive and includes numerous mineral occurrences and prospects (as well as operating mines), the majority of which fall within the designated Gedabek Contract Area. The region (with the Gedabek open pit located on the flanks of Yogundag Mountain) lies within the Shamkir uplift of the Lok-Karabakh volcanic arc (in the Lesser Caucasus Mega-Anticlinorium). This province has been deformed by several major magmatic and tectonic events, resulting in compartmentalised stratigraphic blocks.<br>• The Gedabek ore deposit is located within the large Gedabek-Garadag volcanic-plutonic system. This system is characterised by a complex internal structure indicative of repeated tectonic movement and multi-cyclic magmatic activity, leading to various stages of mineralisation emplacement. Yogundag Mountain is a porphyry-epithermal zone, with known deposits in the area (e.g. Gedabek, Gadir, Umid and Zefer) believed to represent the upper portion of the system.<br>• The Gedabek ore deposit is a high sulphidation gold deposit located at the contact between Bajocian (Mid-Jurassic) volcanic rocks and a later-stage Kimmeridgian intrusion (Late Jurassic). The mineralisation is dominantly hosted in the local rhyolitic porphyry (known onsite as the 'quartz porphyry' unit), bounded by volcanics (mainly andesites) in the west and a diorite intrusion to the east. The principal hydrothermal alteration styles found at Gedabek are propylitic alteration (encompassing the orebody) with quartz ± adularia ± pyrite alteration (forming the deposit) and argillic alteration (confined to the centre of the orebody).<br>• Ore mineralisation is spatially associated with the quartz porphyry. Disseminated pyrite occurs pervasively through most of the deposit, with high concentrations of fine-grained pyrite found at its heart. Increased Au grades occur in the shallowest levels of Gedabek, predominantly in an oxidised zone in contact with the overlying barren andesites. A central brecciated zone continues at depth, as has been proven through exploratory drilling campaigns. Additionally, faulting running through the middle of the deposit has been shown to control the hydrothermal metasomatic alteration and associated Au mineralisation (causing the argillic alteration mentioned above). The deposit geology was originally considered to be a "porphyry" style, whereas the current interpretation is that the deposit is HS-epithermal in nature. Mining of the deposit since 2009 has provided a vast amount of data about the nature of the mineralisation and its structural control. |

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td><ul><li>The deposit was emplaced at the intersection of NW, NE, N and E trending structural systems regionally controlled by a first order NW trans-current fault structure. The fault dips between 70º to 80° to the north-west. The faults of the central zone control the hydrothermal metasomatic alteration and gold mineralisation.</li><li>In vertical section, the higher gold grade ore is located on the top of the ore body (mainly in an oxidation zone in the contact with andesitic waste on the top). A central brecciated zone of higher-grade ore is seen to continue at depth. Ore minerals show horizontal zoning with high grade copper mineralisation located on the east of the orebody along the contact zones of a diorite intrusion. The northern part of the deposit hosts gold and copper mineralisation along fractures.</li></ul></td></tr>
<tr><td>Drillhole Information</td><td><ul><li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</li><li>easting and northing of the drill hole collar</li><li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li><li>dip and azimuth of the hole</li><li>down hole length and interception depth</li><li>hole length.</li><li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li></ul></td><td><ul><li>A summary of the type and metres of drilling included in this MRE is provided below. Full details on the drillholes used in the resource estimation are in Appendix C of the MRE report.</li></ul>
<table>
<tr><th>PURPOSE</th><th>DRILLHOLE TYPE</th><th>NUMBER OF HOLES</th><th>TOTAL LENGTH</th></tr>
<tr><td rowspan="2">Exploration</td><td>DD</td><td>627</td><td>118,609</td></tr>
<tr><td>RC</td><td>2,518</td><td>70,687</td></tr>
<tr><td>Mine Development</td><td>RC</td><td>6,600</td><td>39,564</td></tr>
<tr><td>Mine Production</td><td>BH</td><td>135,754</td><td>315,636</td></tr>
<tr><td rowspan="2">Underground</td><td>DD</td><td>505</td><td>26648</td></tr>
<tr><td>CH</td><td>2198</td><td>6980</td></tr>
<tr><td colspan="2">TOTAL DRILLING</td><td>148202</td><td>578124</td></tr>
</table>
<ul><li>All drillholes are surveyed for collar position, azimuth and dip by the AIMC Survey Department, relative to the grid system</li><li>Underground diamond drilling data (UG) from Gedabek were used in the estimation. These data were made available from a new tunnel being developed from the Gadir underground mine to an area below the current Gedabek open pit. Underground channel sampling was not used in the estimation.</li><li>The database contains assay and geological sample information up to 28th April 2020.</li><li>Material drill holes are considered those DD and RC holes drilled since the time of the last JORC resource statement, as much of the material drilled prior to that has been subjected to mining.</li><li>An overall total of 98% of surveyed holes (129,916 of 132431) were drilled at 90° (vertically). A total of 99.1% of surveyed exploration holes were drilled at 90º (3116 of 3144).</li></ul></td></tr>
<tr><td>Data aggregation methods</td><td><ul><li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high</li></ul></td><td><ul><li>Drilling results are not reported in this MRE</li></ul></td></tr>
</table>

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated* | • No metal equivalent values have been reported |
| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | • The relationship between mineralisation widths and intercept lengths in the case of the Gedabek deposit is less critical as the mineralisation dominantly forms a broad scale oxide zone, underlain by sulphide that has varying types of mineral structures of varying orientations. However, in the main open pit area the overall geometry is sub-horizontal, with intersections from vertical drilling.<br>• In the down dip portion of mineralisation to the west of pit 6 the drillholes are predominantly vertical aside from the underground drilling and channel samples. These intercept a mineralised trend with 40-50 degrees dip.<br>• All intercepts are reported as down-hole lengths. |
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • These are included in the report |
| ***Balanced reporting*** | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • Representative reporting of mineral intervals has been previously reported by Anglo Asian Mining via regulated news service (RNS) announcements of the London Stock Exchange (AIM) or on the Company website where the previous JORC resource report is presented.<br>• Reporting of exploration results does not form part of this 2020 Mining Plus mineral resource estimate |
| ***Other substantive exploration data*** | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • Not relevant to the Mining Plus 2020 mineral resource update. |
| ***Further work*** | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Not relevant to the Mining Plus 2020 mineral resource update. |

## Section 3 Estimation and Reporting of Mineral Resources

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Database integrity*** | • *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*<br>• *Data validation procedures used.* | • The Gedabek database is stored in MS Excel and MS Access software. A dedicated database manager has been assigned by AIMC who checks the data entry against the laboratory report and survey data.<br>• Geological data is entered by a geologist to ensure no confusion over terminology, while laboratory assay data is entered by the data entry staff.<br>• A variety of manual and data checks are in place to check against human error of data entry.<br>• All original geological logs, survey data and laboratory results sheets are retained in a secure location.<br>• All data requested were made available to Mining Plus by AAM and AIMC. Relevant data were imported to Datamine Studio RM software and further validation processes completed. At this stage, any errors found were corrected. The validation procedures used included checking of data as compared to the original data sheets, validation of position of drillholes in 3D models and reviewing areas appearing anomalous following statistical analysis.<br>• Mining Plus reviewed the provided database as part of the resource model generation process, where all data was checked for errors, missing data, misspelling, interval validation, negative values, and management of zero versus absent data<br>• All drilling and sampling/assaying databases are considered suitable for the Mineral Resource Estimate. No adjustments were made to the assay data prior to import into Datamine software. |
| ***Site visits*** | • *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*<br>• *If no site visits have been undertaken indicate why this is the case.* | • No site visit was possible during 2020 due to the COVID-19 travel restrictions between the United Kingdom and Azerbaijan. Mining Plus has relied on the information / reports provided by the client AAM and on a due diligence performed on site at Gedabek by a Mining Plus geologist in 2019 |
| ***Geological interpretation*** | • *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*<br>• *Nature of the data used and of any assumptions made.*<br>• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*<br>• *The use of geology in guiding and controlling Mineral Resource estimation.*<br>• *The factors affecting continuity both of grade and geology.* | • Mining Plus considers the geological interpretation to be robust. Geological data collection includes surface mapping and outcrop sampling, RC, DD and production drilling (grade control) RC and BH drilling. This has resulted in a significant amount of information for the deposit.<br>• The geological interpretation of the geology has changed from the time of the previous JORC resource statement to that of the current study. The geology was originally considered to be a porphyry style deposit, whereas the current interpretation is that the geology is HS-epithermal in nature, with possible remnant porphyry features. Mining of the deposit has provided a vast amount of data about the nature of the mineralisation and its structural control.<br>• The geology has guided the resource estimation, particularly the lithological and orientation control.<br>• Grade and geological continuity have been established by extensive 3D data collection. The deposit has dimension of about 1300 metres by 800 metres, and the continuity is well understood, especially in relation to structural effects due to the mining activity of the deposit.<br>• Mining Plus's investigations determined that the mineralisation is multiphase, and that Au, Ag, Cu and Zn grade distribution should be modelled and estimated separately.<br>• A geological and mineralisation interpretation of the deposit was made using Leapfrog software. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Dimensions*** | • *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource* | • The footprint of the whole mineralisation zone is about 1370 metres along strike (NW-SE) by 780 metres across strike.<br>• The upper elevation of ore in the bottom of the pit is at 1600m elevation.<br>• The current established base to mineralisation beneath the floor of the open pit at an elevation of 1550 metres.<br>• The elevation of the deepest known mineralisation below the backwall of the open pit is at 1450 metres.<br>• The thickness of ore varies between 10 - 50 metres. |
| ***Estimation and modelling techniques*** | • *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*<br>• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*<br>• *The assumptions made regarding recovery of by-products.*<br>• *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).*<br>• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*<br>• *Any assumptions behind modelling of selective mining units.*<br>• *Any assumptions about correlation between variables*<br>• *Description of how the geological interpretation was used to control the resource estimates.*<br>• *Discussion of basis for using or not using grade cutting or capping.*<br>• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | • A geological and mineralisation interpretation of the deposit was made using Leapfrog software.<br>• AIMC provided Mining Plus with a list of simplified codes for use in creating the 3D geological model. These are detailed in APPENDIX D Rock Codes. The major lithological units are as follows:<br>○ VOLCANIC: Andesitic host rock, altered and brecciated in places. Some minor tuffs and rhyolites<br>○ SUBVOLCANIC: Quartz porphyry unit; variably altered, veined and hydrothermally brecciated.<br>○ DYKE: planar intrusive unit, generally dioritic<br>○ SUBINTRUSION: Breccia, hydrothermal and contact<br>○ INTRUSION: Barren diorite intrusion (to the east of the mineralised porphyry and volcanic units)<br>• The most volumetrically significant mineralised units are the subintrusion (breccia), subvolcanic, and volcanic units. The subvolcanic has a hard/moderate boundary with the volcanic.<br>• There are three distinct structural domains, defined around the fault zone in the footwall of pit 4. There is also a fault on the east side of pit 4, however this has no impact on the mineralisation, so is not used for domaining in this model.<br>• The oxide, transition and fresh zones were domained by Mining Plus; and analysis indicated that oxide and transition should be grouped during estimation, and domained separately from the fresh material.<br>• The two primary estimation domains (ESTDOM 1 and 2) are based on a change in orientation of the mineralisation around the carapace of the intrusion.<br>• Mining Plus created 8 domains to split the mineralisation for variography and estimation. The domains are defined by the orientation of the orebody, lithology and oxidation state.<br>• Mining Plus domained Au, Cu, Zn and Ag mineralisation using anisotropic indicator Radial Base Function (RBF) grade shells, based on some initial variograms created from the geological interpretation. These mineralised domains are contained within each of the 8 separate estimation domains, and are used to define the limits for estimation of each element.<br>○ Au: uses a 0.2 g/t cut-off value for the indicator<br>○ Cu: uses 0.1% cut-off value,<br>○ Zn: uses 0.1% cut-off value<br>○ Ag: uses a 11 g/t cut-off value<br>• The mineralisation sits along the top and west dipping carapace of the porphyry/subvolcanic. There is lower grade mineralisation in the host volcanic.<br>• Drillholes were composited to 2.5 m lengths, declustered, topcut, and then coded as either inside or outside of Au, Ag, Cu and Zn grade wireframes. These were used to estimate grade inside the |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | wireframes.<br>• Sufficiently well selected domains with demonstrated stationarity meant that Ordinary Kriging (OK) can be used to estimate grade within the block model.<br>• Variography was performed on each of the separate composited drill hole files for the relevant one of the four elements Au, Cu, Ag, Zn. The variography was done in the 8 different estimation domains to produce variogram and search parameters for block model estimation. Some of the variograms are combined and used for multiple domains where there is too little data for meaningful variography.<br>• A range of block sizes were tested on the two main estimation domains, with 10 m x 10 m x 5 m (X, Y and Z) parent cell size returning the optimum result for the tested domains.<br>• 60 samples were chosen as the maximum number of samples, and in order to estimate Au grade in more distal blocks, 6 was chosen as the minimum number of samples for all domains.<br>• Search ellipse distances were tested at divisions and multiples of the variogram range to determine an optimal search ellipse size for each domain. Full variogram range was chosen in each domain for the first pass, followed by a second pass at 2 x the range. The search ellipse parameters are shown below. |

| AU | First Pass | | | | | | Second Pass | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Domain | Search | | | # Samples | | DH | Second Pass | | | # Samples | | DH |
| | Major | Semi-Major | Minor | Min | Max | Limit | Major | Semi-Major | Minor | Min | Max | Limit |
| 131 | 184 | 80 | 20 | 6 | 60 | 4 | 368 | 160 | 40 | 2 | 60 | 4 |
| 132 | 44 | 40 | 12 | 6 | 60 | 4 | 88 | 80 | 24 | 2 | 60 | 4 |
| 111 | 91 | 71 | 18 | 6 | 60 | 4 | 182 | 142 | 36 | 2 | 60 | 4 |
| 112 | 80 | 54 | 15 | 6 | 60 | 4 | 160 | 108 | 30 | 2 | 60 | 4 |
| 231 | 77 | 67 | 15 | 6 | 60 | 4 | 154 | 134 | 30 | 2 | 60 | 4 |
| 232 | 61 | 30 | 31 | 6 | 60 | 4 | 122 | 60 | 62 | 2 | 60 | 4 |
| 211 | 113 | 63 | 17 | 6 | 60 | 4 | 226 | 126 | 34 | 2 | 60 | 4 |
| 212 | 61 | 30 | 31 | 6 | 60 | 4 | 122 | 60 | 62 | 2 | 60 | 4 |

| AG | First Pass | | | | | | Second Pass | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Domain | Search | | | # Samples | | DH | Second Pass | | | # Samples | | DH |
| | Major | Semi-Major | Minor | Min | Max | Limit | Major | Semi-Major | Minor | Min | Max | Limit |
| 131 | 71 | 40 | 15 | 6 | 60 | 4 | 142 | 80 | 30 | 2 | 60 | 4 |
| 132 | 50 | 26 | 6 | 6 | 60 | 4 | 100 | 52 | 12 | 2 | 60 | 4 |
| 111 | 86 | 85 | 16 | 6 | 60 | 4 | 172 | 170 | 32 | 2 | 60 | 4 |
| 112 | 50 | 26 | 6 | 6 | 60 | 4 | 100 | 52 | 12 | 2 | 60 | 4 |
| 231 | 63 | 51 | 10 | 6 | 60 | 4 | 126 | 102 | 20 | 2 | 60 | 4 |
| 232 | 82 | 51 | 7 | 6 | 60 | 4 | 164 | 102 | 14 | 2 | 60 | 4 |
| 211 | 63 | 51 | 10 | 6 | 60 | 4 | 126 | 102 | 20 | 2 | 60 | 4 |
| 212 | 82 | 51 | 7 | 6 | 60 | 4 | 164 | 102 | 14 | 2 | 60 | 4 |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | (continued below) |

| CU | First Pass | | | | | | Second Pass | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Domain | Search | | | # Samples | | DH | Second Pass | | | # Samples | | DH |
| | Major | Semi-Major | Minor | Min | Max | Limit | Major | Semi-Major | Minor | Min | Max | Limit |
| 131 | 163 | 93 | 15 | 6 | 60 | 4 | 326 | 186 | 30 | 2 | 60 | 4 |
| 132 | 67 | 56 | 19 | 6 | 60 | 4 | 134 | 112 | 38 | 2 | 60 | 4 |
| 111 | 91 | 85 | 19 | 6 | 60 | 4 | 182 | 170 | 38 | 2 | 60 | 4 |
| 112 | 67 | 56 | 19 | 6 | 60 | 4 | 134 | 112 | 38 | 2 | 60 | 4 |
| 231 | 117 | 60 | 17 | 6 | 60 | 4 | 234 | 120 | 34 | 2 | 60 | 4 |
| 232 | 117 | 60 | 17 | 6 | 60 | 4 | 234 | 120 | 34 | 2 | 60 | 4 |
| 211 | 117 | 60 | 17 | 6 | 60 | 4 | 234 | 120 | 34 | 2 | 60 | 4 |
| 212 | 117 | 60 | 17 | 6 | 60 | 4 | 234 | 120 | 34 | 2 | 60 | 4 |

| ZN | First Pass | | | | | | Second Pass | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Domain | Search | | | # Samples | | DH | Second Pass | | | # Samples | | DH |
| | Major | Semi-Major | Minor | Min | Max | Limit | Major | Semi-Major | Minor | Min | Max | Limit |
| 131 | 68 | 47 | 13 | 6 | 60 | 4 | 136 | 94 | 26 | 2 | 60 | 4 |
| 132 | 80 | 58 | 10 | 6 | 60 | 4 | 160 | 116 | 20 | 2 | 60 | 4 |
| 111 | 59 | 66 | 23 | 6 | 60 | 4 | 118 | 132 | 46 | 2 | 60 | 4 |
| 112 | 80 | 58 | 10 | 6 | 60 | 4 | 160 | 116 | 20 | 2 | 60 | 4 |
| 231 | 150 | 91 | 32 | 6 | 60 | 4 | 300 | 182 | 64 | 2 | 60 | 4 |
| 232 | 91 | 40 | 13 | 6 | 60 | 4 | 182 | 80 | 26 | 2 | 60 | 4 |
| 211 | 150 | 91 | 32 | 6 | 60 | 4 | 300 | 182 | 64 | 2 | 60 | 4 |
| 212 | 91 | 40 | 13 | 6 | 60 | 4 | 182 | 80 | 26 | 2 | 60 | 4 |

- Block discretisation testing indicates little variation between any numbers of discretisation points above 1 x 1 x 1, so 3 x 3 x 3 was chosen as the slightly more optimal.
- Estimation was also performed using Inverse Distance Weighted (Squared) and Nearest Neighbour (NN) as checks on the estimation method.
- The estimation strategy at Gedabek was to build up a block model from the separate estimation of the four elements Au, Cu, Ag and Zn. These were estimated in separate block models, using their individual grade shells, and combined into a final block model. This is a significant departure from the 2018 Datamine block model, and allows the resource model to be used as a basis for a geo-metallurgical model.
- The boundaries between the mineralised and unmineralised zones were treated as hard estimation boundaries during estimation. Parent cell estimation was used rather than sub-cell estimation, dictated by results from the Kriging Neighbourhood Analysis.
- The vast majority of blocks within the mineralised domains have been filled with the two search passes. Only a small number of blocks at the outer extremities are unestimated (<0.1% of total). These unestimated blocks have been assigned a zero grade.
- The block model was constructed using the original topography (pre-mining), to allow inclusion of all

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | the assay and lithological data in the model. Subsequent to estimation, the block model was cut to the current mined out surface correct as of 30th June 2020.<br>• There is significant historical underground development below pit 4, in the form of exploration tunnelling.<br>• Detailed checking of reconciliation data against the previous block model (Datamine, 2018) is beyond the scope of this MRE.<br>• Validation checks are undertaken at all stages of the modelling and estimation process. Final grade estimates and models have been validated using:<br>○ Wireframe vs block model volumes<br>○ A visual comparison of block grade estimates and the input drill hole data,<br>○ A global comparison of the average composite and estimated block grades,<br>○ Comparison of the estimation techniques<br>○ Moving window averages (swathes) comparing the mean block grades to the composites |
| ***Moisture*** | • *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.* | • Tonnages have been estimated on a dry basis for resource calculations. At reserve stage, a 7% moisture content is applied to stockpiled ore. |
| ***Cut-off parameters*** | • *The basis of the adopted cut-off grade(s) or quality parameters applied* | • The current resource for the Gedabek deposit is reported at a cut-off grade of 0.2g/t Au. The Mineral Resource reporting has an effective date of 29th September 2020.<br>• The basis for the Au cut-off grade chosen for reporting resources at Gedabek is:<br>○ Reflective of the style of mineralisation and anticipated mining and processing development routes,<br>○ Based on Reasonable Prospects of Eventual Economic Extraction (RPEEE),<br>○ Includes lower-grade Au (0.2 - 0.3g/t Au) that is associated with high grade copper, and has been demonstrated to be extracted economically, thereby fulfilling requirements of RPEEE.<br>• Below the cut-off grade of 0.2g/t the Au resources are not reported, as they are not considered to have RPEEE.<br>• Cu, Zn and Ag are reported inside and outside of the 0.2g/t Au cut-off as mineral inventories only, these are reported within the Au resource classifications. |
| ***Mining factors or assumptions*** | • *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.* | • This resource estimation was carried out on mineralisation that is currently being mined via open pit methods.<br>• The ore body is being worked using 5m benches.<br>• Mining dilution and mining dimensions are applied during reserve conversion.<br>• The current mining and ore extraction methodologies are appropriate for the geological conditions.<br>• Other mining factors are not applied at this stage. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Metallurgical factors or assumptions*** | • *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.* | • The Company currently operates an agitation leach plant, flotation plant, crushed heap leach pad and a run-of-mine dump leach facility.<br>• Ore is blended with material from other AIMC operations to meet mill production targets. These targets therefore dictate the processing route the material follows.<br>• The various plant operations have been in use since the start of extraction at Gedabek open pit (2009). As such, the basis for assumptions and predictions of processing routes and type of "ores" suitable for each process available are well understood.<br>• No metallurgical factor assumptions were used during this estimation; however, these are applied during reserve conversion. |
| ***Environmental factors or assumptions*** | • *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made* | • The Gedabek open-pit deposit is located in the Gedabek Contract Area where AIMC currently operates two other mines.<br>• As part of the initial start-up, environmental studies and impacts were assessed and reported for Gedabek. This included the nature of process waste as managed in the tailings management facility ("TMF"). Other waste products are fully managed under the AIMC HSEC team, including disposal of mine equipment waste such as lubricants and oils.<br>• There is ongoing adherence to international environmental regulations, and continuing monitoring of their baseline environmental systems.<br>• No environmental factors or assumptions were used during this estimation. |
| ***Bulk density*** | • *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*<br>• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,*<br>• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | • Bulk density measurements have been determined. A total of 9551 samples were tested from selected core samples that comprised both mineralisation and waste rocks. The density was tested by rock type, extent of alteration and depth. The method used was hydrostatic weighing.<br>• A truncated set of data was used for the different lithologies, outliers were dealt with by removing all values <2.3 and >3.1 (295 samples total).<br>• There is no density to sample length bias, and no density to grade bias, therefore there was no need to domain density by grade shells.<br>• The values used for densities were split by lithology:<br>  ○ SUBVOLCANIC 2.66 – normal distribution, median and mean values are the same<br>  ○ VOLCANIC 2.73 – slight positive skew on the distribution. Median chosen for use as density<br>  ○ BRECCIA 2.76 – Only four points, mode chosen for use as density<br>• The oxide zone has a slightly lower density than the fresh zone; however, there are far fewer oxide zone samples, and Mining Plus made the decision not to domain density by oxidation stage, particularly as most of the updated resource in the fresh zone at depth.<br>• The underground workings have been accounted for in the block model and overall deposit grade-tonnages by using a modified density for each of the blocks containing workings.<br>• This assumes that the workings have a density of 0, i.e. are still open. The modified density variable used for all grade tonnage calculations is **den_adj**<br>• The selected density values per lithology are considered appropriate for Mineral Resource and Mineral |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | Reserve estimation. |
| ***Classification*** | • *The basis for the classification of the Mineral Resources into varying confidence categories*<br>• *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*<br>• *Whether the result appropriately reflects the Competent Person's view of the deposit.* | • Classification of the block model at Gedabek has been completed in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code as prepared by the Joint Ore Reserve Committee of the AusIMM, AIG and MCA and updated in December 2012.<br>• The resource classification at Gedabek has been applied based on the following criteria;<br>  ○ Search volume<br>  ○ Internal structure of the mineralised zone (whether visible)<br>  ○ Distance to samples (a proxy for drill hole spacing)<br>  ○ Number of samples<br>  ○ Extrapolation of mineralisation<br>• **Measured Mineral Resource**: Those areas of the mineralised domains contained in search volume 1, with > 30 samples per block estimate, block variance < 0.3, minimum distance to sample < 0.3 of the search ellipse radius, with internal structure of the mineralisation defined between the drillholes.<br>• **Indicated Mineral Resource**: The areas of the mineralised domains contained in search volume 1, with 17-30 samples per block estimate, block variance of 0.3 - 0.4, minimum distance to sample of 0.3 – 0.5 of the search ellipse radius. The zone is contained between drillholes, and not extrapolated out away from drill hole data.<br>• **Inferred Mineral Resource**: Contained with search pass 2. All dip and strike extensions (where blocks are estimated) of mineralisation are classified as Inferred Resources.<br>• **Unestimated Blocks:** There are 5,601 unestimated blocks out of a total of 369,520 (1.5%) contained within the Au estimation wireframes. These have been reset to zero in the final block model.<br>• All the mineral resource categorisation is made using wireframes based on the confidence in the Au and Cu resource estimates. Ag and Zn are categorised using the same classification wireframes.<br>• The results reflect the Competent Person's view of the deposit. |
| ***Audits or reviews*** | • *The results of any audits or reviews of Mineral Resource estimates.* | • Data verification was performed internally by AIMC management, Datamine personnel during the 2018 resource estimation work, and by Mining Plus personnel during the 2020 MRE work.<br>• No site visit was possible during 2020 due to the COVID-19 travel restrictions between the United Kingdom and Azerbaijan. Mining Plus has relied on the information / reports provided by the client AAM and on a due diligence performed on site at Gedabek by Mining Plus geologist in 2019. |
| ***Discussion of relative accuracy/confidence*** | • *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate*<br>• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages,* | • Validation (visual and statistical), and checking of the estimation process confirm the resource estimation to be appropriate to the style of mineralisation at Gedabek, and that the estimated Au, Ag, Cu, Zn contents are a reasonable representation of the sample data from which they were made, both locally and globally.<br>• The classifications applied by the Competent Person are rigorous and satisfy all of the JORC 2012 criteria.<br>• Where Modifying Factors material to the economic extraction of the orebody have been assumed, these are stated in the Competent Person's Report.<br>• The Gedabek deposit has been in production since 2009. As part of the mining process, grade control drilling, truck sampling and process reconciliation forms part of the daily management. Mining Plus |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used*<br>• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available* | was not given reconciliation data for review, and detailed comparison is outside the scope of this MRE. |

## Section 4 Estimation and Reporting of Ore Reserves

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral Resource Estimate for conversion to Ore Reserves*** | • *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve*<br>• *Clear statements as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*<br>• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*<br>• *If no site visits have been undertaken indicate why this is the case.* | • The Measured and Indicated Mineral Resources for the Gedabek deposit, as prepared by Mining Plus in September 2020, were used as the basis for Ore Reserves.<br>• The Ore Reserves, including adjustment for ore loss and dilution factors, are included within the declared Mineral Resources.<br>• Due to travel limitations imposed following the global Coronavirus pandemic, a site visit by the Competent Person (CP) for Ore Reserves has not been possible to date.<br>• Current and former employees of Mining Plus have visited the site on previous occasions, as recently as September 2019.<br>• See above. |
| ***Study Status*** | • *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.*<br>• *The code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resource to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material modifying factors have been considered.* | • Gedabek is an existing and currently operating mine.<br>• A mine plan that is technically achievable and economically viable has been identified, covering a remaining open pit mine life of approximately 8 years.<br>• All material modifying factors are considered by the CP to have been accounted for in this Ore Reserves estimate. |
| ***Cut-off parameters*** | • *The basis of the cut-off grade(s) or quality parameters applied.* | • Factors included in the cut-off grade estimates include mining, processing and overhead costs, mining dilution and loss factors, processing plant recoveries and net payable gold, copper and silver prices.<br>• The cut-offs used for reporting Ore Reserves are as follows:<br>  ○ All material having a Gold grade above 0.3g/t OR a Copper grade above 0.3% is considered as ore.<br>  ○ All other material is considered waste.<br>• These cut-off grades are currently being used for the mining operations, and are considered by the CP to be appropriate for the operation, considering the nature of the deposit, and the associated project economics.<br>• The reference point at which Ore Reserves are reported is at the mine gate. The mine currently produces gold/silver doré bars and a copper/gold/silver concentrate for sale. |
| ***Mining factors or assumptions*** | • *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* | • Following establishment of the key Modifying Factors for Ore Reserve estimation, the Mineral Resources models which formed the basis for estimation of the Ore Reserves were used in a pit optimisation process using industry-standard optimisation software.<br>• Modifying factors including pit slope angles, mining and logistics costs, processing costs, processing recovery factors and product selling costs input to the optimisation were provided by site staff. Mining costs are based on unit rates for the current mining contractor. Processing costs, recoveries and |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | selling costs are based on actual figures obtained from current operations.<br>• A pit shell was selected from the set of nested pit shells resulting from the pit optimisation process, and this shell was used as the basis for an operational final pit design.<br>• The Ore Reserves are the Measured and Indicated resources (after allowing for loss and dilution factors) that meet the nominated cut-off grade parameters and are within the operational final pit design limits. |
| | • *The choice, nature and appropriateness of the selected mining method (s) and other mining parameters including associated design issues such as pre-strip, access, etc.* | • The mining method selected is open cut using conventional truck and excavator methods.<br>• The CP considers the proposed mining method to be appropriate, given the nature of the deposit's mineralisation and the scale of the proposed operations. |
| | • *The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre-production drilling* | • Pit slope angles used for the pit optimisation and design are based on a geotechnical report produced by AIMC's geotechnical consultant, CQA International Limited. These recommendations were presented in the document titled "Gedabek Mine – Pit Slope Assessment" dated 12th September 2018.<br>• The maximum recommended inter-ramp pit slope angle is 45 degrees containing an average bench batter angle of 60 degrees (maximum). After allowing for ramps, the assumed overall pit slope angle is 43 degrees. The maximum vertical interval between berms is 20 metres in the competent waste strata which is assumed to be from the 1660 metre level and above. The maximum vertical interval between berms below the 1660 metre level (in mineralisation and ore) is 10 metres.<br>• Grade control immediately prior to mining is via dedicated pre-production RC drilling, sampling of blast holes and AAS XRF assaying of samples. |
| | • *The major assumptions made, and the Mineral Resource model used for pit and stope optimisation (if appropriate).*<br>• *The mining dilution factors used*<br>• *The mining recovery factors used*<br>• *Any mining widths used.* | • Mining dilution assumed for reserve estimation is 2%. Ore mining recovery factor for reserve estimation is 98%.<br>• Pit and phase designs are based on a minimum mining width of 20 metres. |
| | • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* | • Inferred material was considered as waste for the purposes of pit optimisation and pit shell generation.<br>• The total tonnage of Inferred mineral resources contained in the final pit design was approximately 318,000 tonnes which represents about 2.6% of the total ore tonnage in the pit and contains approximately 2% of contained gold, 4% of contained silver and 3% of contained copper in the pit.<br>• Inferred Resources are excluded from Ore Reserves estimates.<br>• The project does not rely on Inferred resources to produce a positive economic outcome. |
| | • *The infrastructure requirements of the selected mining methods.* | • Infrastructure required for the open pit mining method includes haul road access (which has been completed to the mine area), offices for geology/mining department, mining workshop, fuel storage, weighbridge and medical/HSEC facilities (all of which are in place). Explosives are transported from a dedicated controlled storage area. |
| ***Metallurgical factors or assumptions*** | • *The metallurgical process proposed and the appropriateness of that process to the style of the mineralisation.* | • Ore from the Gedabek mine can be processed by five different available processing methods: Agitated Leach (AGL), Heap Leach of Crushed material (HLCRUSH), Heap Leach of blasted material or run-of-mine (HLROM) and flotation (FLOT) and Sulphidation/Acidification/Recycling/ Thickening |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|

**JORC Code explanation:**

- *Whether the metallurgical process is well-tested technology or novel in nature.*
- *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.*
- *Any assumptions or allowances made for deleterious elements.*

**Commentary:**

(SART). The SART process is used to recover copper, silver and minor gold from the HLROM and HLCRUSH processes, and to regenerate cyanide for recycling.

- Silver and copper contained within the ore by HLROM and HLCRUSH is sent for a final phase of processing to the SART circuit, for extraction of the silver and copper to a concentrate, and for regeneration of cyanide.
- Generally, ore having higher Cu grade is processed through the flotation circuit to produce a concentrate containing some payable gold and silver, while material having higher gold grade is processed through the Agitated Leach process, producing gold/silver doré bars. The two Heap Leach processes (HLROM and HLCRUSH) are used to recover mainly gold and silver from ore having lower gold grades and little or no copper content. The decision on which of these processes to use is made depending on the gold and copper grade of the ore, according to the following table

| Au Grade (g/t) | Cu Grade (%) | | | |
|---|---|---|---|---|
| | 0 <= Cu < 0.3 | 0.3 <= Cu < 0.5 | 0.5 <= Cu < 0.6 | Cu > 0.6 |
| 0 <= Au < 0.3 | WASTE | FLOT | FLOT | FLOT |
| 0.3 <= Au < 1.0 | HLROM | FLOT | FLOT | FLOT |
| 1.0 <= Au < 1.2 | HLCRUSH | FLOT | FLOT | FLOT |
| 1.2 <= Au < 1.4 | AGL | AGL | FLOT | FLOT |
| 1.4 <= Au < 2.5 | AGL | AGL | AGL | FLOT |
| Au >= 2.5 | AGL | AGL | AGL | AGL |

- All of the metallurgical processes (agitated leach, heap leach, flotation and SART) used at Gedabek are industry-standard, well-proven technology. The metallurgical processes are well-tested and proven to be effective, being those used for the existing operations.

- Metallurgical recovery factors for each of the four processing methods used at Gedabek are derived from actual plant operating data. Assumed overall processing recoveries and payability factors for the different processing methods are presented in the table below:

| Process Method | Process Recoveries (%) | | | Product Type | Payability (%) | | |
|---|---|---|---|---|---|---|---|
| | Cu | Ag | Au | | Cu | Ag | Au |
| HLROM | 8% | 7% | 40% | Doré | 82.00% | 96.00% | 99.95% |
| HLCRUSH | 12% | 7% | 60% | Doré | 82.00% | 96.00% | 99.95% |
| AGL | 18% | 28% | 75% | Doré | 82.00% | 96.00% | 99.95% |
| FLOT | 78% | 60% | 60% | Concentrate | 82.00% | 82.00% | 90.00% |

- There are no deleterious elements of significance for the Agitated Leach and Heap Leach processing methods.
- For the Flotation processing method, Zinc (Zn) is the main deleterious element to be considered in the concentrate. A sliding-scale Zn penalty in copper concentrate is applied, where final zinc grade in the concentrate is above a threshold grade of 3% and below 15%. The concentrate is rejected or treatment fee increased where the Zn grade in the concentrate exceeds 15%, depending on the concentrate buyer.

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.*<br><br>• *For minerals that are defined by the specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?* | • Zinc suppression in the flotation cells is successfully achieved by use of specific additives, and the Zn content of the concentrate sold to date has not exceeded the threshold.<br>• Future studies may investigate the feasibility of modifying/augmenting the flotation plant to enable sequential capture of Zn into a separate concentrate for sale, but this is not included in the current facility or Ore Reserves estimate.<br><br>• Metallurgical test work has historically been conducted on drill samples and bulk truck samples in the form of bottle roll testing and column leach tests for amenability to leaching in an agitation process and in a static heap process.<br>• Additional flotation test work is carried out using scaled down flotation cells on ore containing copper for the flotation process.<br>• As the mine has been operating since 2008, metallurgical recoveries of the ore types are well understood, and a geometallurgical classification system has been developed for the ore types at Gedabek.<br>• The amount of test work is considered representative of the processing technology to be employed, and the samples tested are considered representative of the orebody as a whole.<br><br>• The ore reserve estimation is based on the appropriate mineralogy to meet the specification. |
| ***Environmental*** | • *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.* | • A Previous ESIA (Environmental Social Impact Assessment) has been carried out by Amec Foster Wheeler (2012) and TexEkoMarkazMMC (2012) (submitted to Government authorities). The Gedabek deposit is located within the Gedabek Contract Area for which the ESIA is valid. The processing methods and tailings storage facility as assessed the ESIA is the same as has been assumed for this reserve update.<br>• Environmental and geotechnical consultants, CQA International Ltd of the UK (CQA), have on-site representation, and carried out both geotechnical and environmental assessments of the Gedabek mine area. Baseline environmental monitoring has been carried out on receptors downstream of the mine site.<br>• The waste rock has a potential for acid rock drainage due to the presence of sulphide bearing mineralisation. Watercourses downstream of stockpiles are monitored on a routine basis for pH and heavy metals.<br>• A topsoil management plan is in place, which has been reviewed by a CQA consultant deemed in accordance with the storage principles of the Ministry of Ecology and Natural Resources of the Republic of Azerbaijan and European Union (EU) guidelines.<br>• Stockpile areas for waste rock have been identified following condemnation drilling. Waste material is also utilised for construction of infrastructure such as roads and other earthworks. |
| ***Infrastructure*** | • *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided or accessed.* | • The existing infrastructure is adequate to support the existing operations.<br>• The deposit is located within the Company's contract/licence area with extraction rights according to the Azerbaijani Government contract. Ore is processed at the Company's current facilities, with ore being delivered by truck from the mine to processing via the existing haul road system. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • Offices and mechanical workshop buildings are available. Power for the offices, workshop and weighbridge is provided via the existing grid system, with diesel generators as backup.<br>• Labour is readily available as the operation is in production and planned extraction rates are consistent with current capacity.<br>• G&A and processing labour are part of the existing company compliment of staff. Accommodation, canteen facilities and associated services requirements will continue to be serviced by the current infrastructure. |
| ***Costs*** | • *The derivation of, or assumptions made, regarding projected capital costs in the study.* | • There is an existing mine with associated infrastructure and an operating processing facility at Gedabek. As such, there are only nominal sustaining capital costs required to maintain the ongoing operations at their current level. |
| | • *The methodology used to estimate operating costs.* | • Operating cost estimates are derived from actual costs incurred by the existing mining and processing operations within the license area.<br>• Average waste mining operating cost (drill, blast, load and haul) for waste of $US2.08 per tonne was assumed, consistent with the current mining contractor's rates.<br>• Assumed processing costs (including G&A and additional ore mining costs) per process type are based on historic actuals, and are as follows:<br><table><tr><th>Process Method</th><th>COSTP $/t</th></tr><tr><td>HLROM</td><td>$2.19</td></tr><tr><td>HLCRUSH</td><td>$5.19</td></tr><tr><td>AGL</td><td>$22.29</td></tr><tr><td>FLOT</td><td>$11.29</td></tr></table> |
| | • *Allowances made for the content of deleterious elements.* | • There are no deleterious elements of significance for the Agitated Leach and Heap Leach processing methods. For the Flotation processing method, Zinc (Zn) is the main deleterious element to be considered in the concentrate. If there is greater than 3% Zn threshold in the concentrate at point of sale, a scale of penalties can be applied to the concentrate price, depending on the amount by which Zn grade exceeds the 3% threshold. Above 15% Zn grade in the concentrate, the concentrate may be rejected or incur additional treatment charges, depending on the buyer.<br>• Zinc suppression in the flotation cells is successfully achieved by use of specific additives, and the Zn content of the concentrate sold to date has not exceeded the threshold.<br>• Future studies may investigate the feasibility of modifying/augmenting the flotation plant to enable sequential capture of Zn into a separate concentrate for sale, but this is not included in the current facility or Ore Reserves estimate. |
| | • *The source of exchange rates used in the study.* | • All financial calculations for the Ore Reserves update have been done using US dollars. Local Azeri exchange rates are pegged to the US dollar. |
| | • *Derivation of transport charges.* | • Transportation charges are based on current contracts. |
| | • *The basis for forecasting or source of treatment and refining* | |

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>charges, penalties for failure to meet specification, etc.</td><td>• Treatment and refining costs are based on current contracts, as the ore will be treated in the operating processing plants and refined under the current agreements.</td></tr>
<tr><td>Revenue Factors</td><td>• The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns etc.<br><br>• The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</td><td>• Acceptable head grades for the different processing methods are as detailed in the table below:
<table>
<tr><td></td><td></td><td colspan="4">Cu Grade (%)</td></tr>
<tr><td></td><td></td><td>0 <= Cu < 0.3</td><td>0.3 <= Cu < 0.5</td><td>0.5 <= Cu < 0.6</td><td>Cu > 0.6</td></tr>
<tr><td rowspan="6">Au Grade (g/t)</td><td>0 <= Au < 0.3</td><td>WASTE</td><td>FLOT</td><td>FLOT</td><td>FLOT</td></tr>
<tr><td>0.3 <= Au < 1.0</td><td>HLROM</td><td>FLOT</td><td>FLOT</td><td>FLOT</td></tr>
<tr><td>1.0 <= Au < 1.2</td><td>HLCRUSH</td><td>FLOT</td><td>FLOT</td><td>FLOT</td></tr>
<tr><td>1.2 <= Au < 1.4</td><td>AGL</td><td>AGL</td><td>FLOT</td><td>FLOT</td></tr>
<tr><td>1.4 <= Au < 2.5</td><td>AGL</td><td>AGL</td><td>AGL</td><td>FLOT</td></tr>
<tr><td>Au >= 2.5</td><td>AGL</td><td>AGL</td><td>AGL</td><td>AGL</td></tr>
</table>
<br>• Revenue is based on a gold price of US$1650 per troy ounce, a Copper price of US$5850 per tonne and a silver price of US$16 per troy ounce. These are considered by both AIMC and the Competent Person to be reasonable long-term average prices for the purposes of Ore Reserves estimates.</td></tr>
<tr><td>Market Assessment</td><td>• The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.<br><br>• A customer and competitor analysis along with the identification of likely market windows for the product.<br><br>• Price and volume forecasts and the basis for these forecasts.<br><br>• For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</td><td>• The market for gold, copper and silver is well established. The metal price is fixed externally to AIMC; however, the Company has reviewed a number of metal forecast documents from reputable analysts and is comfortable with the market supply and demand situation.<br><br>• A specific study relating to customer and competitor analysis has not been completed as part of this project. Gold and silver metal and copper concentrates are openly traded via transparent open-market systems and marketing of these products is generally straightforward.<br><br>• Price and volume forecasts have been studied in reports from reputable analysts, based on metal supply and demand, US$ forecasts and global economics.<br><br>• Not applicable.</td></tr>
<tr><td>Economic</td><td>• The inputs to the economic analysis to produce the net present value (NPV), the source and confidence of these economic inputs estimated inflation, discount rate, etc.<br><br>• NPV ranges and sensitivity to variations in the significant assumptions and inputs.</td><td>• Inputs to economic models are as provided in the above sections.<br>• A discount rate of 10% has been used for NPV calculations.<br><br>• Sensitivity analysis has been used at a range of gold, copper and silver prices. The pit optimisation work shows that the pit shell NPV is insensitive to metal prices and costs beyond a revenue factor (RF) of 0.65 (i.e. 65% of the base case Au, Cu and Ag prices). The pit shell having a RF of 0.65 was therefore used as a basis for operational pit design. The LOM revenue stream is then based on</td></tr>
</table>

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | recovered metal (Au, Cu and Ag) within the designed pit, according to the derived Life-of Mine schedule, and using the base case metal prices. |
| ***Social*** | • *The status of agreements with key stakeholders and matters leading to social licence to operate.* | • To the best of the Competent Person's knowledge, agreements with key stakeholders pertaining to social licence to operate are valid and in place. |
| ***Other*** | • *To the extent relevant, the impacts of the following on the project and/or on the estimation and classification of the Ore reserves:*<br>• *Any identified material naturally occurring risks.*<br>• *The status of material legal agreements and marketing arrangements.*<br>• *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary government regulations will be received within the timeframe anticipated in the Pre-feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.* | • There are no material naturally occurring risk associated with the Ore Reserves.<br>• AIMC is currently compliant with all legal and regulatory agreements, and marketing arrangements.<br>• The project is located within a current contract area that is managed under a Production Sharing Agreement (PSA).<br>• The PSA grants the Company a number of periods to exploit defined licence areas, known as Contract Areas, agreed on the initial signing with the Azerbaijan Ministry of Ecology and Natural Resources (MENR). The exploration period allowed for the early exploration of the Contract Areas to assess prospectivity can be extended.<br>• A 'development and production period' commences on the date that the Company issues a notice of discovery, which runs for 15 years with two extensions of five years each at the option of the Company. Full management control of mining in the Contract Areas rests with AIMC.<br>• Under the PSA, AIMC is not subject to currency exchange restrictions and all imports and exports are free of tax or other restriction. In addition, MENR is to use its best endeavours to make available all necessary land, its own facilities and equipment and to assist with infrastructure.<br>• The PSA is valid for the forecast life of mine. |
| ***Classification*** | • *The basis for the classification of the Ore Reserves into varying confidence categories.*<br>• *Whether the result appropriately reflects the Competent Person's view of the deposit.*<br>• *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).* | • Measured Mineral Resources that are above the nominated Ore Reserves cut-off grade criteria, and are within the final pit design (which has been derived by applying appropriate Modifying Factors as described above) have been classified as Proven Ore Reserves.<br>• Indicated Mineral Resources within the final pit design and which are above the nominated cut-off grade, have been classified as Probable Ore Reserves.<br>• It is the opinion of the Competent Persons for Ore Reserves that the results are an appropriate reflection of the deposit.<br>• No Probable Ore Reserves have been classified from Measured Mineral Resources. |
| ***Audits or reviews*** | • *The results of any audits or reviews of Ore Reserve estimates.* | • No external audits or reviews of this Ore Reserves estimate have been conducted. The Ore Reserves estimate and all work and reports underpinning the estimate, have been internally peer reviewed by Mining Plus. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Discussion of relative accuracy / confidence*** | • *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using and approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.*<br>• *The statement should specify whether it relates to global or local estimates, and if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*<br>• *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.*<br>• *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | • The Ore Reserve has been completed to feasibility standard with the data being generated from a tightly spaced drilling grid, thus confidence in the resultant figures is considered high.<br>• Extraction of ore from the Gedabek mine will continue.<br>• Mining costs and haulage costs are as per the current contracts in place being utilised at Gedabek open pit and other mines in the contract area.<br>• Project capital is well managed, and infrastructure facilities are available from with the Anglo Asian Mining group, thus minimising capital requirements for maintaining ongoing operations.<br>• The Modifying Factors for mining, processing, metallurgical, infrastructure, economic, gold price, legal, environmental, social and governmental factors as referenced above have been applied to the pit design and Ore Reserves calculation on a global scale and data reflects the global assumptions. |