



Anglo Asian Mining Plc
Investor Presentation
12-13 September 2016

Azerbaijan gold, copper and
silver producer

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Agenda

- 1 Introduction to the Company
- 2 Company resources and reserves
- 3 Portfolio overview
- 4 Production and metal sales
- 5 Financial results
- 6 Outlook





Introduction to the Company

Company overview

- AIM traded Group producing gold, copper and silver in Azerbaijan
- Production sharing agreement with the Government of Azerbaijan based on local oil industry model
- Main property is the Gedabek mine site:
 - Main open-cast mine and co-located Gadir underground mine
 - Company's processing facilities are at Gedabek
- Second underground mine at Gosha – 50 kilometres away from Gedabek
- Gold, silver and copper produced by heap leaching, agitation leaching (similar to CIL) and SART processing
- Copper concentrate also produced by flotation plant – full year's production in 2016
- JORC reserves report (November 2014) with 682,000 ounces of gold, 102,000 tonnes of copper and 4.84 million ounces of silver



Proven board of directors and senior management

Khosrow Zamani *

Non-executive chairman

- Former director Southern Europe and Central Asia of the International Finance Corporation (“IFC”)
- Oversaw the IFC portfolio of more than US\$2 billion, diversified across the financial, oil and gas, mining

Reza Vaziri*

President and CEO

- Head of the foreign relations office at the ministry of the Imperial Court of Iran before moving to the US
- Initial founder of the US Azerbaijan Chamber of Commerce and has been appointed chairman for life

Richard Round*

Non-executive director

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

Professor John Monhemius*

Non-executive director

- Over 40 years experience in hydrometallurgy and environmental control in mining and metallurgical processes. Acted as a consultant to large mining and chemical companies

*Member of the board

Governor John Sununu*

Non-executive director

- Chief of staff to President George H.W. Bush
- Former partner in Trinity International Partners and currently President of JHS Associates, Ltd

Bill Morgan

Chief financial officer

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

Mehrdad Etemad

Senior vice president, operations AIMC

- 14 years of experience in consultancy work
- 25 years of experience in setup, start up and operations

Farhang Hedjazi

Vice president technical services

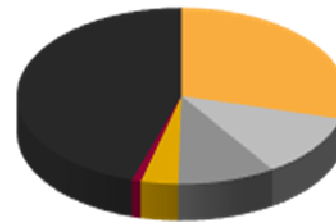
- Worked in the field since 1985
- M SC. In non-ferrous extractive metallurgy
- Constructed process plants including zinc smelters, CIL plants and gold heap leach facilities and managed underground mines

Shareholder information

Share price	15.25p
Market	AIM
Ticker	AAZ
Market capitalisation	£17.1 million
Shares in issue	112,661,024
Nominated adviser and broker	S.P. Angel

As at 06.09.16

Shareholders



- Reza Vaziri* 29.11 %
- John Sununu* 9.52 %
- Limelight 3.58%
- Other directors 1.69%
- Other 56.10%

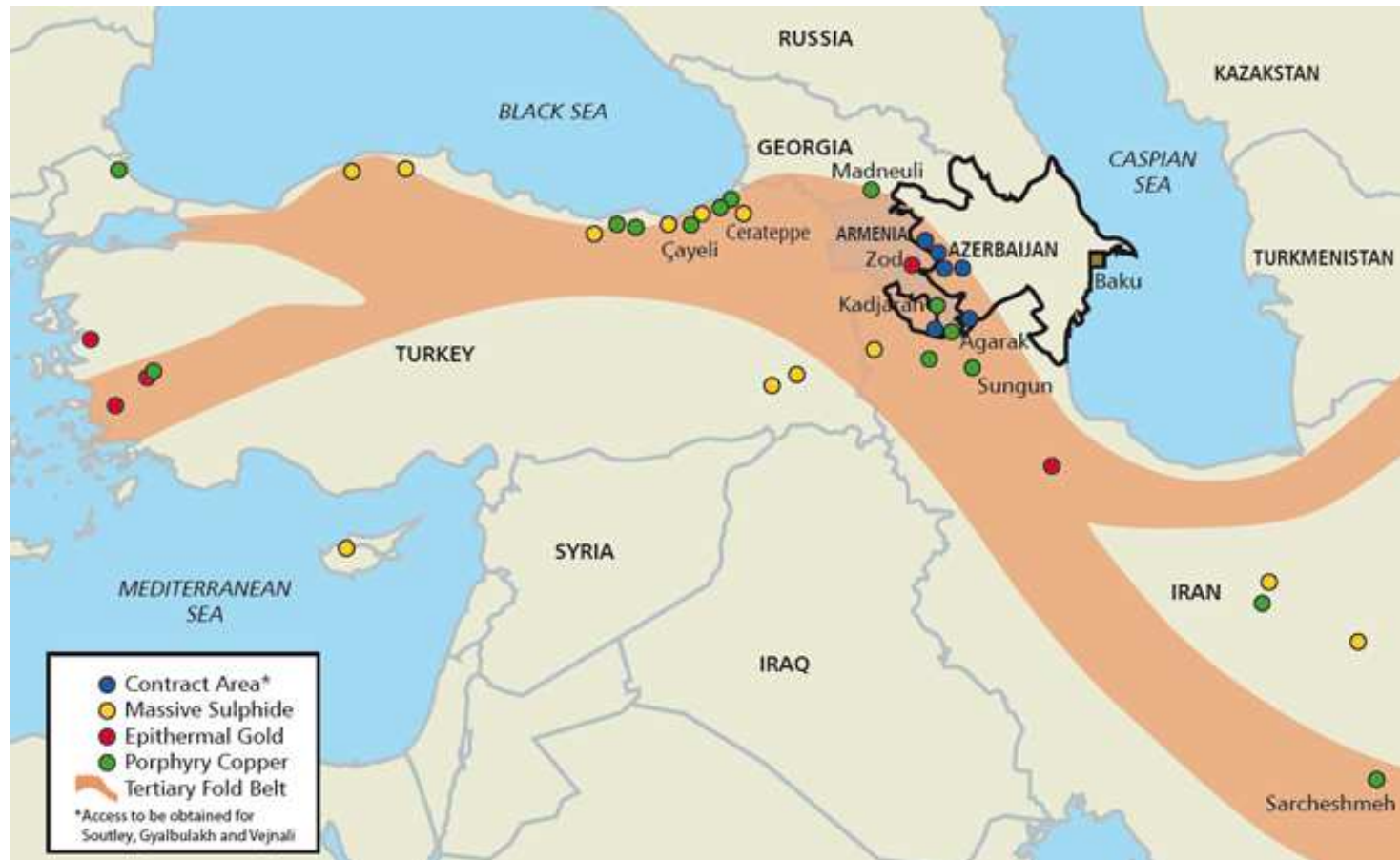
* co-founders

1 Year Share Price Graph



Tethyan Tectonic belt – highly prospective region

Gedabek, Gosha and Ordubad are located on the Tethyan Tectonic Belt – one of the world's significant copper and gold bearing belts



Azerbaijan and location of Company portfolio

1,962 square kilometre portfolio in Azerbaijan



Gosha

Gedabek

Ordubad

Soutely*

Gyzilbulakh*

Vejnali*

*Occupied contract areas to develop when political climate permits

- Azerbaijan is situated in south-western Asia, bordering the Caspian Sea between Iran and Russia, with a small European portion north of the Caucasus range
- It borders Armenia, Georgia, Iran, Russia and Turkey and is split into two parts by Armenia; the smaller part is called the Autonomous Republic of Nakhchivan
- The country has an established democratic government, which is fully supportive of international investment initiatives
- Infrastructure is reasonably extensive – low cost labour is also available

Production sharing agreement

Production sharing agreement (“PSA”) with the Government of Azerbaijan – a revenue sharing contract modeled on Azerbaijan’s oil industry

- Six contract areas
- Each contract area entitled to a 15 year production period after notice of discovery and can be extended up to 10 years
- Full operational management
- PSA supervised by ministry of ecology
- Government “royalty” of 12.75% of production until all historic costs (capital and operating) are recovered
- Following recovery of all historic costs – Government “royalty” of 51% of production less all current capital and operating costs (expected in 2018 for Gedabek)
- Regime applied to all products – gold settled in gold bullion



Company resources and reserves

Gedabek resource

29% increase to JORC compliant gold resource of 1.45 million ounces of gold (measured and indicated) as at June 2014

Classification	Tonnage	Grades			Contained metal		
		Gold	Copper	Silver	Gold	Copper	Silver
	tonnes	g/t	%	g/t	ounces	tonnes	ounces
Measured	37,189,682	0.822	0.246	5.904	982,298	91,401	7,058,803
Indicated	24,606,093	0.591	0.213	4.298	467,239	52,495	3,400,011
Measured & indicated	61,795,775	0.730	0.233	5.264	1,449,537	143,896	10,458,814
Inferred	9,444,918	0.967	0.135	4.739	293,678	12,729	40,933

Measured, indicated and inferred mineral resources of both the oxide and sulphide mineralisation based on a cut-off grade of 0.3 g/t of gold

Gedabek ore reserves estimate

JORC compliant ore reserves of 682,000 ounces of gold, 102,000 tonnes of copper and 76,000 tonnes of recoverable copper as at 1 September 2014

Reserve category	In situ ore	In situ grades			Contained metal			Recovered metal		
	tonnes	Au g/t	Cu %	Ag g/t	Au ounces	Cu tonnes	Ag ounces	Au ounces	Cu tonnes	Ag ounces
Proven	16,733,000	1.12	0.52	7.63	600,000	87,000	4,105,000	447,000	65,000	1,346,000
Probable	3,761,000	0.68	0.40	6.12	82,000	15,000	740,000	58,000	11,000	268,000
Total	20,494,000	1.03	0.50	7.35	682,000	102,000	4,845,000	505,000	76,000	1,614,000

**570% increase
recoverable copper
from 2012**

**72% increase
copper reserves
from 2012**

**Copper production
Upside**



Portfolio overview

Gedabek – The Company's main site

- 300 square kilometre contract area in western Azerbaijan
- Poly-metallic deposit which produces gold, copper and silver from an open-cast mine
- Azerbaijan's first recent gold mine – first pour May 2009
- Gadir underground mine co-located at Gedabek site – full year of production in 2016
- Approx. 750 mining staff (Company and contractors), excellent infrastructure and engineering support
- Gold doré produced by heap and agitation leaching
- Copper concentrate produced by SART (Sulphidisation, acidification, recycling and thickening)
- Flotation plant added 2015 – full year of copper concentrate production in 2016
- Tailings storage facilities recently expanded



Gedabek - Agitation leaching plant



Gedabek - Flotation plant

Gedabek – ore processing

Heap
leaching

Agitation
leaching

Flotation

SART

- Ore from Gedabek and Gosha is processed into gold doré and a copper and precious metal concentrate by various processes:
 - Heap leaching crushed ore (2009) – ore heaped onto “pads” and irrigated with cyanide
 - SART (2010) – copper recovered by changing pH of cyanide solution after absorption
 - Agitation leaching (2013) – ore is crushed and then processed through a grinding circuit and agitated in cyanide solution – suitable for gold and silver recovery from “clean” ore
 - Heap leaching uncrushed ore (2014) – low cost for ore with low gold content
 - Flotation (2015) – low cost method of recovering copper and gold



“Increasing the Life of Mine at Gedabek is paramount to long term production success and so we have successfully expanded to underground mining and development of the Gadir Adit”





Production and metal sales

Gedabek – Gold doré production and sales

	Gold produced* (ounces)	Silver produced* (ounces)	Gold bullion sales** (ounces)	Gold sales price (\$/ounce)
Quarter ended				
31 March 2015	17,185	597	17,206	1,214
30 June 2015	18,739	900	16,088	1,193
H1 2015	35,924	1,497	33,294	1,204
30 Sept 2015	18,158	907	14,871	1,123
31 Dec 2015	17,588	1,858	15,759	1,108
H2 2015	35,746	2,765	30,630	1,115
FY 2015	71,670	4,262	63,924	1,161
31 March 2016	13,383	1,958	12,058	1,184
30 June 2016	17,926	2,983	15,661	1,265
H1 2016	31,309	4,941	27,719	1,230

* including Government of Azerbaijan's share

** excluding Government of Azerbaijan's share

Gedabek – SART and flotation production

	Concentrate production* (dry metric tonnes)	Copper content* (tonnes)	Gold content* (ounces)	Silver content* (ounces)
<i>Quarter ended 31 March 2016</i>				
SART processing	363	181	12	7,789
Flotation	1,458	251	777	24,595
Total	1,821	432	789	32,384
<i>Quarter ended 30 June 2016</i>				
SART processing	373	195	4	8,979
Flotation	1,988	342	1,735	44,478
Total	2,361	537	1,739	53,457
<i>6 months ended 30 June 2016</i>				
SART processing	736	376	16	16,768
Flotation	3,446	593	2,512	69,073
Total	4,182	969	2,528	85,841

* Including Government of Azerbaijan's share

Gedabek – Total concentrate production and sales

	Concentrate production* (dry metric tonnes)	Copper content* (tonnes)	Gold content* (ounces)	Silver content* (ounces)	Concentrate sales** (dry metric tonnes)	Concentrate sales (US\$000)**
<i>Quarter ended</i>						
31 March 2015	298	182	8	1,354	234	660
30 June 2015	391	236	6	3,627	372	1,076
H1 2015	689	418	14	4,981	606	1,736
31 Sep 2015	406	216	7	3,532	279	661
31 Dec 2015	955	335	341	15,851	817	1,285
H2 2015	1,361	551	348	19,383	1,096	1,946
FY 2015	2,050	969	362	24,364	1,702	3,682
31 March 2016	1,821	432	789	32,384	1,330	2,137
30 June 2016	2,361	537	1,739	53,457	1,582	3,019
H1 2016	4,182	969	2,528	85,841	2,912	5,159

* including Government of Azerbaijan's share

** excluding Government of Azerbaijan's share

Gedabek – strongly growing copper production

FY 2016

Gold production target
69,000 – 71,000 oz

FY 2016

Copper production target
1,700 – 2,100 tonnes

FY 2015
Gold production
72,032 oz
+19%
Compared to 2014

FY 2015
Copper production
969 t
+24%
Compared to 2014



Financial results

H1 2016 – Financial results

	H1 2016 (US\$000)	H1 2015 (US\$000)	FY 2015 (US\$000)
Revenue	39,323	41,823	78,057
Cost of sales	(29,960)	(39,940)	(75,234)
Gross profit	9,363	1,883	2,823
Operating profit / (loss)	6,034	(1,144)	(3,189)
Profit / (loss) before tax	3,488	(4,124)	(8,910)
Cash generated from operations	16,915	15,539	22,963
Capital expenditure	6,576	9,141	14,279
Net debt	40,728	48,727	49,047



Outlook

Why Anglo Asian?

Company has long established operations

Low cost gold and copper producer

Target of 69,000 to 71,000 ounces of gold - FY16 production

Entrepreneurial with superb in-country experience

Copper production growing strongly

Turnaround to profitability achieved in 2016

- Group has now returned to profitability in 2016
- Flotation plant will increase significantly production at low cost
- Further upside from Gadir mine and other properties at Gedabek
- Low cost producer due to recent devaluations of Azerbaijan currency and management focus on costs
- Stable board and strong management team with excellent relations with Government of Azerbaijan

TƏŞƏKKÜRLƏR!

THANK YOU!

Спасибо!

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