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# H1 2017 RESULTS AND PROPOSED ACQUISITION OF LYNX RESOURCES

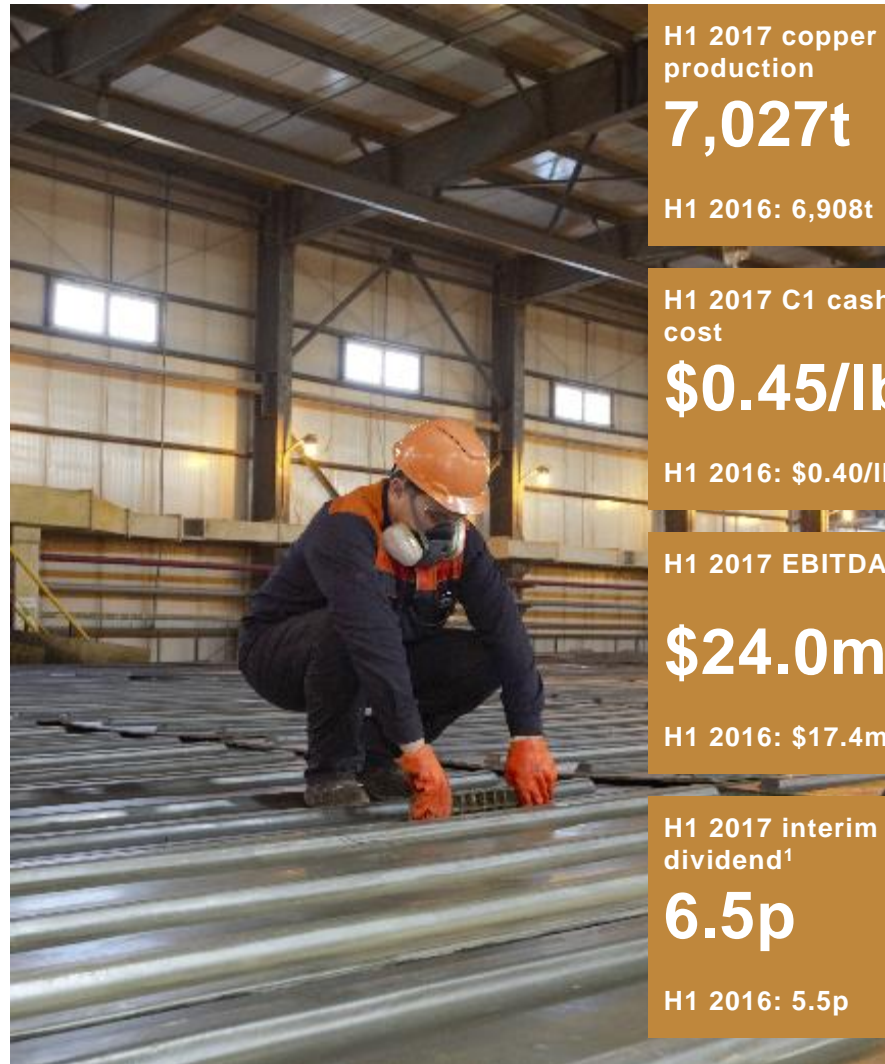
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# CAML PERFORMANCE - IPO TO 30 JUNE 2017

- Raised \$60m in 2010, total dividends declared since 2012 of \$105m
- Kounrad, Kazakhstan, SX-EW plant commissioned April 2012
- Total copper production 61,349t
- Average C1 cash cost \$0.57/lb
- Total gross revenue \$378.9m
- Total EBITDA \$225.2m, average margin 59%
- Cash at 30 June 2017 \$41.7m, no debt
- Total capex \$75.2m, no major Kounrad capex going forward
- Kounrad East and West Dumps now under leach
- Shuak exploration programme underway
- **Proposed acquisition of Lynx Resources**



H1 2017 copper production

**7,027t**

H1 2016: 6,908t

H1 2017 C1 cash cost

**\$0.45/lb**

H1 2016: \$0.40/lb

H1 2017 EBITDA

**\$24.0m**

H1 2016: \$17.4m

H1 2017 interim dividend<sup>1</sup>

**6.5p**

H1 2016: 5.5p

<sup>1</sup> 2017 interim dividend record date as of 6 October 2017

# KOUNRAD SUMMARY FINANCIAL PERFORMANCE

	Total 62 months	2017 6 months	2016 12 months	2015 12 months	2014 12 months	2013 12 months	2012 8 months
Sales, Cu tonnes	<b>61,083</b>	6,870	13,938	12,040	11,163	10,689	6,383
Production, Cu tonnes	<b>61,349</b>	7,027	14,020	12,071	11,136	10,509	6,586
Average sale price, \$/t	<b>6,305</b>	5,659	4,994	5,336	6,794	7,114	7,935
Project revenue, \$m	<b>378.9</b>	38.6	69.3	67.3	76.6	76.0	51.1
Group EBITDA, \$m	<b>225.2</b>	24.0	39.1	34.9	47.3	48.1	31.8
EBITDA margin	<b>59%</b>	62%	56%	52%	62%	63%	62%
Dividend/share buy-back \$m	<b>104.8</b>	9.3	21.6	20.3	21.8	15.6	16.2
Taxes paid Kazakhstan, \$m	<b>90.0</b>	8.1	14.2	17.9	24.8	20.1	4.9
C1 cash cost, \$/lb	<b>0.57</b>	0.45	0.43	0.60	0.62	0.66	0.63
Fully inclusive cost, \$/lb	<b>1.37</b>	1.08	1.06	1.58	1.65	1.43	1.44

PROPOSED ACQUISITION OF  
LYNX RESOURCES

# CREATING A NEW DIVERSIFIED BASE METALS PRODUCER

SEPTEMBER 2017

CENTRAL  
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# A DIVERSIFIED, LOW COST BASE METALS PRODUCER

- **Acquisition of Lynx Resources for \$402.5m, owner of the Sasa underground zinc-lead mine in Macedonia**
  - Result of an extensive search of opportunities
- **High quality asset**
  - Resources to support **20 year mine life**
  - Low cash cost – lower half of the C1 cost curve
  - Brownfields **exploration potential**
- **Diversification** across operations, commodity and geography
  - Exposure to copper, zinc and lead – attractive fundamentals
  - CAML to operate two assets with proven operational track record
  - Highly prospective region
- More than **doubles annual production** – 148% increase to 34.8kt copper equivalent
- **Robust balance sheet** maintained
- **Earnings and cash flow accretive**
- Enables CAML to continue paying one of the **sector leading dividends**



2017 zinc / lead  
production guidance  
**22kt / 29kt**

Sasa H1 2017 zinc  
C1 costs  
**\$0.39/lb**



**23.4Mt**  
Mineral Resources  
(Sasa)

Lynx H1 2017  
EBITDA margin  
**61%**

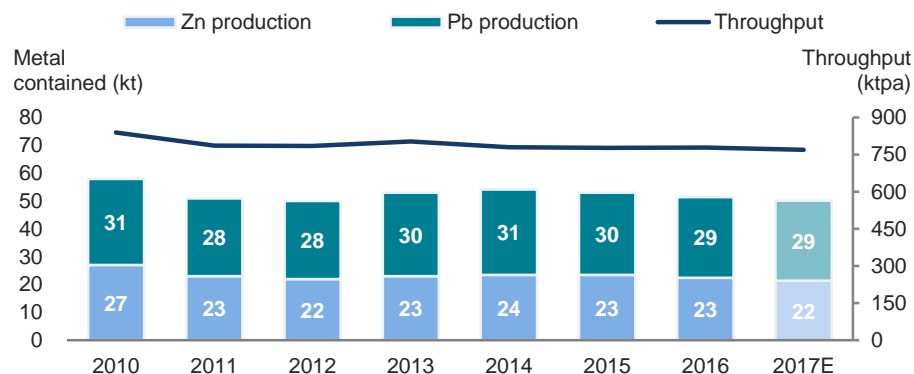
# SASA: TRANSFORMING CAML

- Underground zinc-lead mine located in Macedonia
  - 20 year life-of-mine
  - C1 costs in the lower half of the cost curve
- Proven operational track record, consistent producer for c. 8 years
- 779ktpa mill throughput of ore in 2016, producing 23kt zinc in concentrate and 29kt lead in concentrate
  - H1 2017 mill throughput of ore: 391kt, zinc production of 10.7kt and lead production of 14.9kt
  - Trucked to smelters in the surrounding region
- Metallurgical recoveries c.85% Zn, c.94% Pb
- Payability c.85% Zn, c.95% Pb
- Potential to increase throughput

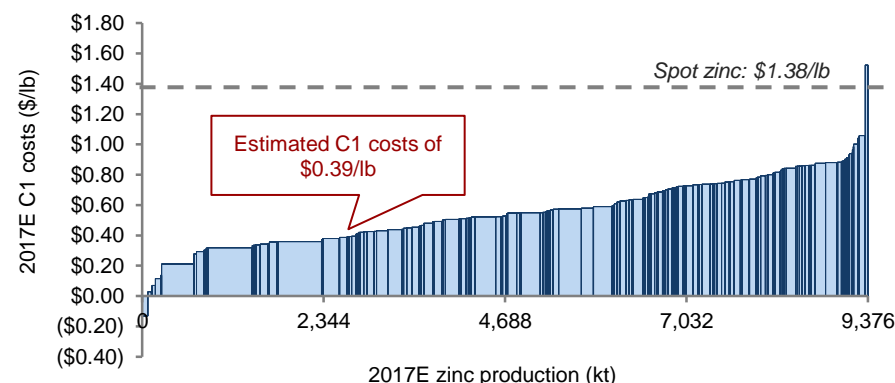
## Location of operations



## Consistent production



## Lower half on the zinc C1 cost curve



Source: Company information, Wood Mackenzie, FactSet as of 15 September 2017

# SASA: TRANSFORMING CAML

- Mining method: Sublevel Caving
- Svinja Reka is the primary ore body with 10.9Mt of reserves
- Capital development to all main levels of Svinja Reka mine already completed, and multiple access via two adits and shaft
- Stable zinc and lead grades
- Growth potential from significant inferred mineral resources and other brownfield exploration targets
- Since 2014, the number of Lost Time Injuries has reduced significantly
- General Director appointed in 2017

## Mineral Resources and Ore Reserves, as at 01 July 2017<sup>1</sup>

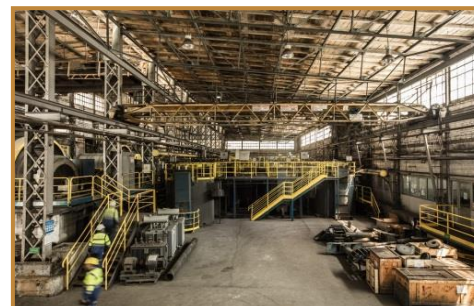
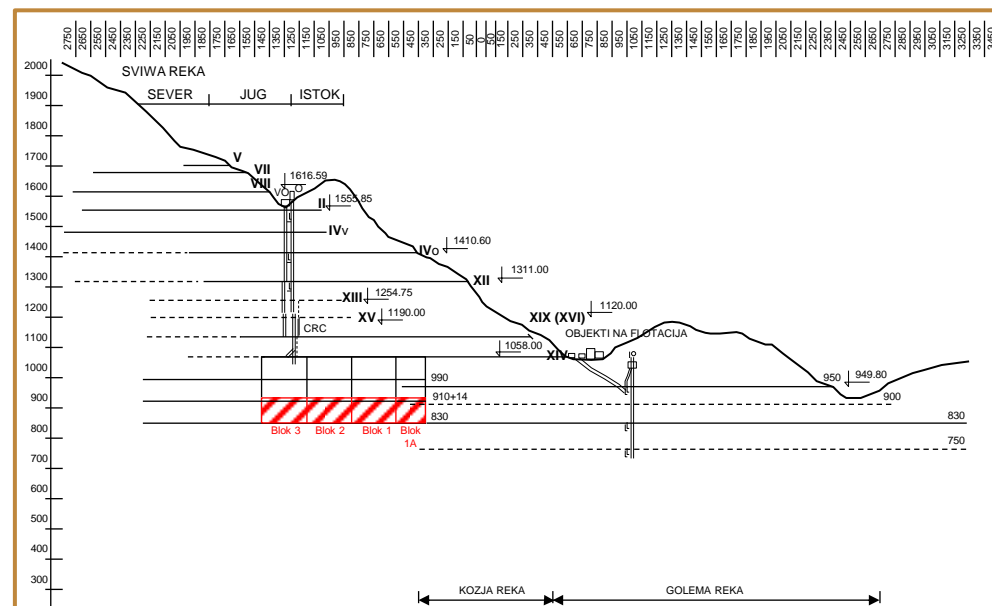
	Mt	Pb (%)	Grades Zn (%)	Ag (g/t)	Pb (kt)	Contained Zn (kt)	Ag (koz)
<b>Svinja Reka – Reserves</b>							
Probable	10.9	3.9	3.1	18.4	421	337	6,447
<b>Total</b>	<b>10.9</b>	<b>3.9</b>	<b>3.1</b>	<b>18.4</b>	<b>421</b>	<b>337</b>	<b>6,447</b>

<b>Svinja Reka - Resources</b>							
Indicated	13.3	4.6	3.7	22.0	611	490	9,403
Inferred	2.7	3.2	2.1	16.6	84	56	1,426
<b>Total</b>	<b>16.0</b>	<b>4.3</b>	<b>3.4</b>	<b>21.1</b>	<b>695</b>	<b>546</b>	<b>10,829</b>

<b>Golema Reka - Resources</b>							
Inferred	7.4	3.7	1.5	18.6	273	112	4,424
<b>Total</b>	<b>7.4</b>	<b>3.7</b>	<b>1.5</b>	<b>18.6</b>	<b>273</b>	<b>112</b>	<b>4,424</b>

Source: SRK Consulting

<sup>1</sup> Mineral Resources are reported inclusive of that material used to derive the Ore Reserves





# ACQUISITION FUNDING SUMMARY

Transaction value of \$402.5m

## Debt financing

- Fully approved \$120m senior debt facility with Traxys (4.75% + LIBOR, 5 year term)
- Roll over of \$67m of Societe Generale / Investec existing facility at Lynx (5% + LIBOR, 5 years remaining)
- Leverage post transaction would be in line with sector peers
  - 1.63x Net Debt / LTM EBITDA

## Equity financing

- **Primary:** \$153.5m issued CAML common shares via an Accelerated Book Build (ABB)
  - Underwritten by J.P. Morgan Securities plc and Peel Hunt LLP
- **Secondary:** Kenges Rakishev, Non-Executive Director, intends to sell 50% of shares in the placing
  - Underwritten by J.P. Morgan Securities plc and Peel Hunt LLP
  - Signed lock up for 90 days, post completion
- **Consideration:** \$50m in CAML shares issued to Orion Mine Finance as consideration
  - Lock up for 6 months
  - Will own c.8% in CAML post completion
- Orion is a leading private equity investor dedicated to the mining sector, with \$3.0bn under management<sup>1</sup>
  - Orion's involvement going forward endorses prospects of the combined business

Sources	\$m
<b>Cash on completion</b>	<b>273.5</b>
<i>Traxys debt</i>	<i>120.0</i>
<i>Placing via ABB</i>	<i>153.5</i>
Consideration shares	50.0
Roll over of existing debt facilities	67.0
Deferred consideration	12.0
<b>Total sources</b>	<b>402.5</b>

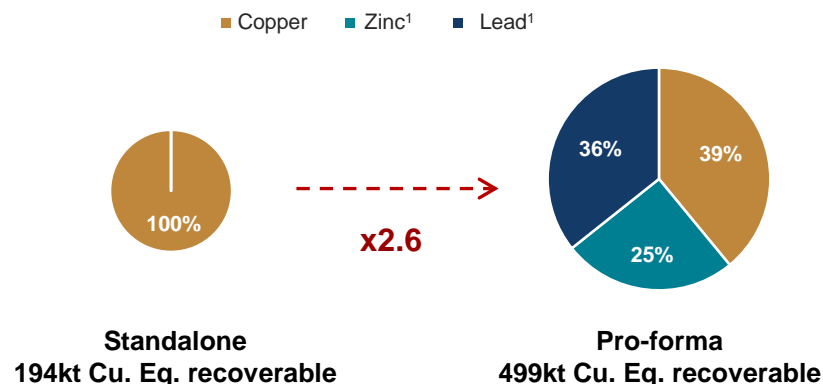
Source: Company information

<sup>1</sup> As of 31 March 2017

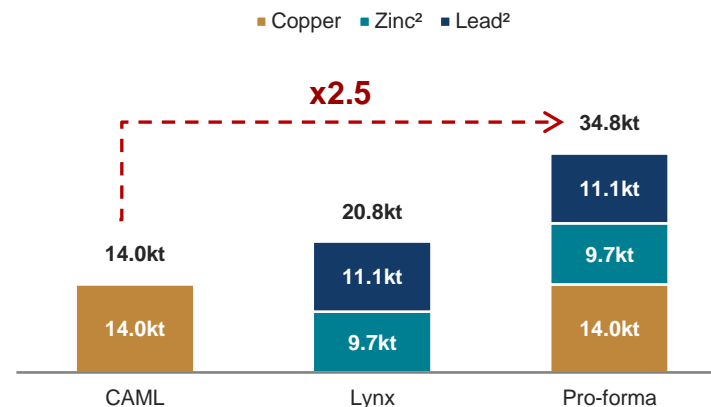
Note: Pre transaction costs

# A DIVERSIFIED, LOW COST BASE METALS PRODUCER

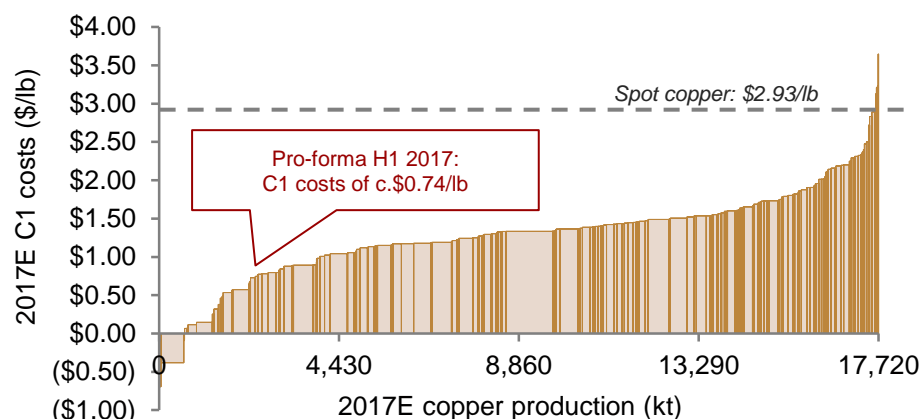
## A larger, diversified resource base



## Significantly enhanced production scale (2016A Cu equivalent, kt)



## Combined group, well positioned on the cost curve



## Solid financials

\$m	CAML		Lynx	
	2016	H1 2017	2016	H1 2017
<b>Production</b>	14kt Cu	7kt Cu	23kt Zn, 29kt Pb	11kt Zn, 15kt Pb
<b>C1 cash costs</b>	\$0.43/lb (Cu)	\$0.45/lb (Cu)	\$0.43/lb (Zn)	\$0.39/lb (Zn)
<b>Revenue</b>	69	39	79	55
<b>EBITDA</b>	39	24	30	34
<b>Margin</b>	56%	62%	38%	61%

Source: Company information, Wood Mackenzie, FactSet as of 15 September 2017, SRK Consulting

<sup>1</sup> Zinc and lead resources converted into copper equivalent based on long term (real) consensus prices (copper \$6,232/t, zinc \$2,205/t, lead \$1,984/t)

<sup>2</sup> Zinc and lead 2017E production converted into copper equivalent based on 2017E consensus prices (copper \$5,710/t, zinc \$2,767/t, lead \$2,205/t)

# A DIVERSIFIED, LOW COST BASE METALS PRODUCER

## High quality assets

- **Low cost, long life** assets support cashflow generation through the cycle
  - Kounrad: +14 years remaining mine life
  - SASA: +20 years remaining mine life
- Proven operational track record
- High quality products

## Experienced management team

- **Track record of developing and commercialising mining opportunities**
- Over 100 years of combined mining experience
- Key Sasa site management maintained

## Diversification

- Commodity
- Operations
- Geography

## Strong balance sheet

- **Appropriate financial structure** in order to fund acquisition
- Rapid deleveraging debt profile envisaged
- Robust cash balances to be maintained throughout the integration plan

## Transaction benefits

- **Enhanced market profile, increased scale**
- **Earnings and cash flow accretive**
- Supports CAML's strategy of returning capital to shareholders



# DELIVERING SHAREHOLDER VALUE

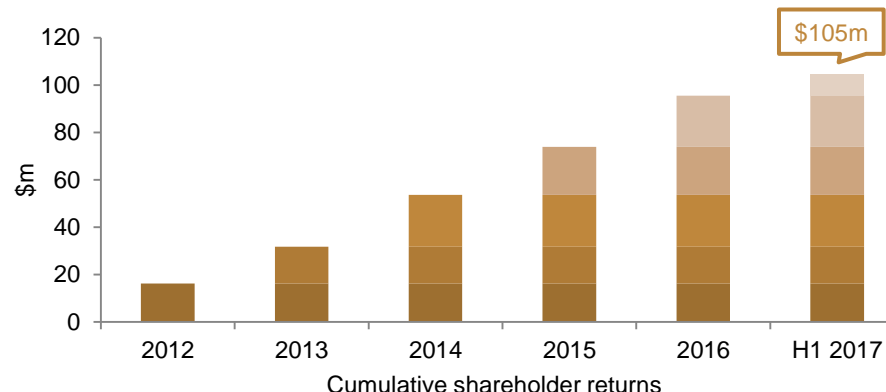
- Two cash generative, low C1 cash cost operations
- On track to meet production guidance for 2017
- Commitment to dividends through the cycle
  - H1 2017 interim dividend of 6.5p
  - Increase of 18% HoH
  - Record date of 6<sup>th</sup> October 2017
  - \$105m returned to shareholders since IPO
- Earnings and cash flow accretive transaction allowing CAML to continue to **deliver sector leading returns to shareholders**

## Dividend policy

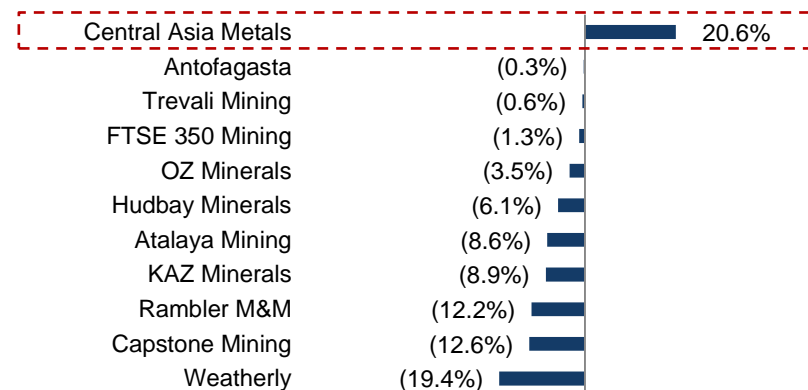
*From 1 January 2018*

*“CAML will return to shareholders a target range of between 30% and 50% of free cash flow, defined as net cash generated from operating activities less capital expenditure.<sup>3</sup>”*

## \$105m returned to shareholders since IPO



## TSR<sup>1</sup> CAGR<sup>2</sup> since Central Asia Metals' IPO (GBP)



Source: Datastream as of 15 September 2017, company information

<sup>1</sup> Total Shareholder Return defined as a theoretical growth in value of a share holding over a specified period, assuming that dividends are re-invested at the closing price applicable on the ex-dividend date

<sup>2</sup> Compound Annual Growth Rate

<sup>3</sup> Dividends will be paid provided there is sufficient cash remaining in the Group to meet the ongoing contractual debt repayments and banking covenants are not breached

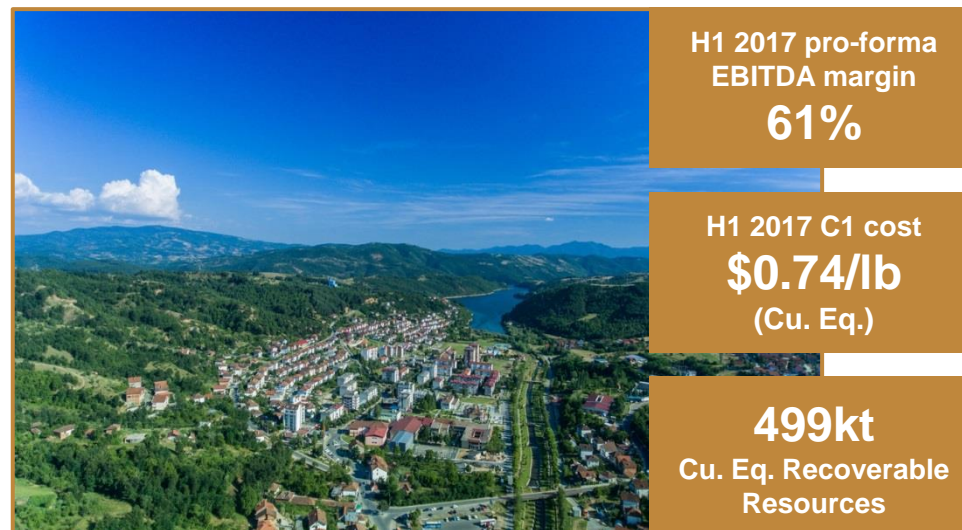
# A DIVERSIFIED, BASE METALS PRODUCER

## Transaction overview

- Acquisition of Lynx Resources for \$402.5m, owner of the **Sasa underground zinc-lead mine in Macedonia**
- **High quality** asset – long mine life, low cost, exploration potential
- Diversification across operations, commodity and geography
- More than doubles production – 148% increase to 34.8kt copper equivalent
- Robust balance sheet maintained
- Earnings and cash flow accretive

## Timeline & conditions

- Launch of underwritten Acceleration Book Build Process: 22 September 2017
- Publication of Admission Document: 25 September 2017
- CAML EGM: 11 October 2017
- Completion post EGM, subject to customary regulatory approvals required
  - Possible contingent costs associated with the Acquisition, estimated at \$23.0 million<sup>1</sup>
- CAML shareholder approval required



Copper Production	2016 <b>14kt</b>	H1 2017 <b>7kt</b>
Zinc Production	2016 <b>23kt</b>	H1 2017 <b>11kt</b>
Lead Production	2016 <b>29kt</b>	H1 2017 <b>15kt</b>

<sup>1</sup> In accordance with IFRS, no provision has been made for these possible contingent costs

# APPENDIX





H1 2017

# CAML FINANCIAL REVIEW

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# H1 2017 INCOME STATEMENT

## CONTINUED PROFITABILITY, 62% EBITDA MARGIN

### GROSS REVENUE \$38.6m, +25% HoH

- Sales volumes 6,870t, +8% HoH
- Average sales price achieved \$5,659/t, +15% HoH
- Off-takers fee fixed to 31 December 2018

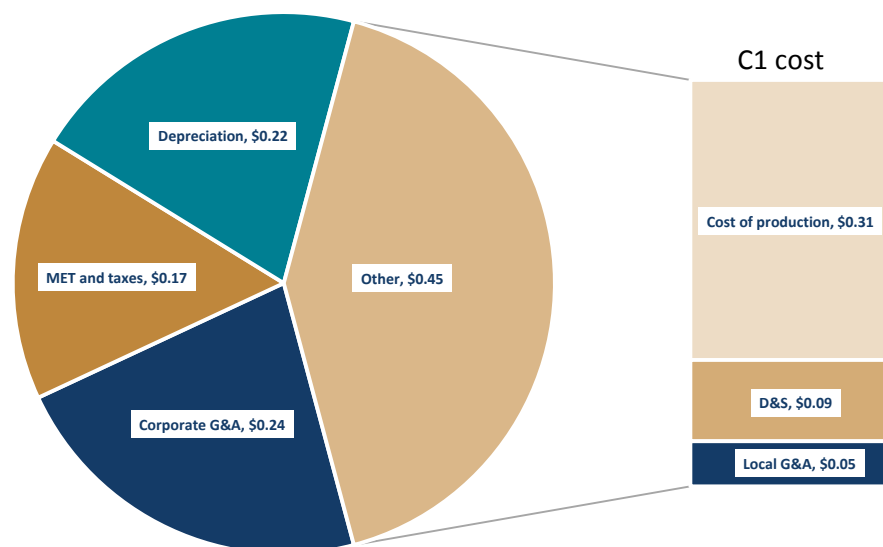
### PROFIT BEFORE TAX \$20.4m, +36% HoH

- \$5.4m increase HoH due to higher revenue and continued cost control
- EPS of 13.5c, +41% HoH
- Kazakhstan currency appreciation, +9%

	H1 2017	H1 2016	% change	FY 2016
Sales, t	6,870	6,355	+8%	13,938
Average sale price, \$/t	5,659	4,903	+15%	4,994
<b>Gross revenue, \$m</b>	<b>38.6</b>	<b>30.9</b>	<b>+25%</b>	<b>69.3</b>
Profit before tax, \$m	20.4	15.0	+36%	32.9
<b>EBITDA, \$m</b>	<b>24.0</b>	<b>17.4</b>	<b>+38%</b>	<b>39.1</b>
EBITDA margin	62%	56%	+6%	56%
EPS, cents	13.50	9.57	+41%	23.66

# H1 2017 UNIT COST OF COPPER PRODUCTION

FULLY INCLUSIVE UNIT COST \$1.08/lb (H1 2016: \$0.97/lb)



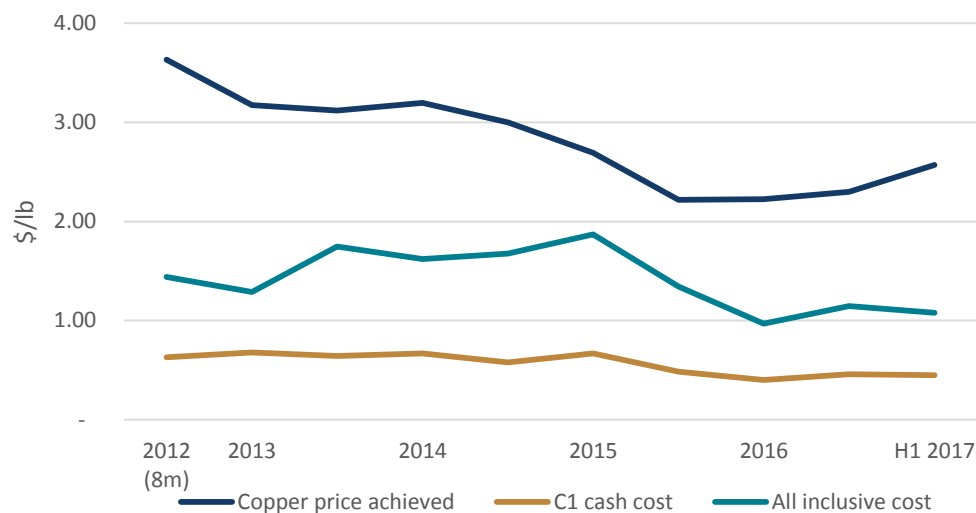
	H1 2017 \$/lb	H1 2016 \$/lb	% change	FY 2016 \$/lb
<b>C1 cash cost</b>	<b>0.45</b>	<b>0.40</b>	<b>+13%</b>	<b>0.43</b>
MET & other taxes	0.17	0.14	+21%	0.14
Depreciation	0.22	0.15	+47%	0.16
Corporate overheads	0.24	0.28	-14%	0.33
<b>Fully inclusive unit cost</b>	<b>1.08</b>	<b>0.97</b>	<b>+11%</b>	<b>1.06</b>

- Higher MET due to higher revenue
- Higher depreciation due to Stage 2 Expansion completion
- Reduction in corporate overheads due to increased production volumes and lower share option charges



# H1 2017 C1 CASH COST OF PRODUCTION

## KOUNRAD COSTS CONSISTENTLY LOW

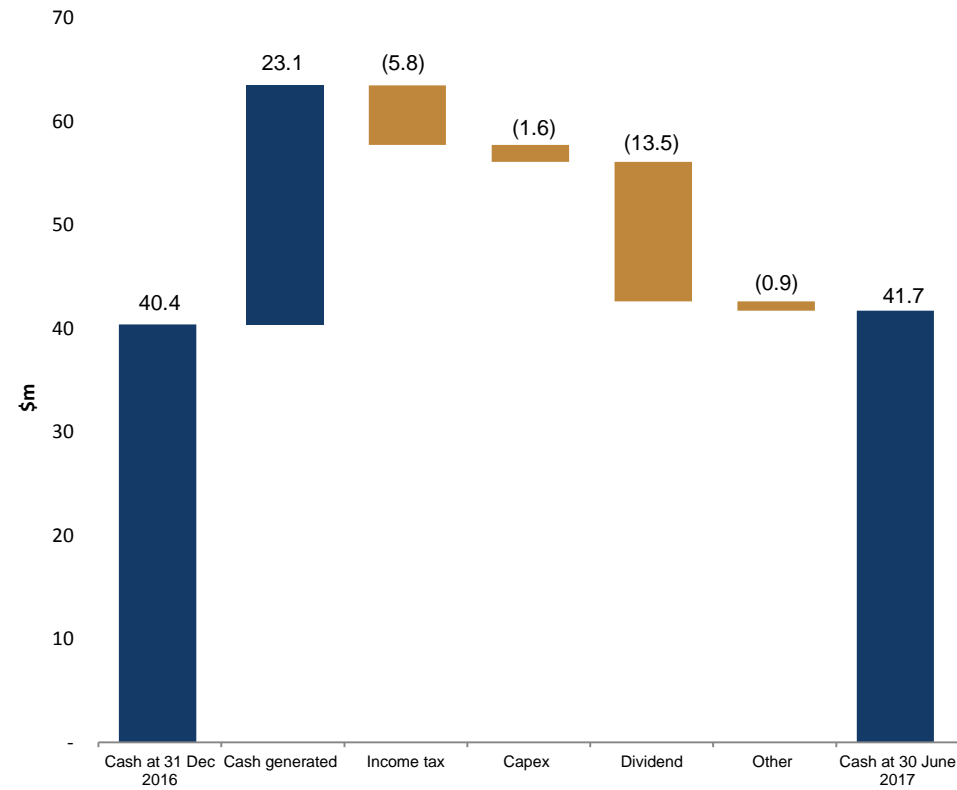


- Western Dumps production commenced in April 2017, resulting in slightly higher electricity consumption and additional labour of \$0.03/lb

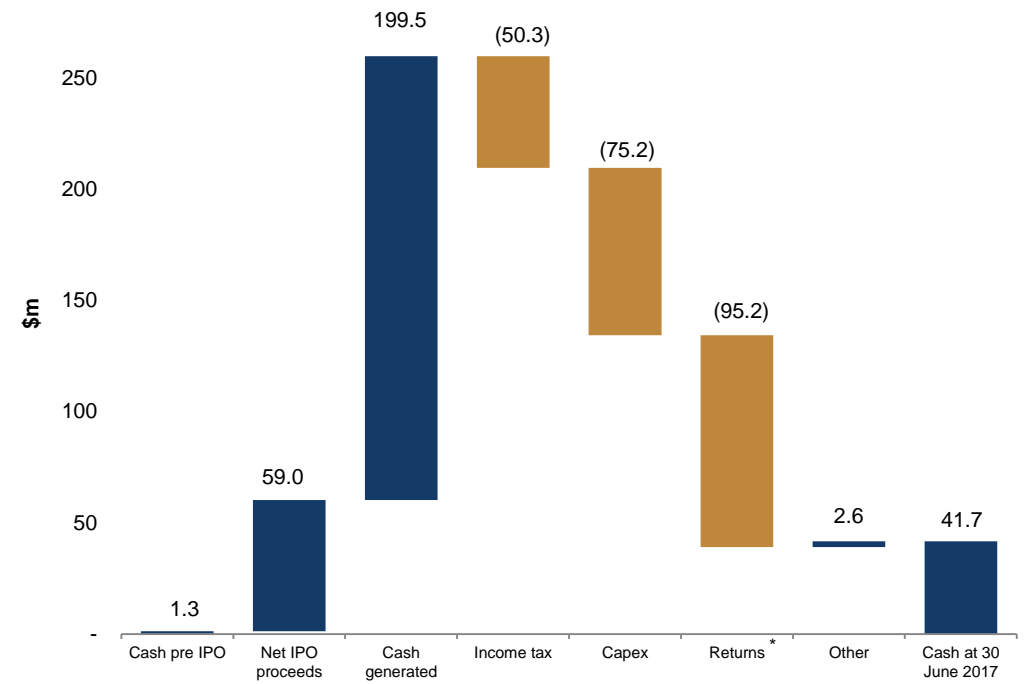
	H1 2017 \$/lb	H1 2016 \$/lb	% change	FY 2016 \$/lb
Payroll	0.10	0.08	+25%	0.09
Reagents	0.06	0.05	+20%	0.05
Power	0.06	0.05	+20%	0.05
Materials	0.04	0.05	-20%	0.05
Consulting & other	0.05	0.03	+67%	0.04
<b>Cost of production</b>	<b>0.31</b>	<b>0.26</b>	<b>+19%</b>	<b>0.28</b>
D&S	0.09	0.10	-10%	0.09
Local G&A	0.05	0.04	+25%	0.06
<b>C1 cash cost</b>	<b>0.45</b>	<b>0.40</b>	<b>+13%</b>	<b>0.43</b>

# CASH FLOW

## H1 2017 CASH FLOW



## CASH FLOW SINCE IPO (2010)



\*Returns excludes H1 2017 interim dividend

# H1 2017 BALANCE SHEET

## STRONG BALANCE SHEET

### CAPITAL EXPENDITURE

- Stage 2 Expansion completed 30% under budget
- No major expansionary capex
- Annual sustaining capex, c.\$2m

### WORKING CAPITAL

- \$41.7m cash
- No debt at 30 June 2017
- Further \$0.5m Kazakhstan VAT recovered during H1 2017

Cash

**\$41.7m**

(2016: \$40.4m)

	30 June 2017 \$m	31 Dec 2016 \$m
PPE	50.4	50.3
Intangible assets	41.8	40.8
Cash	41.7	40.4
Other	8.0	7.0
<b>Total assets</b>	<b>141.9</b>	<b>138.5</b>
Liabilities	4.8	6.4
Deferred tax & provisions	10.7	10.6
Equity & reserves	126.4	121.5
<b>Total equity &amp; liabilities</b>	<b>141.9</b>	<b>138.5</b>

H1 2017

# CAML OPERATIONS REVIEW

CENTRAL  
ASI  
METALS  
PLC

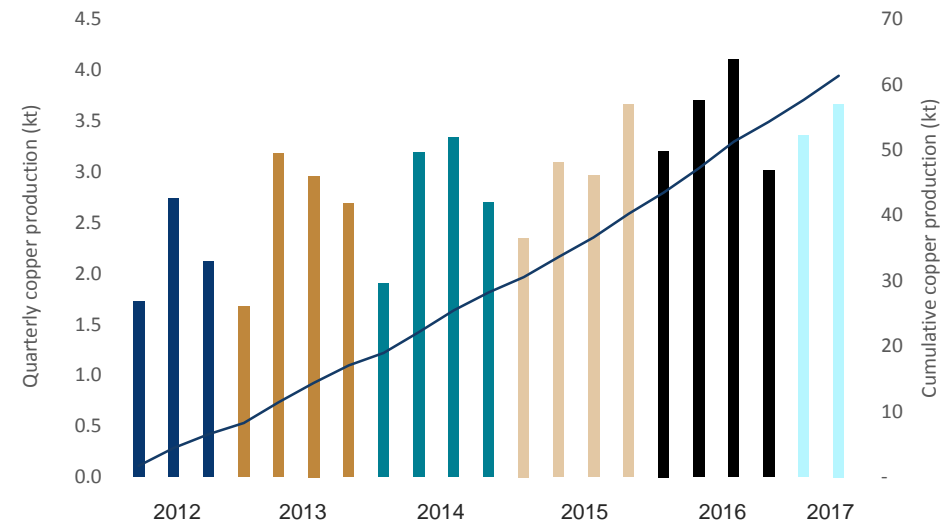




# PRODUCTION UPDATE AND OUTLOOK

## H1 2017 COPPER PRODUCTION AND SALES

- H1 2017 copper production 7,027t
- Cumulative copper production to end H1 2017, 61,349t
- Western Dumps leaching commenced 1,300t copper recovered in Q2 2017
- H1 2017 copper cathode sales 6,870t



## OUTLOOK

- FY 2017 production guidance 13,000t to 14,000t
- 40% 2017 copper production to come from Western Dumps
- Increasing percentage of Western Dumps copper production from 2018 onwards



# WESTERN DUMPS NOW UNDER LEACH

## STAGE 2 EXPANSION COMPLETE

- Cost \$13m, 30% below budget
- Included solution and water pipelines and all infrastructure required to enable leaching to commence from Western Dumps

## EASTERN DUMPS

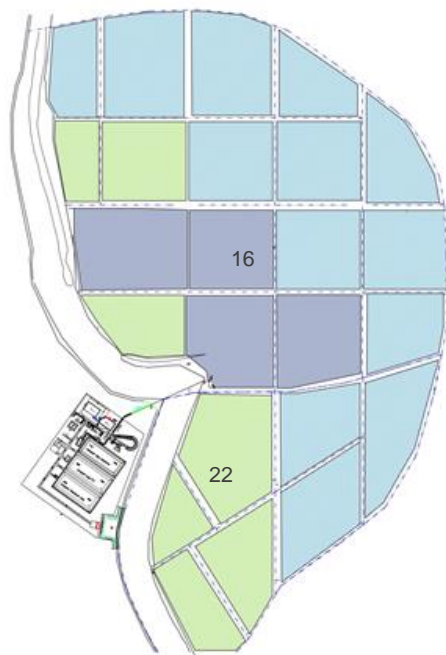
- Average dump height 20m, average leach time 8 months
- Average copper recovery 45-50%
- 2017 production from Eastern Dumps c.60%

## WESTERN DUMPS

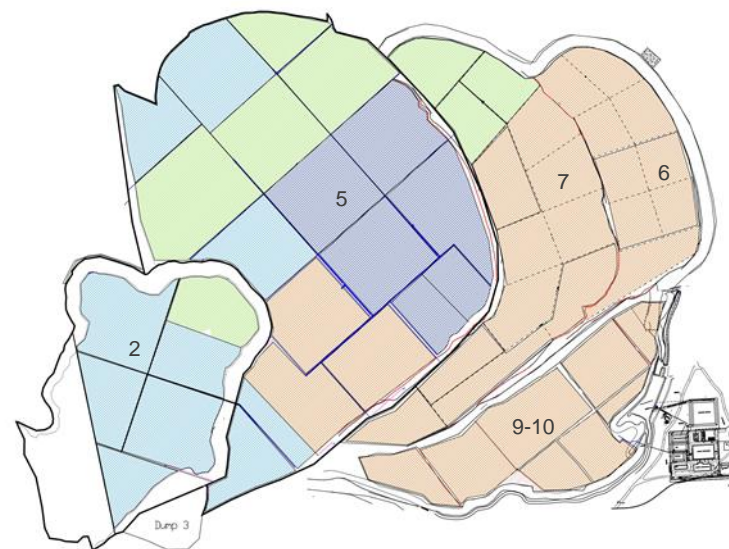
- Average dump height 40m, average leach time 20 months
- Average copper recovery 35-42%
- Commenced leaching of dumps 16 and 22 (ILA)
- Leaching in line with expectations, c.40% of 2017 production



# EASTERN AND WESTERN (ILA) DUMP RESOURCES



Western Dumps	In-situ Cu, tonnes	Leached Cu, tonnes	Recoverable Cu, tonnes
ILA total	87,790	1,302	35,570



Eastern Dumps	In-situ Cu, tonnes	Leached Cu, tonnes	Recoverable Cu, tonnes
9-10	23,450	11,840	119
6	14,660	7,227	250
7	43,065	20,855	1,108
5	66,558	20,416	7,538
2	24,975	0	10,490
Total*	172,708	60,338	19,505

2017 leach pads  
Winter leach pads

Future ILS pads  
Future fresh pads

\*Correct as of 1 July 2017

# KOUNRAD 2016 OPERATIONAL OVERVIEW

## STABLE OPERATIONS IN H1 2017

- No LTI in H1 2017, LTI free hours now 1.7m
- PLS flow rates increased, Western Dumps in operation
- PLS grades stable
- Irrigation area increased, Western Dumps ILA under leach
- Plant availability remains high
- LME quality copper maintained
- Total number of employees on site, 356

	2012	2013	2014	2015	2016
LTI	0	0	1	2	0
Cu production, t	6,586	10,510	11,136	12,071	14,020
Ave. PLS, m <sup>3</sup> /hr	383	532	771	784	888
PLS grade, gpl	3.9	3.0	2.2	2.3	2.4
Plant availability, %	96.9	99.3	98.7	99.1	98.6
Irrigation area, ha	15.29	17.19	28.06	33.05	35.90
Employees	211	224	254	276	300
Cathode purity, %	99.997	99.998	99.998	99.998	99.998



# CORPORATE SOCIAL RESPONSIBILITY

## HEALTH & SAFETY

- No LTI in H1 2017, total LTI free man hours now 1.7 million
- Government health and safety inspections successfully undertaken in H1 2017

## ENVIRONMENTAL

- Government environmental checks successfully undertaken in H1 2017
- Bedrock drilling programmes undertaken on northern part of Western Dumps
- Long term monitoring hole drilling programme underway in 2017

## SOCIAL

- Strong focus on training staff
- c.\$1.2m social funding since 2012
- \$90m total tax paid in Kazakhstan since 2012
- 99% of workforce recruited locally
- CAML community focus on health, education and charities in Kounrad and Balkhash



# SHUAK, KAZAKHSTAN (CAML 80%)

## SUBSOIL USE CONTRACT TRANSFERRED TO CAML, AUGUST 2017

- Licence area 197km<sup>2</sup>
- Extensively explored in Soviet times
- Contains three near term targets, with the priority area being Mongol V
  - Pre-GKZ resource, c. 327,000 tonnes of contained copper at 0.66% Cu in C2 and P1 categories
- Two mineralisation styles:
  - Near-surface saprolite hosted oxide copper
  - Deeper porphyry copper target

## 2017 EXPLORATION

- 2017 exploration budget \$1.8m, to include 22,000m drilling and 1,800m trenching
- TEM-FAST geophysics programme nearing completion
  - To ascertain depth and extent of saprolite weathering horizon
- Drilling commenced
  - Diamond drilling programme of 4,700m
  - Initial 7,000m core hydrotransport (CHT) drilling programme



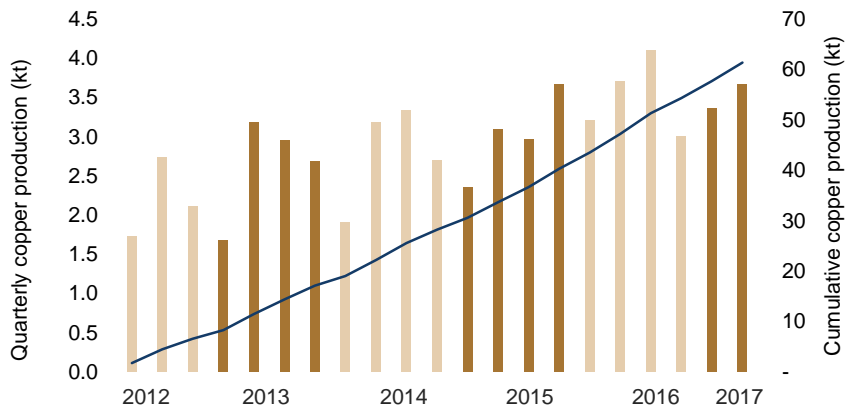
# KOUNRAD

- In-situ dump leach & SX-EW operation
- Kounrad has produced copper cathode since 2012
  - Produced over 61kt copper to date
  - Stage 2 expansion undertaken in 2016
  - LME quality copper cathode
- Kounrad is now fully invested
  - Last major capital programme at Kounrad - LoM extended beyond 2030
  - Leaching of Western Dumps commenced in Q2 2017 – over 1,300t cathode produced from these resources
  - Only sustaining capex expected by the Directors going forward
- Safe operations: No LTI in H1 2017, total LTI free man hours now 1.7 million

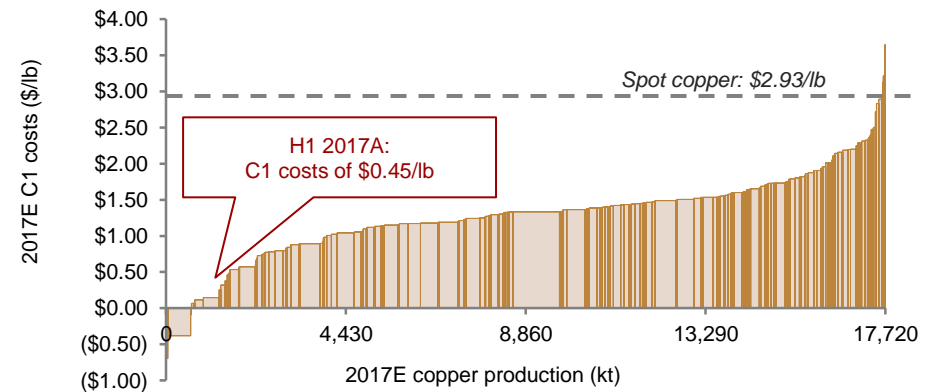
## Location of operations



## Stable production



## Strongly positioned in the first quartile of the cost curve



# ZINC MARKET OUTLOOK

*Zinc prices expected to remain strong in the medium term, supported by closure of key zinc mines*

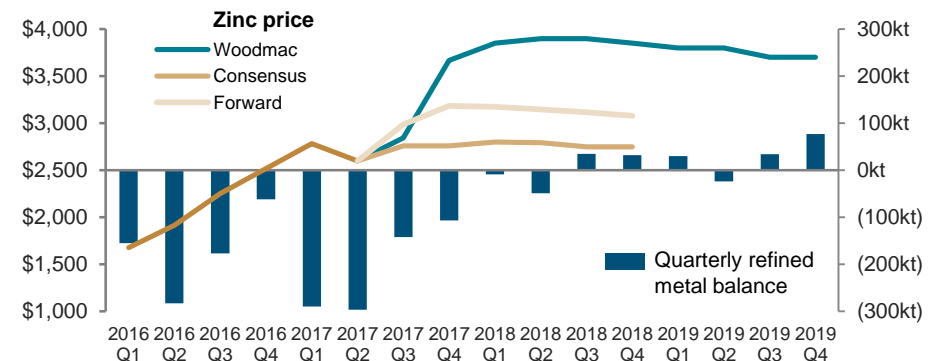
## Uses

- Galvanizing is the predominant first use for zinc, accounting for 60% of global zinc usage in all forms in 2016
- Other common first uses are die-casting and producing brass
- End-use market dominated by construction then transport
- Global zinc production, 13.6Mt

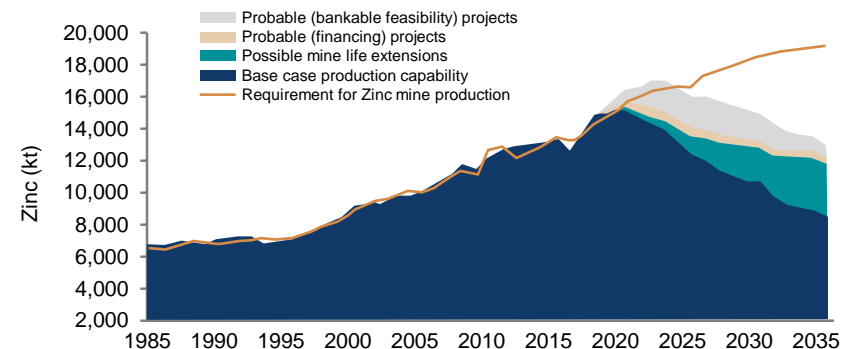
## Commentary

- In Europe, rising consumer and business confidence has lent momentum to the economic recovery and boosted zinc demand from the automotive, white goods and construction sectors
- In China, the particularly strong start to the year has prompted near term growth momentum
- Environmental, health and safety issues have constrained Chinese mine production this year
- These constraints alongside global demand growth are depleting zinc stocks which are forecast to fall to critically low levels by the end of the year
- The zinc price also gained further momentum this year due to a surge in cancelled warrants on the LME
- Glencore restart is unlikely to occur in 2017 given recent comments by the CEO who stressed their cautious approach to bringing back Zinc capacity
- As demand remains high and supply remains constrained, this seems likely to support strong prices

**The refined zinc market is expected to stay tight over the next two years, which will keep prices elevated**



## Requirement and sources of future mine production





# LEAD MARKET OUTLOOK

*The outlook for lead consumption remains bullish – prices are forecasted to be driven higher due to a continued supply deficit*

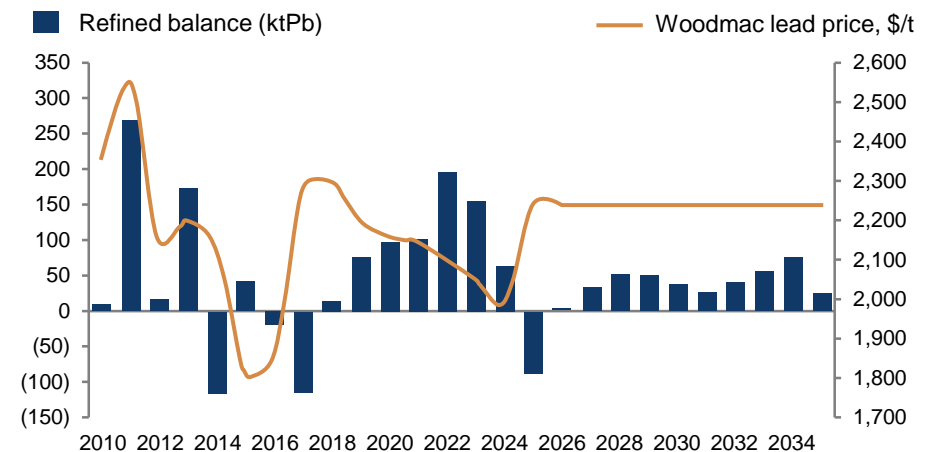
## Uses

- The battery sector is the single largest consumer of lead, accounting for 85.5% of lead demand and can be sub-divided into automotive and industrial batteries
- The second largest current end use for lead after batteries is in the chemical industry in the form of lead-based pigments and other compounds, accounting for approximately 8% of lead consumption

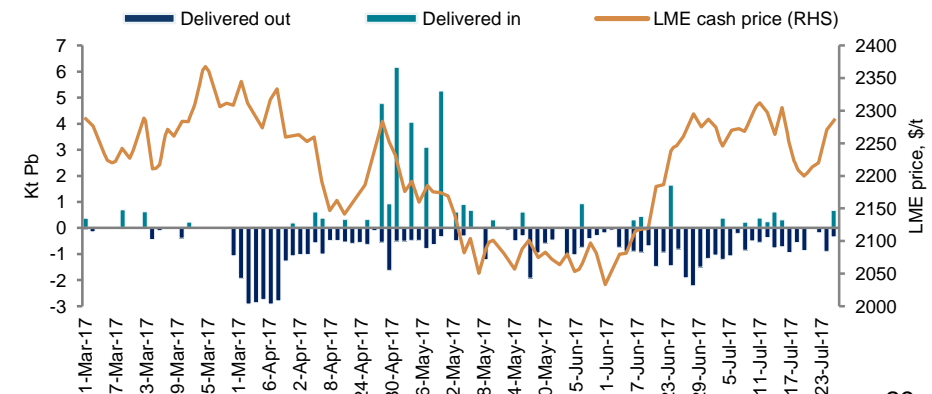
## Commentary

- Low stock levels of both concentrate and refined metals expected to persist during 2017 and 2018
- This year, LME lead inventory fell to its lowest level since 2015
- There is expected to be an increase in mine supply in the short term, spurred on by higher prices
- As lead is overwhelmingly found and mined as a co-deposit to zinc, much depends on the economies of zinc in governing the rate of mined lead extraction
- Like zinc, lead has benefited from increased demand in Europe driving healthy demand in the automotive sector
- Post 2018, the Chinese automotive and industrial battery sectors are expected to regain momentum, driving up Chinese lead usage forecasts
- For the foreseeable future both hybrid cars and electric vehicles will continue to require lead-acid auxiliary batteries for onboard systems which is a positive sign for lead demand

## Market balance and price (refined lead)



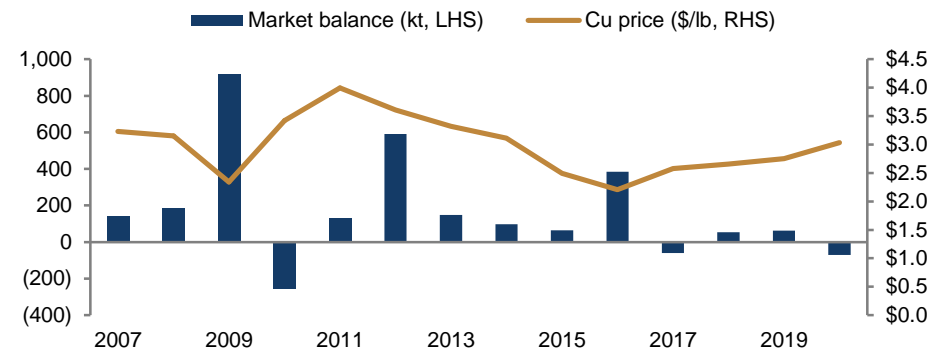
## Refined lead leaving LME warehouses almost every day



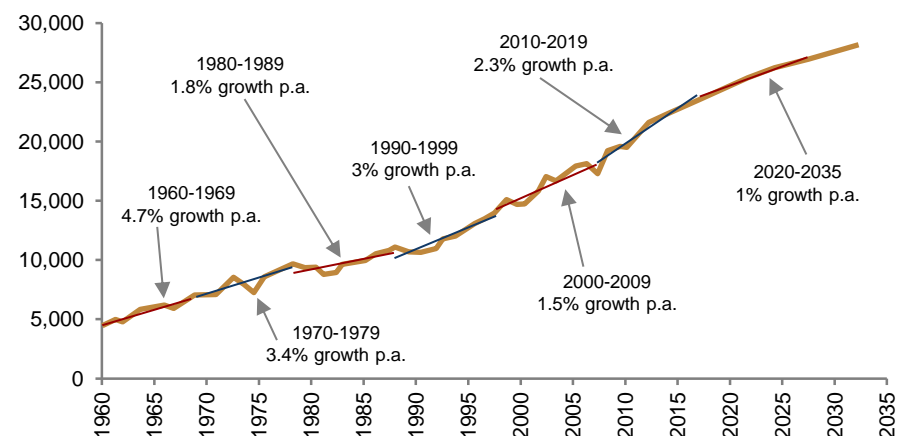
# COPPER MARKET OUTLOOK

- Mine output (after disruptions) is set to shrink for the first time since 2011 this year
- The improvement in scrap availability which has materialised so far this year on the back of higher than anticipated prices has also constrained growth in refined consumption
- Overall this year the copper market will effectively be in balance, with stocks drawn down marginally to 73 days of consumption
- In the medium term, prices are expected to start to appreciate. No material change in cathode inventories is anticipated over this period. This should factor in a return to positive growth in mine supply, after disruptions, in both 2018 and 2019, after shrinking in 2017
- Increased market tightness is expected to emerge beyond 2021 due to long lead times required to bring new capacity into production post the capex curtailment in 2015 – 2016
- Robust long-term demand is expected to outstrip global supply

## Market balance and price



## Average annual global refined copper consumption (kt)



# KAZAKHSTAN COUNTRY OVERVIEW

## Country overview

- The Republic of Kazakhstan is the world's largest landlocked country
  - Located in Central Asia
  - 9<sup>th</sup> largest country in the world
- The country's population is majority ethnic Kazakhs (63%) with a large minority of Russians (24%). Other minority groups include Uzbeks(3%) and Ukrainians (2%)
- The country declared independence in 1991 during the dissolution of the Soviet Union
- Following an 85% devaluation of Kazakhstan's currency, the Tenge, against the US Dollar during 2015, the Tenge remained broadly stable throughout 2016
- Looking to the medium term, the Directors' believe that Kazakhstan is well placed to benefit from China's initiative to revive the ancient silk road with economic corridors to Europe

## Political backdrop

- Kazakhstan is a constitutional republic with a presidential form of governance
- President Nursultan Nazarbayev has been in office since Kazakhstan became independent - he was re-elected in April 2015 with an overall voting majority of almost 98%
  - The president is both the head of state and commander-in-chief of the armed forces
- In March 2017, the constitution of the Republic of Kazakhstan was amended to pass certain authorities from the president to the government and the Parliament and restrict the power of the president with respect to certain issues but in practice the amendments did not significantly reduce the President's power
- Focus on stability with the President launching his "100 concrete steps" initiative in May 2015, listing 100 measures aimed at making improvements to the legal system, improving the civil service, ensuring economic growth, boosting national unity and making the state more accountable

## Key statistics

Population	18.4m (2016)
Nominal GDP	\$128.1bn (2016)
GDP per capita (PPP)	\$25,700 (2016)
GDP real growth 14/15/16	4.3% / 1.2% / 1.0%
CPI inflation rate 15/16	6.7% / 14.6%
Unemployment rate 15/16	5.0% / 4.9%

## Location



# MACEDONIA COUNTRY OVERVIEW

## Country overview

- The Former Yugoslav Republic of Macedonia is a landlocked country in the Balkan peninsula of Southeast Europe
- The country was formed in 1991 when it declared independence from the former Yugoslavia
- The country became a member of the UN in 1993 and a member of the Council of Europe in 1995. The country has been a candidate for joining the EU since 2005 but has yet to enter accession negotiations
- The country's population is majority ethnic Macedonians (66%) with a large minority of Albanians (25%). Other minority groups include Turks (4%), Serbs (2%) and Roma (2%)
- Low corporate tax rate of just 10%

## Political backdrop

- On 31 May 2017, 5 months after elections took place in December, a new government in Macedonia was announced, led by Zoran Zaev of the centre-left Social Democrats
  - Zaev vowed to step up economic reforms and pledged to speed up the country's bid to join the European Union and NATO
  - In the election in December 2016, the centre-right VMRO-DPMNE party, which had governed since 2006, won a majority but it failed to secure the required 62 seats for a majority and to form a government
- During new Macedonian Prime Minister Zoran Zaev's visit to Sofia on 20 June, it was announced that Bulgaria and Macedonia would sign a bilateral treaty, removing some obstacles to Skopje's bid to join NATO and the EU
  - The treaty was signed on 1 August

## Key statistics

Population	2.1m (2016)
Nominal GDP	\$10.5bn (2016)
GDP per capita (PPP)	\$14,500 (2016)
GDP real growth 14/15/16	3.6% / 3.8% / 2.4%
CPI inflation rate 15/16	(0.3%) / (0.2%)
Unemployment rate 15/16	24.6% / 23.1%

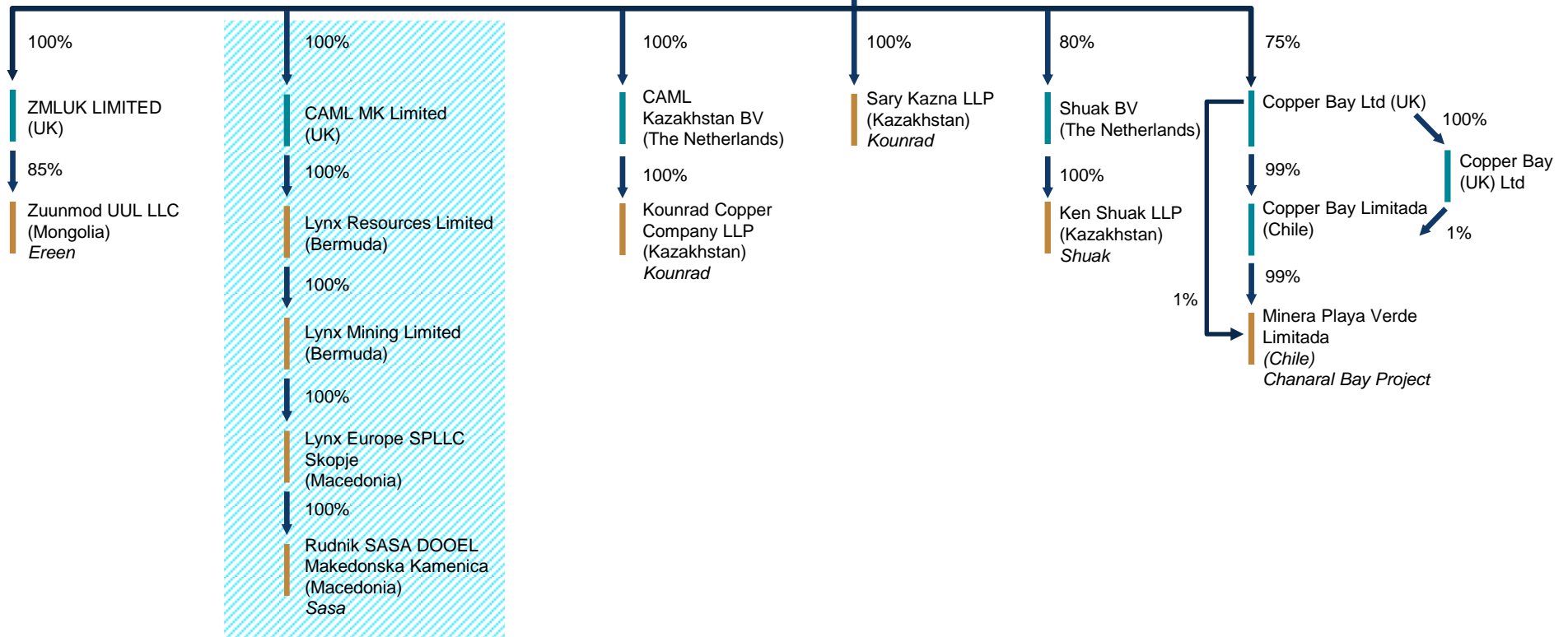
## Location





# CORPORATE STRUCTURE

## CENTRAL ASIA METALS PLC (UK)



# STABLE AND SUPPORTIVE SHAREHOLDER BASE

- Central Asia Metals' register includes a number of major institutional investors
- Provides supportive long term shareholder base

Significant shareholders <sup>1</sup> as of 22 August 2017		
	No. of shares	% Holding
Mr Kenges Rakishev <sup>2</sup>	21,211,751	19.01
Hargreave Hale	11,537,885	10.34
Majedie Asset Management	8,451,384	7.58
Commonwealth American Partners	6,401,000	5.74
Blackrock IM	6,158,987	5.52
FIL Investment International	4,920,927	4.41
Central Asia Metals Limited Share Trust	4,642,896	4.16
D&A Income Ltd	4,420,626	3.96
Miton Asset Management	4,203,616	3.77
<b>Total</b>	<b>71,949,072</b>	<b>64.49</b>

Source: company website

<sup>1</sup> In accordance with AIM Rule 26 the following investors are identified as having a significant (3% or more) interest in the Company

<sup>2</sup> CBH Europe Limited, as holder of 10,605,875 Ordinary Shares which were pledged to it by Mr Rakishev, has entered into an agreement with respect of the sale of these shares

# BOARD OF DIRECTORS



# EXECUTIVE BIOGRAPHIES



**NICK CLARKE, EXECUTIVE CHAIRMAN**

Nick has over 40 years of mining experience, including 16 years spent within senior management positions in production and technical services in South Africa, Ghana and Saudi Arabia. Nick served as the managing director of Oriel Resources plc until its acquisition by OAO Mechel for US\$1.5 billion in 2008. In addition, Nick was managing director at Wardell Armstrong International Ltd, where he managed numerous multidisciplinary consulting projects in the resource sector. He is a graduate of Camborne School of Mines and is a chartered engineer. Nick is also a non-executive director of Wolf Minerals Ltd. In 2013, Nick was named chief executive officer of the year at the Mining Journal outstanding achievements awards. He joined the Company in 2009 as Chief Executive Officer prior to the Company's initial public offering on AIM in 2010 which raised US\$60 million. He assumed the role of Executive Chairman in June 2016.



**NIGEL ROBINSON, CHIEF FINANCIAL OFFICER**

Nigel is a member of the Institute of Chartered Accountants in England & Wales and was formerly a Royal Naval Officer in the Fleet Air Arm. Upon leaving the Royal Navy, he qualified with KPMG where he stayed for a further three years before leaving to work in commerce. He worked for six years in management with British Airways plc before leaving in 2002. Following a period consulting to smaller enterprises in the private sector, he joined CAML in November 2007 as Group Financial Controller. In April 2009, he was appointed Chief Financial Officer of the Group.



**GAVIN FERRAR, BUSINESS DEVELOPMENT DIRECTOR**

Gavin holds post-graduate degrees in geology and finance and has been involved in the mining sector for 21 years. His career in industry began at Anglo American plc in the New Mining Business Division. He spent 10 years in the investment banking sector focusing on equity and debt financing for mining clients of Barclays Capital, West LB and Investec plc. He joined the Company in June 2014 as business development director.



# NON-EXECUTIVE BIOGRAPHIES

## **NIGEL HURST-BROWN, DEPUTY CHAIRMAN**

Nigel is currently chief executive of Hotchkis and Wiley Ltd. Previously he was chairman of Lloyds Investment Managers between 1986 and 1990 before becoming a director of Mercury Asset Management and later a managing director of Merrill Lynch Investment Managers. He is also a director of Borders & Southern Petroleum plc and a Fellow of The Institute of Chartered Accountants in England and Wales.

## **DAVID SWAN, NON-EXECUTIVE DIRECTOR**

David is a chartered accountant with extensive experience across the natural resources sector. He is also the chief financial officer of Scotgold Resources Limited, a non-executive director of Sunrise Resources Plc and Oriel Resources Ltd. David joined the Company in June 2014.

## **ROBERT CATHERY, NON-EXECUTIVE DIRECTOR**

Robert became a member of the London Stock Exchange in 1967 and was managing director and Head of Oil and Gas at Canaccord Europe. During his career in the city of London, he was a director of Vickers da Costa and Schroders Securities and head of corporate sales at SG Securities (London) Limited. He is a co-founder of Salamander Energy Plc and has previously served as a non-executive director of that company. He has also served as non-executive independent director of SOCO International Plc. He is a founder shareholder of the Company.

## **NURLAN ZHAKUPOV, NON-EXECUTIVE DIRECTOR**

Nurlan is a Kazakh national. He has extensive experience in capital markets and has held positions at UBS and RBS. He is currently Chief Business Development and Investment Officer, Member of the Executive Board of JSC Kazatomprom and a non-executive director of SPK Astana, a Kazakh regional development institution. He has previously held a number of positions in the Kazakhstan resource sector for Tau-Ken Samruk (the national mining company), Chambishi Metals and ENRC. He holds bachelor and master's degrees in economics from the Moscow State Institute for International Relations. Nurlan joined the Company in October 2011.

## **KENGES RAKISHEV, NON-EXECUTIVE DIRECTOR**

Kenges is a prominent business leader in Kazakhstan. He serves as chairman of the board of directors for a number of large companies including SAT & Company JSC, a diversified industrial holding company and NASDAQ listed Net Element International, Inc. Kenges joined the Company in December 2013.

## **ROGER DAVEY, NON-EXECUTIVE DIRECTOR**

Roger, a chartered mining engineer, has over 45 years of experience in the international mining industry. He is also a non-executive director of a number of other companies in the mining sector quoted on AIM and the Main Market, namely Atalaya Mining plc where he serves as chairman, Tharisa plc, Orosur Mining Inc and Condor Gold plc. Until 2010, he was senior mining engineer at N. M. Rothschild in the mining and metals project finance team. Previously, he held senior management and director level roles in mining companies in South America and Africa as well as the UK, covering the financing, development and operation of underground and surface mining operations. Roger joined the Company in December 2015.

# SENIOR MANAGEMENT BIOGRAPHIES

## **HOWARD NICHOLSON, TECHNICAL DIRECTOR**

Howard is a metallurgist with 35 years of experience in project development and mine operations management. Formerly the COO of European Minerals Corporation, he contributed to the development of Varvarinskoye, a copper-gold mine in Kazakhstan, and prior to this had held senior management positions with Ashanti Goldfields, Lonrho, and Anglo American.

## **NICK SHIRLEY, CSR DIRECTOR**

Nick has over 20 years of experience in the fields of environmental sciences, social responsibility and hydrogeology gained predominately in the international overseas mining industry in Central Asia, the Former Soviet Union and West Africa. He has formerly worked for the Environment Agency in the United Kingdom, Avocet Mining, Newmont-BHP's joint venture Society De la Mine de Fer de Guinea, and Orsu Metals as well as operating his own consultancy practice.

## **NEIL STEVENSON, GENERAL DIRECTOR, SASA**

Neil has a Bachelor of Engineering degree from the University of Queensland and speaks both English and Russian. He has 30 years' experience in both underground and open pit mining operations, of which 12 years have been spent in Eastern Europe and Kazakhstan. Neil is currently General Director of the Sasa mine in Macedonia. Prior to this role, he was General Director of ZCMC Armenia between 2014 and 2016, and was Director of Sustainable Development from 2016 to 2017, during which time he implemented IFC standards for CSR (corporate social responsibility).

## **PAVEL SEMENCHENKO, GENERAL DIRECTOR, SARY KAZNA**

With over 17 years of experience of managing businesses in Kazakhstan and a proven record in the resources industry, Pavel has excellent management skills and an in-depth knowledge of Kazakhstan's business environment.

## **OLEG TELNOI, GENERAL DIRECTOR, KOUNRAD COPPER COMPANY**

Oleg joined CAML in 2007 with over ten years of experience in finance management for mining industry in Central Asia. He is a qualified engineer and received an MBA in 1997.

## **SAKEN ASHIRBEKOVA, BUSINESS DEVELOPMENT MANAGER**

Saken joined CAML in 2010 in order to oversee the development of the commercial SX-EW plant at Kounrad. She was General Director of JSC Varvarinskoye, a wholly-owned subsidiary of European Minerals Corporation, having worked for that company in Kazakhstan since 1996. She is a graduate of the Moscow Institute of Steel and Alloys with a degree and a PhD in metallurgy, and is a Kazakhstani national.

# CONTACT



## INVESTOR RELATIONS CONTACT

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