

# BUILDING A SUSTAINABLE BUSINESS

H1 2019 RESULTS PRESENTATION  
SEPTEMBER 2019

# DISCLAIMER

The information contained in this confidential document (“Presentation”) has been prepared by Central Asia Metals plc (the “Company”). It has not been fully verified and is subject to material updating, revision and further amendment. This Presentation has not been approved by an authorised person in accordance with Section 21 of the Financial Services and Markets Act 2000 and therefore it is being delivered for information purposes only. Any person who receives this Presentation should not rely on or act upon it. This Presentation is not to be disclosed to any other person or used for any purpose.

While the information contained herein has been prepared in good faith, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers give, have given or have authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as “Information”) and liability therefore is expressly disclaimed. Accordingly, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the Information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation.

This Presentation may contain forward-looking statements that involve substantial risks and uncertainties, and actual results and developments may differ materially from those expressed or implied by these statements. These forward-looking statements are statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial condition, prospects, growth, strategies and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements speak only as of the date of this Presentation and the Company does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Presentation.

Neither the issue of this Presentation nor any part of its contents is to be taken as any form of commitment on the part of the Company to proceed with any transaction and the right is reserved to terminate any discussions or negotiations with any prospective investors. In no circumstances will the Company be responsible for any costs, losses or expenses incurred in connection with any appraisal or investigation of the Company. In furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent.

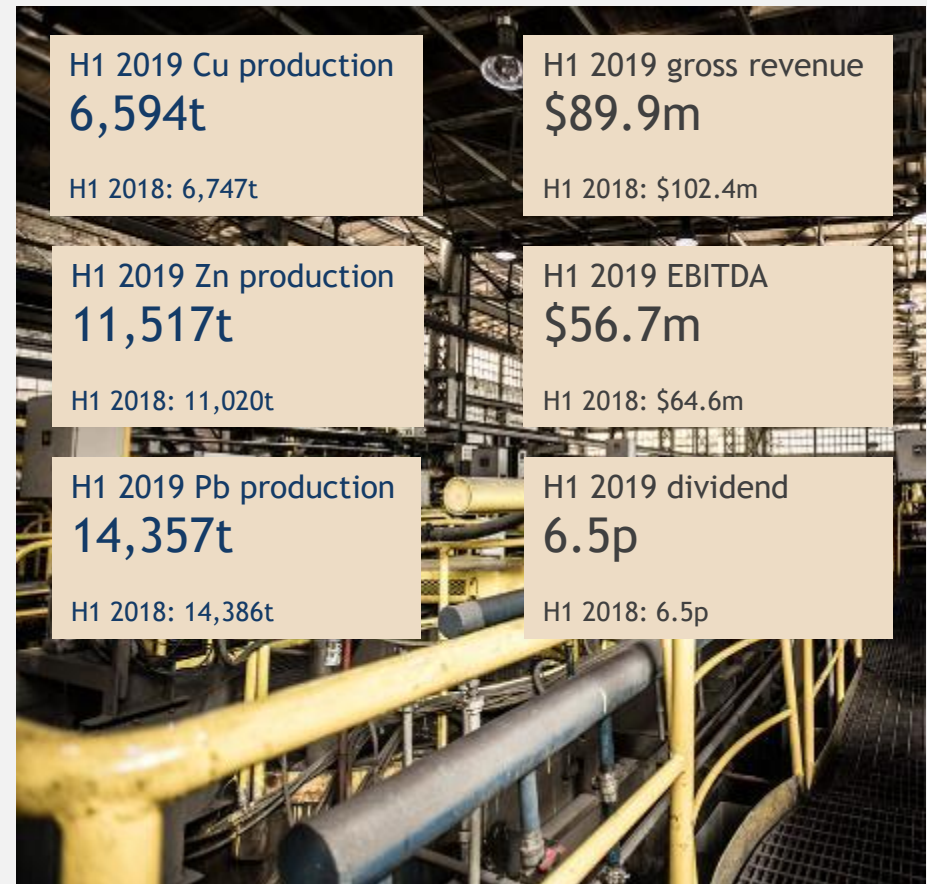
This Presentation should not be considered as the giving of investment advice by the Company or any of its shareholders, directors, officers, agents, employees or advisers. In particular, this Presentation does not constitute an offer or invitation to subscribe for or purchase any securities and neither this Presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever. Each party to whom this Presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and each recipient should satisfy itself in relation to such matters.

The Company's principal activity is the exploration and mining of precious and base metals in Kazakhstan and North Macedonia. You should be aware of the risks associated with this type of investment and that in emerging markets such as Kazakhstan and North Macedonia, the risks are far greater than in more developed markets (including significant legal, economic and political risks) and that the Company could potentially lose the benefit of its assets in Kazakhstan and North Macedonia. You acknowledge the high number of expenses and difficulties frequently encountered by companies in the early stages of development, particularly companies operating in emerging markets and you should be aware that this may lead to the loss of your entire investment.

Neither this Presentation nor any copy of it may be (a) taken or transmitted into Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa or the United States of America (each a “Restricted Territory”), their territories or possessions; (b) distributed to any U.S. person (as defined in Regulation S under the United States Securities Act of 1933 (as amended)) or (c) distributed to any individual outside a Restricted Territory who is a resident thereof in any such case for the purpose of offer for sale or solicitation or invitation to buy or subscribe any securities or in the context where its distribution may be construed as such offer, solicitation or invitation, in any such case except in compliance with any applicable exemption. The distribution of this document in or to persons subject to other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

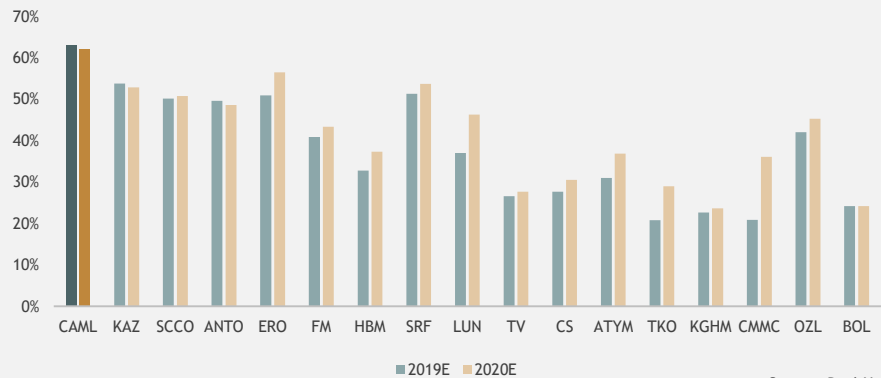
# H1 2019 PERFORMANCE AND UPDATE

- H1 2019 dividend 6.5p (H1 2018: 6.5p)
- Reliable production, on track to meet 2019 guidance for all metals
  - Copper 12,500-13,500t
  - Zinc 22,000-24,000t
  - Lead 28,000-30,000t
- H1 2019 Group EBITDA \$56.7m (H1 2018: \$64.6m)
  - EBITDA margin 63% (H1 2018: 63%)
  - Reflects weaker commodity prices (avg. 16% lower HoH)
- H1 2019 free cash flow \$35.5m (H1 2018: \$32.4m)
- Net debt \$100.4m (31 Dec 2018: \$110.3m)
  - Cash in the bank \$30.2m, including restricted cash of \$4.2m (31 Dec 2018: \$39.0m)
  - Gross debt of \$126.4m (31 Dec 2018: \$144.9m)
- H1 2019 LTIs, one (H1 2018: four)
  - LTIFR 0.89 (H1 2018: 3.78)

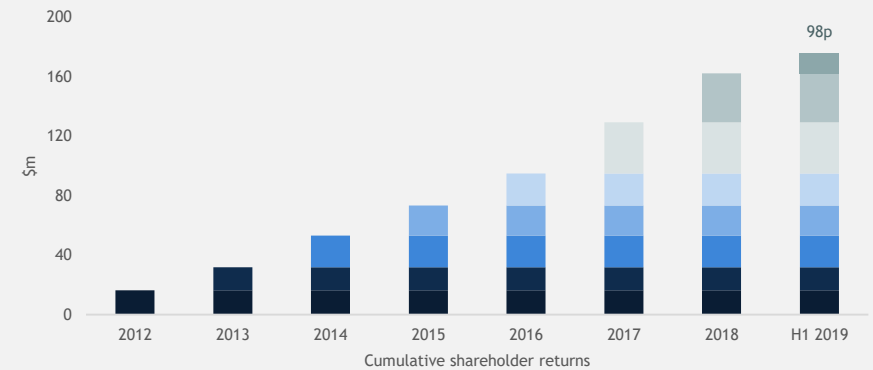


# DELIVERING SHAREHOLDER VALUE

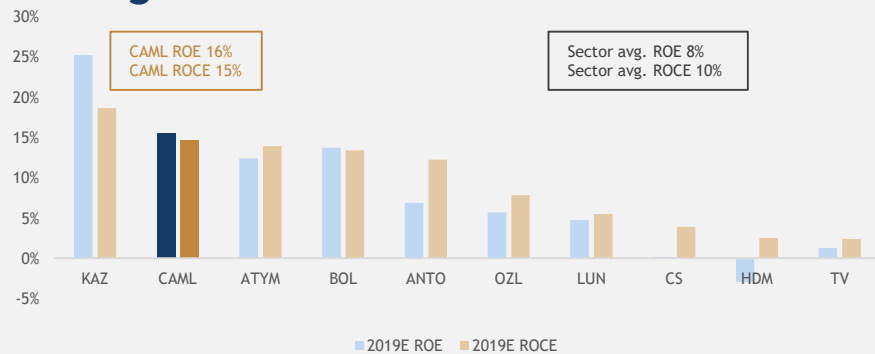
## Industry leading EBITDA margins



## H1 2019 dividend 6.5p

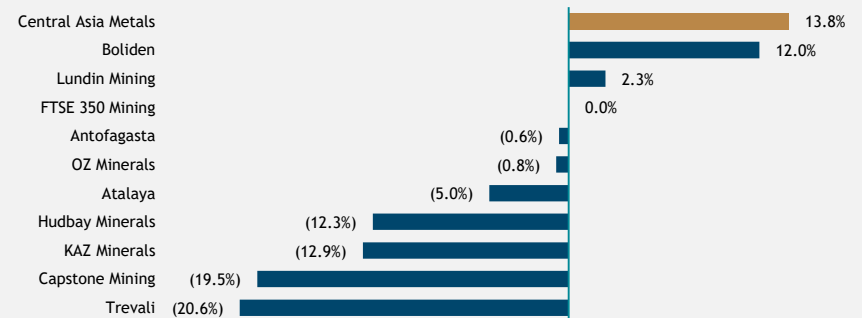


## Strong ROE and ROCE



ROE = net income / equity  
ROCE = EBIT / (total assets - current liabilities)

## TSR CAGR since IPO







# FINANCIAL REVIEW



# H1 2019 MARKET CONDITIONS

## Copper

- Price rose to \$6,570/t in March but fell to \$5,971/t at period end
- Trade wars / slowing Chinese growth impacting copper price
- 2019 broker consensus price, \$6,371/t

## Zinc

- Price rose to \$3,016/t in April but fell to \$2,580/t at period end
- Accounts for c.45% Sasa revenue
- Trade wars / slowing Chinese growth impacting zinc price
- 2019 broker consensus price \$2,646/t

## Lead

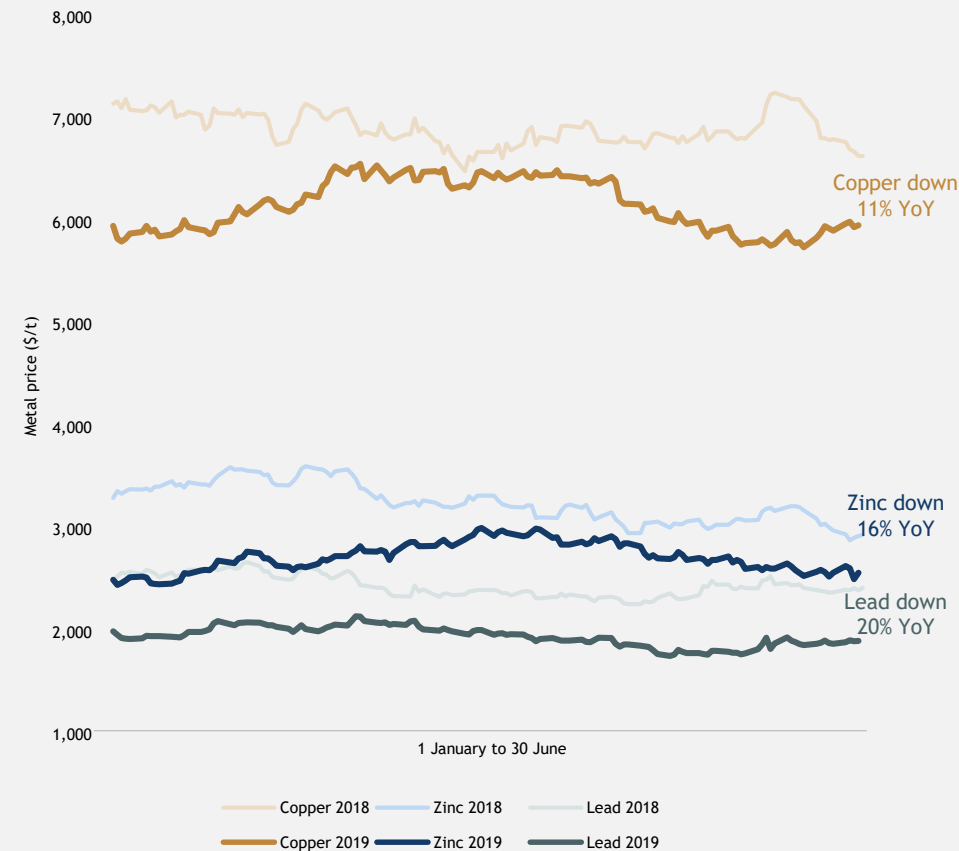
- Price rose to \$2,152/t in March but fell to \$1,914/t at period end
- Accounts for c.55% of Sasa revenue
- Concerns over short term lead supply and falling LME stocks support price
- 2019 broker consensus price \$1,978/t

## Currencies

- Kazakh Tenge (KZT) to US Dollar average 379
- North Macedonian Denar (MKD) pegged to Euro
- Weak British Pound (GBP) due to Brexit uncertainty
- US economy strong, US Dollar strong against all major currencies

## Inflation

- Kazakhstan, 5.4% (2019 target 4-6%)
- North Macedonia, 1.2% (2019 target 2%)
- Potential inflationary pressures on cost base



# H1 2019 INCOME STATEMENT

## EBITDA margin maintained at 63%

- Revenue and EBITDA 12% lower due to weak commodity prices
- Maintained EBITDA margin due to cost control
- EPS from continuing ops 6% lower at 15.42c

## Kounrad

- Gross revenue \$39.9m (H1 2018: \$40.5m)
- EBITDA \$28.7m (H1 2018: \$29.2m)
  - EBITDA margin maintained at 72%

## Sasa

- Gross revenue \$49.9m (H1 2018: \$61.9m)
  - Reflects broadly similar production but reduced zinc and lead prices
- EBITDA \$31.7m (H1 2018: \$41.7m)
  - EBITDA margin 63% (H1 2018: 67%)

HIGHLIGHTS	H1 2019	H1 2018	% change
Gross revenue, \$m	89.9	102.4	-12%
Cost of sales, \$m	(36.0)	(38.0)	-5%
Administrative expenses, \$m	(7.3)	(11.2)	-35%
Profit before tax, \$m	35.5	38.4	-8%
EBITDA, \$m	56.7	64.6	-12%
EBITDA margin	63%	63%	0%
EPS from contd. ops, cents	15.42	16.37	-6%

## H1 2019 C1 CASH COSTS

### Kounrad copper C1 cash cost \$0.51/lb

- Remains firmly in lowest quartile of industry cash cost curve
- 4% lower HoH due to weaker Tenge and firm cost control
- Average C1 cash cost over life of project, \$0.56/lb

### Sasa zinc equivalent C1 cash cost \$0.47/lb

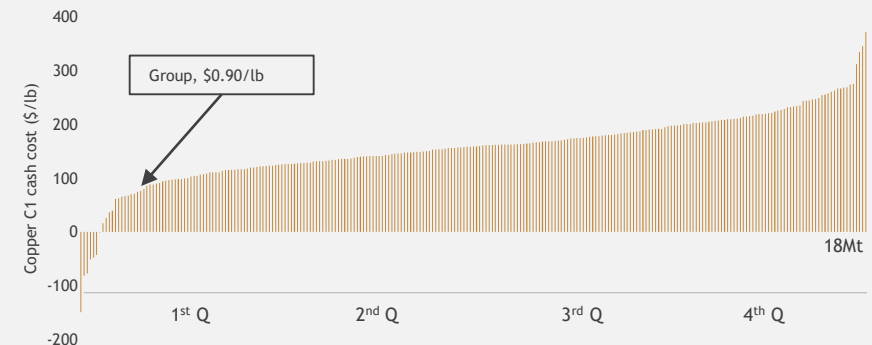
- Lower end of the second quartile of zinc industry cost curve
- 7% higher HoH due to higher zinc TCs (up c.63%)
  - Otherwise, costs remained broadly in line HoH

### CAML Group Cu eq. C1 cash cost \$0.90/lb

- 14% higher HoH due to
  - lower Cu eq. production units as a result of lower Zn and Pb prices
  - increased zinc TCs
- Group average cost, lowest industry cost quartile

	H1 2019 \$/lb	H1 2018 \$/lb
Kounrad copper C1 cash cost	0.51	0.53
Sasa zinc eq. C1 cash cost	0.47	0.44
Cu eq. production, t	15,072	16,041
CAML Cu eq. C1 cash cost	0.90	0.79

### Lowest quartile C1 Cu eq. cost producer





## H1 2019 FULLY INCLUSIVE CU EQ. UNIT COST

### CAML Group fully inclusive cost, \$1.44/lb

- 5% lower HoH
- Lower capex HoH as a result of
  - higher TSF4 costs in H1 2018
- Decrease in corporate overheads due to
  - Reduced share based payments of \$0.5m (H1 2018: \$3.1m) due to amended policy and related to a one-off Sasa acquisition option issue
  - Weaker GBP

	H1 2019 (\$/lb)	H1 2018 (\$/lb)
C1 cash cost	0.90	0.79
Capital expenditure	0.14	0.24
Concession tax	0.04	0.04
Mineral extraction tax	0.07	0.07
Loan interest	0.19	0.18
Corporate overheads	0.10	0.19
<b>Fully inclusive cost</b>	<b>1.44</b>	<b>1.51</b>



## H1 2019 CAPEX

### H1 2019 capex, \$4.4m

- Sasa capex includes
  - Underground development \$1.2m
  - Processing equipment \$0.7m (includes secondary crusher \$0.3m)
  - Mining equipment \$0.3m
  - Safety expenditure \$0.3m
  - TSF4 capex of \$1.1m
- Kounrad capex includes
  - SX-EW capex \$0.3m
  - Irrigation pipes \$0.1m
- FY2019E capex, \$10-12m

	H1 2019 \$m	H1 2018 \$m
Sasa sustaining capex	2.7	3.3
Sasa TSF4 construction	1.1	3.9
<b>Total Sasa capex</b>	<b>3.8</b>	<b>7.2</b>
Kounrad capex	0.6	1.0
<b>Total CAML capex</b>	<b>4.4</b>	<b>8.2</b>



## 30 JUNE 2019 BALANCE SHEET

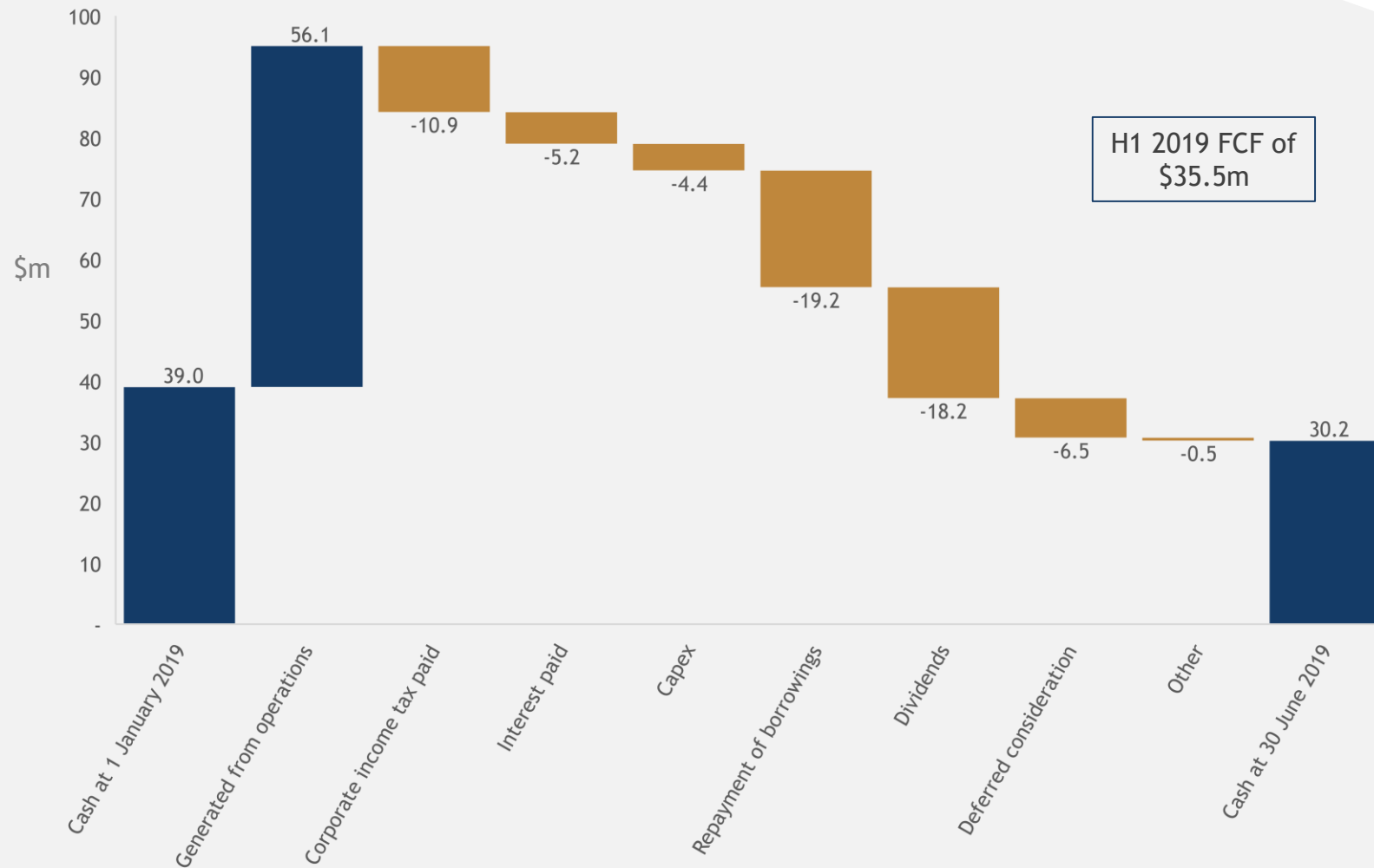
### Net debt \$100.4m (31 Dec 2018: \$110.3m)

- PPE reflects
  - additions of \$5.2m
  - depreciation of \$14.3m
- Group gross debt, \$126.4m (31 Dec 2018: \$144.9m)
  - H1 2019 repayments of \$19.2m
- Group cash balance, \$30.2m (31 Dec 2018: \$39.0m)
- Other liabilities reduced, \$6.5m due to payment of deferred consideration. Other liabilities includes:
  - \$1.7m of Kazakhstan tax relating mainly to MET
  - \$1.4m of CMK tax payable

	30 Jun 2019, \$m	31 Dec 2018, \$m
PPE	418.3	429.6
Intangible assets	60.3	61.3
Cash	26.0	34.6
Restricted cash	4.2	4.4
Other assets	18.2	19.8
<b>Total assets</b>	<b>527.0</b>	<b>549.7</b>
Borrowings	126.4	144.9
Silver streaming commitment	24.0	25.2
Other liabilities	11.5	20.9
Deferred tax & provisions	32.7	32.8
Equity & reserves	332.4	325.9
<b>Total equity &amp; liabilities</b>	<b>527.0</b>	<b>549.7</b>



## H1 2019 CASH FLOW







# SUSTAINABILITY



# BUILDING A SUSTAINABLE BUSINESS

## Economic performance

- Resources to support long life operations
  - Kounrad, 2034
  - Sasa, 2038
- Strong EBITDA margins
  - Kounrad, 72%
  - Sasa, 63%
- Cash generative assets throughout the mining cycle
- Strong balance sheet (reducing debt)

## Caring for our communities

- \$0.2m spent in H1 2019 in North Macedonia and Kazakhstan
- Purchase and renovation of Kind Heart Centre for disabled children in Balkhash completed and official ceremony attended by CAML CEO
- Continued sponsorship of mining students at Stip University, North Macedonia
- Modern heating system installed in health centre local to Sasa

## Governance

- Strong Board of experienced independent directors with wide-ranging skills
- Transparent disclosure
- Risk management
- Adherence to QCA code
- Total tax paid to date in Kazakhstan and North Macedonia \$165.8m
- No donations to political parties made

## Our employees

- H1 2019 LTIFR 0.89
- Employee training
- 20% female employees at Kounrad
- 8% female employees at Sasa
- 50% female in London head office
- Distribution of employee newsletters
- Low staff turnover



## Environmental

- Adherence to high international standards in Kazakhstan
- ISO14001:2015 compliant in North Macedonia
- Strong technical teams at both operations, overseen by Group Sustainability Director with hydrogeological education



## HEALTH AND SAFETY

### Sasa

- 1 LTI (incident with an underground machine)
- 1 MTI (employee cut leg)
- Several recent safety initiatives at Sasa, including
  - Re-formed rescue team comprising 29 employees fully equipped with modern equipment. Nine already externally trained by international experts, plans to complete training of team in H2 2019
  - Design complete for six underground refuge chambers, with two already constructed
  - Purchase of new self-rescuers for all underground miners and training completed
- No occupational health issues identified at Sasa

### Kounrad

- No LTIs or MTIs
  - 409 days since last Kounrad LTI
- No occupational health issues identified at Kounrad

	Sasa	Kounrad	CAML
No. lost time injuries (LTI)	1	0	1
No. medical treatment injuries (MTI)	1	0	1
No. recordable injuries (RI)	2	0	2
Cumulative hours worked	706,603	417,599	1,124,202
Lost time injury frequency rate (LTIFR)	1.42	0	0.89
Total recordable injury frequency rate (TRIFR)	2.83	0	1.78
LTI free days	152	409	152

## LOOKING AFTER THE ENVIRONMENT

### CAML approach

- Environmental departments fully integrated in all relevant operational areas
- Focus on water, air, soil, biodiversity, waste management

### Sasa

- ISO14001 accreditation at Sasa
- H1 2019 external ISO audit and State inspection at Sasa revealed the site was in full compliance
- February 2019 Golder Associate audit of TSF3.2 concluded that there are no 'high-risk'
- Employees and local school children planted trees at Sasa to celebrate World Environment Day

### Kounrad

- No H1 2019 external inspections at Kounrad
- Monitoring network of boreholes extended further around ILA, moving north as leaching activities progress



## SUPPORTING OUR LOCAL COMMUNITIES

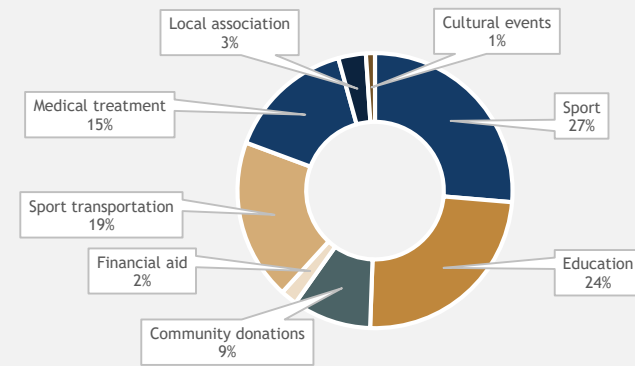
### Sasa community support

- Annual community stakeholder meetings held to ascertain the needs of the community
  - Projects appraised and prioritised
- Installation of heating system for local health centre
- Purchase and installation of street workout gym facilities
- Sponsorship of a wide range of children's sporting groups

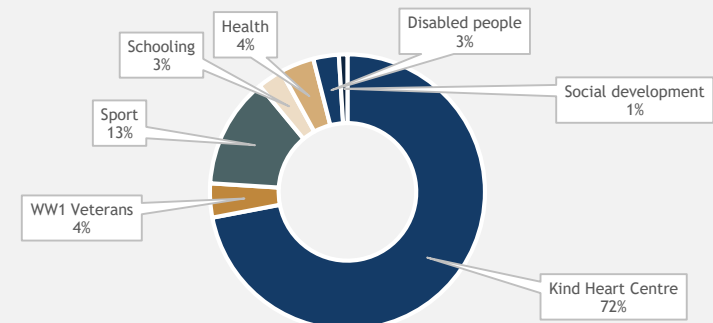
### Kounrad community support

- Kounrad community support through 'Kounrad Foundation'
- Largest project to date, Kind Heart Centre for disabled children in Balkhash, building purchase and refurbishment completed April 2019
- Post period end, construction of garden and play area for Kind Heart Centre
- Support for local 'Crisis Centre', providing refuge for women and children in need of a temporary home

### Sasa H1 2019: \$0.1m



### Kounrad H1 2019: \$0.1m





## DEVELOPING PEOPLE

### Sasa

- During H1 2019, 12 training courses were delivered
  - Predominantly in topics related to health and safety
  - Eight training courses were from external experts
  - Four courses were delivered by the internal teams
  - All 29 of the mine rescue team were trained internally
    - Nine trained externally in H1 2019
    - H2 2019, all will receive external training

### Kounrad

- During H1 2019, 44 training courses were delivered
  - Two courses were from external experts (health and safety team)
  - Remainder were internal training sessions, related to workplace health and safety and environmental obligations

### Developing local people

- Sasa developed a centre to train engineers to Sasa standards.
  - Sasa funded building development and will provide training team
  - Sasa to hire at least 50% of the trainees
- Sasa agreed to sponsor another 10 students of mining related subjects at Stip University



# OPERATIONAL REVIEW





## SASA UPDATE -20 MONTHS CAML OWNERSHIP

### Sasa EBITDA of \$117.4m since acquisition

- Skarn hosted deposit, sublevel caving operation
- Mechanised mine
  - single boom jumbos and diesel loaders
  - either trucked (30% ore) or hoisted (70% ore) to surface
- Long life operation, resources and reserves to 2038

### 2019 outlook

- On track to meet 2019 production guidance
  - Zinc production guidance 22,000 - 24,000t
  - Lead production guidance 28,000 - 30,000t
- Zinc recovery improved and stabilised since SMD installation

	Unit	H1 2019	2018	CAML 2017
Ore mined	t	400,251	803,101	134,063
Plant feed	t	404,540	804,749	132,012
Zinc grade	%	3.28	3.31	3.21
Zinc recovery	%	86.7	84.6	85.7
Zinc	t	11,517	22,532	3,625
Lead grade	%	3.76	3.90	3.98
Lead recovery	%	94.4	93.6	94.2
Lead	t	14,357	29,388	4,951
Zn eq. C1 cost	\$/lb	0.47	0.44	0.43
EBITDA	\$m	31.7	71.2	14.5
LTI		1	6	0



## SASA - IMPROVEMENTS IMPLEMENTED

### Underground mining improvements

- Improved mine planning and grade control
- New computer software introduced to modernise systems
  - Deswick for 3D mine planning
  - Leapfrog for 3D geological modelling
  - Ventsim for 3D ventilation modelling
- Increased automation planned for UG fleet
  - ‘Line of sight’ remote control loading planned
  - Utilisation and performance data extraction
  - Installation of UG internet ( voice & data)
- Review of UG fleet and maintenance provider underway
- Introduction of explosive cartridge loaders
- Telescopic jumbo feeds implemented to allow longer development rounds

### Key management changes made

- COO, Scott Yelland
- General Director, Oleg Telnoi
- Other senior hires including Group Metallurgist  
Technical Services Manager, Group Health and Safety  
Manager, Group Geologist

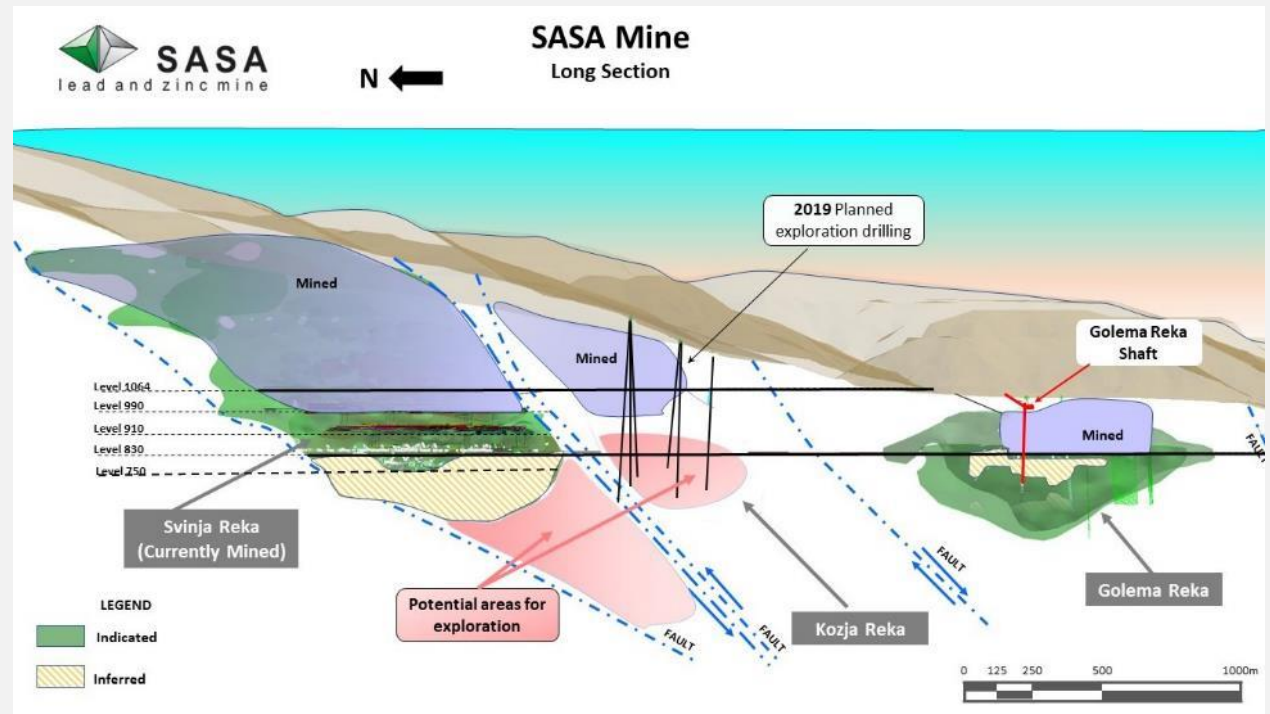
### Processing improvements made / agreed

- On site laboratory modernised
- SMD mill (installed Q2 2018) delivering improved recoveries
- Improved mill monitoring
- Review of crushing circuit undertaken
  - New secondary crusher installed, Q2 2019
  - Tertiary crusher ordered, to be commissioned Q4 2019

## SASA - LONGER TERM IMPROVEMENTS

### Optimisation

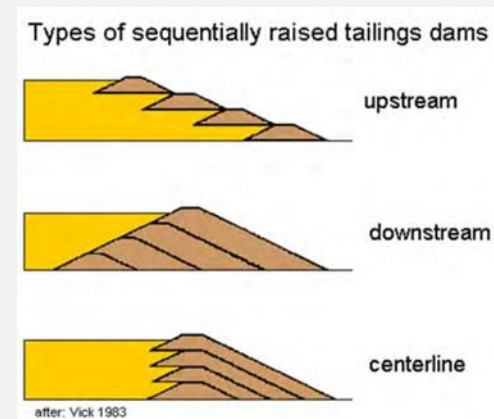
- Life of Mine (LoM) review to focus on optimisation of metal production
  - to be completed H2 2019
- Review of current and historic mining practises to better inform potential changes for the future
- Review of mining method - sublevel caving versus cut and fill
- Study into dry stack tailings post 2026 underway
- Studies will inform a five year (and beyond) mining plan



## SASA TAILINGS STORAGE

### TSF4 construction and lining complete

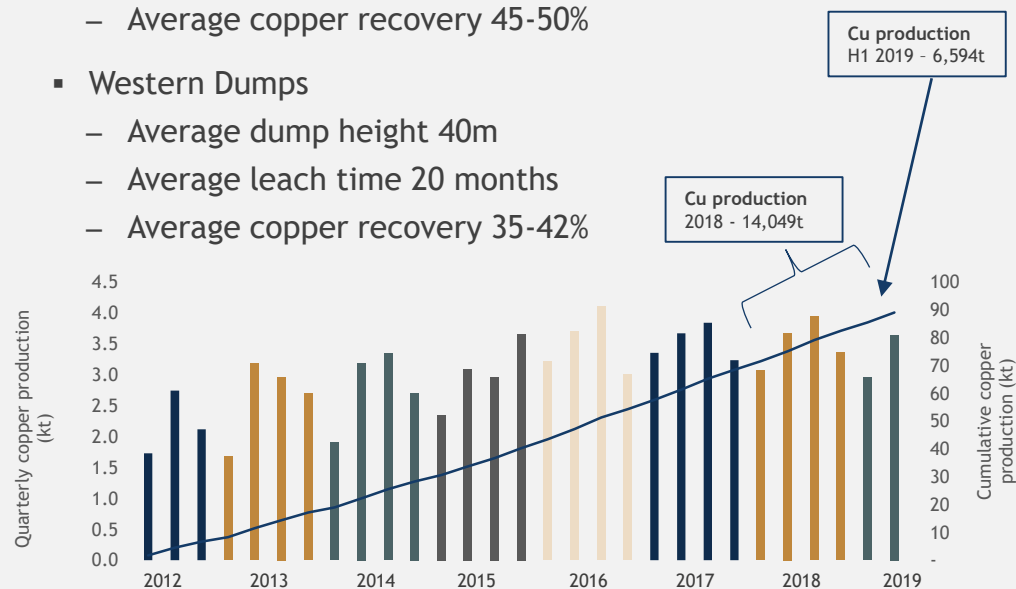
- Downstream facility
  - Widely viewed as safest design option
  - However, most expensive construction
- Current Sasa TSF3.2 is a downstream facility
- Construction of TSF4 commenced in Q2 2017
  - Completed August 2019
  - Designed to contain 6.5+mt tailings
  - Sufficient for operations 2020-2026+
  - 2019 cost estimate \$1.9m
- Regular review of Sasa tailings storage by Stip University experts
- Construction of new facility in accordance with North Macedonian standards
- 2016, Golder Associates (global tailings dam experts) audit/review of Sasa tailings dam
- March 2019, Golder Associates completed additional Sasa tailings dam audit, following recent Brazil dam failure



## KOUNRAD OVERVIEW

### In-situ dump leach and SX-EW plant

- 165kt recoverable copper
- 2019 copper production guidance, 12,500t-13,500t
- Eastern Dumps
  - Average dump height 20m
  - Average leach time 8 months
  - Average copper recovery 45-50%
- Western Dumps
  - Average dump height 40m
  - Average leach time 20 months
  - Average copper recovery 35-42%



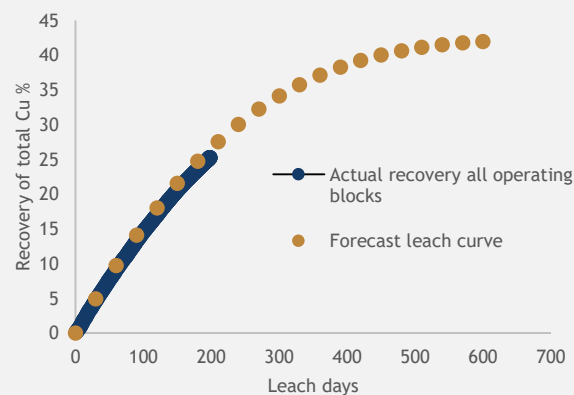


# RECOVERING COPPER FROM KOUNRAD DUMPS

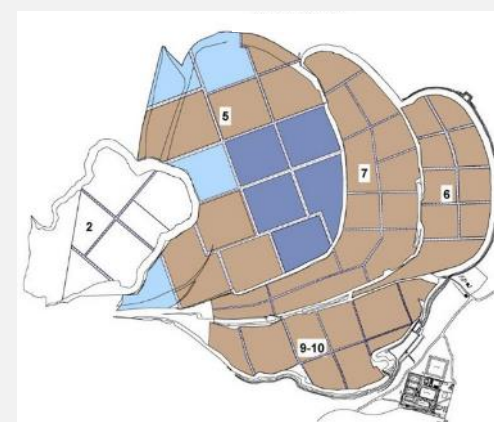
## Western Dumps



Dump	In-situ Cu, tonnes	Leached Cu, tonnes	Recoverable Cu, tonnes
16	173,600	12,633	60,260
22	57,200	6,555	17,480
1A	89,000	0	37,370
Total	319,800	19,188	115,110
Total West. Dumps			155,000



## Eastern Dumps



Dump	In-situ Cu, tonnes	Leached Cu, tonnes	Recoverable Cu, tonnes
9-10	23,450	11,925	34
6	14,610	7,437	40
7	43,070	21,878	85
5	66,560	28,771	-
2	24,980	0	10,490
Total	167,104	70,011	10,649

## LOOKING TO THE FUTURE

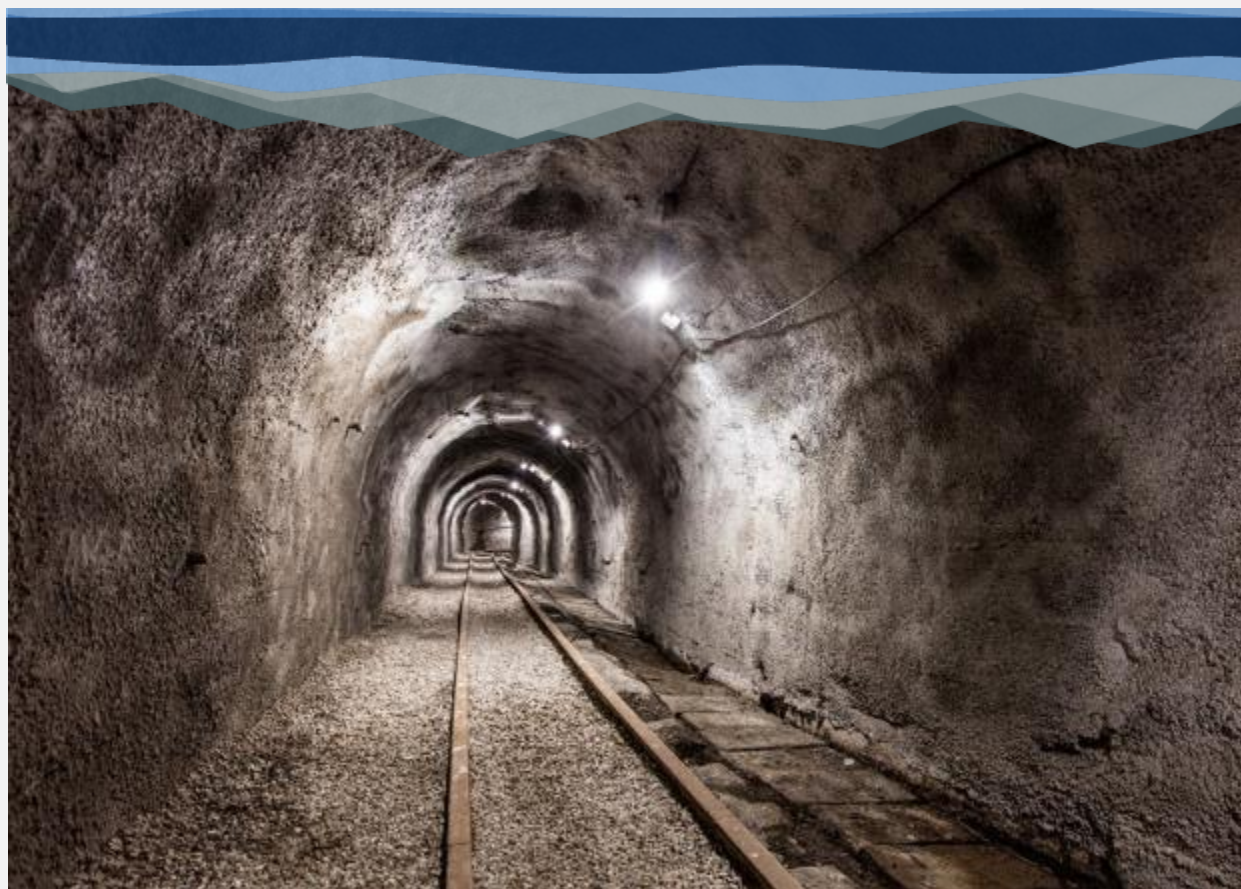
### Capital allocation

- Deleveraging
  - H1 2019 debt repayments \$19.2m principal plus \$5.2m interest
  - 2019E debt repayments, \$38-39m
- Returns to shareholders
  - H1 2019 dividend, 6.5p
    - 40% of FCF
    - 2019E, 30-50% FCF
- Looking at growth options
  - H1 2019
    - 2 site visits undertaken, 6 signed NDAs, 17 opportunities screened
  - Looking to acquire with manageable balance sheet implications
  - Attractive commodity exposure (ideally copper)

### Striking the right balance



## OUTLOOK



- Two low cost, low capex operations in prospective jurisdictions
- Offering exposure to three base metals with attractive market fundamentals - copper, zinc and lead
- Strong H1 2019 CAML financial performance despite commodity price headwinds
- Attractive cash flow based dividend policy - H1 2019, 6.5p (40% FCF)
- On course to meet 2019 production guidance for all three metals
- 2019 guidance of
  - Copper 12,500-13,500t
  - Zinc 22,000-24,000t
  - Lead 28,000-30,000t

## CONTACT DETAILS

### INVESTOR RELATIONS CONTACT

**Louise Wrathall**  
Sackville House  
40 Piccadilly  
London W1J 0DR

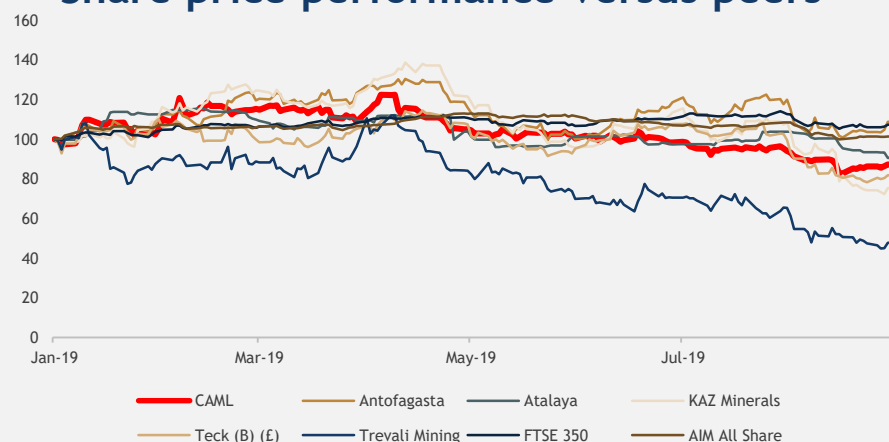
[louise.wrathall@centralasiametals.com](mailto:louise.wrathall@centralasiametals.com)  
+44 (0) 207 898 9001

[www.centralasiametals.com](http://www.centralasiametals.com)

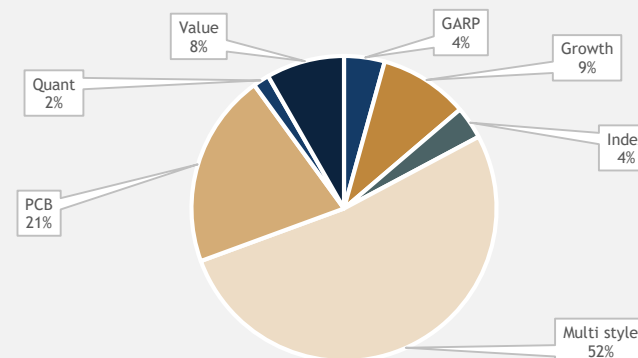


# SHARE PRICE AND SHAREHOLDERS

## Share price performance versus peers



## Shareholder investment styles



Share price (AIM:CAML)	£1.90*
Total no. voting shares	175,986,619
Treasury shares	511,647
Issued shares	176,498,266
Market capitalisation	£335m
Free float	96%
Average daily volume	0.3m

Shareholders	No. shares	% holding
JO Hambro Capital Mgt	17,356,839	9.86
Orion Mine Finance	15,248,528	8.66
FIL Investment International	14,932,538	8.49
BlackRock Investment Mgt	13,938,331	7.92
Canaccord Genuity Wealth Mgt	10,658,724	6.06
Majedie Asset Mgt	8,047,058	4.57
Polar Capital	7,464,979	4.24

# BOARD OF DIRECTORS



**Nick Clarke**  
**Chairman**  
Chair  
- Nomination Committee  
Member  
- CSR Committee

**Gavin Ferrar**  
**CFO**

**Nigel Robinson**  
**CEO**  
Member  
- CSR Committee

**Robert Cathery**  
NED  
- City experience  
Chair  
- Remuneration Committee  
Member  
- Nomination Committee

**Nigel Hurst-Brown**  
NED, Deputy Chairman  
- fund management experience  
Member  
- Audit Committee  
- Remuneration Committee  
- Nomination Committee

**Nurlan Zhakupov**  
NED  
- Kazakhstan experience  
Member  
- Nomination Committee  
- CSR Committee

**Roger Davey**  
NED  
- technical experience  
Chair  
- CSR Committee  
Member  
- Nomination Committee  
- Audit Committee

**David Swan**  
NED  
- accounting experience  
Chair  
- Audit Committee  
Member  
- Nomination Committee  
- Remuneration Committee

## CAML SUMMARY FINANCIAL PERFORMANCE

	Total (86 months)	H1 2019	2018	2017 (Sasa 2 months)	2016	2015	2014	2013	2012 (8 months)
Kounrad Cu production, tonnes	89,068	6,594	14,049	14,103	14,020	12,071	11,136	10,509	6,586
Kounrad C1 cash cost, Cu eq. \$/lb	0.56	0.51	0.54	0.52	0.43	0.60	0.62	0.66	0.63
Group Cu eq. payable tonnes	118,289	15,072	31,459	17,436	14,020	12,071	11,136	10,509	6,586
C1 cash cost, Cu eq. \$/lb	0.85	0.90	0.87	0.76*	0.43	0.60	0.62	0.66	0.63
Average Cu sale price, \$/t	6,243	6,191	6,518	6,107	4,994	5,336	6,794	7,114	7,995
Group revenue, \$m	740.9	89.9	204.2	106.5	69.3	67.3	76.6	76.0	51.1
Group adjusted EBITDA, \$m	450.4	56.7	125.3	66.4	39.9	34.9	47.3	48.1	31.8
Group adjusted EBITDA, %margin	61%	63%	61%	62%	58%	52%	62%	63%	62%
Dividend, \$m	176.4	14.1	32.8	34.0	21.6	20.3	21.8	15.6	16.2

\*calculated on a 12 month 2017 basis for Sasa

## H1 2019 TAXES PAID

H1 2019	UK (\$m)	Kazakhstan (\$m)	North Macedonia (\$m)	Total (\$m)
Corporate income tax	-	6.8	4.1	10.9
Mineral extraction tax	-	2.2	-	2.2
Concession fees	-	-	1.3	1.3
VAT*	-	1.2	-	1.2
Land and property tax	-	0.2	-	0.2
Payroll taxes	1.7	0.7	1.6	4.0
<b>Total</b>	<b>1.7</b>	<b>11.1</b>	<b>7.0</b>	<b>19.8</b>
<b>Total tax paid to June 2019</b>		<b>134.6</b>	<b>29.5</b>	

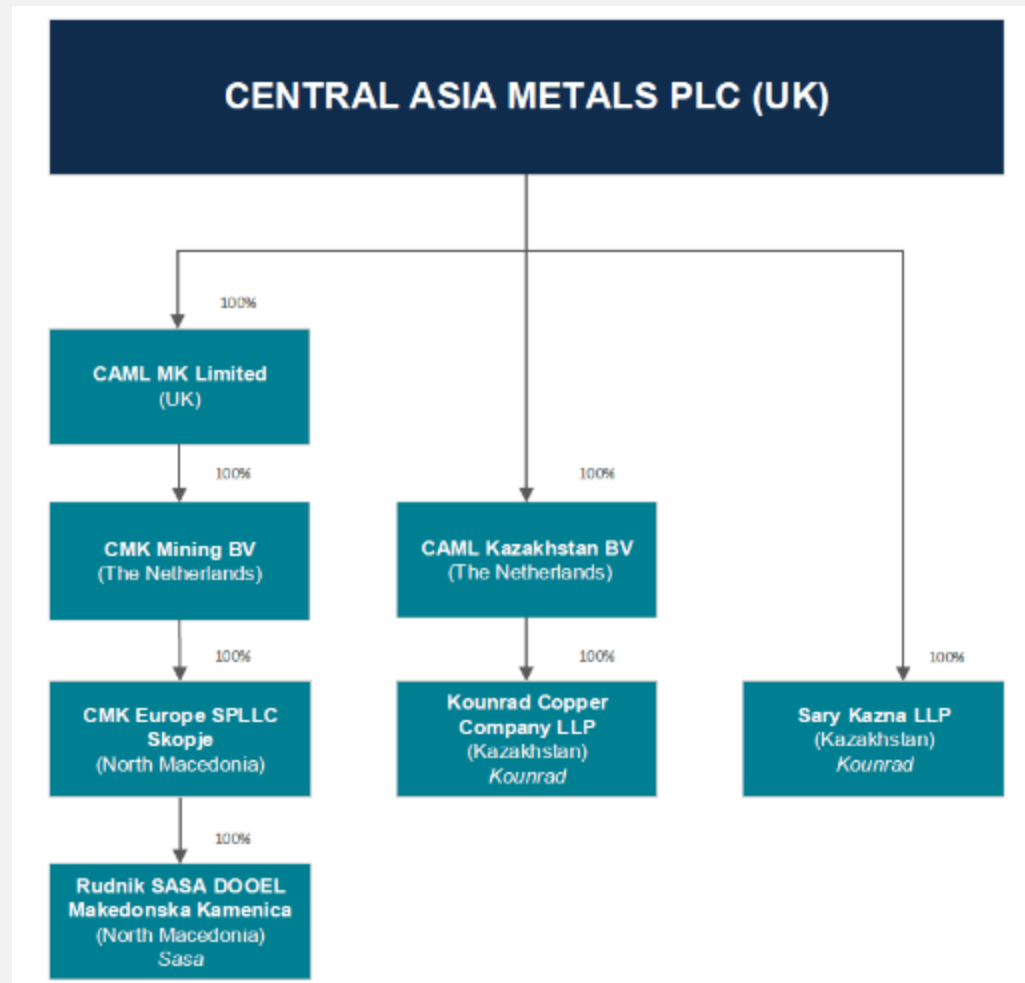
\* North Macedonia VAT receivable balance is offset against corporate income tax



## H1 2019 CAML EMPLOYEES

	Male	Female	Local	Expat	Permanent	Temporary	Total
Sasa	617	55	663	9	491	181	672
Kounrad	282	77	358	1	345	14	359
CAML (excl. Sasa and Kounrad)	15	6	na	na	21	0	21
Total	914	138	1,021	10	857	195	1,052

## CORPORATE STRUCTURE



# CENTRAL ASIA METALS OPERATIONS

## SASA (100%)

- Underground zinc and lead mine, northeast North Macedonia
- Production commenced in 1960's
- Produces 22,000-24,000t zinc and 28,000-30,000t lead in concentrate annually
- Life of mine to 2038+
- 2018 production, 22,532t zinc and 29,388t lead



## NORTH MACEDONIA

- Population, 2.1 million
- GDP per capita, \$6,143



## KAZAKHSTAN

- Population, 18.3 million
- GDP per capita, \$8,763



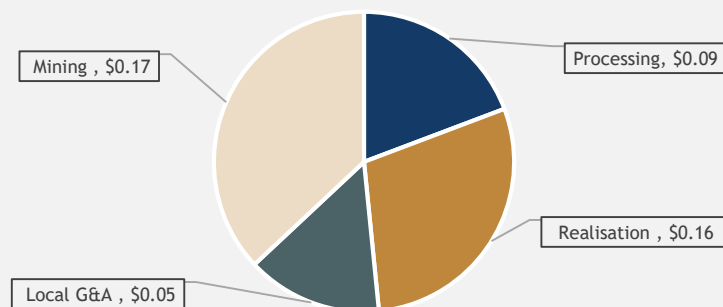
## KOUNRAD (100%)

- In-situ dump leach and SX-EW processing facility, central Kazakhstan
- In production for 7 years
- Produces 12,500-14,000t copper, one of the lowest cost copper producers globally
- Life of operation to 2030+
- 2018 production, 14,049t copper

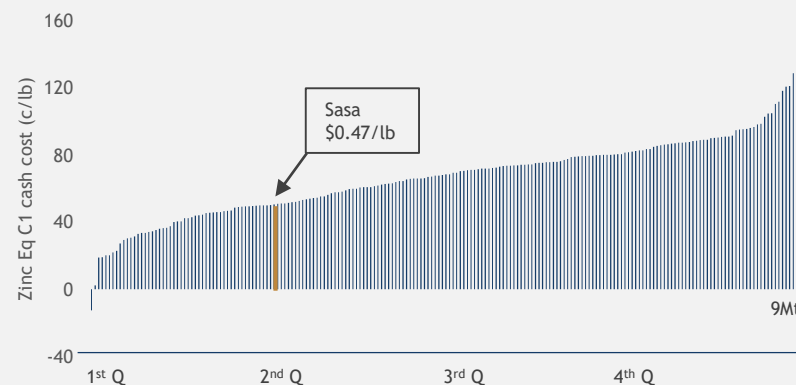


# H1 2019 SASA C1 ZINC EQ. CASH COST

## H1 2019 C1 cash cost \$0.47/lb



## Wood Mackenzie 2018 zinc eq cost curve



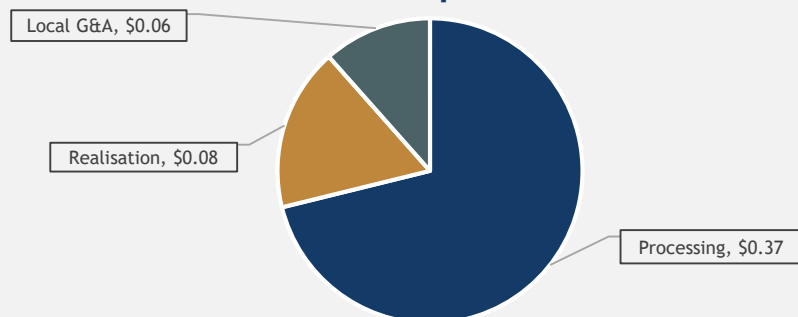
Unit costs, Run of Mine (RoM)	H1 2019	H1 2018
Mining, \$000	7,966	7,449
Processing, \$000	4,289	3,816
Local G&A, \$000	1,974	2,497
<b>Total operating costs, \$000</b>	<b>14,229</b>	<b>13,762</b>
RoM, t	404,450	390,931
<b>Unit cost, \$/t</b>	<b>35.4</b>	<b>35.2</b>

## H1 2019 Sasa EBITDA margin

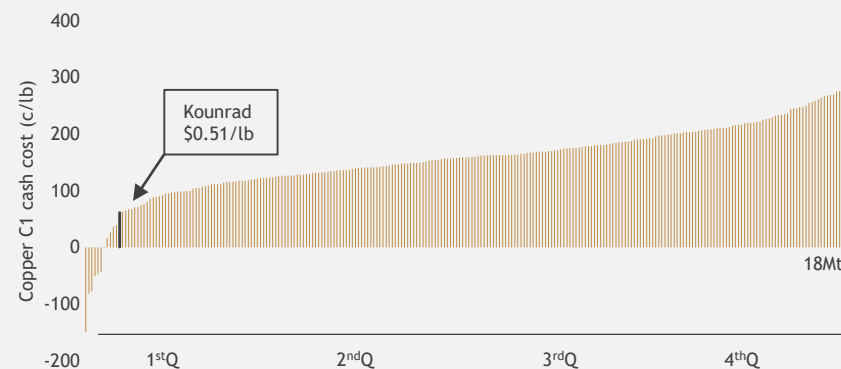
63%

# H1 2019 KOUNRAD C1 COPPER COSTS

## H1 2019 C1 cash cost \$0.51/lb



## Wood Mackenzie 2018 copper cost curve



Processing	H1 2019 \$/lb	H1 2018 \$/lb
Reagents	0.10	0.08
Power	0.06	0.07
Payroll	0.11	0.12
Materials	0.03	0.04
Consulting & other	0.07	0.07
Processing total	0.37	0.38

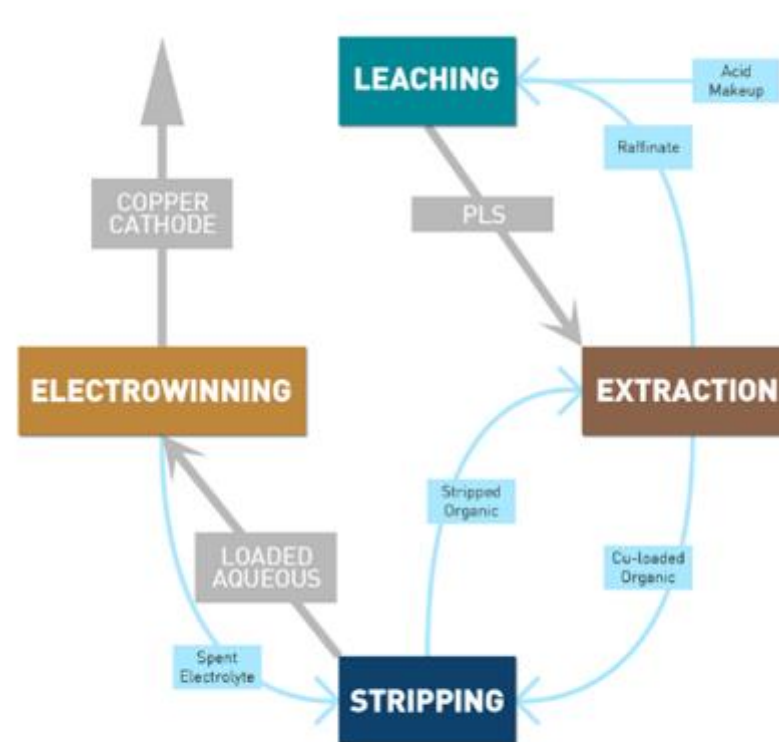
## H1 2019 Kounrad EBITDA margin

72%

## KOUNRAD RESOURCE AND TECHNOLOGY

Category	Quantity, Mt	Grade (%)	Contained copper, kt
Eastern Dumps			
Indicated	89.7	0.10	85.8
Inferred	79.6	0.10	81.7
Total	169.3	0.10	167.5
Western Dumps			
Indicated	296.4	0.10	282.4
Inferred	181.5	0.09	164.3
Total	477.9		446.7
Total East and West	647.1		614.2

Prepared by Wardell Armstrong in June 2017  
c. 85,000t copper has been extracted from dumps



# KOUNRAD, PLS AND GROUNDWATER MODEL

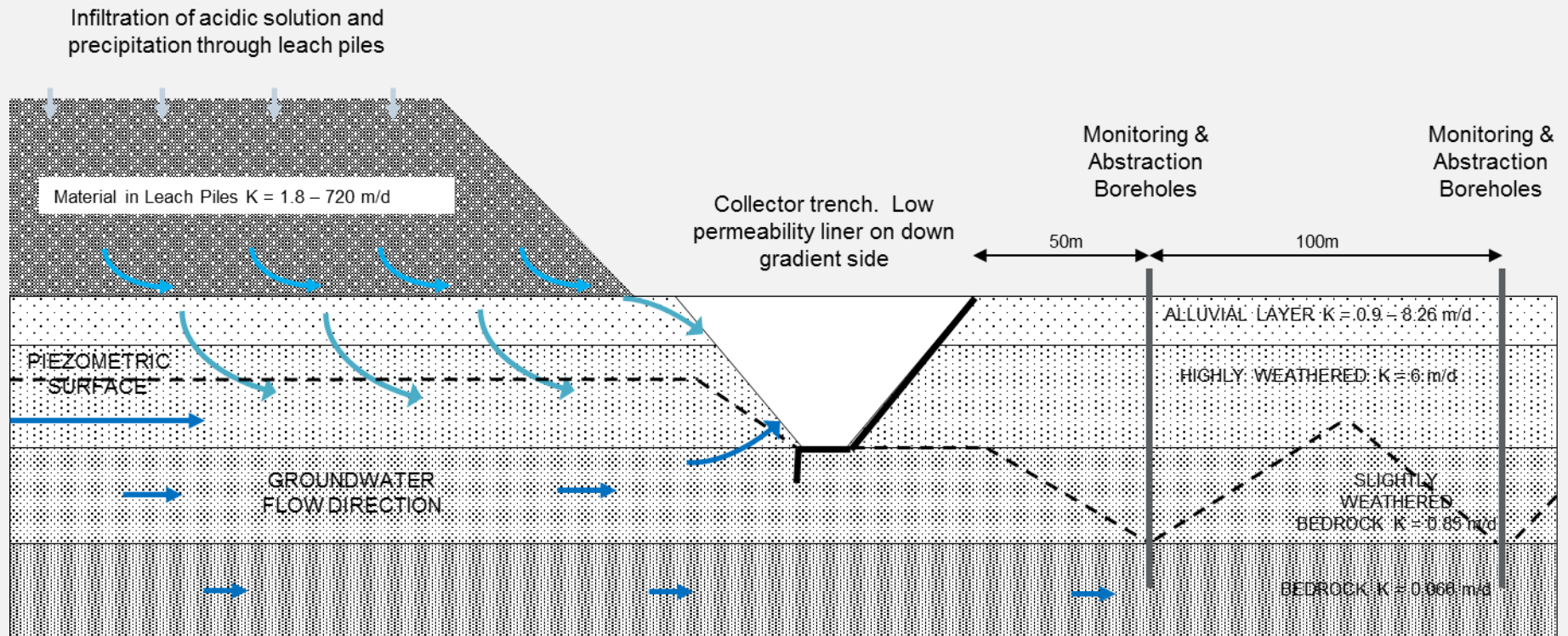


Diagram not to scale



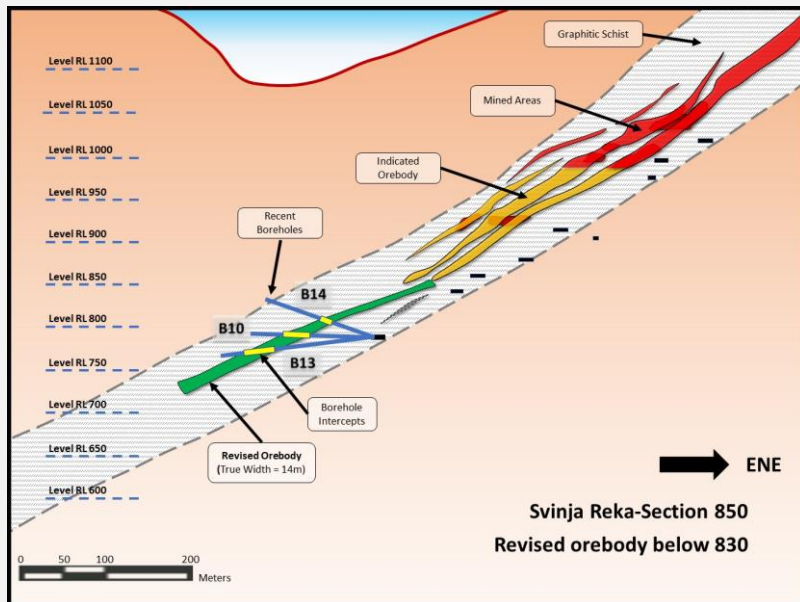
## H1 2019, stable operations

- H1 2019, no LTIs
  - LTI free hours 784,301
- Production in line with guidance
- \$0.6m capex invested at Kounrad
- Western Dumps contributed c.71% of H1 2019 production
- Production continues to be in line with leach curves
- 99.6% record plant availability, reflects positively on site management

[illegible]

# SASA, RESOURCES AND RESERVES

Resources support c.19 year life of mine



Category	Quantity	Grade			Contained		
	Mt	Pb (%)	Zn (%)	Ag (g/t)	Pb (kt)	Zn (kt)	Ag (koz)
Svinja Reka, Reserves							
Probable	9.7	3.8	3.1	18	373	298	5,659
Total	9.7	3.8	3.1	18	373	298	5,659
Svinja Reka, Resources							
Indicated	12.3	4.8	3.8	25	592	468	9,857
Inferred	2.7	3.6	2.6	18	96	71	1,545
Total	15.0	4.6	3.6	24	695	546	11,402
Golema Reka, Resources							
Indicated	1.3	3.8	1.6	13	48	20	528
Inferred	6.3	3.5	1.4	12	217	86	2,444
Total	7.5	3.5	1.4	12	265	107	2,972

Prepared by SRK, December 2018 - JORC (2012)



The diagram illustrates the processing flow for lead and zinc ores. The process starts with 'ORE FROM MINE' entering a 'PRIMARY/SECONDARY CRUSHING' unit. The output goes to a 'ROD MILL', then a 'CLASSIFIER'. The classifier's overflow goes to a 'LEAD CONDITIONER', while its underflow goes to a 'BALL MILL'. The 'BALL MILL' output returns to the 'CLASSIFIER'. From the 'LEAD CONDITIONER', the material flows to 'LEAD ROUGHER AND SCAVENGERS'. This stage has two paths: one to a 'LEAD THICKENER' and another to 'LEAD CLEANERS'. The 'LEAD THICKENER' output goes to a 'LEAD FILTER', which produces 'LEAD CONCENTRATE'. The 'LEAD CLEANERS' output goes to a 'BALL MILL' (labeled 'TO BALL MILL'). The 'ZINC REGRIND' unit feeds into the 'ZINC ROUGHER AND SCAVENGERS'. The 'ZINC ROUGHER AND SCAVENGERS' has two paths: one to a 'ZINC THICKENER' and another to 'ZINC CLEANERS'. The 'ZINC THICKENER' output goes to a 'ZINC FILTER', which produces 'ZINC CONCENTRATE'. The 'ZINC CLEANERS' output goes to a 'TAILINGS FACILITY'. The 'ZINC REGRIND' unit also feeds into the 'ZINC ROUGHER AND SCAVENGERS'.