ORE RESERVES REPORT

GEDABEK OPEN PIT

ANGLO ASIAN MINING PLC

January 2019

1. Executive Summary

1.1. Introduction

Anglo Asian Mining PLC. ("AAM"; London Stock Exchange Alternative Investment Market (AIM) ticker "AAZ") are pleased to provide an Ore Reserve estimate for the Gedabek gold-copper-silver ("Au-Cu-Ag") Mine, located adjacent to the city of Gedabay in the Republic of Azerbaijan. Datamine International Limited ("Datamine") was requested by AAM to carry out an updated reserve estimation and the results of this work are outlined in this release. This report supplements previous geological studies and Reserve calculations carried out CAE Mining [1-2]*.

1.2. Requirement and Reporting Standard

This estimation was completed in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("The JORC Code, 2012 Edition"; [3]). Reporting of mineral intervals has been previously reported by AAM via regulated news service (RNS) announcements on the AIM or Company website. The Gedabek Mineral Reserves Estimation is based on the latest Gedabek Resource Estimate [4] that includes information gathered during mining of the deposit, near-mine exploration and recent geological re-interpretation.

1.3. Project Location

The Gedabek Au-Cu-Ag deposit is located in the Gedabek Ore District of the Lesser Caucasus mountain range in north-western Azerbaijan. The 'Contract Area' in which the open pit mine is situated is approximately 300 km^2 in size and is one of six Contract Areas held by AAM (Figure 1.1), as defined in the Production Sharing Agreement (described below; "PSA"). The AAM Contract Areas are located on the Tethyan Tectonic Belt, one of the world's significant Cu-/Au-bearing metallogenic belts.

AAM successfully acquired the Gedabek project in 2005 and developed the deposit into an open pit operation in 2009, marking the Company as the first Au/Cu producer in Azerbaijan in recent times. The mines of Ugur (open pit) and Gadir (underground) were later discovered and developed by AAM; all are operated by Azerbaijan International Mining Company ("AIMC", a subsidiary of AAM) within the Gedabek Contract Area.

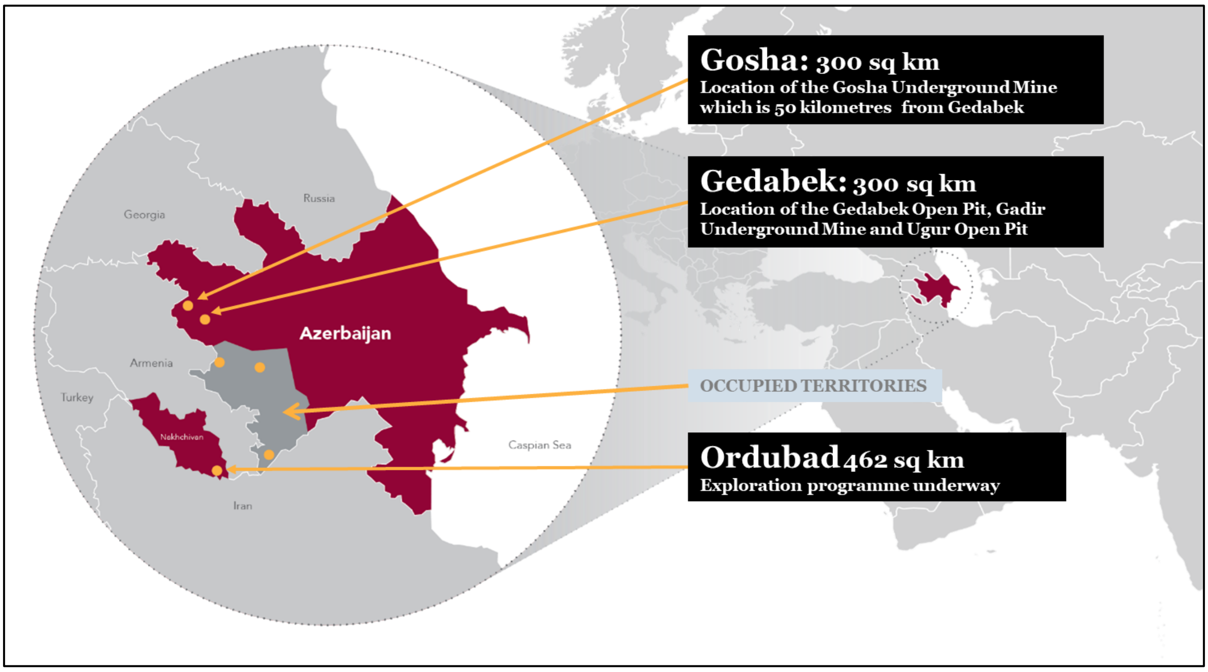
1.3.1. Mineral Tenement and Land Tenure Status

The Gedabek open pit project is located within a licence area ("Contract Area") that is governed under a PSA, managed by the Azerbaijan Ministry of Ecology and Natural Resources ("MENR"). The PSA grants AAM a number of 'time periods' to exploit defined Contract Areas, as agreed upon during the initial signing. The period of time allowed for early-stage exploration of the Contract Areas to assess prospectivity can be extended if required.

A 'development and production period' that runs for fifteen years, commences on the date that the Company holding the PSA issues a notice of discovery, with two extensions of five years each at the option of the company. Full management control of mining within the Contract Areas rests with AIMC. The Gedabek Contract Area, incorporating the Gedabek open

**References can be found at the end of the main report.*

Figure 1.1 – Location of the Gedabek Contact Area



pit, Gadir underground and Ugur open pit, currently operates under this title.

Under the PSA, AAM 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. At the time of reporting, no known impediments to obtaining a licence to operate in the area exist.

1.4. Resources Summary

Independent consultants Datamine carried out the resource estimation of the Gedabek deposit in accordance with JORC guidelines [3]. Due to the identification of distinct mineralisation trends, four individual wireframe models were created and estimated prior to compilation of the Gedabek Resource Block Model.

The Gedabek Mineral Resources were presented as "Gold Resources" and "Copper Resources" resources, dependent upon the cut-off grade ("COG") criteria. The parameters used for classifying the various models and subsequent resources have been described in [4].

The Gedabek Mineral Resource are summarised in Table 1.1 below.

1.4.1. Resource Conclusions

It was concluded that the Gedabek Resource Block Model is appropriate to be utilised for Ore Reserve estimation to determine the mineable potential of the deposit. Given that Datamine has been closely associated with the exploration of the deposit and the resources estimation, Datamine carried out the Gedabek Ore Reserve Estimate under the supervision of the Competent Person ("CP").

Table 1.1 – Gedabek Mineral Resource Summary

MINERAL RESOURCES							
GOLD RESOURCE (Cut-off grade Au ≥ 0.3 g/t)	Tonnage	Gold Grade	Copper Grade	Silver Grade	Gold	Copper	Silver
	Mt	g/t	%	g/t	koz	kt	koz
Measured	18.0	0.9	0.2	8.3	532	38.0	4,800
Indicated	11.1	0.7	0.1	5.6	264	15.7	2,011
Measured + Indicated	**29.1**	**0.9**	**0.2**	**7.3**	**796**	**53.7**	**6,811**
Inferred	8.5	0.7	0.1	5.0	189	9.7	1,361
Total	**37.6**	**0.8**	**0.2**	**6.8**	**986**	**63.4**	**8,172**
COPPER RESOURCE (Cut-off grade Cu ≥ 0.3% Au < 0.3 g/t)	Tonnage	Gold Grade	Copper Grade	Silver Grade	Gold	Copper	Silver
	Mt	g/t	%	g/t	koz	kt	koz
Measured	5.3	0.1	0.5	2.1	21	26.3	356
Indicated	0.9	0.1	0.5	1.6	3	4.4	48
Measured + Indicated	**6.2**	**0.1**	**0.5**	**2.0**	**24**	**30.7**	**404**
Inferred	0.5	0.1	0.4	1.5	1	1.9	23
Total	**6.7**	**0.1**	**0.5**	**2.0**	**25**	**32.6**	**426**

Note that due to rounding, numbers presented may not add up precisely to totals.

1.5. Modifying Factors

An overview of the mining and metallurgical modifying factors that were reviewed and used as part of the Gedabek Ore Reserves estimate are described below. These follow the guidelines as set out by the JORC Code [3] and further detail can be found in Section '4. Modifying Factors'.

1.5.1. Cut-Off Parameters

Financial factors included in the COG estimates were mining, process, general and administration ("G&A") and overhead costs, along with mining dilution, payable gold and silver prices and processing recovery. A block COG of 0.2 g/t Au or 0.2% Cu was applied to the Model during calculation of the Ore Reserves.

The block value calculation showed that there were some blocks with 0.2% > Cu < 0.3% (and Au < 0.3 g/t) inside the final pit shell that were economically positive and could be possibly blended with other material, provided the head grade target for FLT is met. The COGs were verified using a forecasted Au price, costs and metallurgical recoveries from the past financial year.

1.5.2. Mining Parameters

An open pit mining method was selected given the deposit geometry and the position relative to the topographic surface, continuing with the current means of extraction. The central part of the orebody is exposed at surface; the open pit mining method is considered appropriate and comprises conventional truck and shovel. Access to the orebody is from surface via haul roads and ramps.

The maximum bench height is 20 metres in the competent waste strata (from the 1660 metre bench up). The maximum bench height below this level (considered ore-bearing benches) is 10 metres.

Ore dilution used in NPV Scheduler® for reserve estimation was 5%. The mining recovery factor used in NPV Scheduler® for reserve estimation was 95%.

With consideration of the size of the resource and mining equipment (for manoeuvrability and operational efficiency), a minimum mining width of 30 metres was used in NPV Scheduler®. The same width was applied to distances between contiguous pushbacks.

1.5.3. Metallurgical Parameters

The ore from the Gedabek open pit can be processed by four different available processing methods within the Gedabek Contract Area. These are agitation leach ("AGL"), heap leach of crushed material ("HLC"), heap leach of run-of-mine material ("HLROM") and flotation ("FLT"). There also will be two stockpiles generated during the life-of-mine ("LOM"). AAM will decide how to process these in due course, as it depends on the blending criteria, financial factors and the quality of material from other mines in the Company's portfolio.

It was determined that all material types with an Au grade greater than 0.2 g/t or Cu grade greater than 0.2% can be processed through a combination of process routes that include heap leach (herein "HL", comprising of both HLC and HLROM), AGL, FLT and Sulphidisation-Acidification-Recycle-Thickening (herein "SART"; [5]). All these processing facilities are currently in operation in the Gedabek Contract Area.

A key difference between the Resource and Reserves estimate is that the Reserve was based on a fixed COG as the material is directed to the most appropriate processing method, according to the economic criteria for the contained metals (Au, Cu and Ag) and processing recovery (Table 1.2). The assumed parameters for the various processing methods are shown below (see 'Glossary of Terms and Abbreviations' for a full-breakdown of terms).

Table 1.2 - Metallurgical recovery factors for each process used for the Gedabek open pit ore

Processes	Recovery %		
	Au	Cu	Ag
AGL	75%	30%	66%
HLC	60%	30%	7%
HLROM	40%	20%	7%
FLT	60%	83%	68%
SPF	60%	83%	68%

The final products will be shipped off site for refining, in line with current practices. Tails from each process operation will be transferred via gravity pipeline to the existing tailings management facility ("TMF"). The TMF has enough capacity to manage the projected tails from the Gedabek deposit with the designed dam wall lifts.

As the mine has been operating since 2009, metallurgical recoveries of the various ore types are well understood and a geometallurgical classification system has been developed for the

Gedabek ores. The amount of testwork is considered representative of the processing technology to be employed.

Deleterious elements were not detected in analytical tests or during assaying of samples (utilised in the Mineral Resource) and the Ore Reserves estimation was based on the appropriate mineralogy to meet the specification.

1.5.4. Other Parameters

Further to establishing that current extraction via open pit techniques is the most effective method and based on the optimised economic open pit limit, a pit design was prepared using an overall pit slope angle of 45°. The geotechnical parameters used were as recommended by the environmental engineering company CQA International Limited (herein "CQA").

Other modifying factors considered, including market, environmental and social parameters, are discussed in Section '4. Modifying Factors'.

1.6. Pit Optimisation

On establishing the modifying factors, the Mineral Reserves were optimised using Datamine NPV Scheduler® software. This produced an open pit shell containing economic mineable material.

This was subsequently optimised in the mine design process, using Datamine Studio OP® software, where bench-toe and -crest, catch benches and haul road layouts were designed. The final mineable material comprised the Ore Reserves, as reported here.

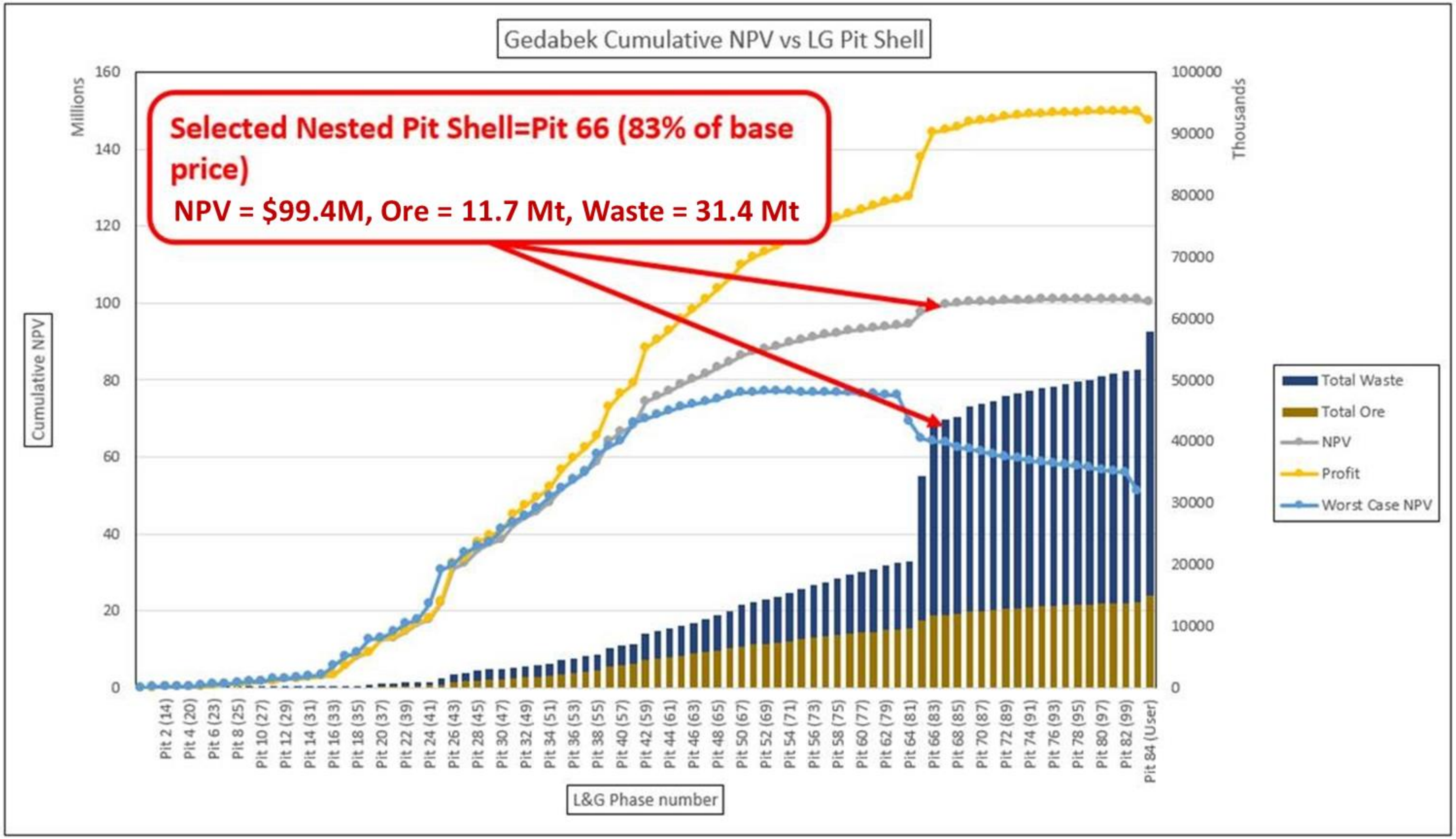
NPV Scheduler® was set up so that the rock types are further subdivided into Measured, Indicated and Inferred for reporting purposes. When determining the pit limit and Ore Reserves, the grades for the Inferred material are given a value of zero as they cannot be included in the valuation. It is however useful to report these values as they represent a potential ore source, should it be possible to reclassify them in the future.

The pit optimisation was run with an increment of 1% for the 'Price Factor' so as to determine if there was a logical breakpoint at which to select the pit limit. Note that at a Price Factor of 100% the metal prices will be equal to the assumed prices presented in Section 4. It can be seen in Figure 1.2 that for the Ultimate Pit (Pit 84) the total ore, waste and NPV are 14.9 Mt, 43.0 Mt and $100.3M respectively, however after Pit 66 (83% Price Factor) the cumulative NPV plateaus.

The increase in NPV over this increment is relatively small as more than 99.1% of the final value has already been achieved. It should be stated however that although there is a low NPV beyond Pit 66, operations are still economic. Given the blending strategy with ores from other mines, this period creates opportunity for continued production and exploration opportunity.

It was noted by Datamine that the NPV calculation is on a daily basis and does not include all periodical investments. Hence the values are approximate and presented for comparative purposes. The actual NPV calculation is regularly carried out by the Finance department of AIMC utilising the final LOM and other actual technical/economic values.

Figure 1.2 - A plot of cumulative ore tonnage and NPV against pit shell number



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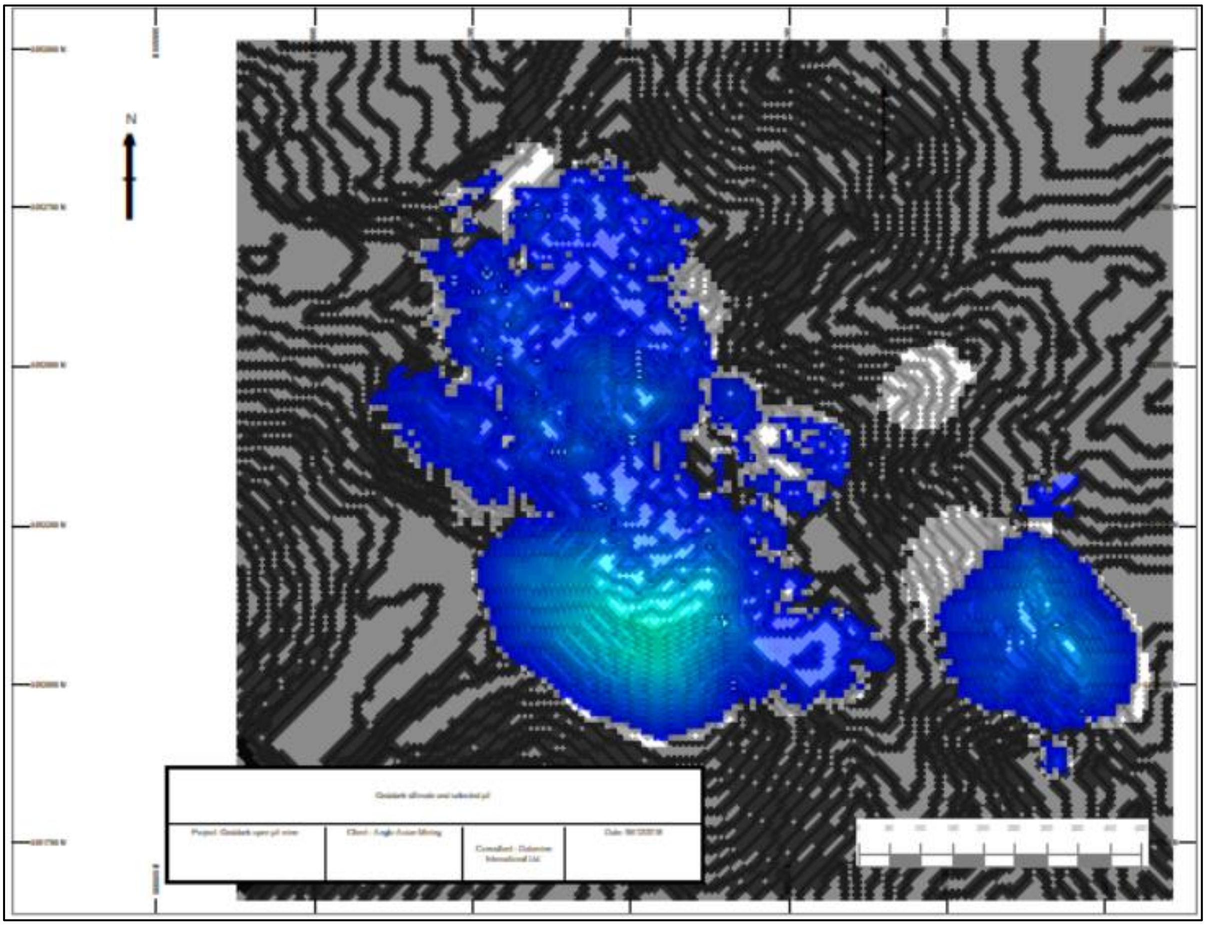
As shown in Figure 1.3 the Ultimate pit could therefore be treated as a potential expansion for the future, if prices rise and additional near-mine exploration shows higher grade Au in the zone between Pit 66 and the Ultimate pit.

Overall the pit optimisation performs well and provides a good framework from which a detailed mine design can be produced. From the Ore Reserve study, Pit 66 has been selected as a suitable point from which the mine design can commence. This does not preclude the opportunity to further expand the pit whilst ensuring that the project value has been maximised within the practical constraints such as fleet capacity. The ore reserve should therefore be based on Pit 66 and not one of the larger shells.

Figure 1.3 - Optimised pit limit shown in blue with potential expansion in light grey



1.7. Mine Design

Based on the selected pit limit described above, mine designs were prepared for:

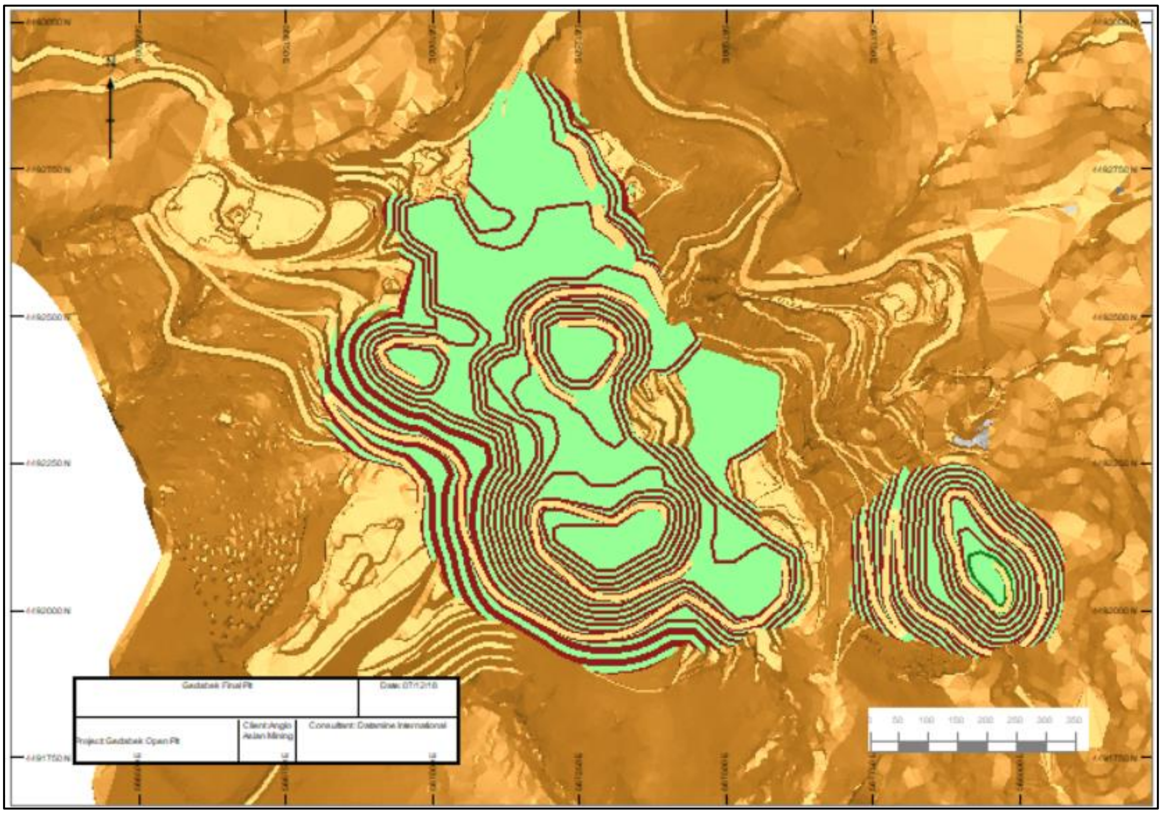
- Final pit limit
- Interim pit stages/pushbacks

The pit limit and pushbacks are designed according to the geotechnical parameters discussed in Section '4. Modifying Factors'. It should be noted that the total tonnage within the pit limit will vary slightly from that shown in the optimisation due to the batter angle and smoothing of the wall to avoid potential geotechnical issues with 'noses' etc.

1.7.1. Pit Limit Design

The final pit wall has been designed to include a 20 metre bench height at level 1660 and above and a 10 metre bench height below level 1660. This bench acts as a haul road for the 30 tonne haul trucks, as shown in Figure 1.4 (thick yellow lines over green shell).

Figure 1.4 – A plan view of the final pit limit design based on LG Pit 66



Besides determining the optimal extent of the open pit, an important aspect of the mine design is the distribution of material types within the pit. This has been studied and the results are shown in Figure 1.5, with respect to the assigned process route. The mine sequence is constrained by the capacity of the crusher (designated for material feeding the HL) and AGL and FLT plants.

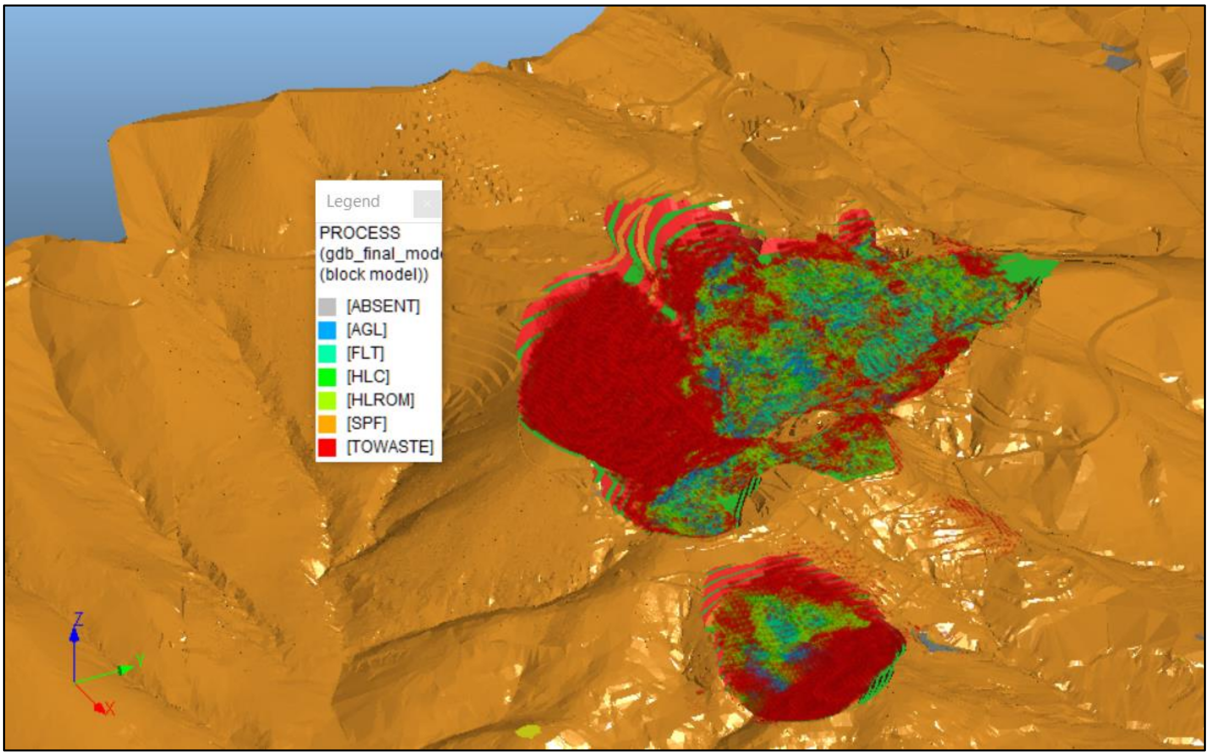
This is discussed in more detail in Section '7. Scheduling'.

1.7.2. Pushback Design

The main constraints on the design of the pushbacks whilst calculating Ore Reserves were:

- Slope design parameters (as outlined in Table 4.1)
- Bench access to pit exits at all times
- Minimum bench width for equipment (20 metres)
- Maximum bench sinking rate (12 benches per year)
- Blending to plant feed requirements

Figure 1.5 - Distribution of material types (in relation to processing) within the final pit limit



Ten pushbacks were designed to accommodate all production requirements and physical constraints. The sequence of pushbacks is shown in Figures 6.6 to 6.15 and the incremental tonnages by pushback sequence is shown in Figure 6.16.

1.8. Ore Reserves Summary

This Reserves estimate assumes a direct correlation between Proved and Probable, and Measured and Indicated respectively. It excludes Inferred Resources. The economic portion of the Measured Resource was converted to Proved Reserves and the economic portion of the Indicated Resource was converted to Probable Reserves.

The resulting Ore Reserves estimate is summarised below (Table 1.3).

Table 1.3 – Gedabek Ore Reserve Summary

Ore Reserves	Tonnage	Gold Grade	Copper Grade	Silver Grade	Gold	Copper	Silver
	Mt	g/t	%	g/t	koz	kt	koz
Total Proved	10.9	0.89	0.29	8.83	311	31.9	3,084
Total Probable	1.2	0.82	0.34	9.52	32	4.1	373
Proved + Probable	**12.1**	**0.88**	**0.30**	**8.90**	**343**	**36.0**	**3,457**

Note that due to rounding, numbers presented may not add up precisely to totals.

Based on the most economic point of the NPV curve (Pit 66), it is estimated that the Ore Reserves for the Gedabek open pit is 12.1 Mt, with a contained Au content of 10,673 kg (343,160 oz), 36,009 tonnes of Cu and 107,526 kg of Ag (3,457,030 oz).

In addition to the Ore Reserves of 12.1 Mt, there is only 165 kt inside the selected open pit limit that is classified as Inferred Resources within the geological model, the other resources being classified as Measured and Indicated Resources.

The total waste (including uneconomic mineralised material) within the pit is 41.65 Mt, giving a total rock tonnage of 53.89 Mt and an average waste stripping ratio of 3.40. This is a moderate value for an open pit. Consideration must be given to the low grade nature of the deposit and the need to mine to a very low COG.

The potential for expanding the reserves lies with:

- Expanding the pit beyond Pit Shell 66 (additional 2.85 Mt, Au COG ≥ 0.2 g/t)
- Underground mining of some part of ore in south-eastern portion of the pit

1.9. Scheduling

Using the selected pit shell ('Pit 66'), a number of pushbacks were created as part of the extraction design that allows for ore and waste rock scheduled removal. These ores will be blended with other ore material (stockpiles and other mines) to feed the AGL, HL and FLT process facilities.

The LOM schedule demonstrates that the blending of various sources and stockpiles will meet the constraints on maximum plant capacity. Besides evaluating the economics as part of the pit optimisation, the LOM schedule has been evaluated using AIMC's own financial model. This confirms that the selected pit is economic and is in line with the valuation produced by Datamine NPV Scheduler® (the software used to optimise the deposit).

The 'Ultimate Pit' is the maximum NPV pit shell that is economic at the time of reporting given the modifying factors. This extended period beyond Pit 66 would provide for an additional 2.85 Mt of ore at an Au cut-off grade ≥ 0.2 g/t. The increase in NPV over this increment is relatively small as more than 99.1% of the final value has already been achieved to mining Pit 66. It should be stated however that although there is a low NPV beyond Pit 66 operations are still economic and given the blending strategy with ores from other mines, this period creates opportunity for continued production and exploration opportunity. This will be evaluated nearer the mining of Pit 66.

1.10. Conclusions

It was concluded that the Ore Reserves are reported according to the terms and guidelines of the JORC Code [3]. The Mineral Reserves presented in the Report have been estimated by independent consultants and their work has been reviewed and has been accepted by the CP as a true reflection of the Mineral Reserves of the Gedabek copper-gold deposit as on the date of this report.

1.11. Recommendations

In order to refine the mining recovery and dilution, it is recommended that the correlation between the geological model and actual production on a bench-by-bench basis continue to be investigated and reconciled during ore production.

With regards to the open pit, Datamine recommends that:

- Reconciliation studies continue to be undertaken to improve the model for short term planning
- Infill drilling over several benches continue to be used to optimise grade control
- Slopes continue to be monitored to give advance warning of potential failure
- Detailed scheduling continue to be undertaken to:
    - Refine the mining sequence
    - Avoid grade spikes where possible

AIMC, as part of continual improvement and efficiencies, are constantly monitoring the following:

- Optimise the usage of the plants
- Establish cycle times and haul truck requirements
- Optimise the waste dumping strategy

This may result in opportunities to improve the schedule as more production information is gathered. Other details regarding the Gedabek Mineral Resource and geology, including future planned drilling, are noted in [4].

1.12. Competent Person Statement – Gedabek Ore Reserve

The CP, Dr. Stephen Westhead is an employee of the Company and as such has been in a consistent position to be fully aware of all stages of the exploration and project development. The CP worked very closely with the independent resource and reserve estimation staff of Datamine, both on site and remotely, to ensure knowledge transfer of the geological situation and to lend geological credibility to the modelling process. The information in this report has been compiled by Dr. Stephen Westhead, who is a full-time employee of Azerbaijan International Mining Company with the position of Director of Geology & Mining. Stephen Westhead has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' [3] and as defined by the AIM rules. Stephen Westhead has reviewed the reserves included in this report. Dr. Stephen Westhead is a Chartered Geologist (CGeol), a Fellow of the Geological Society (FGS), a Professional Member of the Institute of Materials, Minerals and Mining (MIMMM), a Fellow of the Society of Economic Geologists (FSEG) and Member of the Institute of Directors (MIoD). Stephen Westhead consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

1.13. About AAM

Anglo Asian Mining PLC (AIM: AAZ) is a gold, copper and silver producer in Central Asia with a broad portfolio of production and exploration assets in Azerbaijan. The Company has a 1,962 km^2 portfolio, assembled from analysis of historic Soviet geological data and held under a PSA modelled on the Azeri oil industry.

The Company's main operating location is the Gedabek Contract Area ("Gedabek") which is a 300 km^2 area in the Lesser Caucasus mountain range in western Azerbaijan. The Company developed Azerbaijan's first operating Au-Cu-Ag mine at Gedabek which commenced gold production in May 2009. Mining at Gedabek was initially from its main open pit which is an open cast mine with a series of interconnected pits. The Company also operates the high grade Gadir underground mine which is co-located at the Gedabek site. In September 2017, production commenced at the Ugur open pit mine, a recently discovered Au ore deposit at Gedabek. The Company has a second underground mine, Gosha, which is 50 km from Gedabek. Ore mined at Gosha is processed at AAM's Gedabek plant.

The Company produced 83,736 gold equivalent ounces ('GEOs') for the year ended 31 December 2018. Gedabek is a polymetallic ore deposit that has gold together with significant concentrations of Cu in the main open pit mine, and an oxide Au-rich zone at Ugur. The Company therefore employs a series of flexible processing routes to optimise metal recoveries and efficiencies. The Company produces Au doré through agitation and heap leaching operations, Cu concentrate from its Sulphidisation, Acidification, Recycling, and Thickening (SART) plant and also a Cu and precious metal concentrate from its flotation plant. A second dedicated crusher line has been commissioned and is now in operation for the flotation plant to enable it to operate independently of the agitation leaching plant.

Anglo Asian is also actively seeking to exploit its first mover advantage in Azerbaijan to identify additional projects, as well as looking for other properties in order to fulfil its expansion ambitions and become a mid-tier gold and copper metal production company.

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Glossary of Terms and Abbreviations

Company and Governmental Details	
AAM	Anglo Asian Mining PLC.; the AIM-listed company with a portfolio of gold, copper and silver production and exploration assets in Azerbaijan
AAZ	Ticker for Anglo Asian Mining PLC, as listed on the AIM trading index
AIMC	Azerbaijan International Mining Company Limited; a subsidiary of AAM, in charge of overseeing the mining operations
CQA	CQA International Limited; a consultancy tasked with conducting site-related environmental engineering
Datamine	Datamine International Limited; the contractor tasked with creating and validating the 2018 Gedabek Mineral Ore Reserves
MENR	Azerbaijan Ministry of Ecology and Natural Resources
PSA	Production Sharing Agreement; the binding legal document with the Azerbaijan government, under which AAM operates the Gedabek open pit and associated exploration

Processing Methods			
AGL	Agitation Leach	LOM	Life-of-Mine
FLT	Flotation	ROM	Run-of-Mine
HL	Heap Leach	ROMSP	low-grade Au stockpile that could be sent to ROM processing by blending with higher grade material
HLC	Heap Leach Crushed	SART	Sulphidisation-Acidification-Recycle-Thickening
HLROM	Heap Leach of ROM material	SPF	Cu stockpile for flotation

Other			
COG	cut-off grade		
CP	Competent Person; as defined in [3]		
g/t	grams per tonne	Ag	chemical symbol for silver
NSR	Net Smelter Return	Au	chemical symbol for gold
OSA	Overall Slope Angle	Cu	chemical symbol for copper

Lead Competent Person and Technical Specialists Declaration

Lead Competent Person

Name	Job Title	RPO	Qualification	Signed
Stephen Westhead	Director of Geology & Mining	MIMMM	B.Sc. M.Sc. Ph.D.	
		Geological Society	MIMMM, CGeol, FGS	

Stephen Westhead has a minimum of 5 years relevant experience to the type and style of mineral deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person (herein "CP") as defined in the JORC Code [3]. Stephen Westhead consents to the inclusion in the Report of the matters based on this information in the form and context in which it appears.

I am not aware of any material fact or material change with respect to the subject matter of the Report, which is not reflected in the Report, the omission of which would make the report misleading. At the time this Report was written and signed off, to the best of my knowledge, information and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading.

Technical Specialists

The following Technical Specialists were involved in the preparation of the Ore Reserves and have the appropriate experience in their field of expertise to the activity that they are undertaking and consent to the inclusion in the Report of the matters based on their technical information in the form and context in which it appears.

Name	Job Title	Responsibility	Signed
Anar Valiyev	Exploration Manager	Exploration and Exploration Drilling	
Mehman Talibov	Surface Mine Geology Managers	Geological Modelling	
Rashad Asgarov			
Kayvan Samadani	Datamine Consultant	Mineral Reserve Modelling & Compilation	
Rashad Aliyev	QA/QC Supervisor	Quality Control	
Andrew Hall	CQA Director (Azerbaijan)	Geotechnical Assessment	
Ahmet Turk	Underground Mining Manager	Mine Planning and Operation	
Homayoun Saeedi	Operations Manager	Process Operation and Control	
Katherine Matthews	Project Geologist	Report Compilation and Review	
Stephen Westhead	Director of Geology and Mining	Management	

The Mineral Reserves presented in the Report have been estimated by independent consultants and their work has been reviewed and has been accepted as a true reflection of the Mineral Reserves of the Gedabek copper-gold deposit as on the date of this report.

2. Introduction

Datamine was requested by AAM to carry out an estimation of the Ore Reserves of the Gedabek mineral deposit, located in the Republic of Azerbaijan. The estimation was completed in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves [3]; the accompanying JORC Table 1 is provided in Appendix B.

The Gedabek Mineral Reserves Estimation is based on the latest Resource Estimate [4] that includes information gathered during mining of the deposit, near-mine exploration drilling (conducted between 2014-April 2018) and recent geological re-interpretation.

The Gedabek Au-Cu-Ag deposit is located in the Gedabek Ore District of the Lesser Caucasus in northwestern Azerbaijan, adjacent to the city of Gedabay and 48 kilometres west of the city of Ganja. The Gedabek open pit is located within the locally-defined Gedabek Contract Area. The Gedabek deposit has been exploited intermittently for over a century. AAM developed the deposit into an open pit operation in 2009, marking the company as the first Au/Cu producer in Azerbaijan in recent times. The mines of Ugur (open pit) and Gadir (underground) are also owned by AAM and operated by Azerbaijan International Mining Company (herein “AIMC”) within the Gedabek Contract Area.

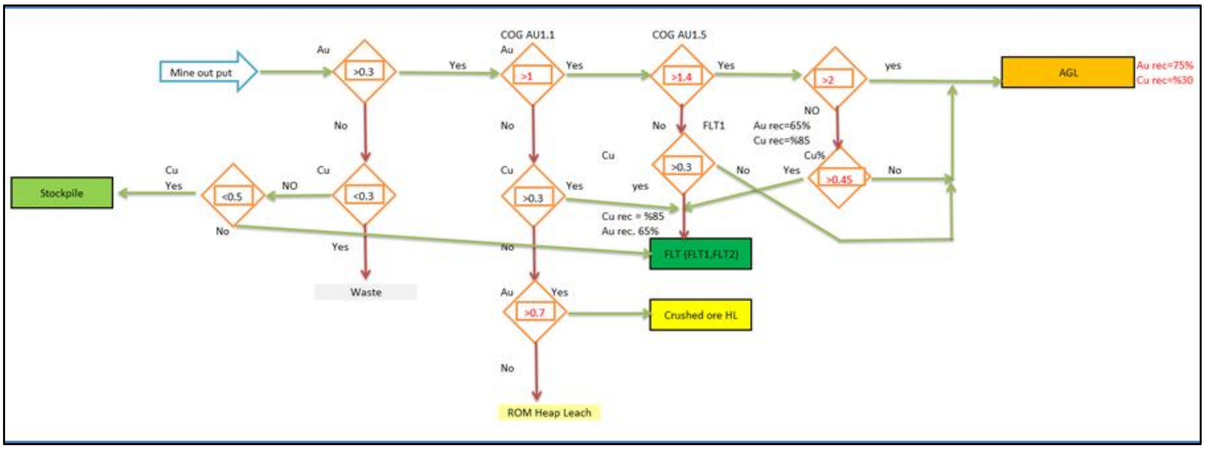
A significant amount of targeted drilling was carried out during 2017/18 to infill areas and increase confidence in the continuity of mineralisation. Details are provided in AAM’s Gedabek Mineral Resource Report [4]. A full description of the location of the property and geological setting of the deposit has also been provided in the Mineral Resources report and the reader is directed to that report for further details.

The deposit is currently extracted primarily for Au and Cu, with Ag occurring as a by-product. The agreed process-flow algorithm, utilised in production scheduling, is shown below in Figure 2.1. For the purposes of pit optimisation, the minimum COG for HL was calculated on the basis of the net smelter return (in Datamine® software; herein “NSR”). During the audit, modifying factors were confirmed between parties to be used for:

- Tonnage and grade estimates
- Process recoveries
- Metal prices

- Mining and processing costs
- Fixed costs

Figure 2.1 – A simplified flowchart denoting the unit operations and grades at Gedabek



A report (see Appendix A) was prepared by CQA regarding pit slope parameters to be used for pit design. The subsequent recommended overall slope angle (herein "OSA") of 45°.

The Proved and Probable Ore Reserves estimate is based on the portion of the Measured and Indicated Mineral Resource of the deposit within the scheduled mine designs that may be economically extracted, considering all modifying factors in accordance with JORC guidelines [3].

This document consists of information relating to modifying factors used as part of the Ore Reserves calculation, pit optimisation results, a breakdown of mine designs and mine scheduling.

2.1. Qualifications of Consultant

Kayvan Samadani is a mining engineer with more than 22 years' experience in the mining industry in a wide range of disciplines. These include areas of strategic mine planning, short- to mid-term scheduling and planning, QA/QC study for exploration sample analysis, project management of a USD $2.5 million consulting venture (including resource and reserve estimation), geotechnical drilling supervision, geotechnical study and health, safety and environment (HSE) championing.

Kayvan holds both a bachelor's and master's degree in Mining Engineering and is a Professional Member of the Institution of Materials, Minerals and Mining (MIMMM). Kayvan has understanding of various commodities, including extensive experience with gold, copper, iron ore, cement and talc.

Kayvan heads up the mine planning department of a consulting company and is also a senior mining consultant for various software solution implementation (Datamine®) products. Kayvan is an experienced user of mining software solutions such as NPV Scheduler®, Studio OP® (Open Pit Engineering) and Sirovision® and is also familiar with other software solutions, such as Enhanced Production Scheduler® (EPS), Ore Controller®, Studio 5D Planner®, DataBlast® and 3d-Dig*Plus*®. He is also an experienced user of general software such as Microsoft ("MS") Excel®, MS Word® and MS Power Point®.

Kayvan joined Datamine in January 2009. In his current role at the company he has taken responsibility of various projects and works as a technical services manager for the engineering team.

2.2. Qualifications of Competent Person

Stephen Westhead is a geologist who earned an extractive industries Doctorate (PhD) in "Structural Controls on Mineralisation", a Master degree (MSc) in "Mineral Exploration and Mining Geology", a European Union Certificate in "Environmental Technology" and an Honours Bachelor degree (BSc) in "Applied Geology".

In 1989, Stephen started his career in the mining sector as a Geologist with Anglesey Mining, working at the Parys Mountain property in Wales. Following completion of a PhD in 1993, he worked in India for five years as a Consultant Geologist focusing on the cement and base metals sectors. During his final year in India Stephen was a founder member of Fluor Daniel India (Pvt) Limited, working in resource analysis for the group mining and metals division, in addition to infrastructure and project development.

In 1997, Stephen moved to work in Central Asia for a period of ten years, gaining experience in Tajikistan, Uzbekistan, Kyrgyzstan and Kazakhstan. The positions held included Project Geologist, Country Chief Geologist, subsidiary mining company Director, Group Chief Geologist and General Director. The focus of this period was gold, silver and base metals projects, including resources and reserves management, project development and production.

In 2006, Stephen worked in Ukraine, Eastern Europe, and Kazakhstan as Group Chief Geologist and Project Manager, again focusing on gold and silver commodities. In 2009, Stephen joined the Polyus Gold Group as Group Project Manager and subsequently as Technical Adviser to the Managing Director of the group's largest business production unit, covering exploration and mining geology, mining, material handling and processing.

In April 2016, Stephen consulted to AIMC and joined the group in May 2016 as Director of Geology. Subsequently in January 2017, he became Director of Geology and Mining (current position).

Stephen has expertise heading project management from exploration stages through to construction and mine production. He has been part of teams that have taken projects through feasibility study, raised finance, constructed mines/plants and brought these into production.

Professional accreditations include being a Chartered Geologist (CGeol), a Fellow of The Geological Society (FGS), a Professional Member of the Institution of Materials, Minerals and Mining (MIMMM), a Fellow of the Society of Economic Geologists (FSEG) and a Member of the Institute of Directors (MIoD). Stephen was recently awarded the Institute of Directors Certificate in Company Direction (August 2017), with awards in 'The Role of the Director and the Board', 'Finance for Non-Financial Directors', 'The Director's Role in Strategy and Marketing' and 'Leadership for Directors'.

2.3. Site Visits

Datamine consultants developed and audited the Gedabek Mineral Resource Block Model for the Gedabek open pit. Datamine engineer, Kayvan Samadani, worked on the reserves and was able to verify work practice and procedure. Kayvan has completed more than twenty trips to Gedabek since January 2014, comprising of more than 100 days onsite (38 days as part of this Reserves run).

Datamine consultants have been involved with other mining projects of the company within the same contract area as the Gedabek open pit and as such are familiar with the processing methods available, value chain of the mining and cost structure. The data used as part of this project was audited, validated and considered robust for Ore Reserves calculations.

Internal company and external reviews of the Mineral Resources yield estimates that are consistent with the Mineral Resource results. The methods used to build the Resource include sectional and three-dimensional estimation, utilising both geostatistical and inverse distance methodologies. All results showed good correlation and so are deemed appropriate for use with Ore Reserve calculations.

The CP, Dr. Stephen Westhead, is an employee of the company and as such has been in a consistent position to be fully aware of all stages of the exploration and project development. The CP worked very closely with the independent resource and reserve estimation staff of Datamine, both on site and remotely, to ensure knowledge transfer of the geological situation and to lend geological ‘credibility’ to the modelling process.

3. Resource Model used for Calculation of Ore Reserves

The filename of the Resource Model used for this Reserves estimation process was "*gdb_final_model201805_topcut.dm*" and was issued by Datamine in September 2018. For further details of the estimation process, the reader is directed to the Mineral Resource Report [4].

Two resources were produced, based on the mineralisation COGs as below:

- The "Gold Resource" contains both Au and variable Cu mineralisation, where Au ≥ 0.3 g/t
- The "Copper Resource" contains Cu (and negligible Au), where Cu ≥ 0.3% and Au < 0.3 g/t

For both the Gold and Copper Resources, three tables have been prepared highlighting the resources statements (Tables 3.1 & 3.4), the contained metals by class (Tables 3.2 & 3.5) and the percentage of metals by class (Tables 3.3 & 3.6). The Gedabek Resource Block Model was cut by the mine topography as recorded on 26th September 2018, as sample data from mined-out material is included in the database, so had to be excluded to estimate the in situ mineralisation.

Gold Resource (COG Au ≥ 0.3 g/t)

Table 3.1 – Resource Statement for the Gedabek Gold Resource

Mineral Resources GOLD RESOURCES	Tonnage	Gold Grade	Copper Grade	Silver Grade
	Mt	g/t	%	g/t
Measured	18.0	0.9	0.2	8.3
Indicated	11.1	0.7	0.1	5.6
Measured + Indicated	**29.1**	**0.9**	**0.2**	**7.3**
Inferred	8.5	0.7	0.1	5.0
Total	**37.6**	**0.8**	**0.2**	**6.8**

Table 3.2 – Contained metals by class for the Gedabek Gold Resource

Mineral Resources GOLD RESOURCES	Gold	Copper	Silver
	koz	kt	koz
Measured	532	38.0	4,800
Indicated	264	15.7	2,011
Measured + Indicated	**796**	**53.7**	**6,811**
Inferred	189	9.7	1,361
Total	**986**	**63.4**	**8,172**

Table 3.3 – Percentage of metals by class for the Gedabek Gold Resource

Mineral Resources GOLD RESOURCES	Gold	Copper	Silver
	% oz	% t	% oz
Measured	54	60	59
Indicated	27	25	25
Measured + Indicated	**81**	**85**	**83**
Inferred	19	15	17
Total	**100**	**100**	**100**

The relative percentages of contained metal show a very high degree of 'Measured + Indicated' Resource, thus demonstrating the extent of closely spaced geological data collection, allowing for confidence in the mineralisation continuity – this was further used and tested for Ore Reserves estimation.

Copper Resource (COGs Cu ≥ 0.3% and Au < 0.3 g/t)

Table 3.4 – Resource Statement for the Gedabek Copper Resource

Mineral Resources COPPER RESOURCES	Tonnage	Gold Grade	Copper Grade	Silver Grade
	Mt	g/t	%	g/t
Measured	5.3	0.1	0.5	2.1
Indicated	0.9	0.1	0.5	1.6
Measured + Indicated	6.2	0.1	0.5	2.0
Inferred	0.5	0.1	0.4	1.5
Total	**6.7**	**0.1**	**0.5**	**2.0**

Table 3.5 – Contained metals by class for the Gedabek Copper Resource

Mineral Resources COPPER RESOURCES	Gold	Copper	Silver
	koz	kt	koz
Measured	21	26.3	356
Indicated	3	4.4	48
Measured + Indicated	24	30.7	404
Inferred	1	1.9	23
Total	**25**	**32.6**	**426**

Table 3.6 – Percentage of metals by class for the Gedabek Copper Resource

Mineral Resources COPPER RESOURCES	Gold	Copper	Silver
	% oz	% t	% oz
Measured	84	81	84
Indicated	12	13	11
Measured + Indicated	**96**	**94**	**95**
Inferred	4	6	5
Total	**100**	**100**	**100**

The relative percentages of contained metal show a very high degree of 'Measured + Indicated' Resource – this was further used and tested for Ore Reserves estimation, thus demonstrating the extent of closely spaced geological data collection, allowing for confidence in the mineralisation continuity – this was further used and tested for Ore Reserves estimation.

The Gedabek Ore Reserves statement is inclusive of (not additional to) the Gedabek Mineral Resource statement. The study undertaken to enable Mineral Resources to be converted to Ore Reserves was considered as being at Feasibility level.

A technically achievable mine plan that is economically viable was designed, taking into consideration the Mineral Resources and modifying factors. The ore will continue to be mined and processed utilising the fleet and facilities currently employed onsite. These ores will continue to be blended for processing at the HL pad, AGL and FLT plants with other ore sources (Ugur and Gadir mines), plus existing stockpiles. These ores are blended at the newly-constructed Finger Stockpile Management System, where each finger represents either a different ore type, grade or physical property.

4. Modifying Factors

The modifying factors that were reviewed and used as part of the Gedabek Ore Reserves estimate are described below – these follow the guidelines as set out by the JORC Code [3]. On establishing the modifying factors, the Mineral Reserves were optimised using Datamine NPV Scheduler® software. This produced an open pit shell containing economic mineable material.

This was subsequently optimised in the mine design process, using Datamine Studio OP® software, where bench-toe and -crest, catch benches and haul road layouts were designed. The final mineable material comprised the Ore Reserves, as reported here.

4.1. Cut-Off Parameters

Financial factors included in the COG estimates were mining, process, general and administration ("G&A") and overhead costs, along with mining dilution, payable gold and silver prices and processing recovery. A block COG of 0.2 g/t Au or 0.2% Cu was applied to the Model during calculation of the Ore Reserves.

The block value calculation showed that there were some blocks with 0.2% > Cu < 0.3% (and Au < 0.3 g/t) inside the final pit shell that were economically positive and could be possibly blended with other material, provided the head grade target for FLT is met. The COGs were verified using a forecasted Au price, costs and metallurgical recoveries from the past financial year.

4.2. Mining Factors or Assumptions

An open pit mining method was selected given the deposit geometry and the position relative to the topographic surface, continuing with the current means of extraction. The central part of the orebody is exposed at surface; the open pit mining method is considered appropriate and comprises conventional truck and shovel. Access to the orebody is from surface via haul roads and ramps.

4.2.1. Geotechnical Parameters

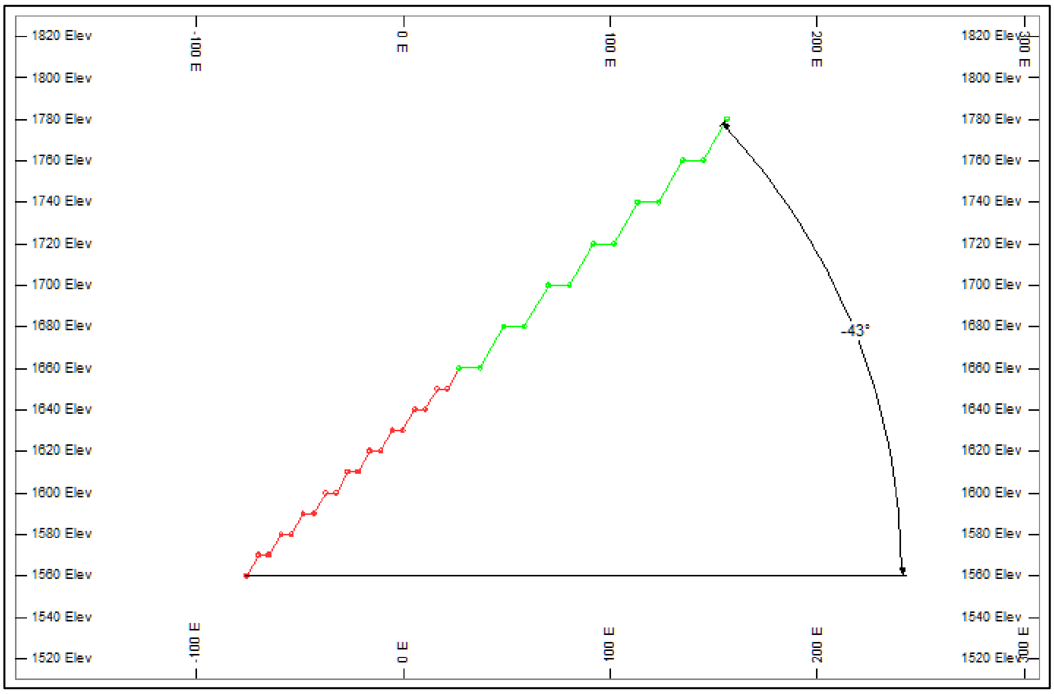
Pit slope angles were determined based on an independent geotechnical investigation carried out by CQA, taking into account geological structure, rock type and design orientation parameters with regards to geotechnical constraints. The maximum overall pit slope angle was determined to be 45°, with an average bench batter angle of 60° (maximum).

The maximum bench height is 20 metres in the competent waste strata (from the 1660 metre bench up). The maximum bench height below this level (considered ore-bearing benches) is 10 metres. Based upon these bench heights, a summary of slope parameters is provided below (Table 4.1). A schematic view of a section of the pit wall is shown in Figure 4.1. The actual slopes of the designed pushback and final pit walls were 45° or less to follow the optimal shape of the pit. These parameters were applied to all walls irrespective of orientation. The CQA report referenced here can be found in Appendix A.

Table 4.1 – Geotechnical parameters employed as mining factors during Ore Reserves calculations

Parameter	Value	Units	Comments
Overall slope angle	45	degrees	Max. wall angle between berms
Average bench angle	60	metres	Toe to crest
Bench height	20	meters	Above level 1660
Berm width	10	meters	Above level 1660
Bench height	10	meters	Below level 1660
Berm width	5	meters	Below level 1660

Figure 4.1 – Schematic view of a section of the pit wall using the geotechnical parameters



4.2.2. Mining Recovery and Ore Dilution Parameters

Ore dilution used in NPV Scheduler® for reserve estimation was 5%. The mining recovery factor used in NPV Scheduler® for reserve estimation was 95%.

The low grade nature of the deposit, in conjunction with the complex geological setting, makes it difficult to apply global factors for mining recovery and ore dilution; however, the recovery and dilution factor percentages as applied correlate to current reconciliation data.

4.2.3. Minimum Mining Width Parameters

With consideration of the size of the resource and mining equipment (for manoeuvrability and operational efficiency), a minimum mining width of 30 metres was used in NPV Scheduler®. The same width was applied to distances between contiguous pushbacks.

4.2.4. Inferred Mineral Resource Implications

During the pit optimisation, the total tonnage of Inferred material in the final pit design was deemed to be 164,779 tonnes, which represents about 1.36% of the total ore tonnage in the pit and 0.73% (2,510 ounces) of contained Au in the pit. The Inferred material was excluded from the economic model in NPV Scheduler®, resulting in zero impact on the total Reserves.

4.2.5. Infrastructure Parameters

Infrastructure required for the open pit mining method includes haul road access (completed to the mine area), offices for geology/mining department, mining workshop, fuel storage, weighbridge and medical/HSEC facilities – each of these are already in place. Explosives will continue to be transported from a dedicated controlled storage area, as per current procedure.

4.3. Metallurgical Factors or Assumptions

The ore from the Gedabek open pit can be processed by four different available processing methods within the Gedabek Contract Area. These are AGL, heap leach of crushed material (“HLC”), heap leach of run-of-mine material (“HLROM”) and FLT. There also will be two stockpiles generated during the LOM. AAM will decide how to process these in due course, as it depends on the blending criteria, financial factors and the quality of material from other mines in the Company’s portfolio. These two types of stockpile material are denoted as “SPF”

(Cu stockpile for flotation) and "ROMSP" (low-grade Au material that could be sent to ROM processing by blending with higher grade material).

The proposed metallurgical processes are well-tested, being processing facilities of current mining operations in the Contract Area. The processing facilities include conventional methods that comprise comminution, gravity concentration (via Knelson concentrators), thickening, agitation leaching, resin-in-pulp extraction, elution and electrowinning to produce gold doré. For flotation, a concentrate is produced.

The final products will be shipped off site for refining, in line with current practices. Tails from each process operation will be transferred via gravity pipeline to the existing tailings management facility ("TMF"). The TMF has enough capacity to manage the projected tails from the Gedabek deposit with the designed dam wall lifts.

Metallurgical testwork has previously been conducted on drill and bulk truck samples in the form of bottle roll and column leach testing. This enabled amenability of the ore to leaching via AGL and static HL processes to be assessed. Additional testwork was carried out using laboratory-scale flotation cells on Cu-bearing ore for the FLT process.

As the mine has been operating since 2009, metallurgical recoveries of the various ore types are well understood and a geometallurgical classification system has been developed for the Gedabek ores. The amount of testwork is considered representative of the processing technology to be employed.

Deleterious elements were not detected in analytical tests or during assaying of samples (utilised in the Mineral Resource) and the Ore Reserves estimation has been based on the appropriate mineralogy to meet the specification.

With increasing depth, zinc is becoming more prevalent. Currently the zinc reports to the Cu concentrate, but is managed such that resultant grades are below penalty levels; however zinc will be studied in the future to determine if it can become an economic commodity via the introduction of a zinc FLT processing line.

4.3.1. Process Recovery

The overall process recoveries for each method are shown in Table 4.2 below. No metallurgical factor assumptions were used during the creation of the Gedabek Mineral Resource estimation.

Table 4.2 – Metallurgical recovery factors for each process used for the Gedabek open pit ore

Processes	Recovery %		
	Au	Cu	Ag
AGL	75%	30%	66%
HLC	60%	30%	7%
HLROM	40%	20%	7%
FLT	60%	83%	68%
SPF	60%	83%	68%
ROMSP	40%	20%	7%

4.3.2. Process Cut-Off Grades

The resultant Au feed grade for AGL, HLC and HLROM is a minimum of 1.8 g/t, 0.8 g/t and 0.46 g/t respectively; the Cu feed grade for FLT is 0.46% after applying the COG which is consistent with current processing head grades to allow for maximum efficiency.

After applying modifying factors, the actual minimum grade blocks in the final pit design was calculated at 1.0 g/t Au for AGL, 0.7 g/t Au for HLC, 0.3 g/t Au for HLROM, 0.3% Cu for FLT, 0.2% Cu for SPF and 0.2 g/t Au for ROMSP.

4.4. Cost-Based Factors or Assumptions

Project capital costs are minimal given that no additional processing facilities or manpower camps are required. The costs in relation to the facilities already referenced above are based on actual quotations, taking into account capital construction and local operational experience.

Operating costs are estimated based on current mining and processing operations within the Contract Area. This is applicable as ore processing will be carried out at the same plants and mining, contractor and haulage costs are the same as current agreements.

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. Penalties are applicable for deleterious elements in FLT concentrate; however, studies of the concentrations of these elements show that the mined material contains deleterious elements below these penalty levels.

Royalties have been considered as part of the cost structure for the company to operate under the Production Sharing Agreement ("PSA"; see Section '4.8. Infrastructure-Related Factors or Assumptions').

The estimated operating costs per tonne used in NPV Scheduler® are shown in Table 4.3 below. Processing of material via the AGL circuit costs USD $32/t when Gedabek pit material is blended with other sources. The recent results from the operation shows that G&A costs can be reduced to $2/t in respect to a combined G&A with Ugur. Whilst reducing the G&A will improve cash flow, the selected pit is based on 83% of the base price as defined the the conomic NPV pit design. The reduction in processing and G&A costs can be included in the AIMC financial model; however, this will not have any impact on the final pit shell due to the range of reduction relative to all production-related costs.

Table 4.3 – Operating costs and financials used in this Ore Reserves estimate

Parameters used in NPV Scheduler®	Processing Costs	
	Units	Value
AGL (including G&A)	USD $/t processed	32.00
HLC (including G&A)	USD $/t processed	5.15
HLROM (including G&A)	USD $/t processed	4.00
FLT (including G&A)	USD $/t processed	22.00
SPF (including G&A)	USD $/t processed	22.00
ROMSP (including G&A)	USD $/t processed	4.00
Other Costs		
Total G&A	USD $/t ore	2.00
Mining cost	USD $/t mined	1.80
Haulage cost	Manat/tonne km	0.10

4.5. Revenue-Based Factors or Assumptions

Revenue was based on the USD $ Au price, USD $ Cu price and USD $ Ag price. Commodity pricing was based on forecasts by reputable market analysts. Local Azeri exchange rates are pegged to the United States Dollar (USD $). The source of exchange rates used in the study was the Central Bank of the Republic of Azerbaijan.

4.6. Economic Factors or Assumptions

Economic parameters used as part of the Gedabek Ore Reserve estimation are summarised below.

Prices (USD $) for Au, Cu and Ag used in NPV Scheduler® were:

- Gold: $1250 per troy ounce ($40.19 per gramme)
- Copper: $6000.00 per tonne
- Silver: $16.50 per troy ounce ($0.53 per gramme)

Processing Recovery (%) for Au / Cu / Ag:

- AGL - 75% / 30% / 66%
- HLC - 60% / 30%/ 7%
- HLROM - 40% / 20% / 7%
- FLT - 60% / 83% / 68%
- SPF - 60% / 83% / 68%
- ROMSP - 40% / 20% / 7%

The selling price was deduced from the market price to determine the NSR. The values used were specified by the process route and product shown in Table 4.4 below. Selling costs was 0.05% of revenue of Au, 13.4% of revenue of Cu and 4% of revenue of Ag. Sensitivity analysis has been used at a range of Au and Cu prices. A discount rate of 10% was used.

It should be noted that the cyanide used in HL is regenerated cyanide from the SART process [5] resulting in cyanide not contributing to the HL processing costs.

Table 4.4 – Selling % payable of products used during Reserve calculations to determine the NSR

Processes	Selling % payable - Net of refining and transportation					
	Doré			Concentrate		
	Au	Cu	Ag	Au	Cu	Ag
AGL	99.95%	86.60%	96.00%			
HLC	99.95%	86.60%	96.00%			
HLROM	99.95%	86.60%	96.00%			
FLT				97.00%	83.00%	84.00%
SPF				97.00%	83.00%	84.00%

4.7. Market Assessment

The market for Au, Cu and Ag is well established. The metal price is fixed externally to the Company, however, AAM has reviewed a number of metal forecast documents from reputable analysts and is comfortable with the market supply and demand situation.

A specific study of customer and competitor analysis has not been completed as part of this project.

Price and volume forecasts have been studied in reports from reputable analysts, based on metal supply and demand, USD $ forecasts and global economics.

Industrial minerals do not form part of this study.

4.8. Infrastructure-Related Factors or Assumptions

Infrastructure is considered excellent at Gedabek. The deposit is located within AAM's Gedabek Contract Area with extraction rights according to the PSA. Ore can be processed at the Company's current facilities, with material being delivered by truck from the mine to processing via the constructed haul road system.

Offices and mechanical workshop buildings are available. Power for the offices, workshop and weighbridge will continue to be via grid electrical power, with diesel generators as backup. Labour is readily available and planned extraction rates are consistent with current capacity. G&A and process labour are part of the existing company compliment of staff. Regarding accommodation, canteen facilities and associated services, the continuing exploitation of the Gedabek deposit will be serviced by the current infrastructure.

4.9. Environmental Factors or Assumptions

A previous Environmental and Social Impact Assessment ("ESIA") was carried out by Amec Foster Wheeler and TexEkoMarkazMMC, both in 2012 and submitted to the relevant Government authorities. The Gedabek deposit is located within the Gedabek Contract Area for which the ESIA is valid. Processing and tailings storage reported in the ESIA has not changed since its publication and will continue to be utilised for material as part of this Ore Reserve update.

CQA have on-site representation and they have carried out both the geotechnical and environmental assessments of the Gedabek mine area. Baseline environmental monitoring is carried out via use of receptors downstream of the mine site to observe catchments located in the vicinity of the Gedabek mine. The waste rock has a potential for acid rock drainage due to the presence of sulphide-bearing mineralisation. Watercourses downstream of stockpiles will continue to be monitored on a routine basis for pH and heavy metal contaminants.

A topsoil management plan is in place that has been reviewed by CQA consultants and deemed as being in accordance with the storage principles of MENR and European Union guidelines. Topsoil has been stockpiled in a dedicated location and abides to specific design parameters.

Stockpile areas for waste rock have previously been identified following condemnation drilling. Waste material will continue to be utilised for infrastructure (road) construction at the Gedabek Contract Area where required.

The TMF has the capability, with an addition lift, for the extra storage requirements for Gedabek process waste. The design and operations of the TMF have been reviewed by CQA along with a visit by MENR. Regular environmental monitoring is carried out at the TMF, along with monitoring of all receptors associated with the TMF. Independent reviews and third-party safety inspections of the TMF are routinely carried out. Tailings water is now returned to the process site water treatment plant (ultra-fine filtration and reverse osmosis) and reused in ore treatment.

All approvals for conducting the mining fall under the PSA.

4.10. Social Factors or Assumptions

To the best of the CP's knowledge, agreements with key stakeholders and matters leading to social licence to operate are valid and in place.

4.11. Other Factors or Assumptions

There are no known material or naturally occurring risks associated with the Ore Reserves. AAM is currently compliant with all legal, regulatory and marketing arrangements and agreements.

The Gedabek open pit project is located within a current contract area that is managed under the PSA, as overseen by MENR. Further details pertaining to the PSA can be found in [4]. It should be noted that the PSA is valid for the LOM.

4.12. Classification Summary

Measured Mineral Resources were converted to Proved Reserves after applying the Modifying Factors described previously. Additionally, Indicated Mineral Resources were converted to Probable Reserves.

The resultant Ore Reserves are deemed appropriate given the level of understanding of the deposit geology and reflect the CP's view of the deposit. The Inferred material was excluded from the economic model in NPV Scheduler® and so had no impact on the Total Reserves. No Probable Ore Reserves were derived from Measured Mineral Resources.

4.13. Audits/Reviews

Datamine developed and audited the Mineral Resource and Mineral Reserve block models. Two Datamine engineers worked on the resources and reserves and were able to verify work practices and procedures.

Datamine have been involved with Gedabek since 2012 (as CAE Mining) and as such are familiar with the processing methods available, value chain of the mining and cost structure. The data was audited and considered robust for Ore Reserve estimates.

Internal company and external reviews of the Ore Reserves yield estimates that are consistent with the Ore Reserve results. The in-situ Ore Reserves classified by process type is presented in Table 4.5 below.

The amount of waste material calculated inside the pit shell is 41.82 Mt, resulting in a strip ratio (ore:waste) of 1:3.46.

4.14. Discussion of Relative Accuracy/Confidence

The Ore Reserve was completed to Feasibility standard where operating costs are well understood, with continuous data generated since commencement of mining, and with the geological data being generated from a tightly-spaced drilling grid. Confidence in the calculations and results was considered high. Extraction of ore from the Gedabek mine will continue.

Project capital is well managed and certain infrastructure facilities are available from AAM, thus minimising capital requirements.

The Modifying Factors for mining, processing, metallurgical, infrastructure, economic, gold price, legal, environmental, social and governmental factors as referenced above were applied to the pit design and Ore Reserves calculation on a global scale and the data reflects the global assumptions.

Mine production data are available and were utilised in assessing the relative accuracy of the ore types and grade in the Ore Reserves. The average process feed grades were understood in order to determine the process algorithm of the different ore types. As such, there is a direct relationship between the known grades from production data and those of this Ore Reserves estimate.

Table 4.5 – In situ Ore Reserves classified by process type

ORE RESERVES	Tonnage	Gold Grade	Copper Grade	Silver Grade	Gold	Copper	Silver
Class & Process	kt	g/t	%	g/t	koz	kt	koz
Proved-AGL	2,141.6	2.09	0.31	16.47	144.0	6.6	1,133.7
Proved-HCL	1,372.1	0.83	0.14	7.59	36.6	1.9	334.7
Proved -HLROM	4,057.0	0.47	0.12	5.49	61.6	4.9	715.5
Proved - ROMSP	250.1	0.25	0.25	3.77	2.0	0.6	30.3
Proved-FLT	2,953.4	0.70	0.59	9.05	66.5	17.4	859.3
Proved-SPF	82.3	0.15	0.46	3.82	0.4	0.4	10.1
Total Proved	**10,856.5**	**0.89**	**0.29**	**8.83**	**311.2**	**31.9**	**3,083.7**
Probable-AGL	168.5	2.25	0.45	19.07	12.2	0.8	103.3
Probable-HCL	118.6	0.82	0.15	8.24	3.1	0.2	31.4
Probable -HLROM	504.8	0.47	0.12	5.79	7.6	0.6	94.0
Probable - ROMSP	28.7	0.25	0.23	4.16	0.2	0.1	3.8
Probable-FLT	395.9	0.69	0.63	11.03	8.8	2.5	140.4
Probable-SPF	3.4	0.17	0.46	3.01	0.0	0.0	0.3
Total Probable	**1,220.0**	**0.82**	**0.34**	**9.52**	**32.0**	**4.1**	**373.3**
PROVED + PROBABLE	12,076.4	0.88	0.30	8.90	343.2	36.0	3,457.0

5. Pit Optimisation

The open pit optimisation was run using NPV Scheduler®, which uses the standard Lerch-Grossman ("LG") algorithm to determine the pit limit and incremental pit shells. The latter was used as a guide for selecting the pit limit and as the basis for the creation of a sequence of pushbacks within the pit limit. The main input parameters to NPV Scheduler® were:

- Product prices (Au and Ag)
- Selling prices
- Mining cost
- Processing cost (by process route)
- Processing recovery (by process route)
- Slope parameters

NPV Scheduler® was set up so that the rock types are further subdivided into Measured, Indicated and Inferred for reporting purposes. When determining the pit limit and Ore Reserves, the grades for the Inferred material were given a value of zero as they cannot be included in the valuation. It is however useful to report these values as they represent a potential ore source, should it be possible to reclassify them in the future.

Due to a NPV Scheduler® software constraint, a fixed 10 m bench height for the entire pit was considered, so some of the graphs were reported based on this. The parameters used on the optimisation were discussed in Section '4. Modifying Factors'. A summary of the results from the pit optimisation are discussed below.

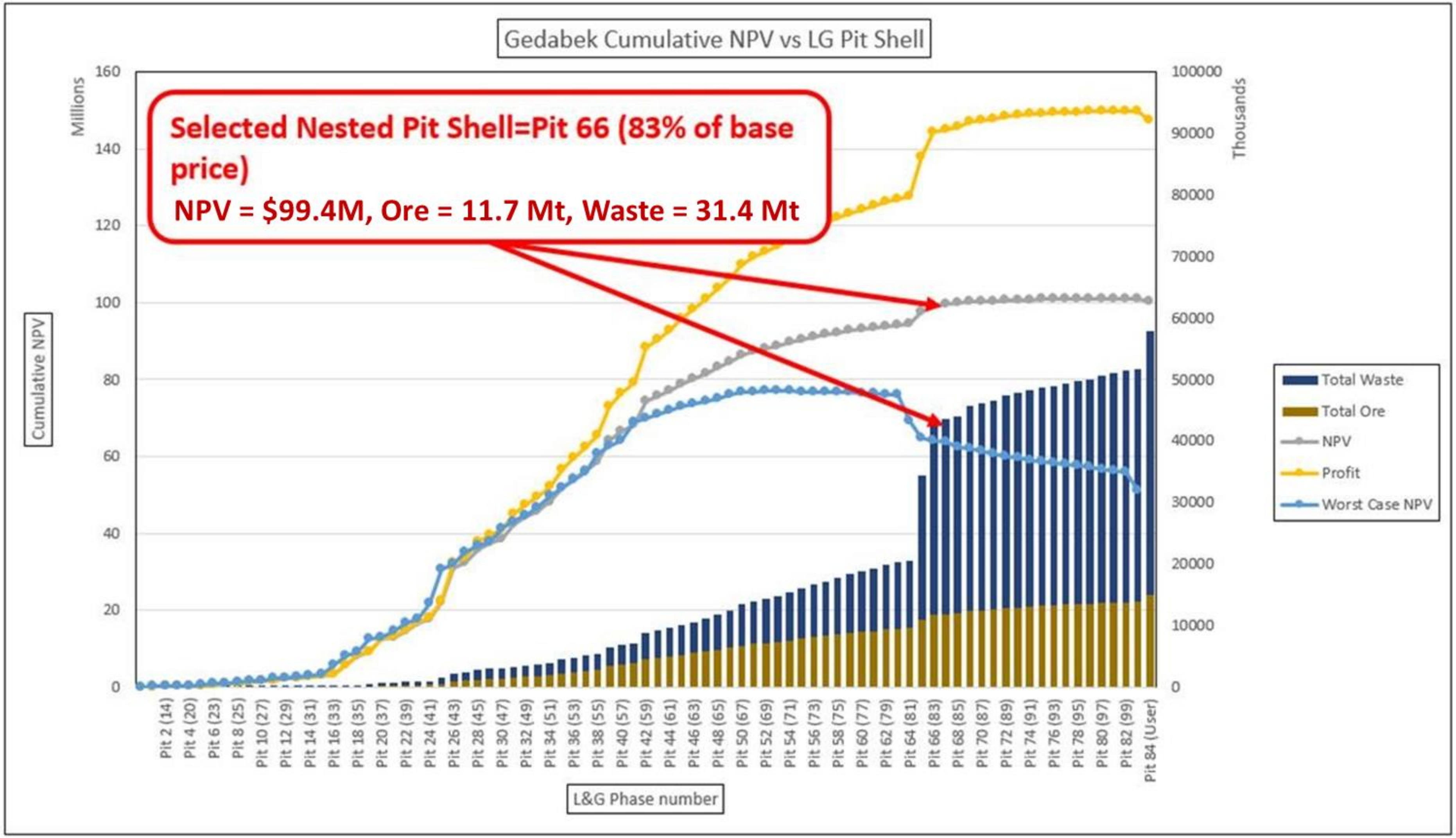
5.1. Optimisation Results

The pit optimisation was run with an increment of 1% for the 'Price Factor' so as to determine if there was a logical breakpoint at which to select the pit limit. Note that at a Price Factor of 100% the metal prices will be equal to the assumed prices presented in Section 4. It can be seen in Figure 5.1 that for the Ultimate Pit (Pit 84) the total ore, waste and NPV are 14.9 Mt, 43.0 Mt and $100.3M respectively, however after Pit 66 (83% Price Factor) the cumulative NPV plateaus.

The increase in NPV over this increment is relatively small as more than 99.1% of the final value has already been achieved. It should be stated however that although there is a low NPV beyond Pit 66 operations are still economic. Given the blending strategy with ores from other mines, this period creates opportunity for continued production and exploration opportunity.

It was noted by Datamine that the NPV calculation is on a daily basis and does not include all periodical investments. Hence the values are approximate and presented for comparative purposes. The actual NPV calculation is regularly carried out by the Finance department of AIMC utilising the final LOM and other actual technical/economic values.

Figure 5.1 – A plot of cumulative ore tonnage and NPV against pit shell number

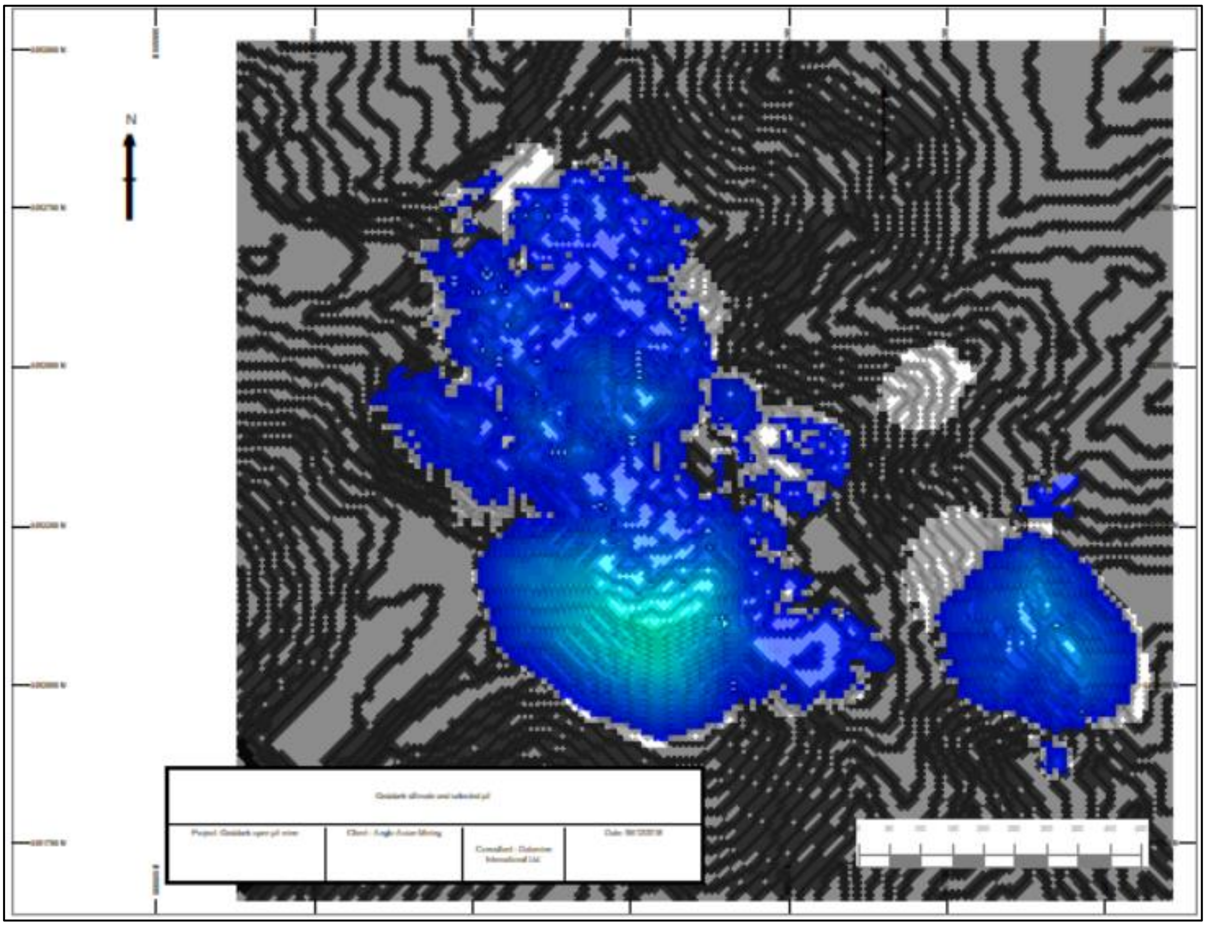


As shown in Figure 5.2 the Ultimate pit could therefore be treated as a potential expansion for the future if prices rise and additional near-mine exploration shows higher grade Au in the zone between Pit 66 and the Ultimate pit.

Overall the pit optimisation performed well and provides a good framework from which a detailed mine design can be produced. This mine design will take into account the detailed geotechnical parameters of batters and berms as well as ensuring that there is access to develop the pit.

From the Ore Reserve study, Pit 66 was selected as a suitable point from which the mine design can commence. This does not preclude the opportunity to further expand the pit whilst ensuring that the project value has been maximised within the practical constraints such as fleet capacity. The ore reserve should therefore be based on Pit 66 and not one of the larger shells.

Figure 5.2 - Optimised pit limit shown in blue with potential expansion in light grey



6. Mine Design

Based on the selected pit limit described in Section 5, mine designs were prepared for:

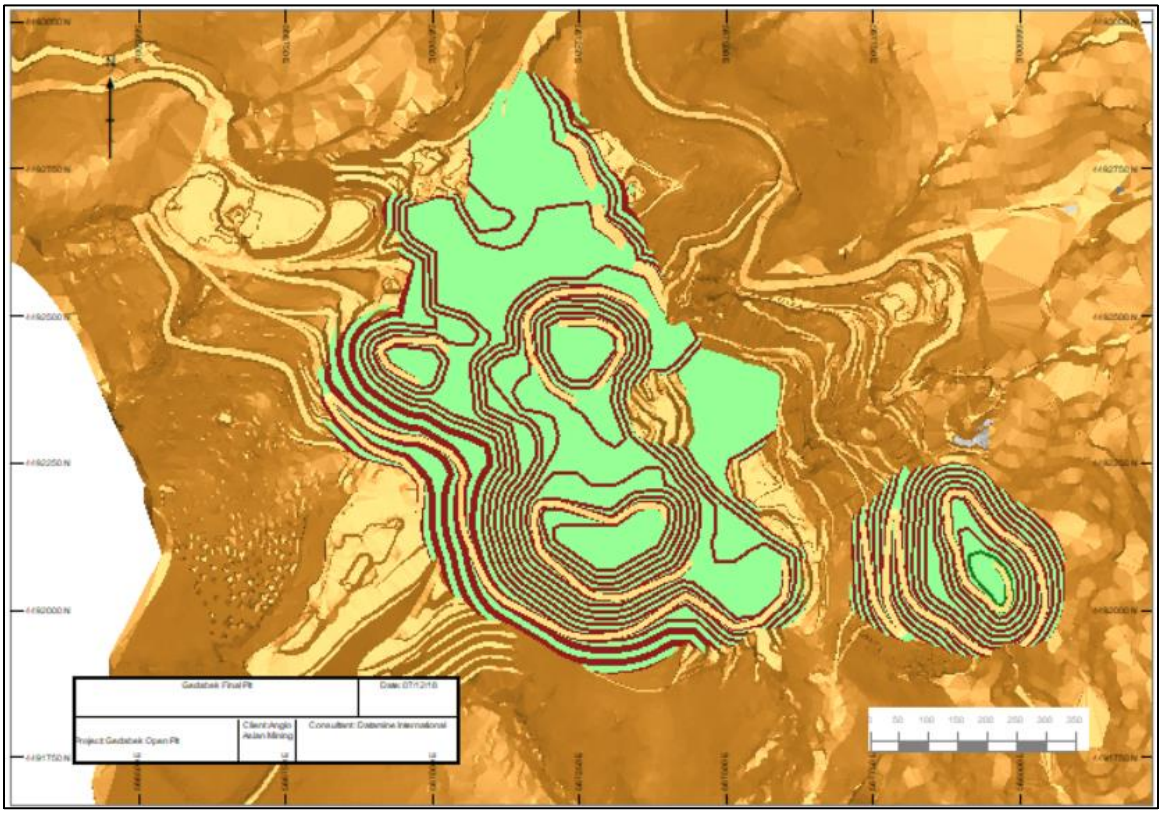
- Final pit limit
- Interim pit stages/pushbacks

The pit limit and pushbacks are designed according to the geotechnical parameters previously discussed in Section 4. It should be noted that the total tonnage within the pit limit will vary slightly from that shown in the optimisation due to the batter angle and smoothing of the wall to avoid potential geotechnical issues with 'noses' etc. The designs are discussed below along with the resulting Ore Reserves.

6.1. Pit Limit Design

The final pit wall was designed to include a 20 metre bench height at level 1660 and above and a 10 metre bench height below level 1660. This bench acts as a haul road for the 30 tonne haul trucks, so that they can exit either side of the slope and link to the roads to the waste dumps or crusher, as shown in Figure 6.1 (thick yellow lines over green shell).

Figure 6.1 – A plan view of the final pit limit design based on LG Pit 66



The access to the pit can be made from different levels. At the southeast pit wall (termed 'Pit 6' by AIMC) enough space for each pushback was designed. In other parts of the pit however, due to the limited width of each pushback, the pit wall would have to be mined bench by bench, top-down.

This would impact certain pushbacks as ramp accesses would need to be maintained to ensure material can be transported to the processing facilities. Some temporary internal ramps will be required to make sure that there is an easy access to pit exit points.

Besides determining the optimal extent of the open pit, an important aspect of the mine design is the distribution of material types within the pit. This was studied and the results are shown in Figures 6.2 to 6.5, with respect to the assigned process route. The mine sequence is constrained by the capacity of the crusher (designated for material feeding the HL) and AGL and FLT plants.

This is discussed in more detail in Section 7.

Figure 6.2 – Distribution of material types (in relation to processing) within the final pit limit

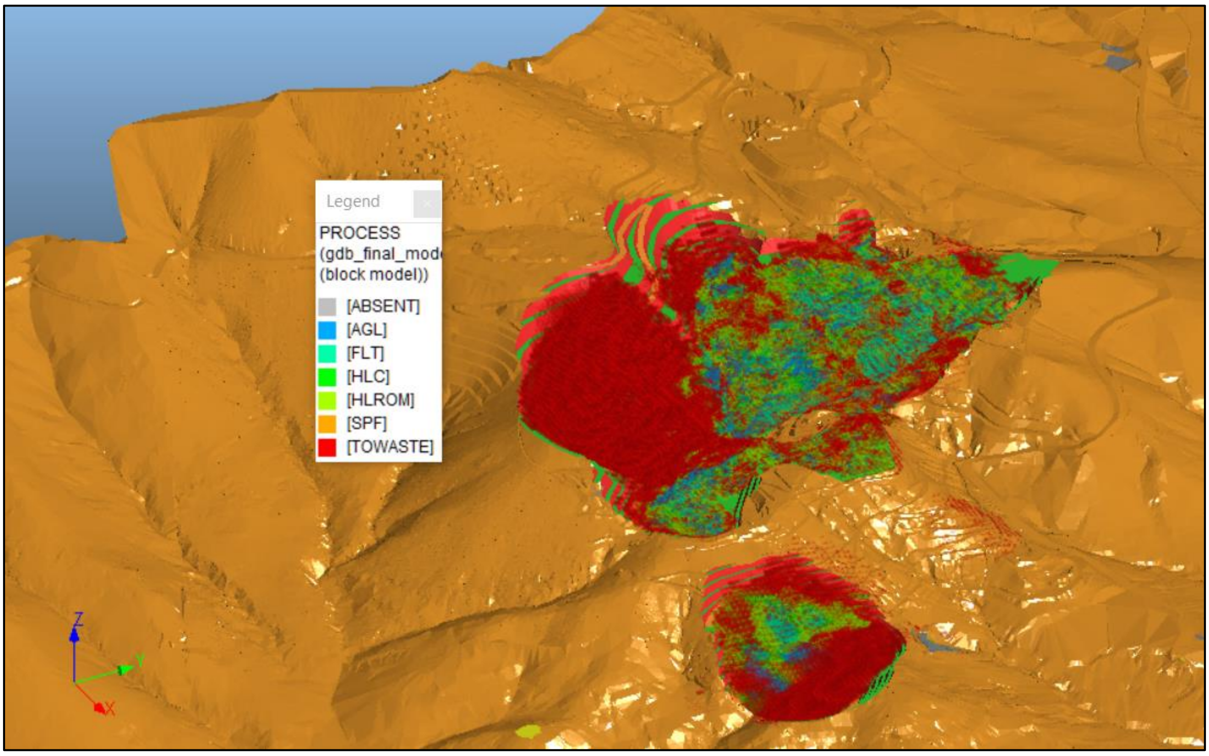


Figure 6.3 – Plan view highlighting the cross-section (red dashed line) through the final pit limit and wall in Figure 6.4

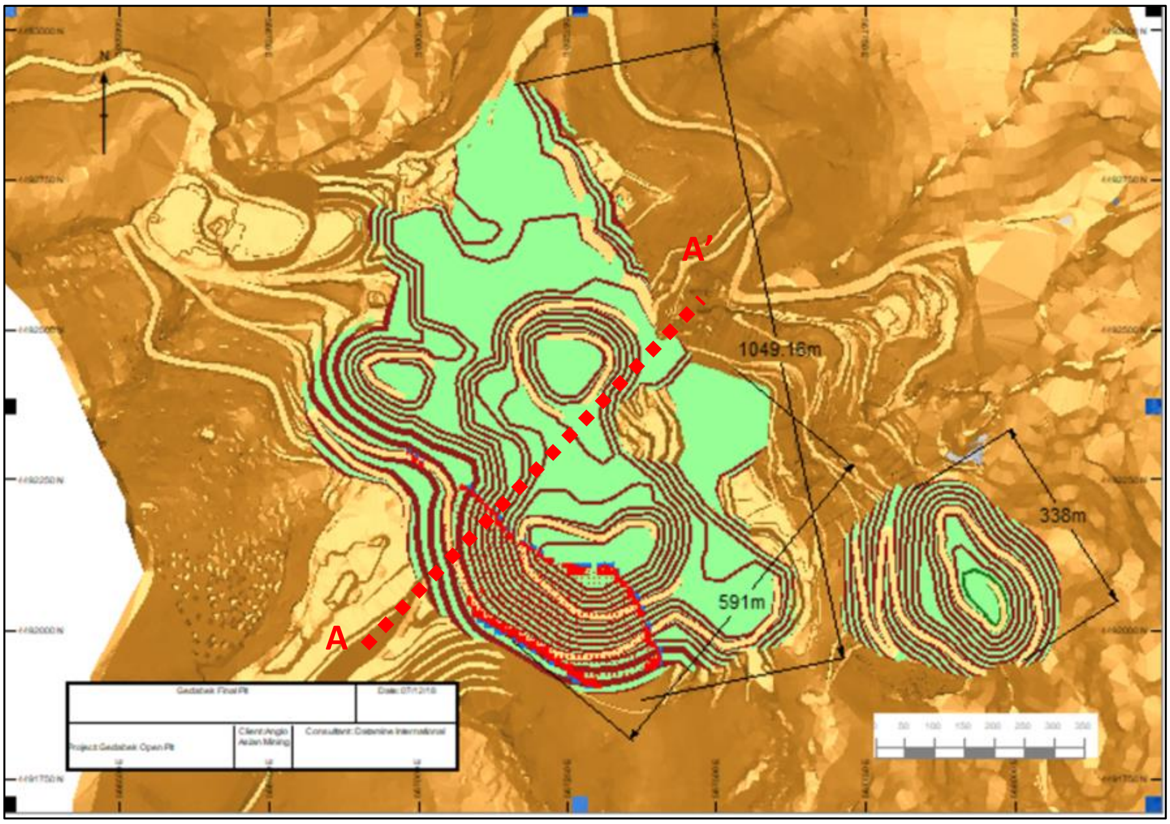


Figure 6.4 – The cross-section view as highlighted in Figure 6.3. The change of dip of the orebody into the backwall of the pit can be clearly seen

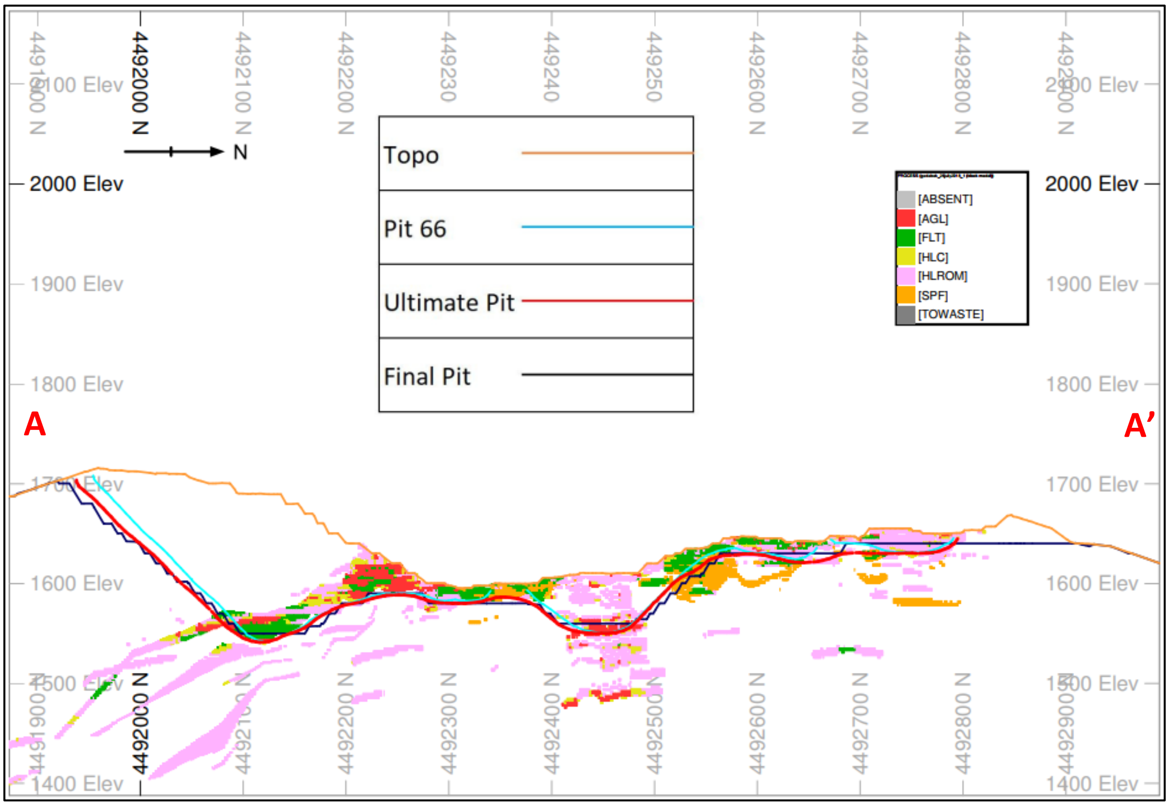
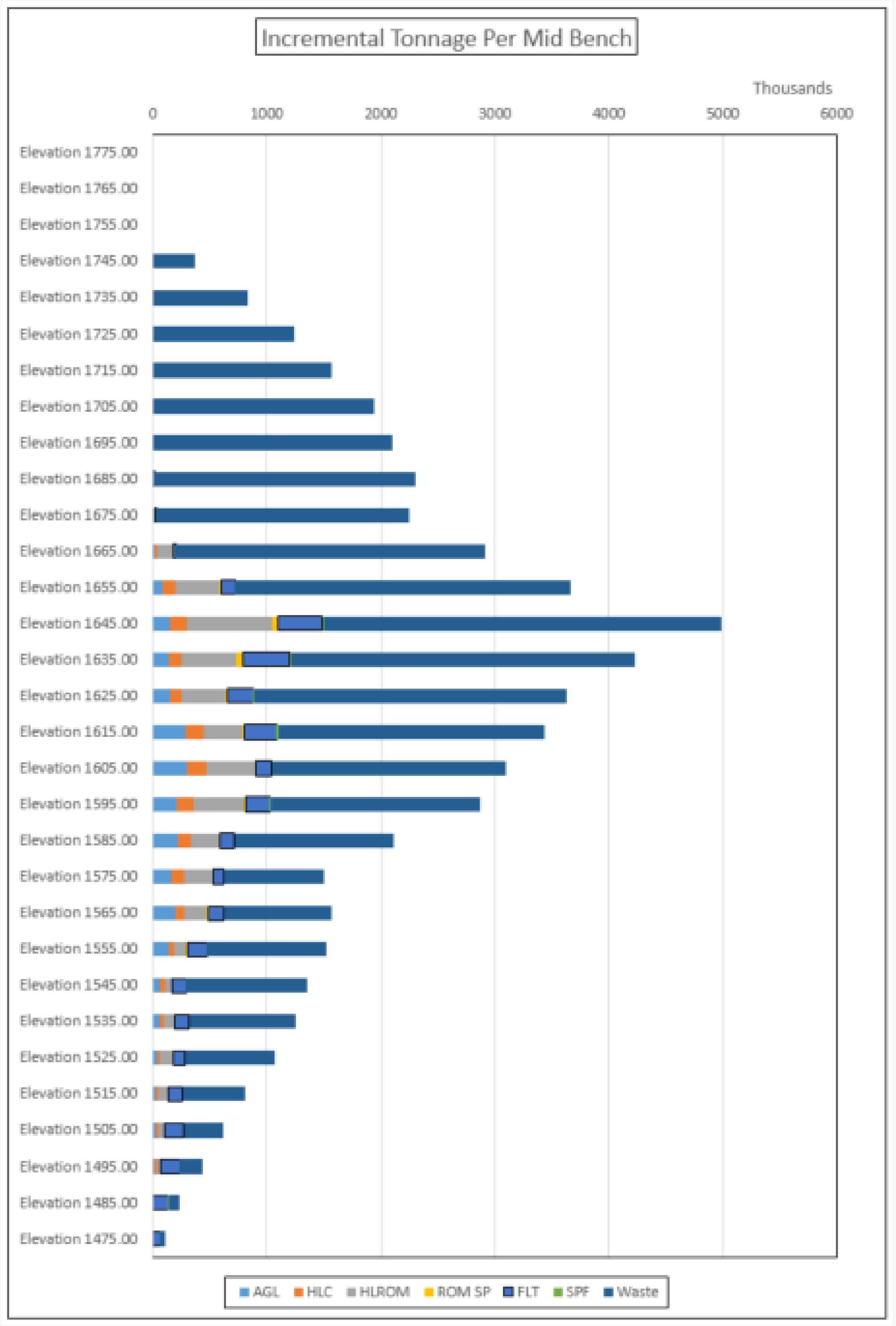


Figure 6.5 – A graphical representation showing the distribution of material types, classified by processing route



6.2. Pushback Design

The main constraints on the design of the pushbacks whilst calculating Ore Reserves were:

- Slope design parameters (as outlined in Table 4.1)
- Bench access to pit exits at all times
- Minimum bench width for equipment (20 metres)
- Maximum bench sinking rate (12 benches per year)
- Blending to plant feed requirements

Ten pushbacks were designed to accommodate all production requirements and physical constraints. The sequence of pushbacks is shown in Figures 6.6 to 6.15 and the incremental tonnages by pushback sequence is shown in Figure 6.16.

Figure 6.6 – Pushback Sequence #1

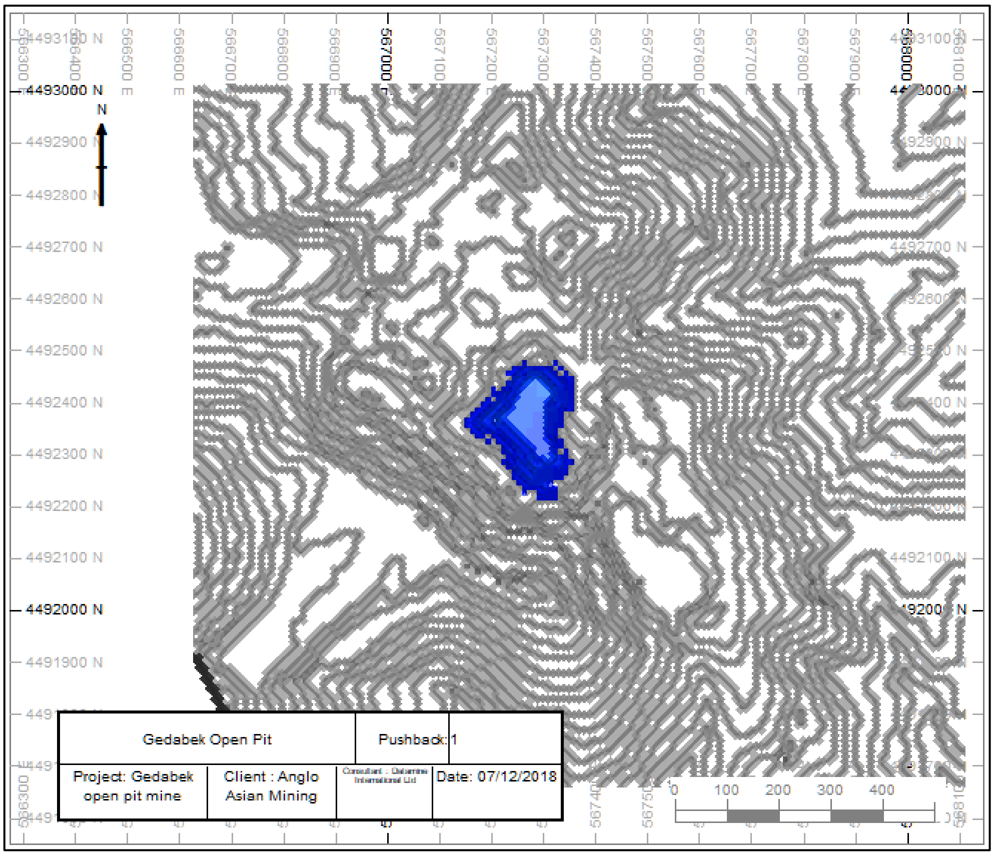


Figure 6.7 - Pushback Sequence #2

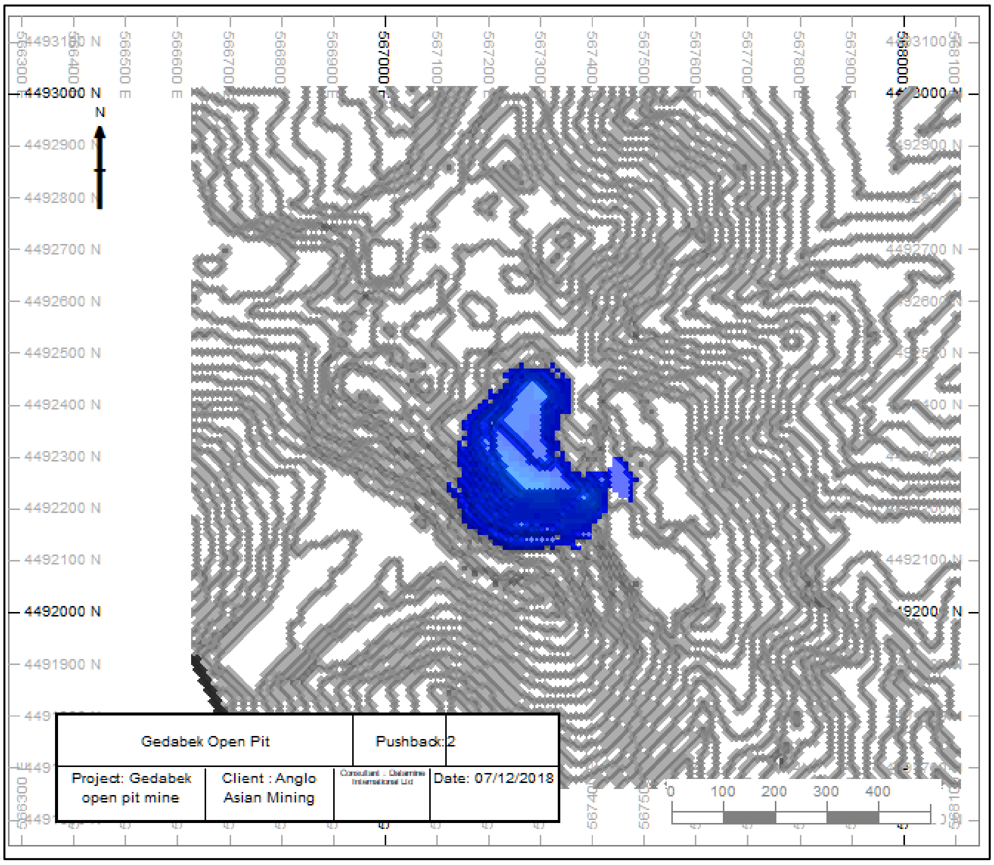


Figure 6.8 - Pushback Sequence #3

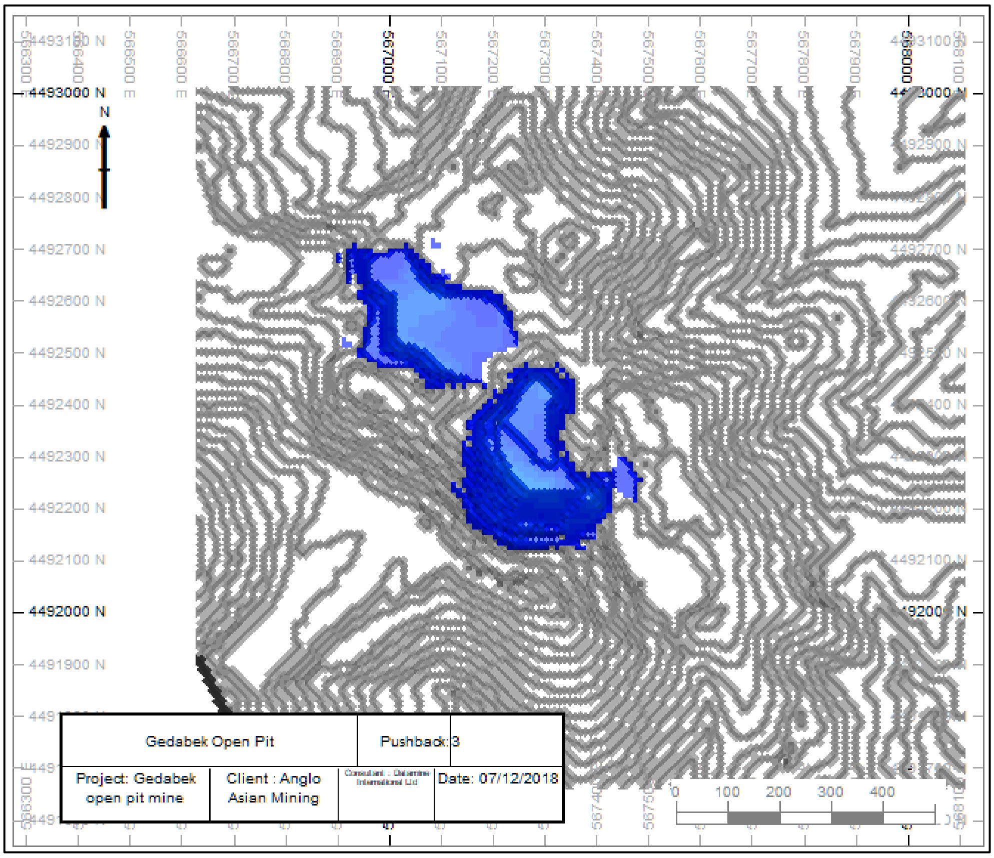


Figure 6.9 - Pushback Sequence #4

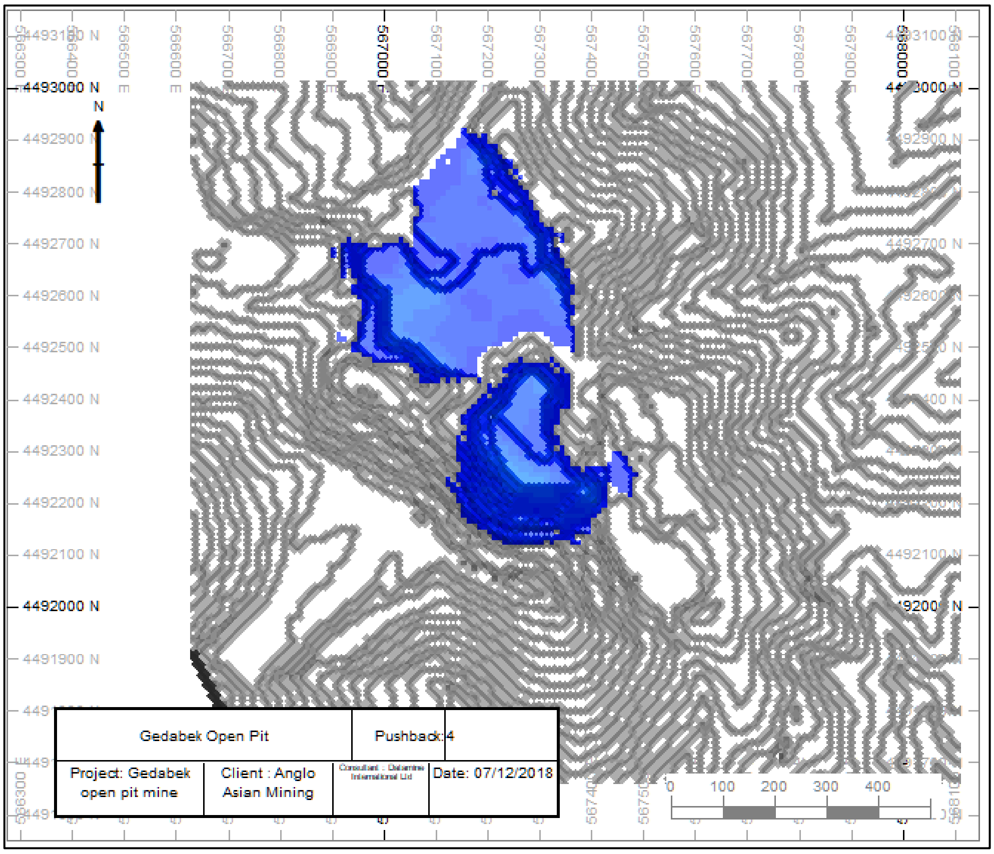


Figure 6.10 - Pushback Sequence #5

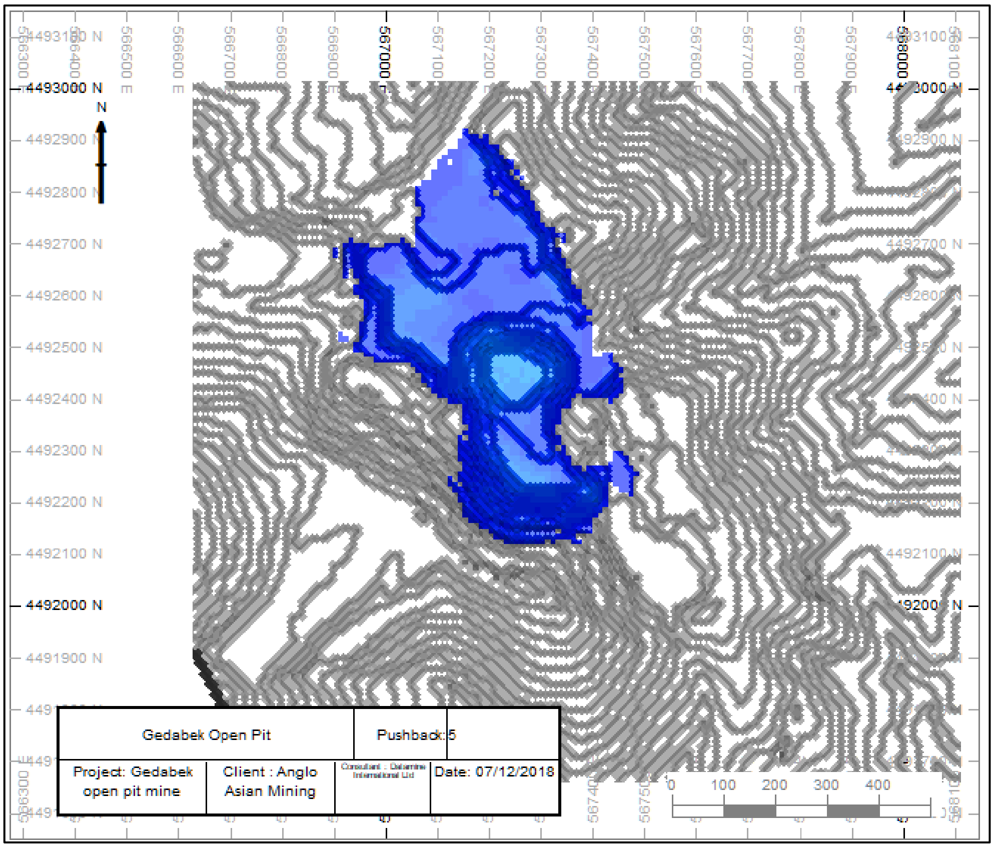


Figure 6.11 - Pushback Sequence #6

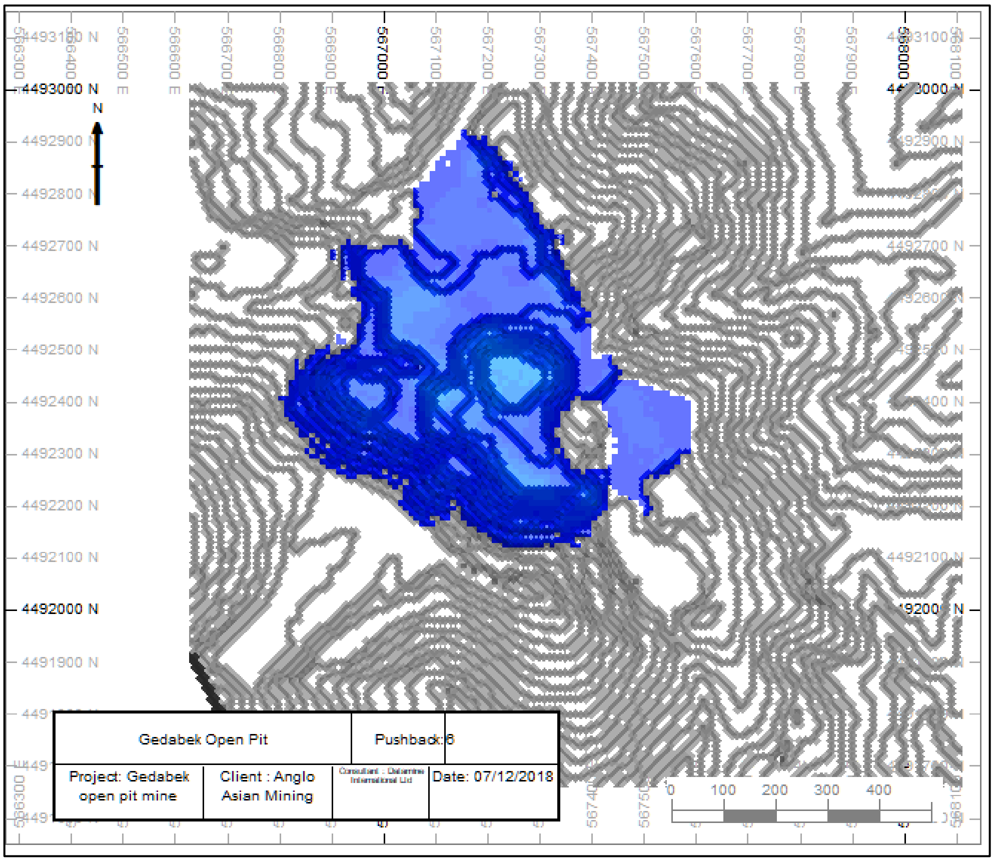


Figure 6.12 - Pushback Sequence #7

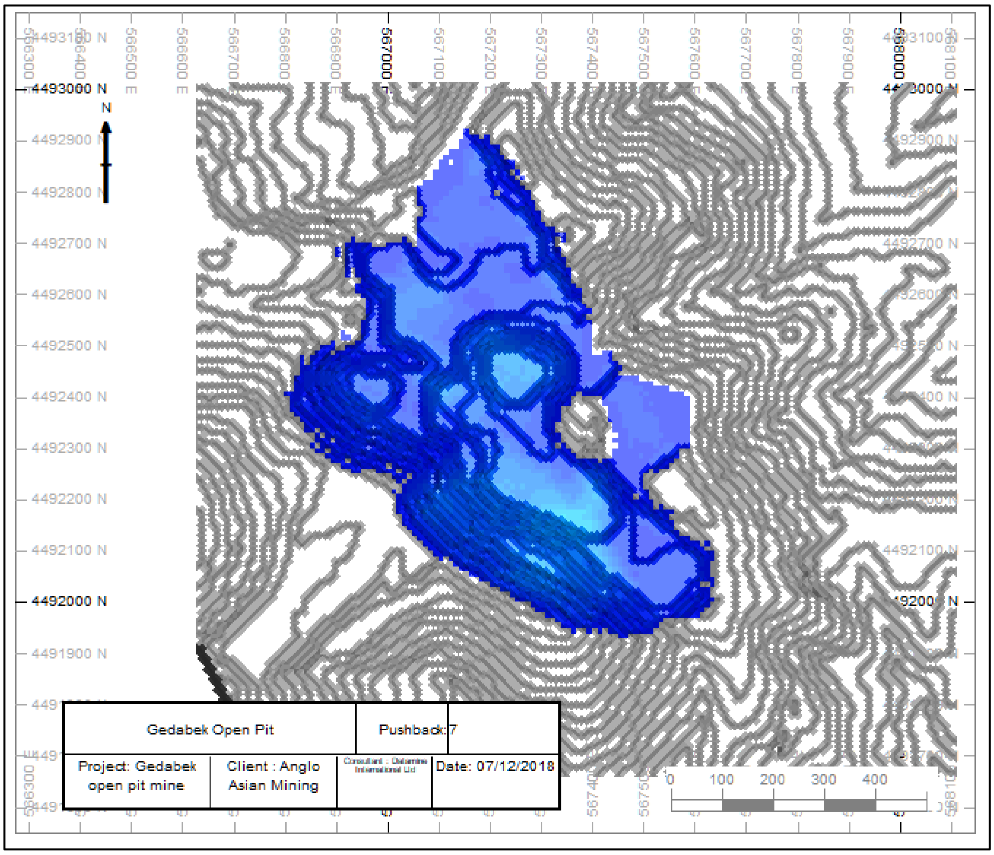


Figure 6.13 – Pushback Sequence #8

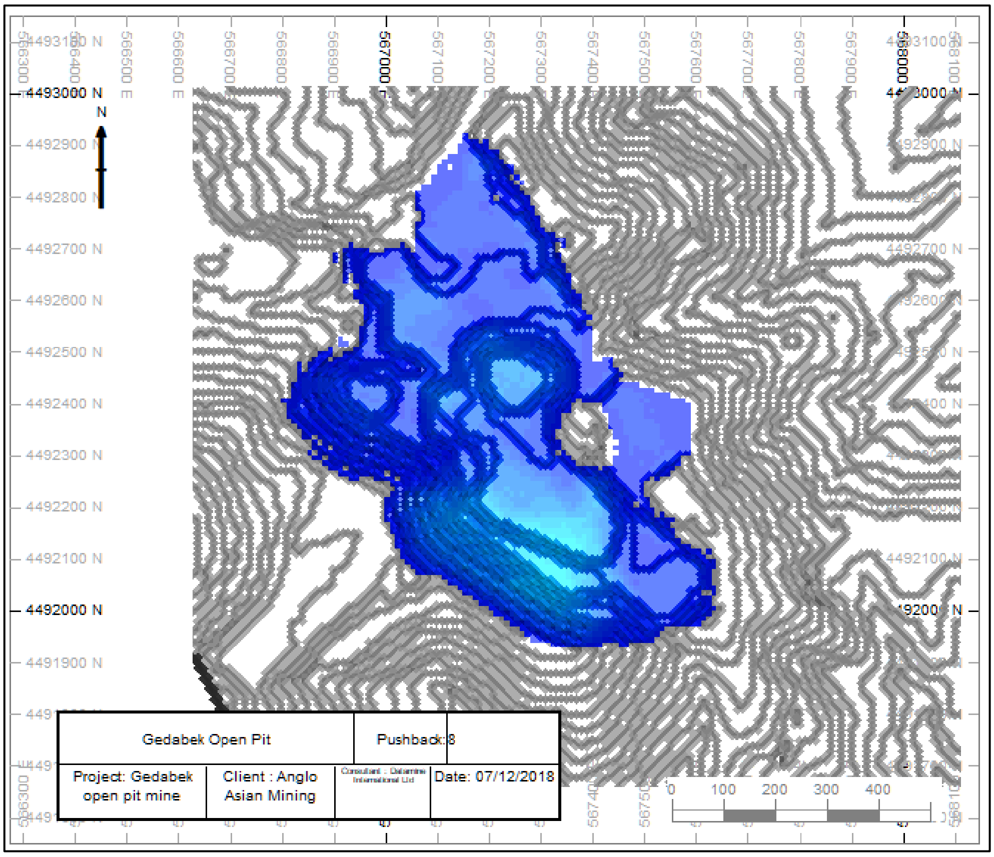


Figure 6.14 - Pushback Sequence #9

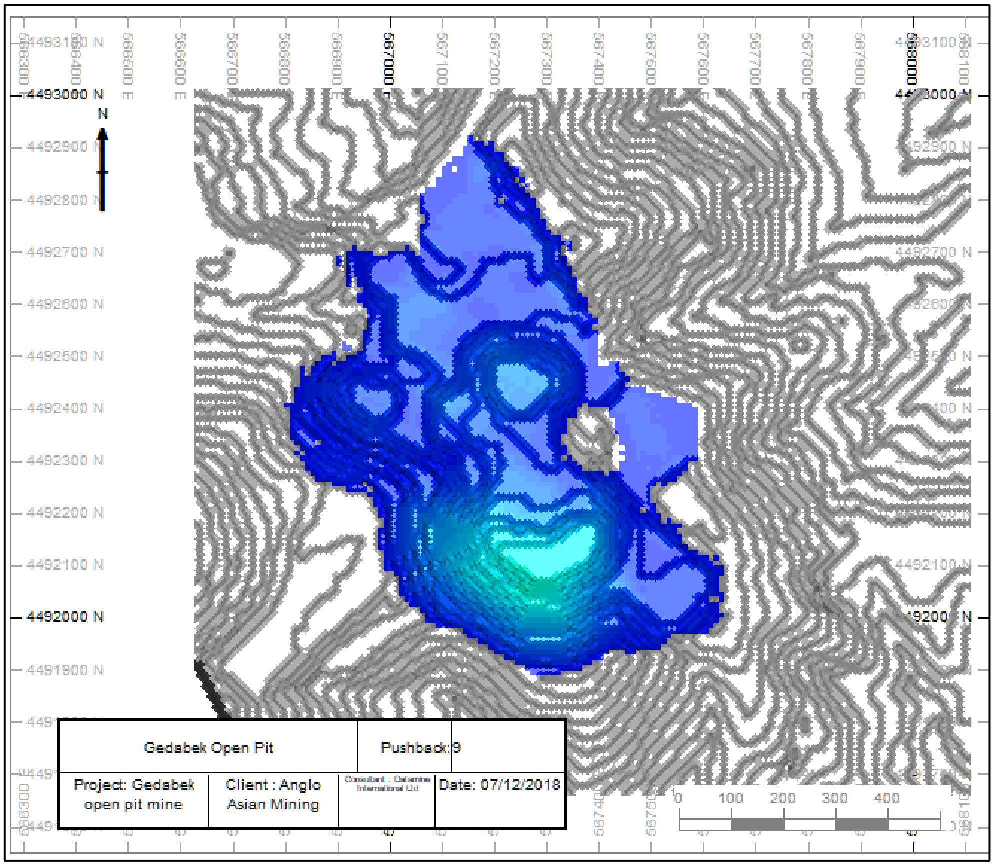


Figure 6.15 – Pushback Sequence #10

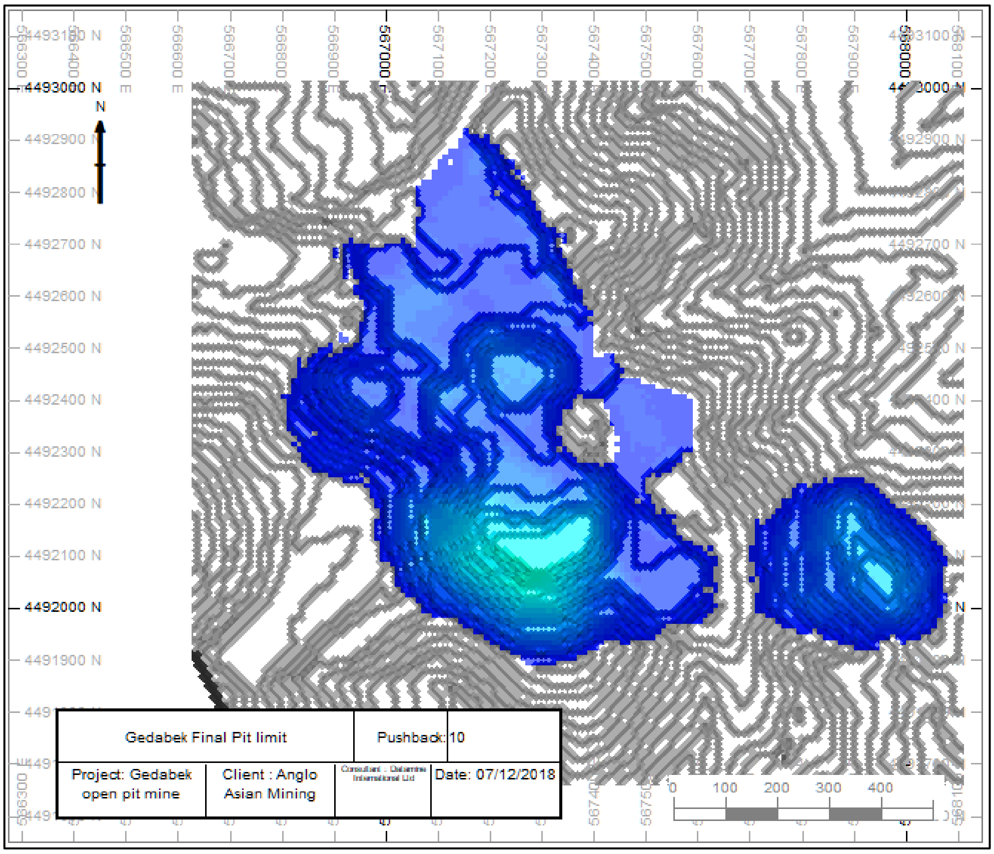
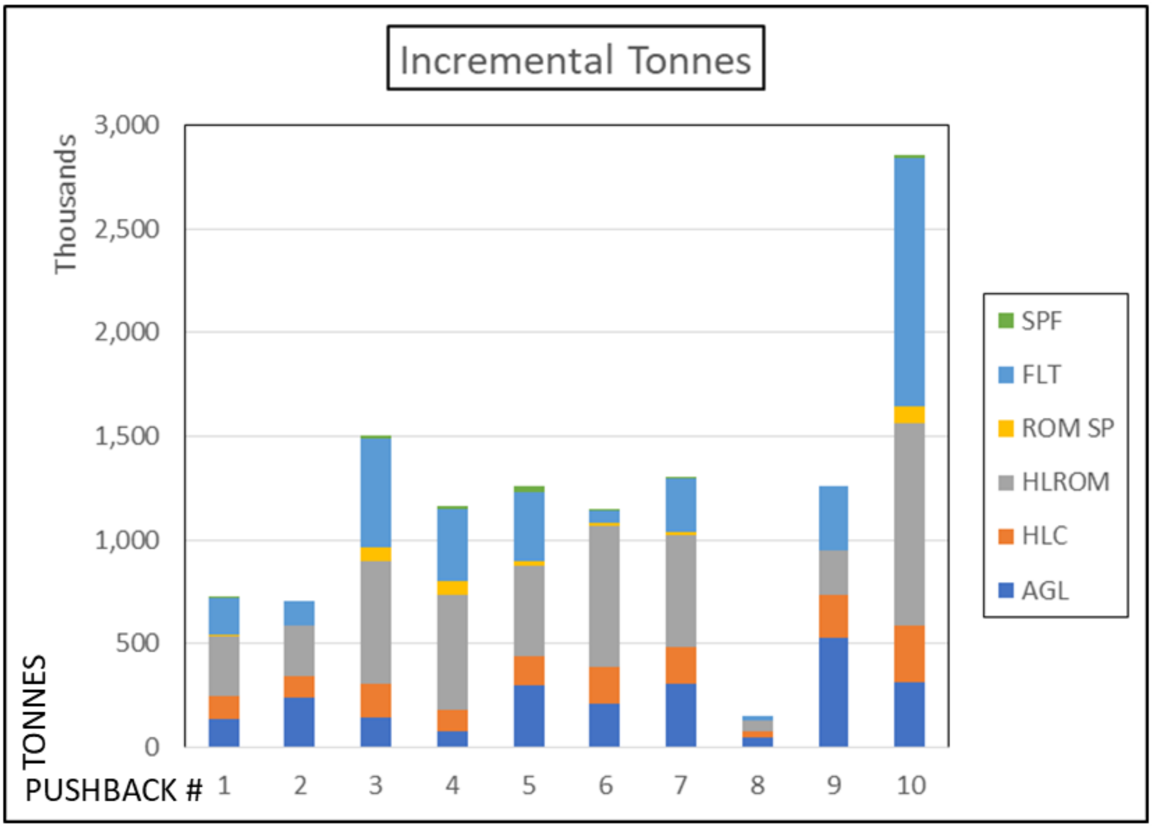


Figure 6.16 – A graphical representation of the incremental tonnages by pushback number



It is evident from Figure 6.16 that the distribution of processing methods suitable for the ore material are consistent across each pushback, indicating that there will not be excessive demand on one method during a certain pushback. The material however will be blended with material from other sources as explained previously. This will not be a major issue when scheduling.

6.3. Reserves

It is concluded that the Ore Reserve for the Gedabek open pit is 12.1 Mt, with a contained Au content of 10,673 kg (343,160 oz), 36,009 tonnes of Cu and 107,526 kg of Ag (3,457,030 oz).

The Ore Reserves for Pit 66 are summarised in Table 6.1 in terms of the categories of Proved and Probable, where Proved and Probable relate directly to Measured and Indicated Resource classes. The total waste (including uneconomic mineralised material) within the pit is 41.65 Mt, giving a total rock tonnage of 53.89 Mt and an average waste stripping ratio of 3.40. This is a moderate value for an open pit. Consideration must be given to the low grade nature of the deposit and the need to mine to a very low COG.

The potential for expanding the reserves lies with:

- Expanding the pit beyond Pit Shell 66 (additional 2.85 Mt, Au COG ≥ 0.2 g/t)
- Underground mining of some part of ore in south-eastern portion of the pit

Table 6.1 – Ore Reserve summary of the Gedabek open pit (following detailed pushback design)

ORE RESERVES	Tonnage	In Situ									Recovered		
		Gold Grade	Copper Grade	Silver Grade	Gold	Copper	Silver	Gold	Copper	Silver	Gold	Copper	Silver
Class & Process	kt	g/t	%	g/t	koz	kt	koz	kg	t	kg	kg	t	kg
Proved-AGL	2,142	2.09	0.31	16.47	144.0	6.6	1,133.7	4,480	6,637	35,263	3,358	1,724	22,343
Proved-HCL	1,372	0.83	0.14	7.59	36.6	1.9	334.7	1,139	1,928	10,411	683	501	700
Proved -HLROM	4,057	0.47	0.12	5.49	61.6	4.9	715.5	1,915	4,877	22,255	1,496	845	766
Proved - ROMSP	250	0.25	0.25	3.77	2.0	0.6	30.3	62	623	943	25	108	63
Proved-FLT	2,953	0.70	0.59	9.05	66.5	17.4	859.3	2,069	17,442	26,728	1,204	12,015	15,267
Proved-SPF	82	0.15	0.46	3.82	0.4	0.4	10.1	12	379	314	7	261	180
Total Proved	**10,856**	**0.89**	**0.29**	**8.83**	**311.2**	**31.9**	**3,083.7**	**9,678**	**31,885**	**95,914**	**6,773**	**15,453**	**39,318**
Probable-AGL	169	2.25	0.45	19.07	12.2	0.8	103.3	379	754	3,214	284	196	2,036
Probable-HCL	119	0.82	0.15	8.24	3.1	0.2	31.4	97	176	978	58	46	66
Probable -HLROM	505	0.47	0.12	5.79	7.6	0.6	94.0	237	625	2,922	95	108	196
Probable - ROMSP	29	0.25	0.23	4.16	0.2	0.1	3.8	7	67	119	3	12	8
Probable-FLT	396	0.69	0.63	11.03	8.8	2.5	140.4	275	2,487	4,367	160	2,494,560	2
Probable-SPF	3	0.17	0.46	3.01	0.0	0.0	0.3	1	16	10	0	11	6
Total Probable	**1,220**	**0.82**	**0.34**	**9.52**	**32.0**	**4.1**	**373.3**	**996**	**4,124**	**11,611**	**600**	**2,494,932**	**2,314**
PROVED + PROBABLE	12,076	0.88	0.30	8.90	343.2	36.0	3,457.0	**10,673**	**36,009**	**107,526**	**7,373**	**2,510,385**	**41,632**

Note: tonnes (dry)

A comparison of the Reserves for the selected pit limit (Pit Shell 66) and the detailed pit design in Table 6.1 shows that there is about +3% variance in the total ore within the pit (Table 6.2). The pit design has therefore followed the guidelines provided by the pit optimisation with minimal loss of ore as a result of imposing practical mining constraints on the final pit design, which has 33% more waste tonnage.

Table 6.2 – A comparison of the pit design reserves and the optimised pit limit reserves (Pit Shell 66)

PIT	Material Type	Tonnage	In Situ					
			Gold Grade	Copper Grade	Silver Grade	Gold	Copper	Silver
		kt	g/t	%	g/t	kg	t	kg
Pit 66	Ore	11,720	0.91	0.30	9.02	10,675	35,726	105,710
Final Pit		12,076	0.88	0.30	8.90	10,673	36,009	107,526
Variation		103.04%	97.00%	97.80%	98.70%	99.99%	100.80%	101.70%
Pit 66	Waste	31,407						
Final Pit		41,651						
Variation		133%						

Notes:

- Tonnes and grades were based on in-situ rock - the ore mining recovery and dilution were used in NPV Scheduler® for optimisation purposes only.
- Pit optimisation only used the overall slope angle and was based on the parent cell size.
- Pit design used the slope design parameters, including batter angle, berms and maximum stack height.

7. Scheduling

Using the pit design and pushback sequence as described in Section 6, a LOM schedule was created in order to demonstrate that an acceptable mining sequence could be achieved whilst honouring the various Modifying Factors, parameters and constraints.

7.1. Plant Production

The main constraints imposed on the processing schedule are shown in Table 7.1 ('Total Rock' relates to mining capacity). The maximum capacity of the AGL plant is 750 kt per annum however this plant is planned to be fed by material from other production material sources.

Table 7.1 – Gedabek processing constraints

Period #	Year	Total Rock	AGL	AGL Au	HLC	HLC Au	HLROM	HLROM Au	FLT	FLT Cu
		Mt	kt	g/t	kt	g/t	kt	g/t	kt	%
1	*Last 5 months 2018*	*3.3*	*750*	*1.8*	*650*	*0.8*	*Unlimited*	*0.47*	*650*	*0.5*
2 to 7	2019 - 2024	11 to 14	750	1.8	650	0.8	Unlimited	0.47	650	0.5

7.2. Mine Production

Considering all production constraints and using the designed pushbacks, a LOM schedule was created in NPV Scheduler®. This showed that the Au grade going to AGL is relatively well behaved and does not pose issues for grade control. The nature of the Gedabek Resource is the main reason for variation of the Au grade within subsequent years but this is not perceived to be an issue since material from other sources will be fed to the AGL plant as well. It may be possible to reduce the grade fluctuations with further detailed scheduling but at this level of study it is considered preferable to manage the fluctuations in the mix of materials by stockpile management, simplifying the mining sequence (see Figure 7.1 to 7.3 for grade comparisons).

The total material movement indicates that the required fleet capacity peaks at 13.9 Mt of rock in 2023 (Period 6), just one year before the last projected Period (Table 7.2). In order to achieve the head grade targets set out in Table 7.1, different scenarios were run in NPV Scheduler® leading to minimum Au COGs for each processing route. For AGL, Au was set at 1 g/t, HLC at 0.7 g/t and HLROM at 0.3 g/t. For Cu, this was determined to be 0.3% via FLT and 0.2% via SPF. The schedule of ten designed pushbacks appears to be successful in meeting the constraints of blending whilst avoiding excessive advance stripping. Schematic plan views of Gedabek as scheduled with respect to Periods (Table 7.2) are illustrated in Figures 7.4 to 7.10.

Figure 7.1 – Comparison of in-situ Au grades by processing route, from the Gedabek pit

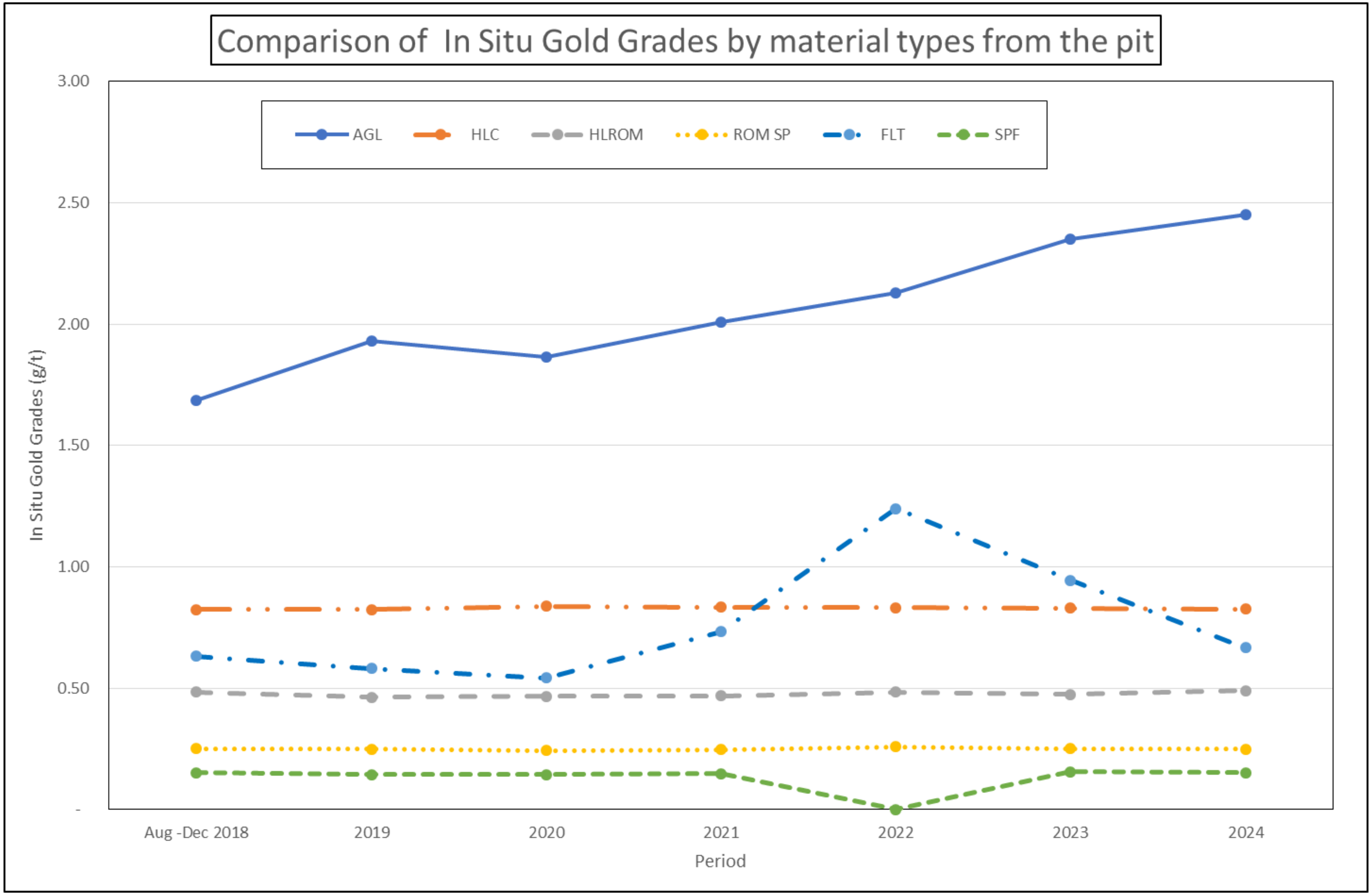


Figure 7.2 – Comparison of in-situ Cu grades by processing route, from the Gedabek pit

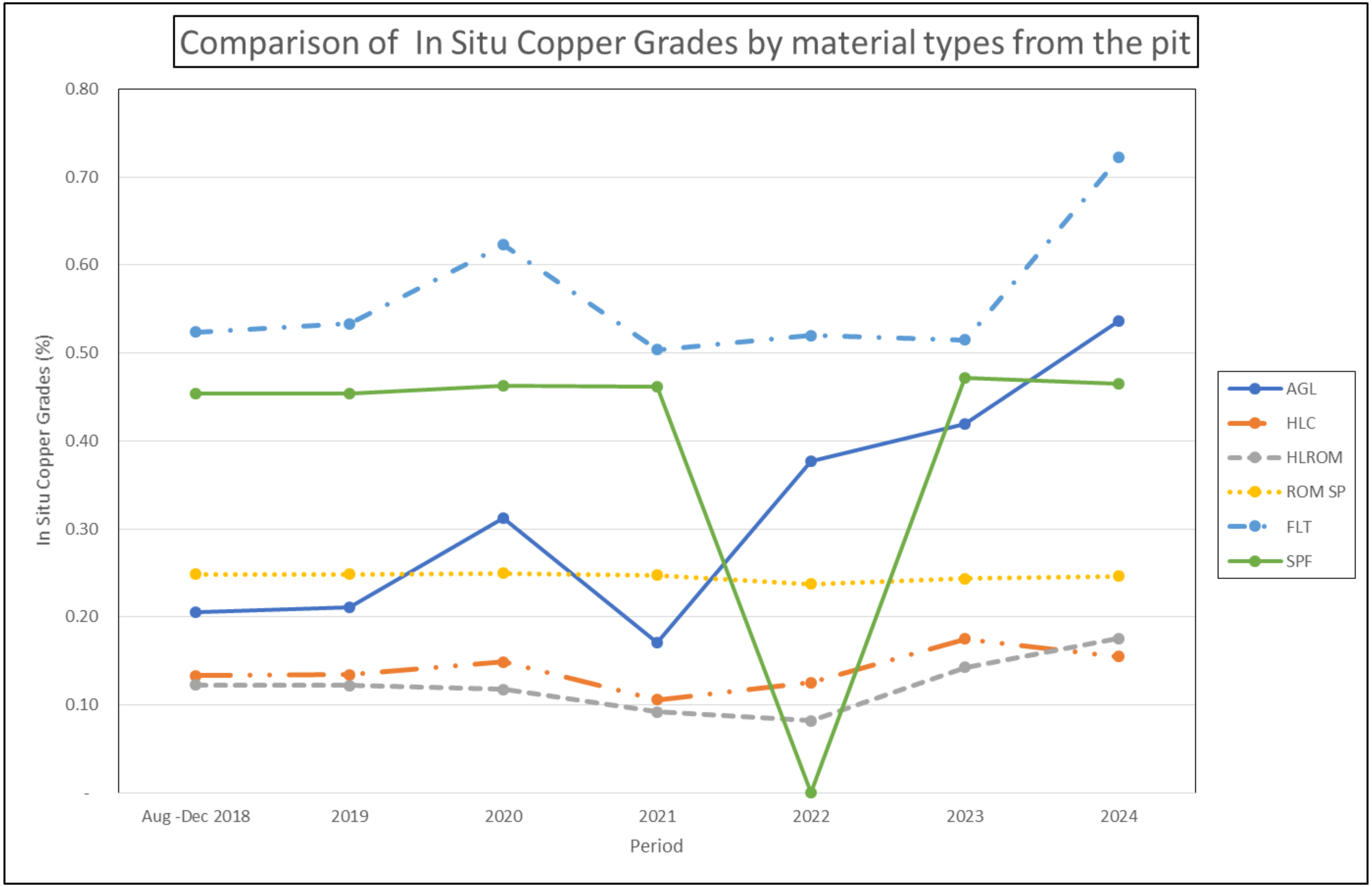


Figure 7.3 – Comparison of in-situ Ag grades by processing route, from the Gedabek pit

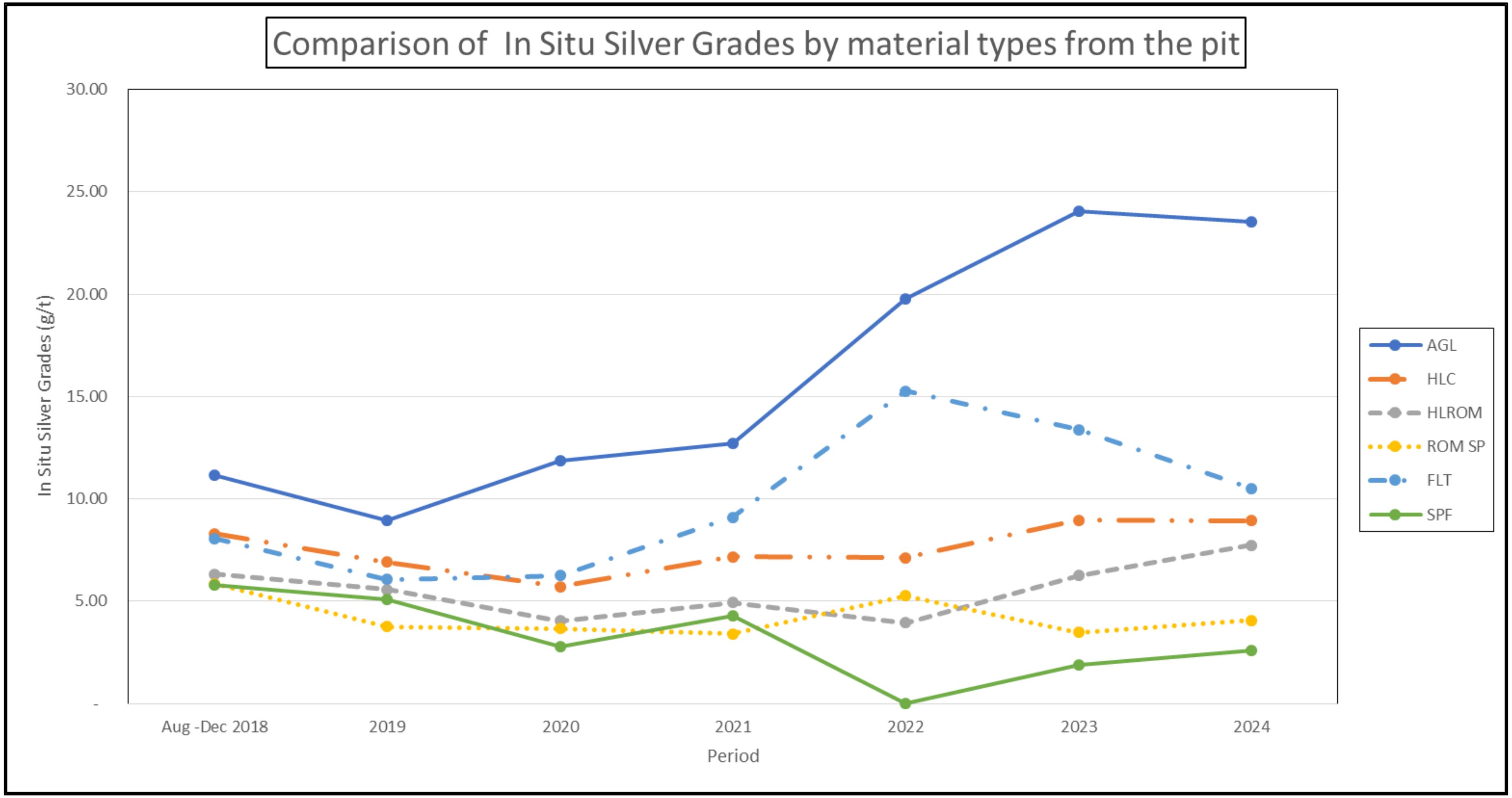


Table 7.2 – Total scheduled material movement from the pit based on the Ore Reserve calculations

Period		Aug - Dec 2018	2019	2020	2021	2022	2023	2024	Total
Period No		1	2	3	4	5	6	7	
Stripping ratio	-	0.84	1.39	3.88	3.30	14.60	4.70	1.66	3.47
Rock	**Tonnage (kt)**	1,914	5,692	8,741	9,030	10,237	13,879	4,457	53,950
Total Waste	**Tonnage (kt)**	875	3,307	6,948	6,932	95,81	11,443	2,783	41,869
Total Ore	**Tonnage (kt)**	1,039	2,386	1,792	2,099	656	2,436	1,674	12,081
	Au (g/t)	0.72	0.69	0.80	0.92	1.12	1.08	0.92	0.88
	Cu (%)	0.23	0.26	0.34	0.16	0.25	0.31	0.54	0.30
	Ag (g/t)	7.65	6.18	6.48	7.60	10.85	12.53	11.75	8.90
	In Situ Au (kg)	753	1,653	1,427	1,939	738	2,631	1,534	10,675
	In Situ Cu (t)	2,348	6,142	6,062	3,395	1,649	7,439	8,988	36,022
	In Situ Ag (kg)	7,946	14,738	11,613	15,952	7,117	30,522	19,663	107,551
	In Situ Au (kg)	437	960	895	1,219	472	1,688	974	6,644
	In Situ Cu (t)	1,068	3,058	3,152	1,299	687	3,116	5,169	17,548
	In Situ Ag (kg)	2,355	4,503	5,118	5,829	3,402	13,874	9,779	44,859
AGL	**Tonnage (kt)**	142	274	360	514	176	577	267	2,310
	Au (g/t)	1.69	1.93	1.87	2.01	2.13	2.35	2.45	2.10
	Cu (%)	0.21	0.21	0.31	0.17	0.38	0.42	0.54	0.32

Period		Aug - Dec 2018	2019	2020	2021	2022	2023	2024	Total
Period No		1	2	3	4	5	6	7	
	Ag (g/t)	11.16	8.95	11.88	12.72	19.76	24.05	23.52	16.66
	In Situ Au (kg)	239	529	672	1,034	375	1,356	654	4,859
	In Situ Cu (t)	291	577	1,126	878	664	2,422	1,431	7,390
	In Situ Ag (kg)	1,582	2,453	4,279	6,542	3,479	13,873	6,270	38,478
	In Situ Au (kg)	179	397	504	775	281	1,016	490	3,642
	In Situ Cu (t)	76	150	292	228	173	629	372	1,920
	In Situ Ag (kg)	1,002	1,554	2,711	4,145	2,204	8,790	3,973	24,379
HLC	Tonnage (kt)	159	253	180	312	107	365	116	1,491
	Au (g/t)	0.82	0.82	0.84	0.83	0.83	0.83	0.83	0.83
	Cu (%)	0.13	0.13	0.15	0.11	0.13	0.18	0.16	0.14
	Ag (g/t)	8.31	6.91	5.70	7.17	7.13	8.95	8.94	7.64
	In Situ Au (kg)	131	208	150	261	89	302	96	1,237
	In Situ Cu (t)	212	340	268	332	134	638	180	2,104
	In Situ Ag (kg)	1,321	1,749	1,025	2,240	760	3,264	1,036	11,394
	In Situ Au (kg)	79	125	90	156	53	181	57	742
	In Situ Cu (t)	55	88	70	86	35	166	47	547
	In Situ Ag (kg)	89	118	69	150	51	219	70	766

Period		Aug - Dec 2018	2019	2020	2021	2022	2023	2024	Total
Period No		1	2	3	4	5	6	7	
HLROM	Tonnage (kt)	491	1,082	563	1,004	249	851	322	4,564
	Au (g/t)	0.48	0.46	0.47	0.47	0.48	0.47	0.49	0.47
	Cu (%)	0.12	0.12	0.12	0.09	0.08	0.14	0.18	0.12
	Ag (g/t)	6.32	5.57	4.04	4.95	3.96	6.26	7.74	5.52
	In Situ Au (kg)	238	500	262	470	121	404	158	2,153
	In Situ Cu (t)	604	1,321	664	926	205	1,217	565	5,503
	In Situ Ag (kg)	3,108	6,033	2,275	4,969	985	5,327	2,493	25192
	In Situ Au (kg)	95	200	105	188	48	162	63	861
	In Situ Cu (t)	105	229	115	160	36	211	98	953
	In Situ Ag (kg)	209	405	153	334	66	358	168	1,693
ROM SP	Tonnage (kt)	17	77	65	34	0	55	32	279
	Au (g/t)	0.25	0.25	0.24	0.25	0.26	0.25	0.25	0.25
	Cu (%)	0.25	0.25	0.25	0.25	0.24	0.24	0.25	0.25
	Ag (g/t)	5.85	3.77	3.67	3.42	5.26	3.48	4.07	3.81
	In Situ Au (kg)	4	19	16	8	0	14	8	69
	In Situ Cu (t)	42	191	161	83	1	133	78	690
	In Situ Ag (kg)	100	290	237	115	2	190	129	1,063

Period		Aug - Dec 2018	2019	2020	2021	2022	2023	2024	Total
Period No		1	2	3	4	5	6	7	
	In Situ Au (kg)	2	8	6	3	0	5	3	28
	In Situ Cu (t)	7	33	28	14	0	23	14	119
	In Situ Ag (kg)	7	19	16	8	0	13	9	71
FLT	Tonnage (kt)	222	677	593	225	124	587	923	3,352
	Au (g/t)	0.63	0.58	0.54	0.73	1.24	0.95	0.67	0.70
	Cu (%)	0.52	0.53	0.62	0.50	0.52	0.52	0.72	0.60
	Ag (g/t)	8.07	6.05	6.25	9.10	15.26	13.39	10.51	9.28
	In Situ Au (kg)	140	393	321	165	154	555	616	2,344
	In Situ Cu (t)	1,162	3,612	3,698	1,133	644	3,025	6,667	19,940
	In Situ Ag (kg)	1,790	4,100	3,709	2,047	1,891	7,866	9,697	31,100
	In Situ Au (kg)	81	229	187	96	89	323	359	1,364
	In Situ Cu (kt)	1,022	2,342	2,119	1,169	1,080	4,493	5,539	17,765
	In Situ Ag (kg)	1	2	3	1	0	2	5	14
SPF	Tonnage (kt)	8	22	31	9	0	1	14	86
	Au (g/t)	0.15	0.14	0.14	0.15	-	0.16	0.15	0.15
	Cu (%)	0.45	0.45	0.46	0.46	-	0.47	0.46	0.46
	Ag (g/t)	5.80	5.09	2.80	4.29	-	1.88	2.59	3.78

Period		Aug - Dec 2018	2019	2020	2021	2022	2023	2024	Total
Period No		1	2	3	4	5	6	7	
	In Situ Au (kg)	1	3	5	1	0	0	2	13
	In Situ Cu (t)	36	100	145	43	-	4	67	395
	In Situ Ag (kg)	46	113	88	40	0	1	37	325
	In Situ Au (kg)	1	2	3	1	0	0	1	7
	In Situ Cu (t)	25	69	100	29	-	3	46	272
	In Situ Ag (kg)	26	64	50	23	0	1	21	185

Figure 7.4 – LOM Plan – End of Period #1

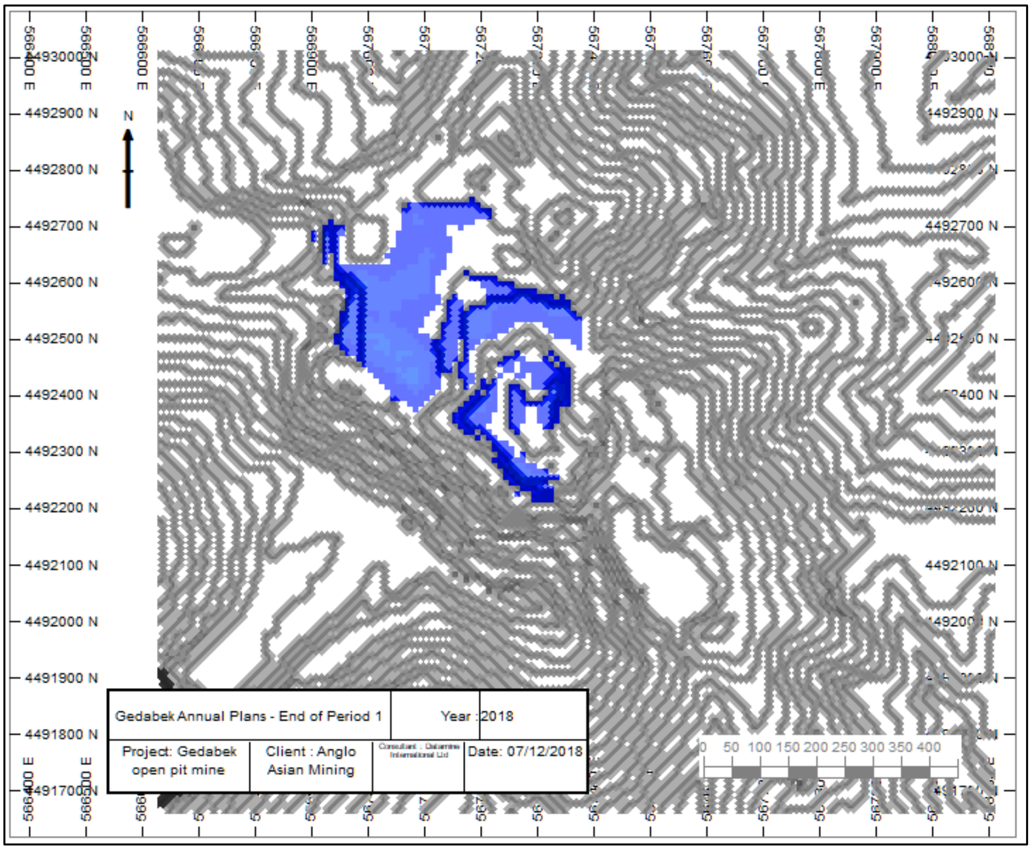


Figure 7.5 – LOM Plan – End of Period #2

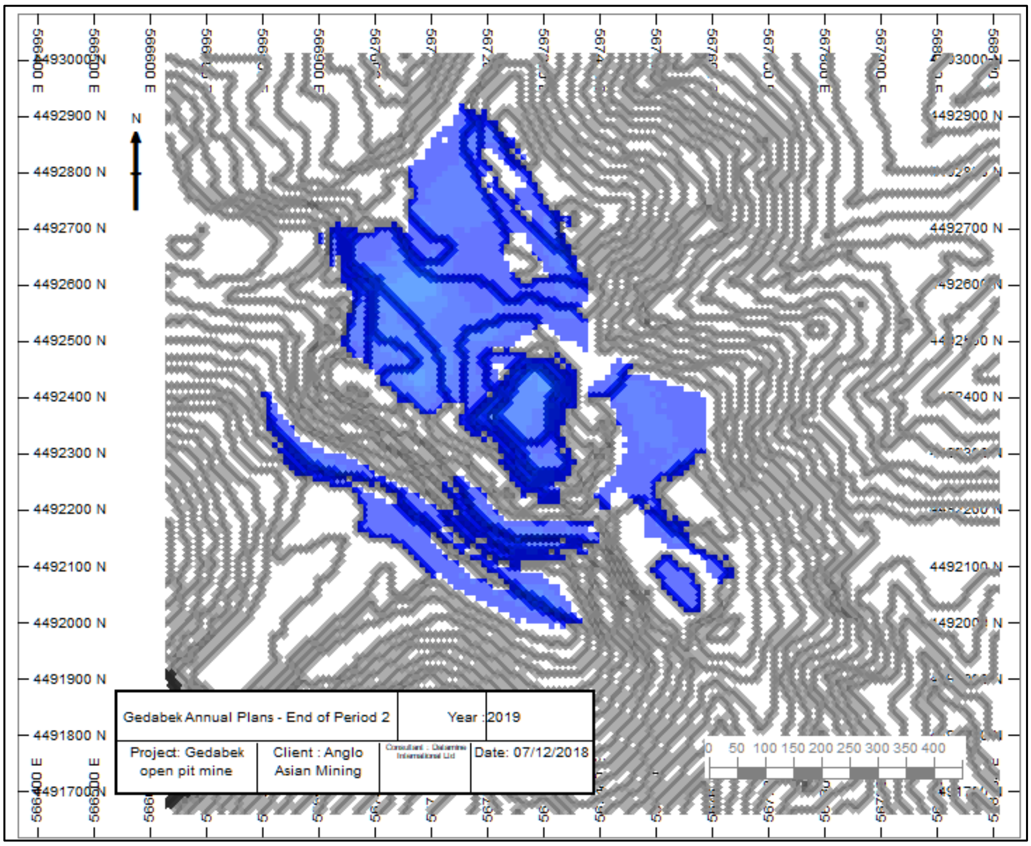


Figure 7.6 – LOM Plan – End of Period #3

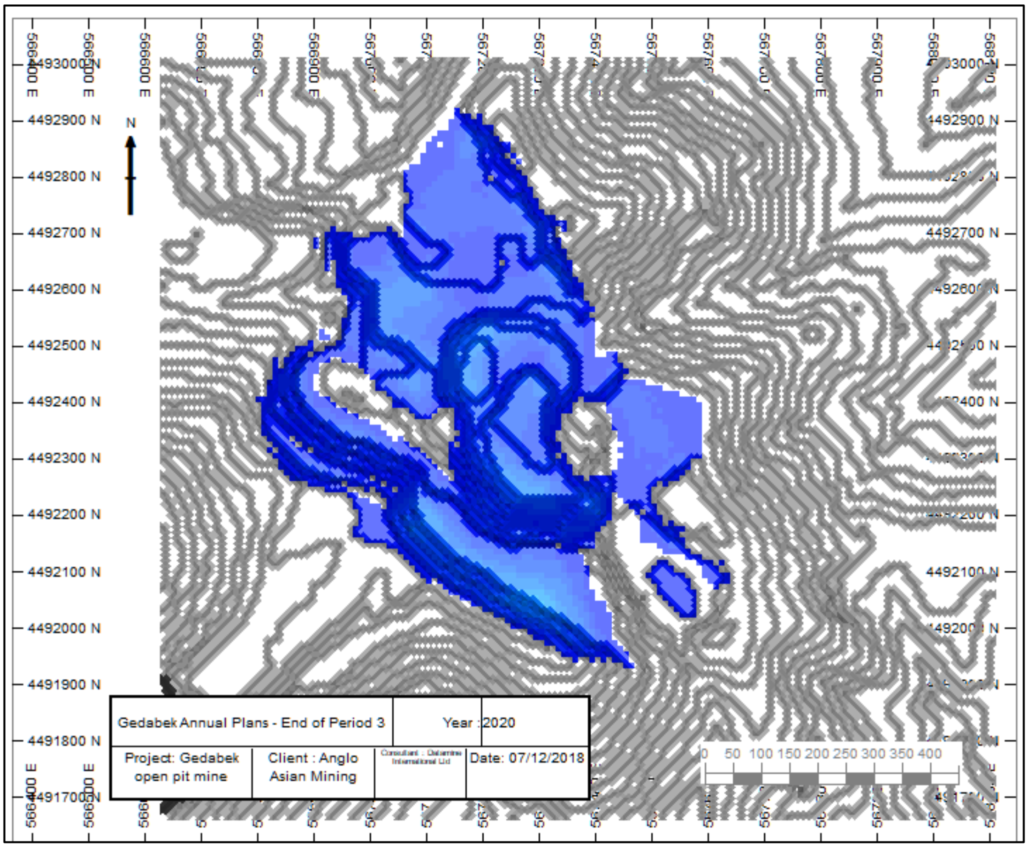


Figure 7.7 – LOM Plan – End of Period #4

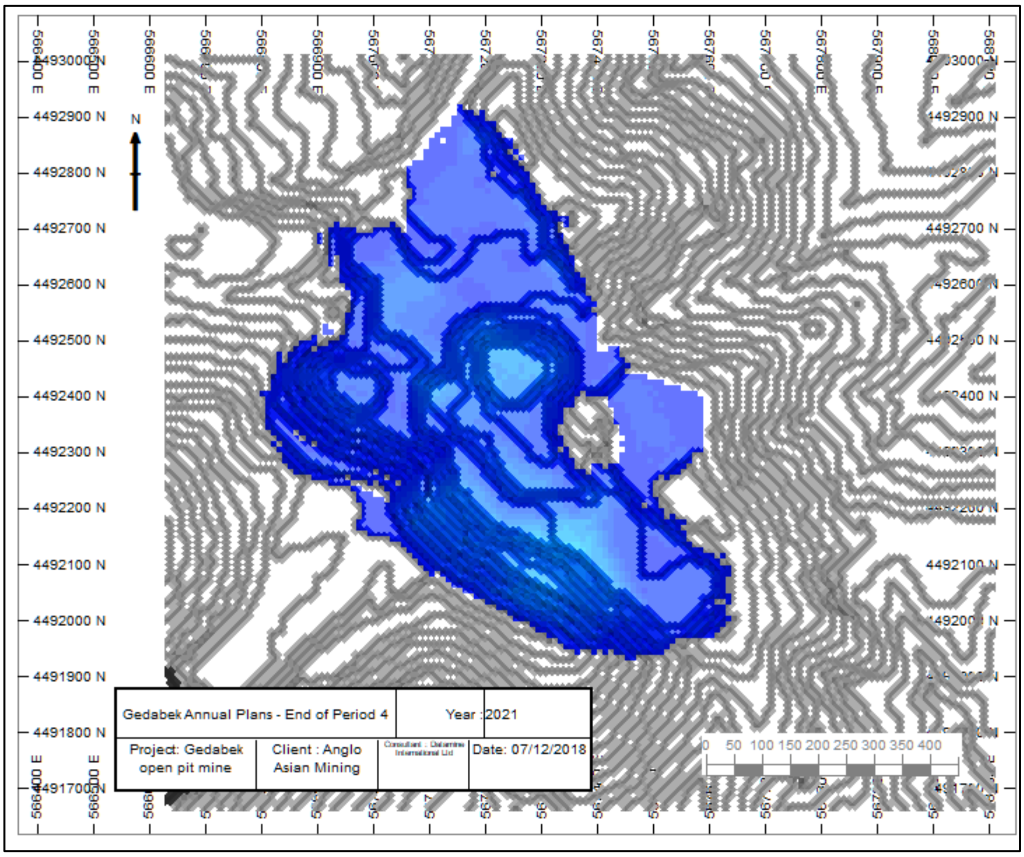


Figure 7.8 – LOM Plan – End of Period #5

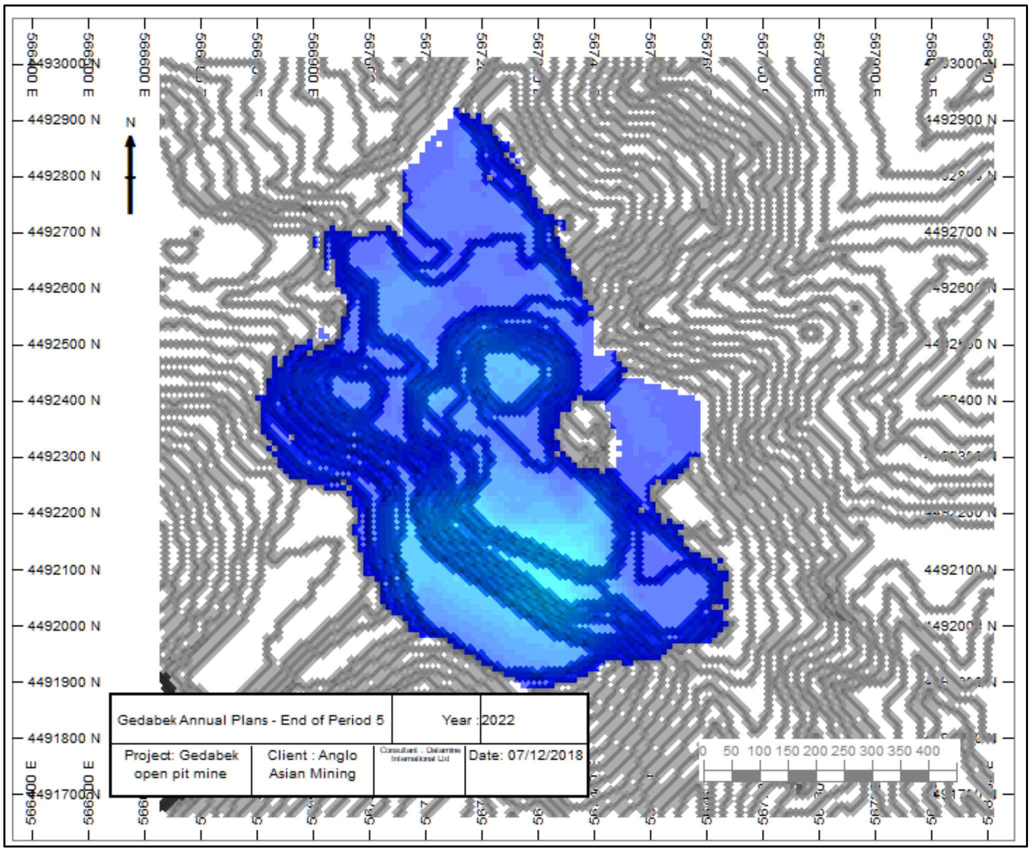


Figure 7.9 – LOM Plan – End of Period #6

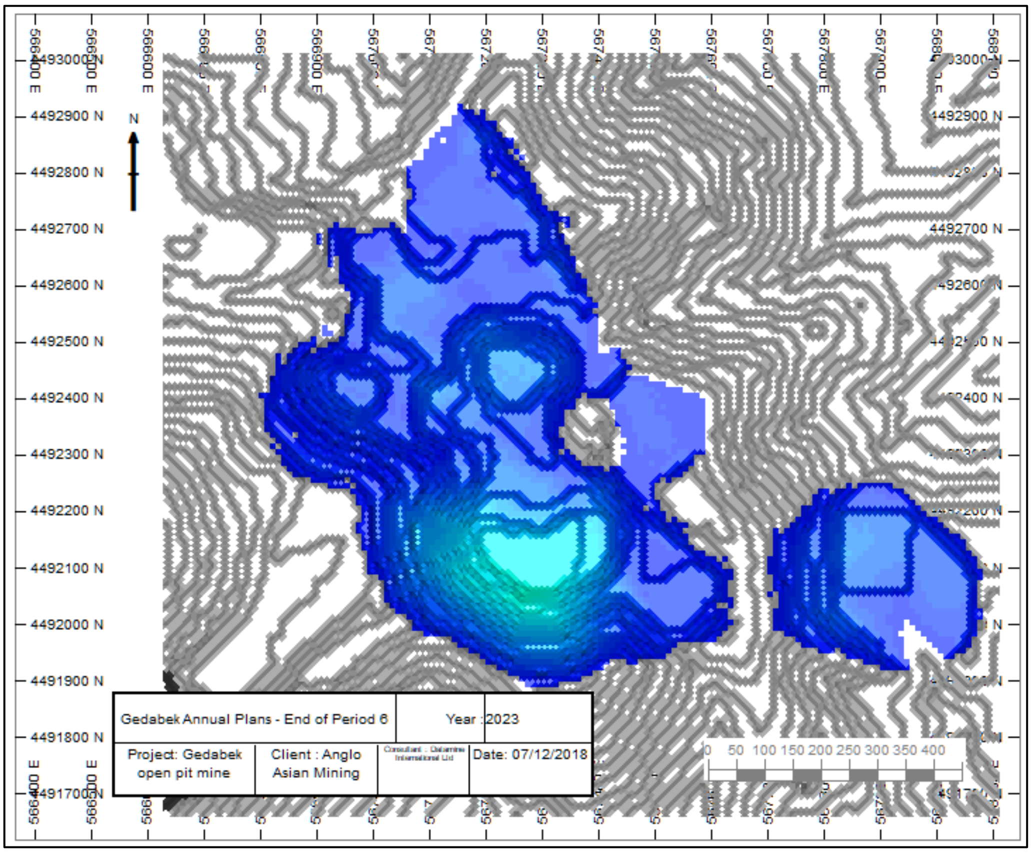
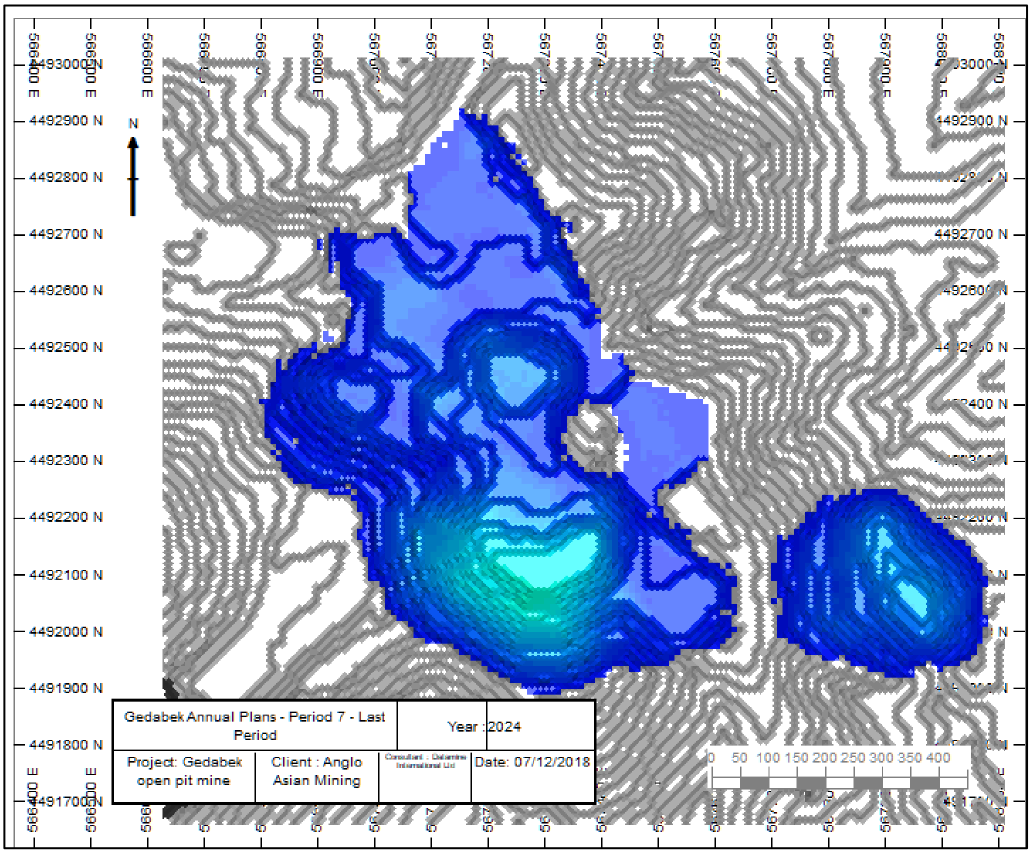


Figure 7.10 – LOM Plan – End of Period #7



8. Ore Reserves Conclusion and Recommendations

It was concluded that the Ore Reserves for the Gedabek open pit is 12.1 Mt, with a contained metal content of 10,673 kg (343,160 oz) of Au, 36,009 tonnes of Cu and 107,525 kg (3,457,030 oz) of Ag.

The selected pit (Pit 66) was defined at a Price Factor of 83%, which was selected on the basis of maximising NPV. There is a potential to expand the pit beyond this selected pit limit but this would involve additional information about the resource. This will be generated during the mining and grade control processes and future near-mine exploration. A comparison study between open pit and underground mining method options could also be conducted.

In order to refine the mining recovery and dilution, it is recommended that the correlation between the geological model and actual production on a bench-by-bench basis continue to be investigated and reconciled during ore production.

With regards to the open pit, Datamine recommends that:

- Reconciliation studies continue to be undertaken to improve the model for short term planning
- Infill drilling over several benches continue to be used to optimise grade control
- Slopes continue to be monitored to give advance warning of potential failure
- Detailed scheduling continue to be undertaken to:
    - Refine the mining sequence
    - Avoid grade spikes where possible

AIMC, as part of continual improvement and efficiencies, are constantly monitoring the following:

- Optimise the usage of the plants
- Establish cycle times and haul truck requirements
- Optimise the waste dumping strategy

This may result in opportunities to improve the schedule as more production information is gathered.

9. References

[1] CAE Mining, "Updated Mineral Resources: Gedabek Mineral Deposit, Republic of Azerbaijan – Azerbaijan International Mining Company Limited," 2012. 49 p.

[2] CAE Mining, "Updated Mineral Resource Statement for Azerbaijan International Mining Company – Gedabek Mineral Deposit." April 2014. 107 p.

[3] JORC, 2012. Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) [online]. Available from: <http://www.jorc.org> (The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia).

[4] Anglo Asian Mining PLC. "Mineral Resources Report – Gedabek Open Pit," January 2019.

[5] Farhang Hedjazi and A. John Monhemius, "Copper-gold ore processing with ion exchange and SART technology," *Minerals Engineering*, vol. 64, October 2014, pp. 120-125.

10. Compliance Statement

The information in the report that relates to exploration results, minerals resources and ore reserves is based on information compiled by Dr. Stephen Westhead, who is a full-time employee of Azerbaijan International Mining Company with the position of Director of Geology & Mining.

Stephen Westhead is a senior extractive industries professional with over 28 years of experience, who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' [3].

Stephen Westhead has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking, to qualify as a "competent person" as defined by the AIM rules. Stephen Westhead has reviewed the resources included in this report.

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr. Stephen Westhead, a Competent Person who is a Member or Fellow of a 'Recognised Professional Organisation' (RPO) included in a list that is posted on the ASX website from time to time (Chartered Geologist and Fellow of the Geological Society and Professional Member of the Institute of Materials, Minerals and Mining), Fellow of the Society of Economic Geologists (FSEG) and Member of the Institute of Directors (MIoD).

Stephen Westhead consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Dr. Stephen J. Westhead

Competent Person

Director of Geology and Mining, Azerbaijan International Mining Company (Anglo Asian Mining PLC.)

Appendix A: CQA Pit Slope Assessment Report 2018

CQA

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Azerbaijan International Mining Company
Gedabek Mine
Azerbaijan

12 September 2018

Ref: 30243

For the attention of: Mr S Westhead

Dear Mr Westhead

Re: Gedabek Mine - Pit Slope Assessment

We are pleased to present the findings of our recent survey of rockmass quality the open cast pit at Gedabek Mine; and our recommendations for suitable bench dimensions. A draft of this letter was present on 14 August 2018. This final version has been prepared following discussions with the mining consultant, Datamine.

In summary, the quality of rock has improved since previous surveys, as the pit face has moved deeper into the hillside, exposing less weathered, i.e. better quality, rock. The total height of the face is also becoming lower. As a result, it is possible to consider some adjustments to the site rules to allow slightly steeper angles to be used for both the bench batters and the overall slope.

Existing situation

In 2013, stability problems were encountered in the lower benches of the pit which resulted in localised failure of benches. CQA made a detailed inspection of the rockmass and recommended appropriate mitigation measures. The assessment presented in this letter report makes use of the detailed data included in the 2013 report, but for brevity does not reproduce the information.

A revised pit slope design was subsequently proposed by CAE Ltd. The profile comprised benches 6m wide and 10m high; every fifth bench was 10m wide and the batter angle between benches was 55 degrees. CQA made a further study of the rockmass in August 2014 and confirmed in a letter report that the proposed slope profile would have acceptable stability for extraction operations.

This profile appears to have been followed in the subsequent four years, as confirmed by recent survey results. CQA understands that there have been no serious stability issues during the last four years of operation. However, the profile presents some operational challenges in terms of access, safety and excavation rates of waste rock.

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Proposed revisions

As part of a current reserve evaluation, the design of the pit is being re-evaluated. The objectives are to:

Optimise the excavation rates, especially in the waste rock overburden

Provide wider benches to allow the construction of safety bunds and, if possible, two-way traffic

If possible, increase the overall slope angle and the height of benches

The options to meet these objectives while retaining a suitable level of stability are addressed in this letter report.

Methodology

CQA geologists inspected the pit benches and the exposed rock strata in early August 2018. They made measurements to characterise discontinuities and estimated geotechnical properties in order to derive parameters such as RQD, rock mass rating (RMR), and rock quality designation (Q). The work utilised the same techniques and measurements as the previous surveys in order to make a direct comparison between the results.

AIMC provided a topographic survey of the mine, which was used to collect data. However, this proved to be out of data and a revised survey was obtained during the analysis. This allowed a more accurate 3D model of the pit slope geometry to be defined as a basis for presenting the results.

Current topography

The topographic drawing that was initially provided seems to have been based on a survey that was undertaken several months previously (Figure 1). This showed a pit face that was very uniform in terms of orientation slope angle, bench width and bench height. This suggests that there were no significant stability or rock quality issues.

The pit face has moved 100m into the hillside since the study in 2014. The main face orientation was 300 degrees (perpendicular to slope) with an overall slope angle of 36 degrees. The south-western face has an orientation of 340 degrees, showing that the faces are converging from a previous acute angle. The slope height was lower than previously because the crest of the hill has been removed. Most benches were 10m high but slightly less than 6m in width. The wider benches were deployed according to the previous design. The average batter angle between benches was close to the required 55 degrees, with local variations from 38 degrees to 69 degrees.

The most recent topographic survey (Figure 2) shows that excavation works have created a bowl-shaped indent in the centre of the pit slope (see Photos 1 & 2). The dimensions of the benches continue to follow the design (Figure 3). However, at the time of the

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geotechnical survey, many of the benches were inaccessible because they were covered with loose rock from the blasting.

Results of the geotechnical inspection

The rock strata in the current face is similar to previous surveys. Oxidised and sulphide ore bodies are exposed at the base. The overburden waste rock comprises tuff deposits, with units of andesite, porphyry and dykes.

The pit slopes are currently stable, with only minor failures on individual benches, which are dealt with during operations.

The rock quality varied between rock types and with the degree of weathering. Figure 4 shows the zones of rock quality based on recent RMR determinations. Figures 5 and 6 show the same results from the 2014 and 2013 surveys, respectively. The surveys were carried by the same personnel, using the same methodology, and are considered to be sufficiently consistent for the comparison to be valid.

The recent results were generally more consistent than in previous surveys, predominantly classifying the rock quality as fair to good, with some areas of very good quality rock in the centre of the face. Rock with the classification "very good" was more common than in the previous surveys.

The zones of poor quality rock are smaller than in the previous surveys. There was less highly weathered rock or fault gouge. This is not unexpected because excavation into the centre of the hill is exposing rock which has been less exposed to weathering. These areas are mostly located outside the current pit slope. Only two small areas occur in the current slope, at the northern and southern extremes, where they are not expected to have significant impact.

The distribution of results from the current survey is tabulated below. The mean RMR score was 55, towards the upper bound of fair rock.

Classification	RMR range	№ of readings
Very good rock	81-100	4
Good rock	61-80	18
Fair rock	41-60	22
Poor rock	21-40	10
Very poor rock	0-20	3

The mean value in 2014 was 50 and in 2013 it was 46. This increase in average RMR is considered to indicate the increasing rock quality and is illustrated in Figure 7.

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The orientation of 166 discontinuities were measured as part of the survey. The results show a wide range of values, and at a large scale the orientations might be considered almost random. The readings are shown in Figure 8. However, contouring indicates that there is a pattern with several common orientations. The plot shows three main groups and an additional five smaller concentrations.

Most of the discontinuities are steeply dipping. The main groups have orientations that are favourable to the current orientation of the pit slopes. The spacing between all joints is typically 0.5m or less. However, the spacing of the main joints sets is much greater and so the joint faces and intersections seen on a cut face will be variable.

Geotechnical parameters for the various rock strata were defined in CQA's 2013 report.

No groundwater seepages were observed from the pit slopes. We anticipate that the phreatic groundwater level is below the current pit base and rises gently under the hill to the south.

Stability Assessment

Overall, the current pit face orientation has adequate stability due to the rockmass characteristics. An assessment of potential failure mechanisms is tabulated below. The identified failure mechanisms may be encountered as over-break or as subsequent sliding once the supporting material is removed or after a period of time.

Mode of failure	Location	Assessment
Mass (circular) failure	10m high benches	Not a feasible failure mechanism with the rock mass characteristics of the overburden, but possibly in ore
	20m high benches	Unlikely to be a feasible failure mechanism with the rock mass characteristics of the overburden, but possibly in ore
	Overall slope	Feasible failure mechanism, but the pit slope will have adequate stability at overall slope angles up to 45 degrees, will need to be reviewed if the ore body has consistently lower shear strength
Plane failure (Sliding on a single joint)	10m high benches	Unlikely on a large scale unless bench slopes exceed 75 degrees. The effect on the bench width could be 1-2m.
	20m high benches	As for 10m benches. The effect on the slope crest would be greater.
	Overall slope	Not a feasible failure mechanism with the rock mass characteristics
Wedge failure (Sliding on two intersecting joints)	10m high benches	Wedge failures are possible, although with bench angles up to 60 degrees most will have adequate stability. Wedges that dip more steeply than the slope face may increase the risk of toppling failure.

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Mode of failure	Location	Assessment
		Maximum feasible (but unlikely) rock fall expected to be 300 tonnes. The maximum effect on the bench width could be 2-3m in the worst case
	20m high benches	As for 10m benches. Possible rock falls up to 1200 tonnes. Maximum feasible (but unlikely) rock fall expected to be 300 tonnes. The maximum effect on the bench width could be 5-6m in the worst case
	Overall slope	Not a feasible failure mechanism with the rock mass characteristics
Toppling failure (Tumbling of unbalanced of rock between steeply dipping joints)	10m high benches	Unlikely on a large scale but may combine with wedge failures, see above.
	20m high benches	As for 10m
	Overall slope	Not a feasible failure mechanism with the rock mass characteristics

The groups of discontinuity orientations that contribute to each failure mode are indicated in Figure 9. Examples of the failure modes are illustrated in Photo 3.

An example of a mass failure (circular plane model) for the whole pit slope is shown in Figure 10. The pit slope was also modelled to include the effects of a maximum credible earthquake (ground accelerations of 0.2g) and stability was determined to be adequate. This example assumes uniform rockmass properties based on the values for slightly weathered tuff in CQA's 2013 report. The strength parameters used are likely to be conservative for the whole slope. If the slope is modelled with weaker ore below the first bench and stronger rock above, the slope remains stable but with slightly reduced factor of safety. The values will depend greatly on the ore body dimensions and actual shear strength.

Implications for pit design

The following suggestions are made concerning the design of benches and overall slope angle.

These recommendations apply during active mining and for the final slope angle.

Bench width	The overall slope angle could be optimised by making active benches wider than the inactive benches. If each fifth bench in a stack is active, the inactive benches could be cut to a width

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	sufficient to catch loose rocks and accommodate minor failure, but not sufficient for truck access. We have provided examples of overall slope angle based on the following bench widths: 10m bench height – active benches 12m, inactive benches 6m 20m bench height – active benches 20m, inactive benches 10m For final slopes, if no further access is required, all benches could be cut to the narrower widths.
Bench height	No serious stability issues are expected in 10m high benches with the current range of orientations if the rock mass remains consistent. 20m high benches are likely to experience similar levels of over-break. However, there is some risk of larger wedge/toppling failures, where joint intersections are unfavourable. These may produce relatively large rock falls which would require the wider benches quoted above.
Bench batter angle	The bench batter angle can be increased to a nominal 60 degrees. This includes a margin for variability in the rockmass. Stability issues will increase noticeably if the angle exceeds 70 degrees.
Overall slope angle	Figures 11, 12 and 13 show examples of active and final slopes with different bench heights. Generally, the higher benches will produce greater overall slope angles, at the expense of increased risk of localised failures and maintenance. The pit face will have adequate stability up to an overall angle of 45 degrees, unless there is a significant change in the thickness or strength of the ore body.

I hope that the above comments are helpful and would be please to provide clarification on any issues that may arise.

Yours sincerely
CQA International Ltd

Peter Stevens
Director

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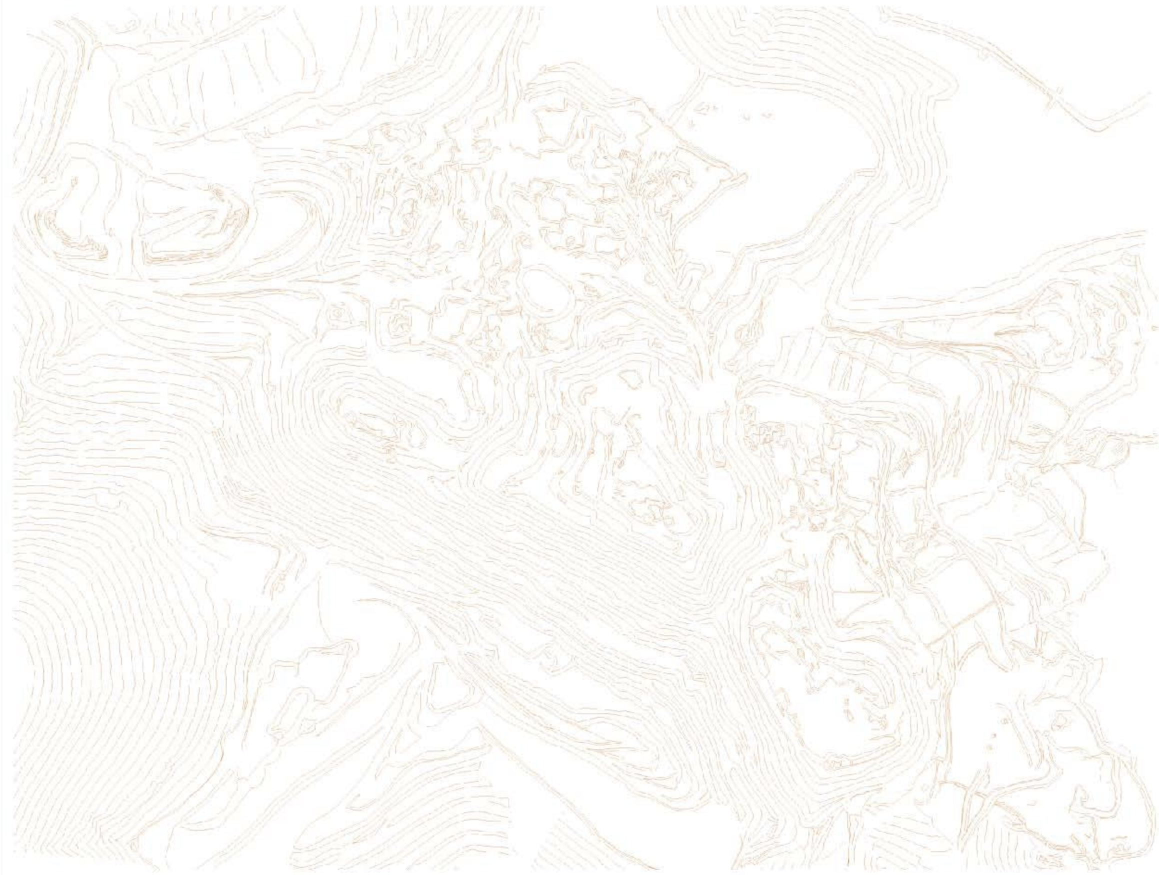

Figure 1

Topography prior to survey

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Figure 2

Topography at time of survey

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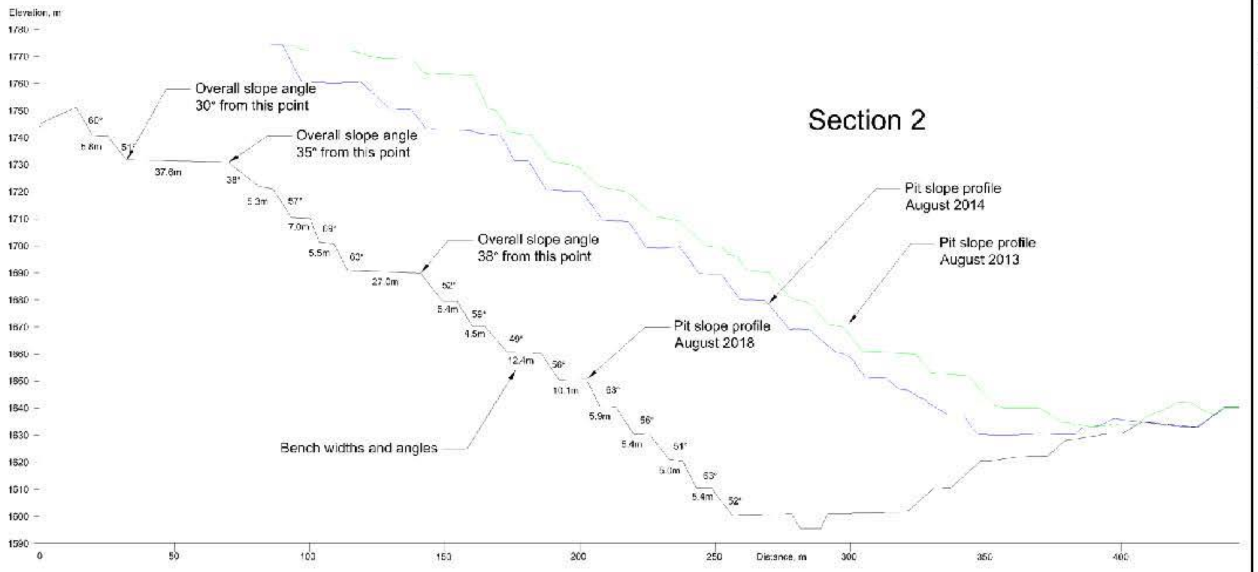

Figure 3

Cross section 2 (from previous study) showing the recent profile and the 2013 and 2104 profiles

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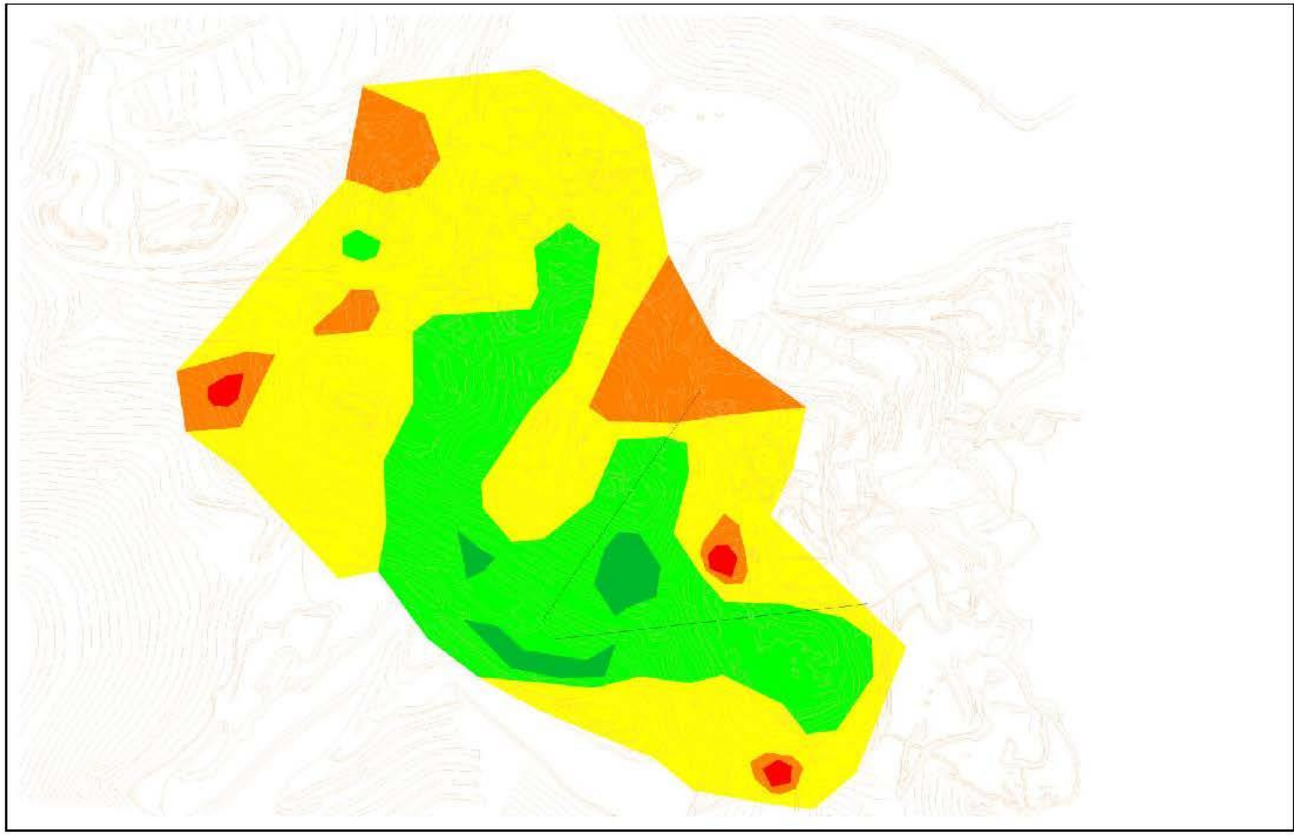

Figure 4

2018 RMR results

Red 0-20 (very poor rock)

Orange 20-40 (poor rock)

Yellow 40-60 (fair rock)

Light green 60-80 (good rock)

Dark green 80-100 (very good rock)

Central red and orange area = zone of previous instability

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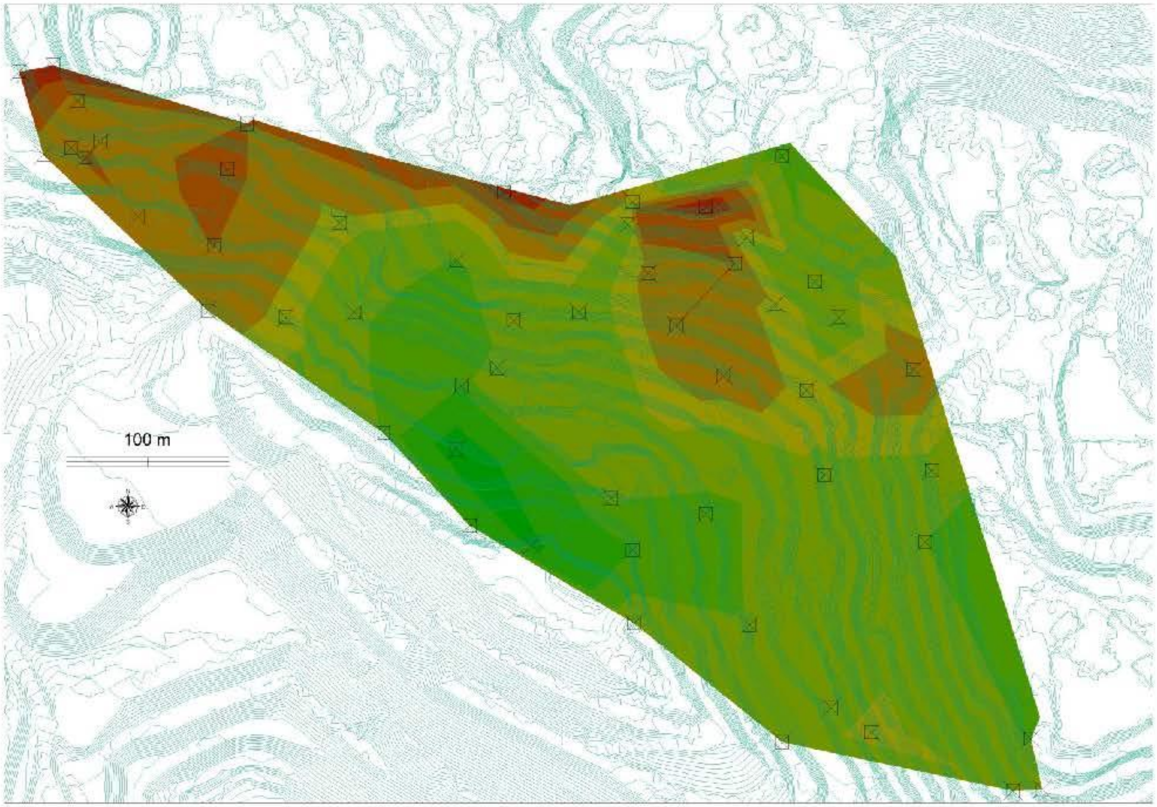

Figure 5

2014 RMR results

Red 0-20 (very poor rock)

Orange 20-40 (poor rock)

Yellow 40-60 (fair rock)

Green 60-80 (good rock) and some very good rock

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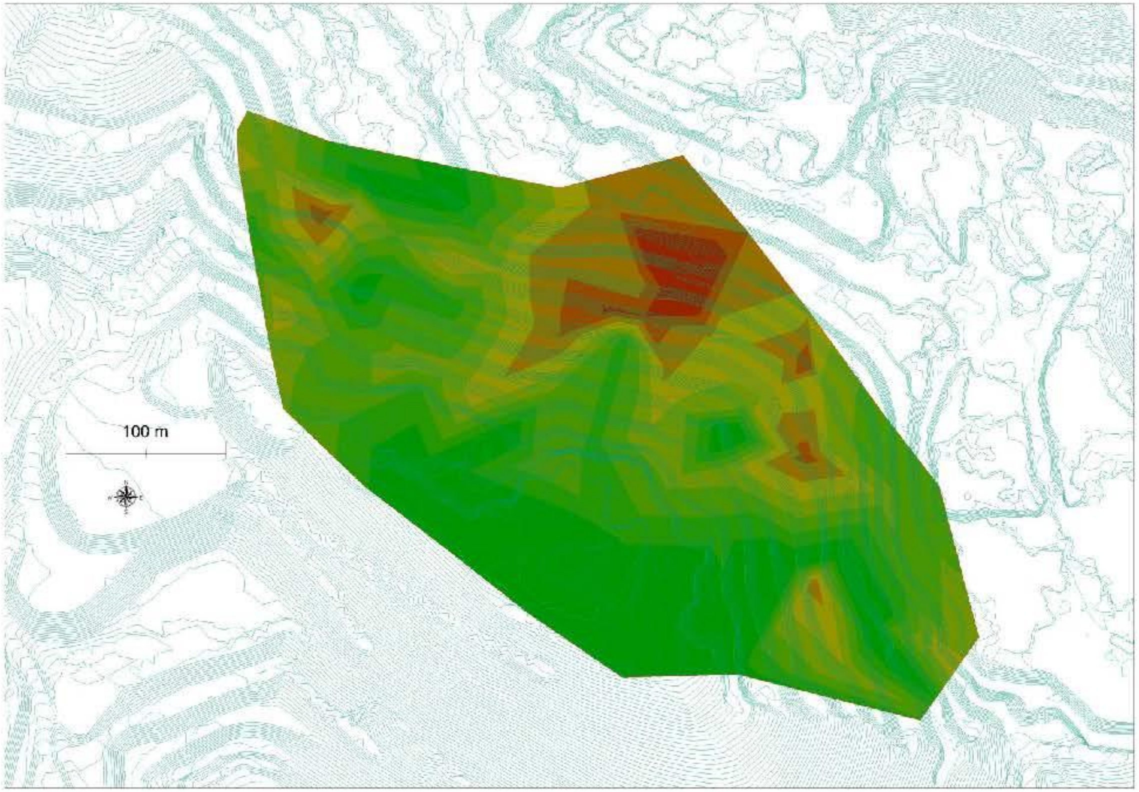

Figure 6

2013 RMR results

Red 0-20 (very poor rock)

Orange 20-40 (poor rock)

Yellow 40-60 (fair rock)

Green 60-80 (good rock) and some very good rock

Central red and orange area = zone of previous instability

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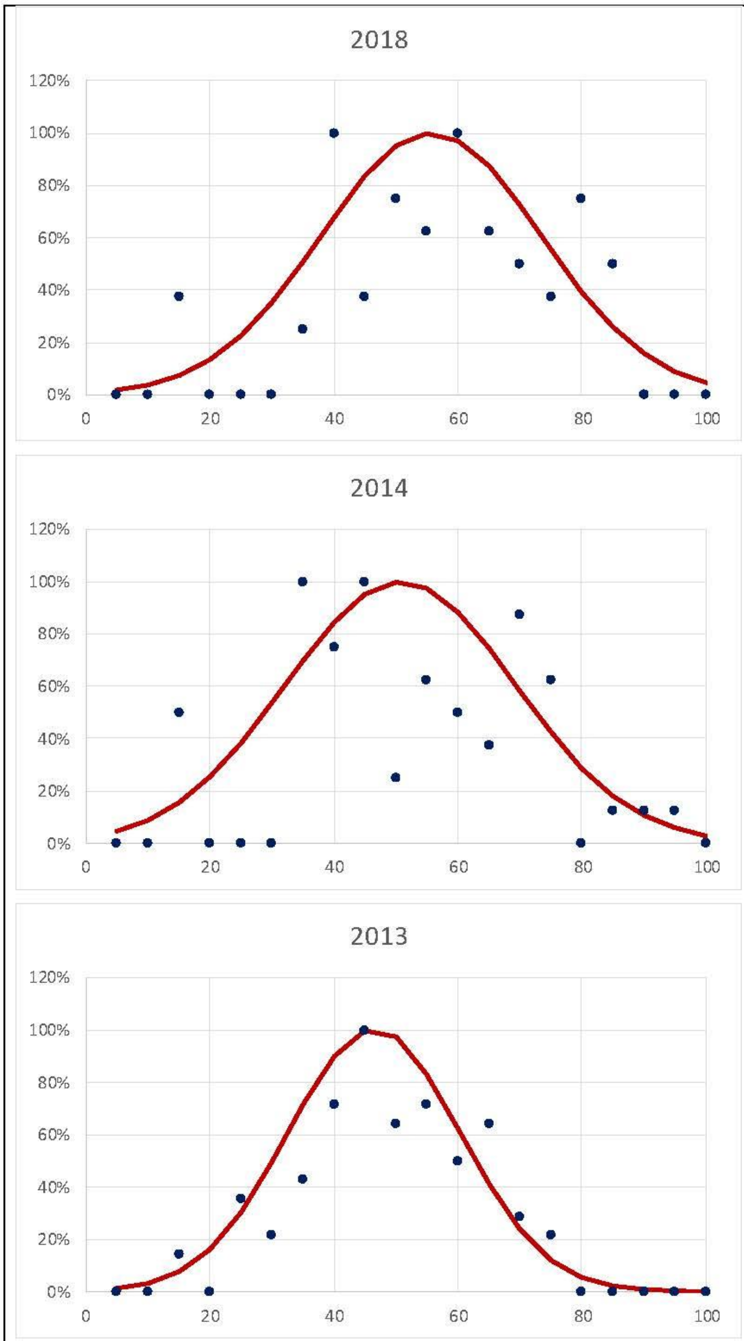

Figure 7

Illustration of increasing rock mass quality in terms of RMR

X axis

RMR grade

Y axis

Normalised frequency in 5% steps

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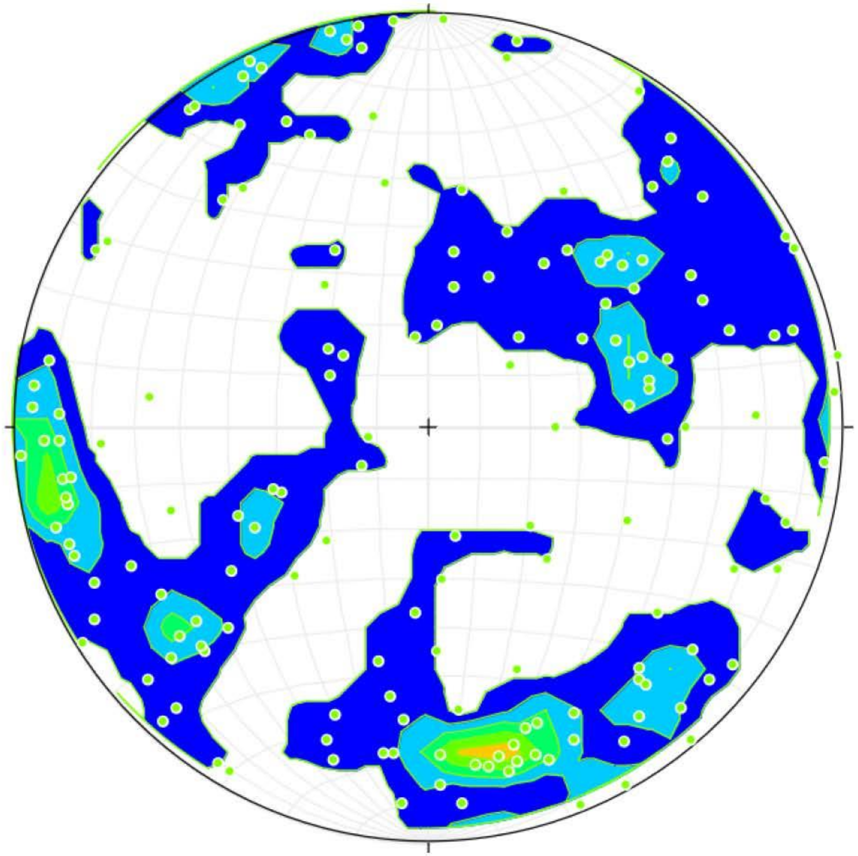

Figure 8

Lower hemisphere stereonet plot of the poles to recent discontinuity readings

Contours based on a 1% of area algorithm

North at top of page

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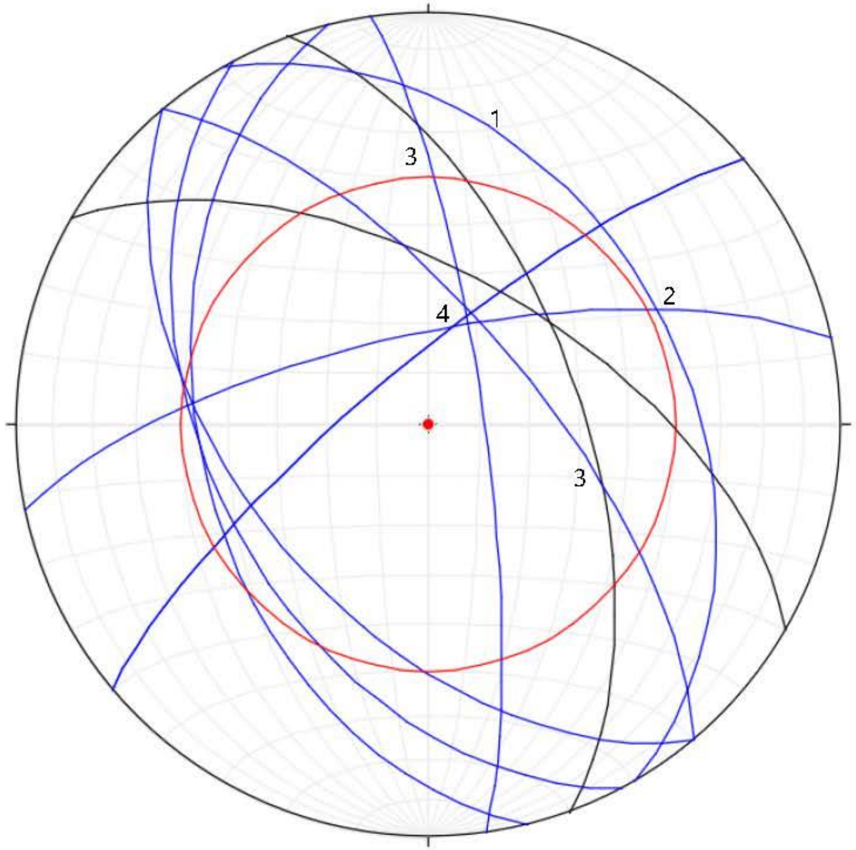

Figure 9

Lower hemisphere stereonet plot of the main discontinuity sets (blue), current benches with 60 degree grade (black), and the friction angle (red)

1 potential for plane sliding
2 potential for wedge sliding (intersection)
3 potential for toppling
4 potential for combined wedge and toppling (intersections)

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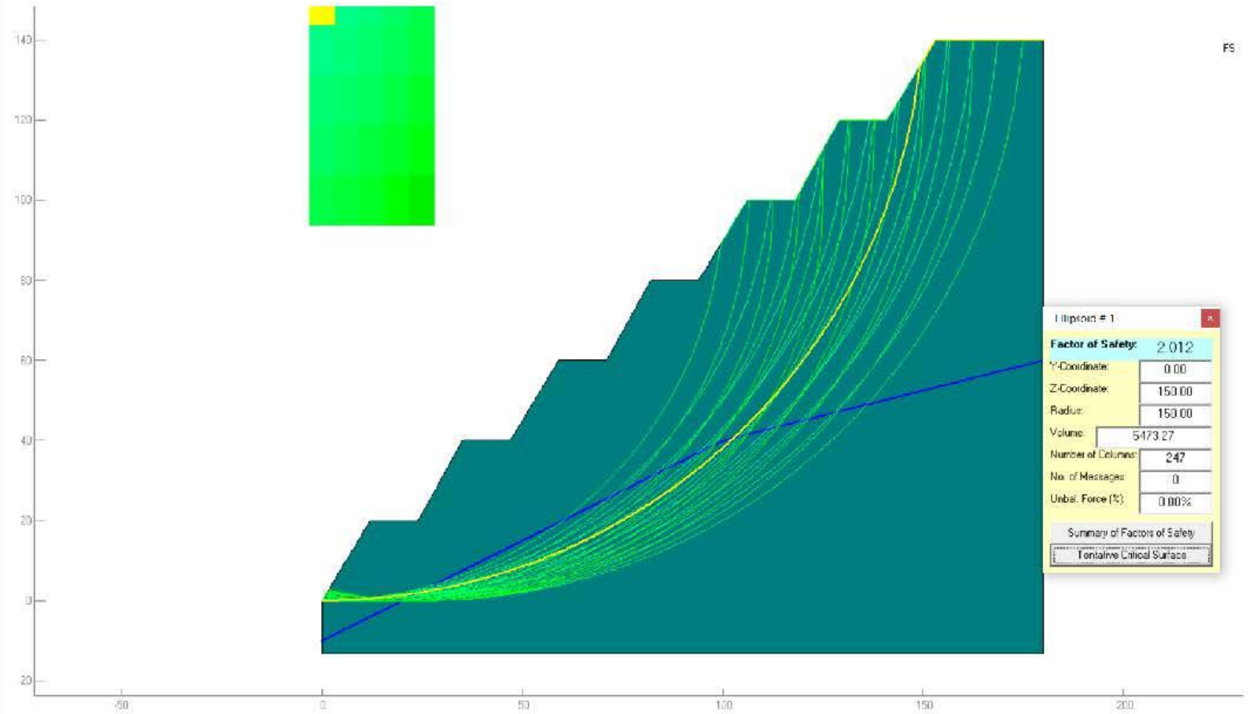

Figure 10

Mass failure assessment for double benching a applying a circular slip model and assuming conservative strength parameters

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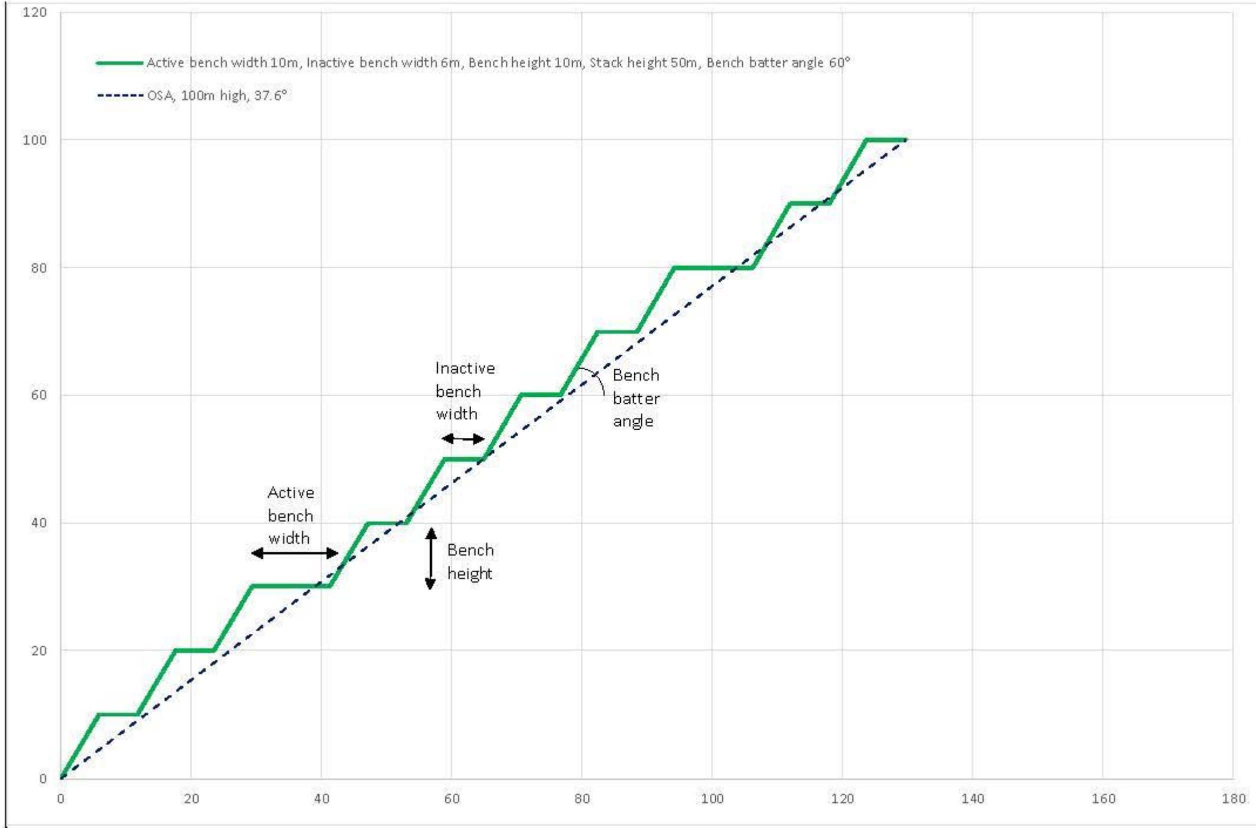

Figure 11

Working slope with 10m high benches

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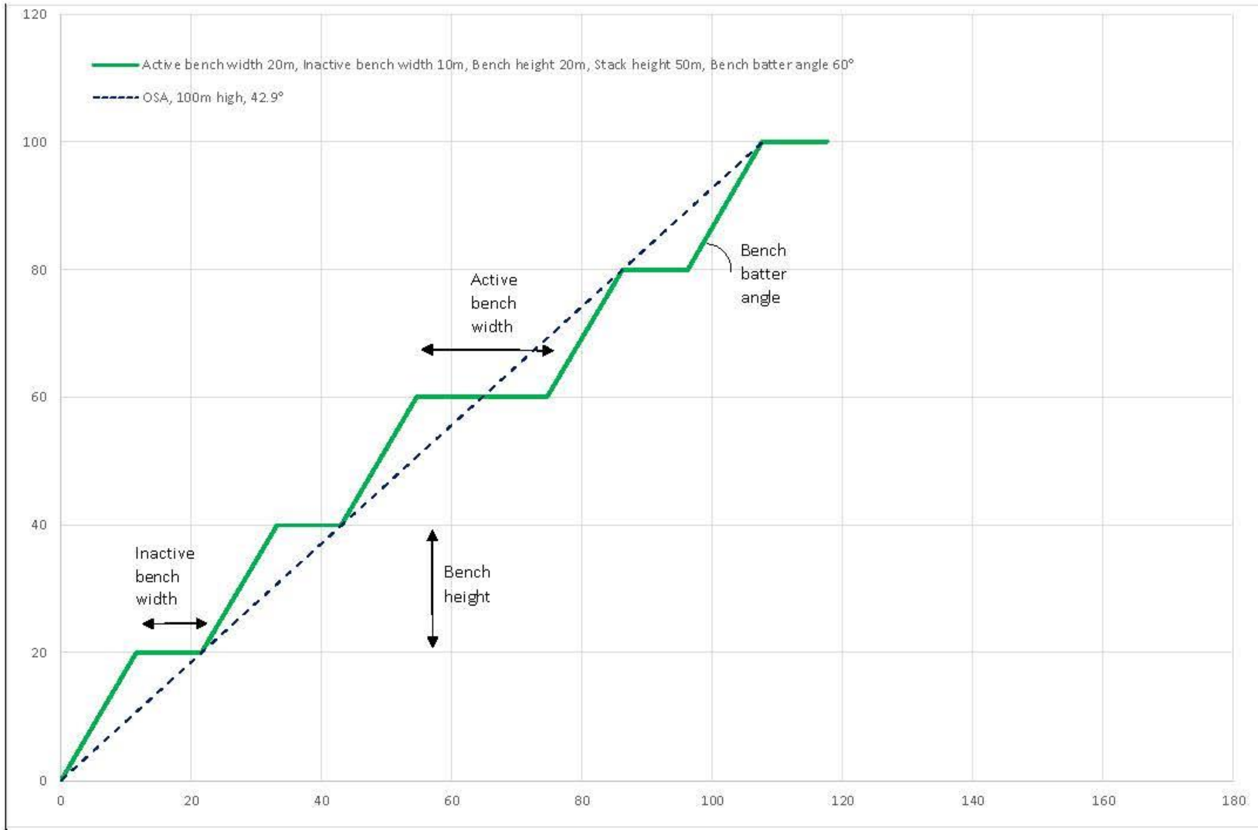

Figure 12

Working slope with 20m high benches

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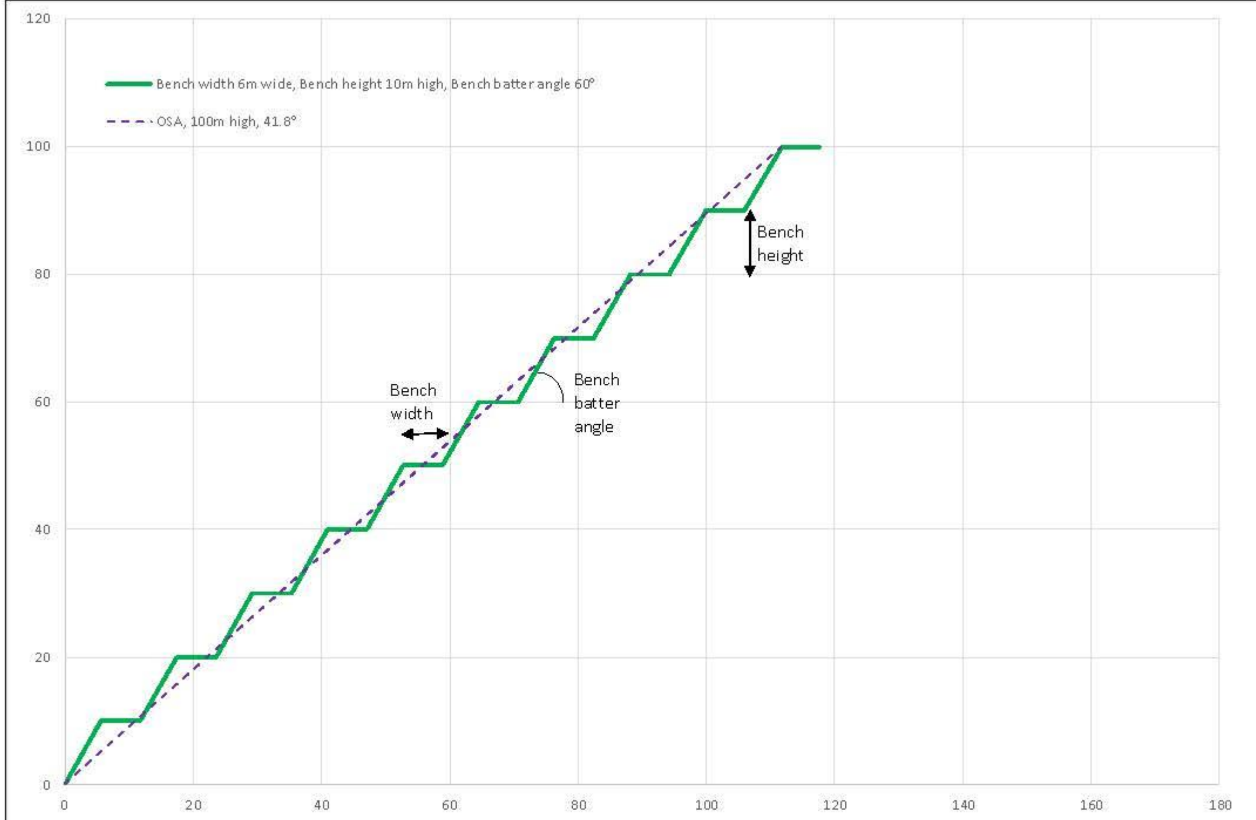

Figure 13

Final slope with 10m high benches

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Photo 1

General view of pit slope

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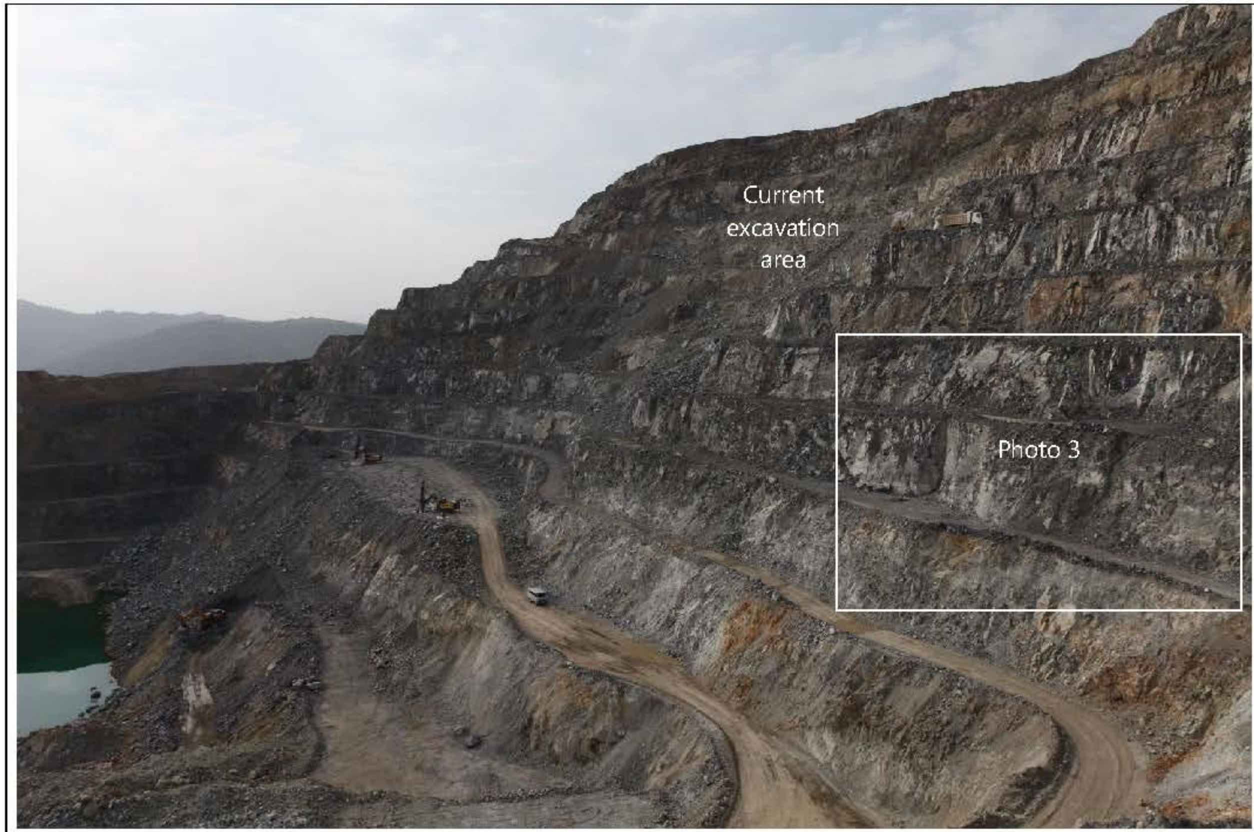

Photo 2

Pit slope with current excavation zone

Location of Photo 3 is indicated

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Photo 3

Examples of failure modes

1 mass failure
2 plane slide
3 wedge slide
4 toppling failure
5 combined wedge and toppling

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Appendix B: JORC Code, 2012 Edition – Table 1*

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg 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. • Reverse Circulation (RC) drill samples were collected via a cyclone system in calico sample bags following on site splitting using a standard riffle "Jones" splitter attached to the RC drill rig cyclone, and into plastic chip trays for every sample run metre (1.0m and 2.5m) interval. • Reverse circulation drilling was carried out for both exploration drilling and grade control during production. • To ensure representative sampling, diamond drill core was marked considering mineralisation and alteration intensity, after ensuring correct core run marking with regards recovery. • 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. • 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 routine Atomic Absorption analysis and check fire assaying. • Handheld XRF (model THERMO Niton XL3t) was used to assist with

**Note that there have been minor spelling and grammatical corrections in this publication of Table 1 from the version issued on 18th September 2018. No material or content changes have been made to Table 1.*

Criteria	JORC Code explanation	Commentary
		mineral identification during field mapping and core logging procedures.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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, reverse circulation (RC) drilling and down the hole (DTH) ("bench") drilling were completed. • 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. • Diamond Core Drilling with HQ (63.5mm) core single tube barrel, steeping down to NQ (47.6mm) core barrel when necessary • Diamond Core drilling with NQ (47.6mm) core single tube barrel • The proportions of PQ:HQ:NQ drilling were 11:70:19 percentage. • Oriented drill coring was not used. • Reverse Circulation drilling using 133 millimetre diameter face sampling drill bit. • Downhole surveying was carried out on 36.8% (the majority of drillholes were drilled vertical with shallow depths) of core drillholes utilizing Reflex EZ-TRAC equipment at a downhole interval of 12.0 metres. • 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.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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 these zones where oxidised friable mineralisation was present, average recovery was 89%. • RC recovery was periodically checked by weighing the sample per metre for RC drill cuttings and compared to theoretical weight.

Criteria	JORC Code explanation	Commentary
		• 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). • 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. • There is no direct relationship between recovery and grade variation, however in core drilling, losses of fines is 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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *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. • RC cuttings were logged for lithology, alteration, mineralisation, and oxidation state. • Logging was considered sufficient to support Mineral Resource estimation, mining studies and metallurgical studies. • 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. • 8 core drillholes 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 drillhole rock

Criteria	JORC Code explanation	Commentary
		quality designation (RQD) data. • This data was utilised in establishing the open pit deign parameters • 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. • 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. • 100% of the core drilling was logged with a total of 73,767.15 metres of core and 100% of RC drilling with a total of 13,328.50 metres and 100% of bench drilling with a total of 330,756.00 metres that is included in the resource model.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Full core was split longitudinally 50% using a rock diamond saw and half-core samples were taken at typically 100 centimetre 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. • Half core was taken for sampling for assaying, and one half remains in the core box as reference material. • 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. • 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. • RC field sampling equipment was regularly cleaned to reduce the chance of sample contamination by previous samples, on a metre basis by

Criteria	JORC Code explanation	Commentary
		compressed air. • 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. • Sample preparation at the laboratory is subject to the following procedure. ➢ After receiving samples at the laboratory from the geology department, all samples are cross referenced with the sample order list. ➢ All samples are dried in an oven at 105-110 degree centigrade temperature ➢ First stage sample crushing to -25mm size ➢ Second stage sample crushing to -10mm size. ➢ Third stage sample crushing to -2mm size. ➢ After crushing the samples are riffle split and 200-250 gramme sample taken. ➢ A 75 micron sized prepared pulp is produced that is subsequently sent for assay preparation. • 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. • 333 field duplicates of the reverse circulation (RC) samples were collected, representing 2.5 % of the total RC metres drilled. • Sample sizes are considered appropriate to the grain size of the material and style of mineralisation being sampled, by maximizing the sample

Criteria	JORC Code explanation	Commentary
		size, hence the total absence of any BQ drill core.
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.* • *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.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie 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. • Handheld XRF (model THERMO Niton XL3t) was used to assist with mineral identification during field mapping and core logging procedures. • Commencement of drilling was 21/02/2006 and completion was 13/07/2018 (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. • 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 considered to be core drilling and RC drilling as these impact on the interpretation of the overall resource geometry, and not bench hole (production drilling). The underground drilling is limited to the western end of Gedabek, and not material for open pit assessment. • 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 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.

Criteria	JORC Code explanation	Commentary
		• 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 3.7%. • The percentage of QA/QC samples of the material mine location drilling (surface core and reverse circulation) samples only is 13.2%. • 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%. • 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. • 794 pulp duplicate samples were assayed at varying grade ranges: **_Class_** / **_Ore Grade_** — **_Au g/t fm_** — **_Au g/t to_** _Very Low_ — _0.00_ — _0.30_ _Low_ — _0.30_ — _1.00_ _Medium_ — _1.00_ — _2.00_ _High_ — _2.00_ — _5.00_ _Very High_ — _5.00_ — _99.00_ Summary results from the pulp duplicates are presented below:

Class	***Au***	***Au***
Ore Grade	***g/t fm***	***g/t to***
Very Low	*0.00*	*0.30*
Low	*0.30*	*1.00*
Medium	*1.00*	*2.00*
High	*2.00*	*5.00*
Very High	*5.00*	*99.00*

Criteria	JORC Code explanation	Commentary

Pulp Duplicate	count	Original sample grades			QAQC (pulp duplicate) sample grades		
		Mean			Mean		
		Au g/t	Ag g/t	Cu, %	Au g/t	Ag g/t	Cu, %
BH_PD_Blank	13	0.03	1.36	0.04	0.07	4.27	0.03
RCH_PD_Blank	207	0.03	1.96	0.13	0.05	1.13	0.14
	220						
BH_PD_VL	57	0.15	5.97	0.06	0.18	3.14	0.07
RCH_PD_VL	182	0.13	2.92	0.22	0.13	1.79	0.20
	239	**0.13**	**3.65**	**0.18**	**0.15**	**2.11**	**0.17**
BH_PD_LOW	48	0.59	7.29	0.27	0.58	7.37	0.26
RCH_PD_LOW	109	0.56	4.23	0.20	0.53	4.24	0.18
	157	**0.57**	**5.17**	**0.22**	**0.54**	**5.19**	**0.21**
BH_PD_MED	37	1.34	11.39	0.20	1.21	10.48	0.21
RCH_PD_MED	40	1.35	7.35	0.18	1.30	7.50	0.16
	77	**1.34**	**9.29**	**0.19**	**1.26**	**8.93**	**0.18**

Criteria	JORC Code explanation	Commentary

BH_PD_HIGH	41	3.17	23.94	0.60	2.68	22.12	0.60
RCH_PD_HIGH	43	3.16	20.05	0.71	3.12	19.92	0.86
	84	**3.17**	**21.95**	**0.66**	**2.91**	**21.00**	**0.73**

BH_PD_V HIGH	9	8.57	44.27	1.35	7.19	45.86	1.71
RCH_PD_V HIGH	8	6.76	16.53	0.53	6.97	16.24	0.50
	17	**7.72**	**31.22**	**0.96**	**7.09**	**31.92**	**1.14**

- The following CRMs are used for QA/QC control.

Ore Type (grade range g/t Au)	***CRM type***
V. LOW 0-0.3	***CRM 22_Oreas 501 - Au 0.214 g/t_Ag 0.44 g/t_Cu 0.28%***
	CRM 8_Oreas 501b - Au 0.243 g/t_Ag 0.778 g/t_Cu 0.258 %
LOW 0.3-1	***CRM 23_Oreas 502c_Au 0.477 g/t_Ag 0.796 g/t_Cu 0.779%***
	CRM 17_Oreas 502b - Au 0.49 g/t_Ag 2.01 g/t_Cu 0.76%
	CRM 20_Oreas 620 - Au 0.67 g/t_Ag 38.40 g/t_Cu 0.18%

Criteria	JORC Code explanation	Commentary	
			CRM 2_Oreas 503b - Au 0.685 g/t_Ag 1.48 g/t_Cu 0.523%
			CRM 16_OREAS 623 - Au 0.797 g t_Ag 20.40 g/t_Cu 1.72%
			CRM 12_Oreas 59d - Au 0.801 g/t_Cu 1.47%
		Medium 1-2	***CRM 15_Oreas 701 - Au 1.07 g/t_Ag 1.1 g/t_Cu 0.48%***
			CRM 18_Oreas 624 - Au 1.12 g/t_Ag 46.0 g/t_Cu 3.09%
			CRM 19_Oreas 621 - Au 1.23 g/t_Ag 68.0 g/t_Cu 0.37%
			CRM 13_Oreas 604 - Au 1.43 g/t_492.0 g/t_Cu 2.16%
			CRM 7_Oreas 504b - Au 1.56 g/t_Ag 2.98 g/t_Cu 1.1%
			CRM 11_Oreas 602 - Au 1.95 g/t_Ag 114.88 g/t_Cu 0.52%
		High 2-5	***CRM 4_Oreas 60c - Au 2.45 g/t_Ag 4.81 g/t***
			CRM 9_Oreas 214 - Au 2.92 g/t
			CRM 10_Oreas 17c - Au 3.04 g/t
			CRM 6_Oreas 61e - Au 4.51 g/t_Ag 5.27 g/t
		Very High 5-99	***CRM 14_Oreas 603 - Au 5.08 g/t_Ag 292.92 g/t_Cu 1.01%***

Criteria	JORC Code explanation	Commentary
		CRM 5_Oreas 62c - Au 9.369 g/t_Ag 9.86 g/t • Comparison of average gold grades between the on-site laboratory and OREAS CRMs shows a general bias towards the on-site laboratory under-estimating grade with the exception of very low grade (average variation as presented below): <table><tr><td>*Class*</td><td>*Au*</td><td>*Au*</td><td>*CRM*</td><td>*AIMC*</td><td>*Difference*</td></tr><tr><td>*Ore Grade*</td><td>*g/t fm*</td><td>*g/t to*</td><td>*Au g/t*</td><td>*Au g/t*</td><td>*%*</td></tr><tr><td>*Very Low*</td><td>*0.00*</td><td>*0.30*</td><td>*0.235*</td><td>*0.273*</td><td>*16%*</td></tr><tr><td>*Low*</td><td>*0.30*</td><td>*1.00*</td><td>*0.674*</td><td>*0.690*</td><td>*2%*</td></tr><tr><td>*Medium*</td><td>*1.00*</td><td>*2.00*</td><td>*1.484*</td><td>*1.476*</td><td>*-1%*</td></tr><tr><td>*High*</td><td>*2.00*</td><td>*5.00*</td><td>*3.326*</td><td>*3.259*</td><td>*-2%*</td></tr><tr><td>*Very High*</td><td>*5.00*</td><td>*99.00*</td><td>*8.398*</td><td>*8.240*</td><td>*-2%*</td></tr></table> • Based on QA/QC analysis, and instances of poor repeatability in duplicate assaying and general underestimation of assays greater than 1.0 g/t gold at the AIMC laboratory as compared to CRMs, it is recommended to carry out thorough QA/QC of all samples during the extraction process and assess laboratory capacities. • The quality of the QA/QC is considered adequate for resource and reserve estimation purposes.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical*	• 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. Further,

Criteria	JORC Code explanation	Commentary
	and electronic) protocols. • *Discuss any adjustment to assay data.*	independent verification was carried out as part of the due diligence for resource estimation by Datamine International. Assay intersections were cross validated with drill core visual intersections. • An initial programme of RC drilling was followed up by a core drilling programme where 7 drillholes were twinned and validated the presence of mineralisation. Reverse circulation drilling assays as compared with the core drilling assays showed a positive grade bias of up to 12%. This result may also be a function of sample size as the diameter of RC drillholes is much wider than the core drillholes, and produced a larger sample that is likely to show less bias with 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. • Data entry is supervised by a data manager, and verification and checking procedures are in place. The format of the data is appropriate for direct import into "Datamine"® software. All data is stored in electronic 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. • Independent validation of the database was made 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 no data entries. • All databases were considered accurate for the Mineral Resource Estimate.

Criteria	JORC Code explanation	Commentary
		• 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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The mine area was recently (2017) 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. • Downhole surveying was carried out on 36.8% of all core drillholes (the majority of drillholes were drilled vertical with shallow depths), utilizing Reflex EZ-TRAC equipment at a downhole interval of every 12.0 metres. Since 2014 (the date of the last JORC statement), over 95% of core drillholes have been surveyed. • The grid system used is Universal Transverse Mercator (UTM)84WGS zone 38T (Azerbaijan) • The adequacy of topographic control is adequate for the purposes of resource and reserve modelling (having been validated by both aerial and ground based survey techniques), with a contour interval of 2m metres.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill hole spacing was from 20 metres over the main mineralised zone to 40 metres on the periphery of the resource. • 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

Criteria	JORC Code explanation	Commentary
		continuity as required for a JORC Mineral Resource estimate. • No physical sample compositing has been applied for assay purposes.
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.* • *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 provided the characteristics of the deposit. The orientation of the drill grid to NNE was designed to maximise the geological interpretation in terms of true contact orientations. • The Gedabek gold-copper deposit is considered as a high sulphidation gold deposit, which is enriched by copper along the diorite intrusion contact. The rocks range from Bajocian (Mid-Jurassic) to Tithonian (Upper-Jurassic) in age. The gold mineralisation is hosted by Upper Bajocian age sub-volcanic rocks, which comprise Rhyolite porphyry (Quartz-Porphyry). These rocks have been intruded into a sub-volcanic sequence that was subsequently subjected to strong hydrothermal alteration. • The Gedabek primary mineralisation is hosted in acidic sub-volcanic rocks, which consist of hematite-quartz-kaolin-sericite alteration and brecciation in the central part, plus pyritic stock-stockwork and quartz-sulphide veins. The central surface expression of the mineralisation exhibit accumulations of hydrous ferric oxides (gossan) with sub-level barite mass beneath gossan zones. • The deposit was emplaced at the intersection of NW, NE, N and E trending structural systems regionally controlled by a first order NW transcurrent 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. • Given the geological understanding and the application of the drilling grid orientation, grid spacing and vertical drilling, no orientation based sample bias has been identified in the data which resulted in unbiased

Criteria	JORC Code explanation	Commentary
		sampling of structures considering the deposit type.
Sample security	• *The measures taken to ensure sample security.*	• Regarding drill core: at the drilling site which was supervised by a geologist, the drill core is placed into wooden and plastic core boxes that are sized specifically for the drill core diameter. Once the box is full, 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 reference material. • Reverse Circulation 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 study and sample preparation for transfer to the laboratory take place. • All samples received at the core facility are logged in and registered with the completion of an "act". The act is signed by the drilling team supervisor and core facility supervisor (responsible person). All core is photographed, subjected to geotechnical logging, geological logging, samples interval determinations, bulk density, core cutting, and sample preparation (each size of fragments 3-5 centimetre). • Daily, all samples are weighed, 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

Criteria	JORC Code explanation	Commentary
		order. • After assaying all reject duplicate samples are sent back from the laboratory to the core facility (recorded on a signed act). All reject samples are placed into boxes referencing the sample identities and stored in the core facility. • For external assaying, Anglo Asian Mining utilised ALS-OMAC in Ireland. Samples selected for 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 to the Company database for study.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• 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.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
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.* • *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 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. • 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. • 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. • The deposit is not located in any national park. • 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.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Gedabek deposit has been known since ancient times. It was repeatedly mined by primitive underground methods

Criteria	JORC Code explanation	Commentary
		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 time period, the extracted ores comprised about: • 1,720,000 tonnes of ore at high grade of metals: • copper about 56,000 tonnes at an estimated grade of 3.4% Cu • gold 6.38-12.7 tonnes at a grade of 3.7 to 7.4 g/t Au • silver 120.6-126.12 tonnes at a grade of about 70.0 g/t Ag Mining of the deposit was stopped in 1917 due the Bolshevik revolution. • 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. 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. Anglo Asian Mining decided to twin four of these early holes in order to ascertain the validity of the early drilling and assays (which was successful). • Prior to the drill programme targeted for resource estimation, Anglo Asian Mining carried out the following

Criteria	JORC Code explanation	Commentary
		work: ➢ Geological mapping of $5km^2$ at a scale of 1:10 000 (years 2005-2006) and of $1km^2$ at a scale 1:1 000 (years 2007-2008). ➢ Outcrop sampling that comprised 4367 samples (years 2005-2007). ➢ Trenching & shallow pits that provided for 3225 samples (years 2005-2008). ➢ In 2006, Anglo Asian Mining carried out exploration works at the Gedabek mineral deposit that comprised 146 core and RC drill holes, with an average drillhole depth of 113 metres. As a result of this exploration work, the ore reserve was estimated and reported by SRK Consultants in January 2007. • In 2007 and induced polarisation (IP) Geophysical study was carried out on the Gedabek deposit by JS Company, Turkey. • Various exploration phases were carried out by Anglo Asian Mining at the Gedabek mine and in surrounding areas of the Gedabek mineral deposit from year 2007 to 2014. As the results of these works, in 2012 and 2014 estimation of mineral resources and ore reserves were completed and reported by the CAE Mining company. This work provided an update of the previous mineral resources estimations of SRK Consulting Incorporated (SRK, 2007) and SGS Canada Incorporated (SGS, 2010). These resource and reserve

Criteria	JORC Code explanation	Commentary
		estimates 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 years resulted in the ore reserve of 20.494Mt at grades of 1.03g/t gold, 0.50% copper and 7.35 g/t silver (in-situ) as reported by CAE Mining as September 2014.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Gedabek gold–copper deposit is located in the Gedabek Ore District of the Lesser Caucasus in NW of Azerbaijan, 48 kilometres East of the city of Ganja, near of Gedabek city. • The exploration "centre" of the project, independently located on Google Earth at Latitude 40°34'48.31"N and Longitude 45°47'40.39"E. The known gold-copper mineralisation has an estimated north-south strike length of 1300 m and a total area of approximately 1 km^2. • Principal features of the geological structure of the Gedabek deposit and ore location have been predetermined by its position within the large Gedabek-Garadag (Gedabek-Slavyanka Chenlibel) volcanic-plutonic structure, characterised by complex internal structure, due to repeated tectonic movement, multi-cyclic magmatic activity and related mineralisation processes. The comparatively large tectonic-magmatic structure enveloping a considerable part of Shamkir uplift of the Lok-Karabakh structural-magmatic zone (Lesser Caucasus Mega-anticlinorium) has been structurally deformed by multi-phase activity resulting in compartmentalised stratigraphic

Criteria	JORC Code explanation	Commentary
		blocks. • The Gedabek ore deposit is located at the contact between a Kimmeridgian aged intrusion and Bajocian volcanic rocks. The Kimmeridgian intrusion is described as a granodiorite, quartz- diorite, or diorite intrusion. The mineralisation is represented by the rhyolitic porphyry (quartz-porphyry) body, localised between sub-horizontal andesite at the west and a diorite intrusion at the east. The two main types of hydrothermal alteration observed in the Gedabek deposit are propyllitic alteration with quartz ± adularia ± pyrite alteration, and argillitic alteration in the central part of the deposit. • Ore mineralisation at Gedabek is spatially associated with the rhyolite porphyry. Disseminated pyrite occurs pervasively through most of the rock. Fine grained pyrite shows various densities of mineralisation depending on the area, a higher pyrite abundance is observable in the central part of the deposit. Polymetallic ore study includes different styles of mineralisation (semi-massive, vein, veinlets, disseminated) generally post-dating the disseminated pyrite stage. It mainly consists of semi-massive lenses of pyrite, chalcopyrite and sphalerite. • The Gedabek primary mineralisation is hosted in acidic sub-volcanic rocks that exhibit haematitic, quartz-kaolin-sericite alteration and brecciation in the central part, comprising pyritic stockwork and quartz-sulphide veins. The central surface expression of the mineralisation exhibit accumulations of hydrous ferric oxides forming a gossan with barite also present below the gossanous material.

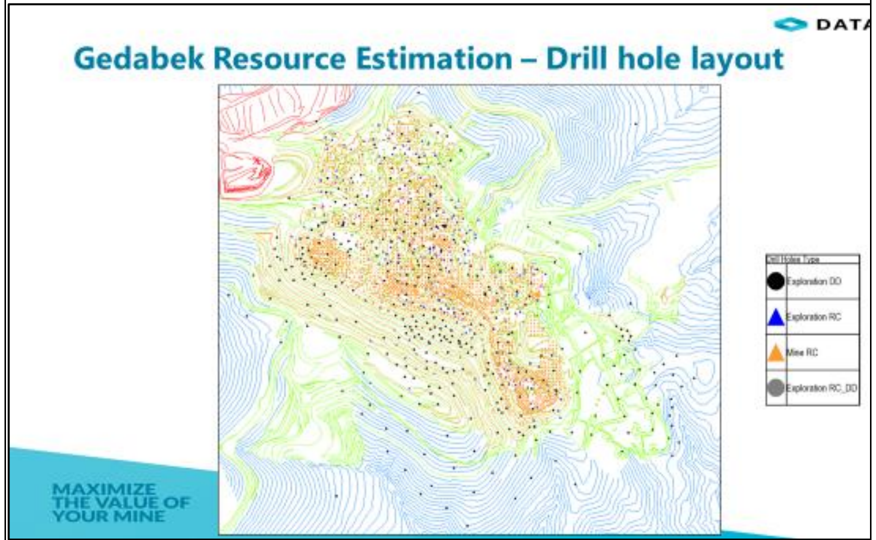
<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>The deposit was emplaced at the intersection of NW, NE, N and E trending structural systems regionally controlled by a first order NW transcurrent fault structure. The fault dips between 70º to 80° to the north-west. The faults of the central zone control the hydrothermal metasomatic alteration and gold mineralisation.
In the 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 the higher ore mineral grade is seen to continue at depth. Ore minerals show horizontal zoning with high grade copper ore mineralisation located on the east of the orebody along the contact zones of a diorite intrusion, to the west the copper quantity is reducing (except in the brecciated central part). From central part of the orebody to the west, zinc mineralisation is located along the ore contact with andesitic rocks, but is absent on the western margin of the orebody. The northern part of the hosts gold and copper mineralisation along fractures.</td></tr>
<tr><td>Drill hole Information</td><td>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:
easting and northing of the drill hole collar
elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
dip and azimuth of the hole
down hole length and interception depth
hole length.
If the exclusion of this information is justified on the</td><td>A summary of the type and metres of drilling completed is shown below:
<table><tr><th>Database</th><th>Type</th><th>No. of holes</th><th>Total Length (m)</th></tr><tr><td rowspan="3">Exploration</td><td>DD</td><td>451</td><td>83,478.6</td></tr><tr><td>RC</td><td>228</td><td>13,765.8</td></tr><tr><td>RCDD*</td><td>59</td><td>7,722.8</td></tr></table></td></tr>
</table>

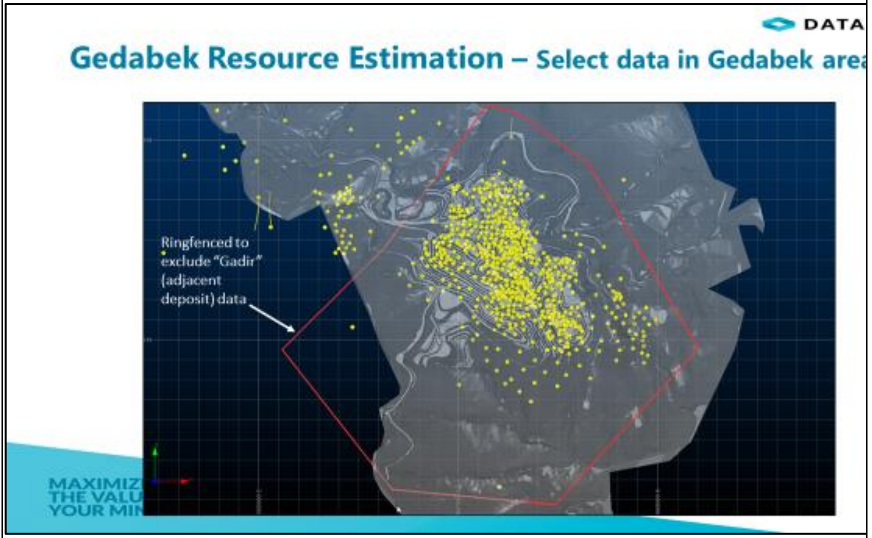
<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr>
<td></td>
<td>basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td>
<td>
<table>
<tr><td></td><td>Total</td><td>738</td><td>104,967.2</td></tr>
<tr><td>Mine RC</td><td>RC</td><td>2,120</td><td>46,506</td></tr>
<tr><td>Bench Holes</td><td>BH</td><td>125,312</td><td>328,498.9</td></tr>
<tr><td>Underground</td><td>UG</td><td>8</td><td>251.1</td></tr>
<tr><td></td><td>UG</td><td>90 Channel samples</td><td>311.52</td></tr>
</table>
*Drill holes which start with RC and continue with DD

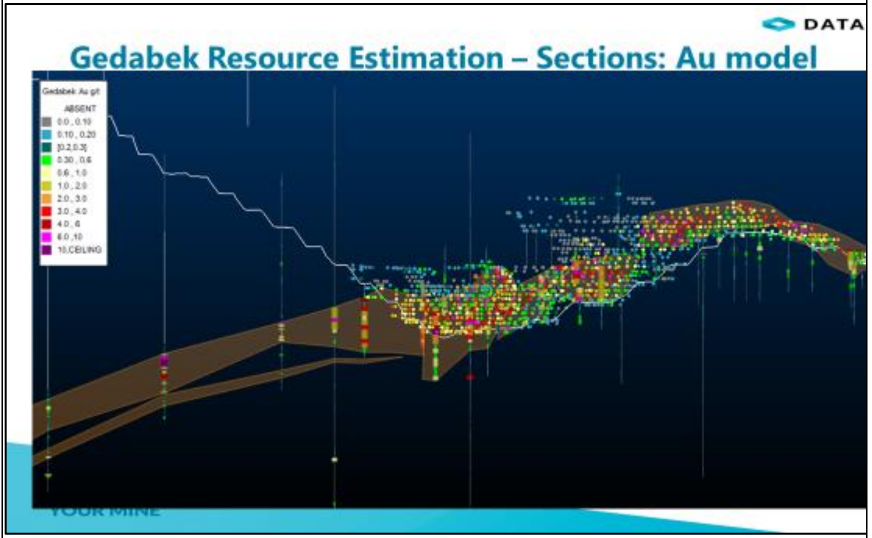
Underground sample data (UG) from Gedabek were used in the estimation. These data were made available from a new tunnel being developed from the Gadir underground mine to an area below the current Gedabek open pit.
The database contains information related to geological work up to 17th April 2018.
Material drill holes are considered those drilled since the time of the last JORC resource statement, as much of the material drilled prior to that has been subjected to mining of the reserve. The material drilling is considered to be core drilling and RC drilling, and not bench hole (production drilling) as these impact on the interpretation of the overall resource geometry (see [4] for further details).
Coordinates, RL of the drill collars, dip and azimuth, intersection depth, depth to end of drill hole and hole diameter are presented in appendix A to this Table 1.
DD drillholes are diamond core drillholes

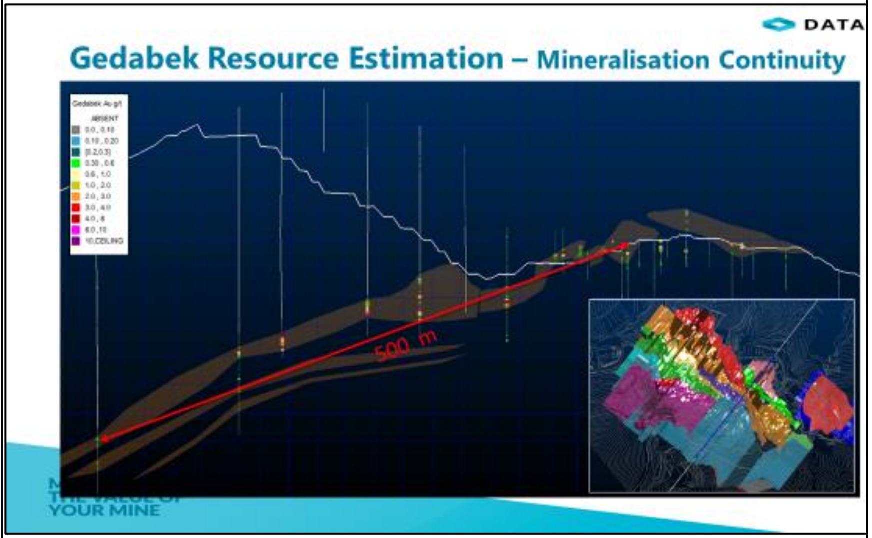
</td>
</tr>
</table>

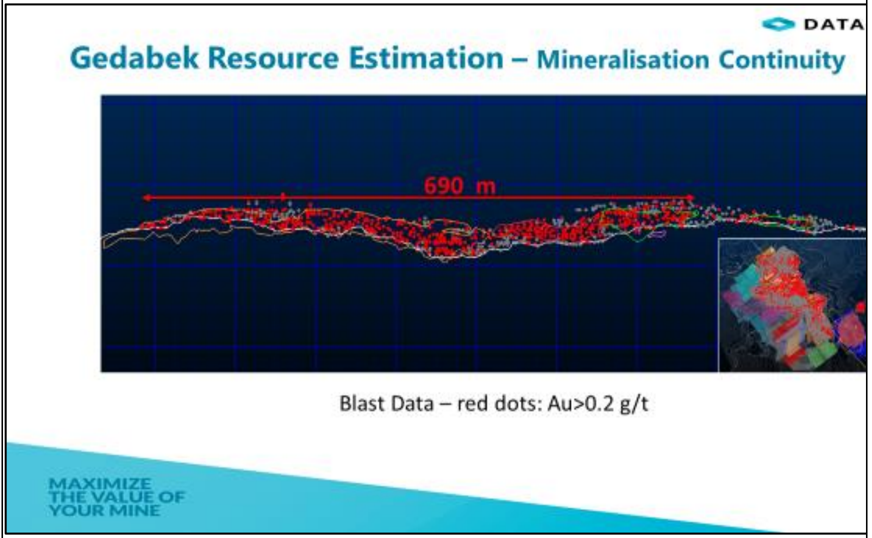
Criteria	JORC Code explanation	Commentary
		➢ RC drillhole are reverse circulation drillholes • Regarding dip and azimuth data of the core drill holes, 73% of drill holes were vertical. The largest variation of all vertical drill holes was 3.2 degrees off the vertical confirmed by downhole surveying.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Drilling results have been reported using intersection intervals based on a gold grade above 0.3 gramme per tonne, and internal waste greater or equal to 1 metre thickness. Grade of both gold and silver within the intersections have been stated. The results are presented to 2 decimal places. • No data aggregation and no sample compositing were performed. • Drill sample intervals are based on a 1 metre sample interval. • 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.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg '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. • 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.*	

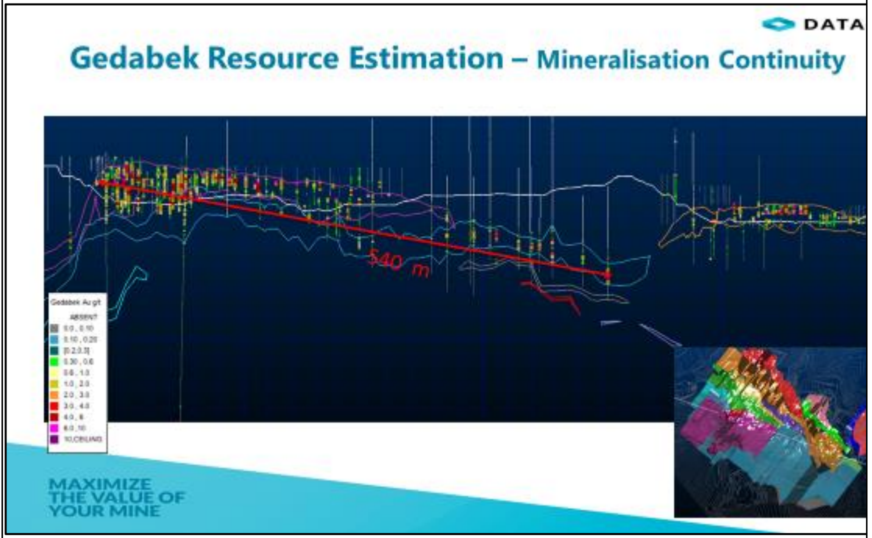
Criteria	JORC Code explanation	Commentary
		

Criteria	JORC Code explanation	Commentary
		


DATA
Gedabek Resource Estimation – Sections: Au model


DATA
Gedabek Resource Estimation – Mineralisation Continuity
500 m
YOUR MINE

Criteria	JORC Code explanation	Commentary
		

Criteria	JORC Code explanation	Commentary
		
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.
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.*	• Previous Anglo Asian Mining announcements and reports presented on the company website that report on exploration data of the Gedabek deposit include: ➢ 2007-01_SRK Resource Report ➢ 2014-04_CAE JORC Mineral Resources - Gedabek Mineral Deposit - April 2014 (rev1)

Criteria	JORC Code explanation	Commentary
		➢ JORC Mineral Reserve Estimate - Gedabek Mineral Deposit - Oct 2014 (27-11-14) – Final ➢ Anglo Asian Mining Interim & Annual Reports ➢ Exploration update RNS • Additional information including photographs of the Gedabek area can be viewed on the Anglo Asian Mining website, http://www.angloasianmining.com • Geotechnical assessments of the backwall to the open pit have been carried out by the independent engineering company, CQA Limited, who have produced the following reports: ➢ CQA Report on Mine Slope Stability. 02/09/2013 ➢ CQA 20231 pit slope stability letter report. 03/09/2014 ➢ Mine Slope_Clarification letter. 04/05.2016 ➢ 30343 Pit slope letter report. 14/08/2018 ➢ Gedabey Slope Angles CQA 2.xls 21/08/2018
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further exploration drilling is planned at the Gedabek deposit. The targets for this drilling include: ➢ Southerly extension of copper mineralisation on the periphery of the current open pit. ➢ Down dip extension drilling of the mineralisation ➢ Accessing from underground and drilling the down dip extension to the open pit mineralisation. • No diagrams to show possible extensions are presented in this document as this information is commercially sensitive.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

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.* • *Data validation procedures used.*	• The Gedabek database is stored in Excel® and Access® software. A dedicated database manager has been assigned who checks the data entry against the laboratory report and survey data. • Geological data is entered by a geologist to ensure no confusion over terminology, while laboratory assay data is entered by the data entry staff. • A variety of manual and data checks are in place to check against human error of data entry. • All original geological logs, survey data and laboratory results sheets are retained in a secure location. • Independent consultants “Datamine” who carried out the resource estimation also carried out periodic database validation during the period of geological data collection, as well as on completion of the database. • The validation procedures used include random checking of data as compared the original data sheet, validation of position of drillholes in 3D models, and targeting figures deemed “anomalous” following statistical analysis. Hence there are several levels of control.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The CP is an employee of the company and as such has been actively in a position to be fully aware of all stages of the exploration and project development. The CP has worked very closely with the independent resource and reserve estimation staff of Datamine, both on site and remotely, to ensure knowledge

Criteria	JORC Code explanation	Commentary
		transfer of the geological situation, to allow geological "credibility" to the modelling process. Extensive visits have been carried out by two staff of Datamine over the last years and have been fully aware of the Gedabek project development. All aspects of the data collection and data management has been observed.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The geological interpretation is considered robust. Geological data collection includes surface mapping and outcrop sampling, RC, core drilling and production drilling (grade control) RC and bench holes. This has amassed a significant amount of information for the deposit. Various software packages have been used to model the deposit, including Leapfrog Geo®, Surpac® and Datamine ®. • The geological team have worked in the licence area for many years (since the commencement of Gedabek exploration by Anglo Asian Mining staff in year 2005) and the understanding and confidence of the geological interpretation is considered high. • 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 previously considered to be a "porphyry" style, whereas the current interpretation is that the geology is high sulphidation epithermal in nature. Mining of the deposit has provided a vast amount of data of the nature of mineralisation and its structural control. The effect this has had on the resource estimation relates to the reduction in length of the sample ellipse search parameters. • The geology has guided the resource estimation, especially the structural control, where for example faulting has defined "hard" boundaries to mineralisation. The deposit structural orientation was used to control the orientation of the drilling grid and the

Criteria	JORC Code explanation	Commentary
		resource estimation search ellipse orientation. • 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. • Grade investigations show two types of mineralisation in the deposit; gold mineralisation (plus copper) and copper (no/low gold) style mineralisation. • A geological interpretation of two mineralised types was completed utilising geological sections typically at spacing of about 10 metres that comprised 128 sections. This interpretation was used to develop a set of wireframes (solid) in Datamine that were subsequently used as the main domain/mineralised zones for resource estimation.
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 1300 metres by 800 metres. • The upper elevation of ore (high grade) in the pit is at about 1620-1600 metre level. • The upper elevation of ore (medium to low grade) in the pit is at about 1670-1650 metre level. • The current established base to mineralisation beneath the floor of the open pit at an elevation of 1595 to 1590 metres. • the elevation of the deepest known mineralisation below the backwall of the open pit at 1550 to 1500 metres (currently). • The overall average thickness of ore is up to 20 metres.

Criteria	JORC Code explanation	Commentary

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.*
	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*
	• *The assumptions made regarding recovery of by-products.*
	• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*
	• *Any assumptions behind modelling of selective mining units.*
	• *Any assumptions about correlation between variables.*
	• *Description of how the geological interpretation was used to control the resource estimates.*
	• *Discussion of basis for using or not using grade cutting or capping.*
	• *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 interpretation of two sets of mineralised types were completed utilising 128 geological sections typically at spacings of about 10 metres. These interpretations were used to form wireframes (solid) in Datamine that were subsequently used as the main domains/mineralised zones for resource estimation. Estimation process includes:
		  • All data (DD,RC,BH) were flagged as either being inside and outside of main zones of mineralisation.
		  • Outlier study of gold, copper and silver showed a few samples out of range following data analysis. Different top-cuts are calculated for individual mineralisation zones as below:
		    o Gold Mineralisation: Au 60.12 g/t, Cu 12.07% and Ag 391.5 g/t
		    o Copper Mineralisation: Au 4.34 g/t, Cu 3.84% and Ag 56 g/t
		    o Out of Mineralisation zones: Au 25.12 g/t, Cu 2.63% and Ag 144.56 g/t
		Yearly Production (since 2014)

Year	2014	2015	2016	2017	2018
Tonnage	1376270	1822172	1557207	712444	28325.46
Au, g/t	2.307	2.081	1.430	1.176	0.923
Ag, g/t	19.152	18.873	15.002	10.527	7.711
Cu, g/t	0.572	0.638	0.401	0.422	0.277

Criteria	JORC Code explanation	Commentary

		• Drill holes data was composited at 2.5m lengths along the holes.
		• Initial variogram studies did not show a robust variogram suitable for estimation, because of:
		  o Geometry of mineralisation and variation in dip and direction of mineralisation.
		  o High variation in grades over short distances
		  o Effect of faults which moved mineralisation.
		  o Very high density of data near to surface as compared to depth.
		  o This situation also has potential for producing negative weights in Kriging.
		• Based on this, Inverse Power Distance (IPD) method with good Dynamic Anisotropy search volume was selected for resource estimation.
		• For "dynamic" search volume, an interpretation of mineralisation dip and dip direction was completed by using mineralisation and geological cross-sections (128 sections). This was conducted separately for Gold and Copper styles of mineralisation.
		• The dip and dip direction were estimated for each block using Dynamic Anisotropy method of Datamine software.
		• As part of the estimation strategy, 4 different "models" were estimated:
		1- Gold model,
		2- Copper model
		3- BH model (pit surface) and
		4- Mineralisation Outside Model boundaries (OM "Model")

Criteria	JORC Code explanation	Commentary
		- for models 1 & 2; search radii (strike, down-dip, and thickness) for Gold and Copper models are presented below: - First search: 50x50x5m. - Second search: 100x100x10m - Third search: 200x200x20m. Minimum and Maximum number of samples were 4 and 12 for first and second search radii and 1 and 12 for third search radii. - Search radii for the BH model is shown below: - First search: 5x5x2.5m. Min and Max of samples were 1 and 5 for all search parameters. - Search radii for non-modelled data are shown below: - First search: 10x10x2.5m. - Second search: 20x20x5m - Third search: 50x50x12.5m. Min and Max of samples were 1 and 12 for all search ellipses. - Estimation was carried out using Inverse Power Distance (IPD) of the parent block. - The estimated block model grades were visually validated against the input data (DD, RC, BH & UG). - Comparisons were carried out against the drillhole data by bench. - The resource estimation was carried out using Datamine Studio RM software. - The deposit contains gold, copper and silver mineralisation and other base metal were tested, and full multi-element analysis was carried out at external laboratories. Results showed no other by-

Criteria	JORC Code explanation	Commentary
		products. • Deleterious non-grade elements and the situation of regarding acid rock drainage (ARD) studies were checked. The extraction ratio of ore types by oxidation are 32% oxide, 13% transition and 55% sulphide. Current monitoring of deleterious effects results in no immediate concerns. Should future mining of the sulphide zone or sulphide be present in any waste rocks, independent on-site environmental engineers will monitor and recommend mitigation of effects of deleterious elements. • Bench hole drill hole pattern was generally 5x5x2.5m, grade control RC drill pattern was about 10x10m with depths ranging from 2 to 61 (for mine RC drilling) metres. • The block model was then created with parent block cell size of 2.5x2.5x2.5 metres. Sub-blocking is not allowed in X and Y but in Z direction minimum to ½ of block height. This is considered optimum with regards the data spacing and for the planned extraction design, with a minimum of 2.5 metre open pit benches in “ore”. • Previous estimates and mine production records were made available for the current estimation process and takes appropriate account of such data.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnage has been estimated on a dry basis
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Continuity of grade was assessed at a range of cut-offs between 0.1g/t gold and 1.0g/t gold in 0.1g/t increments. A tonnage-Grade table and graph was prepared based on different cut-off. Following interrogation of data and continuity, the resources area reported above 0.3 g/t gold grade cut-off.

Criteria	JORC Code explanation	Commentary
		• In the copper mineralisation model, resources comprised copper mineralisation and very low to zero grade gold. This copper gold relationship is also present in parts of the gold model. A copper resource table was prepared for blocks with Au<0.2 g/t.
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.*	• The resource estimation has been carried out on mineralisation that is currently being mined by open pit. Given the geometry of the mineralised zone, the fact the central part is exposed at surface, and a low forecast waste ratio, continuation of an open pit mining method is selected. Mining dilution and mining dimensions are referenced in Section 4 (Estimation and Reporting of Ore reserves). • The mineralisation is known to dip below a hill and as such the economic open pit limit is likely to be determined by the costs related to the mining strip ratio (ore:waste) movement and the value of the mined material. The down dip extension of mineralisation is planned to be accessed from underground via an adjacent underground mining operation (Gadir Mine). This will allow for future underground drilling. • The results of this work will determine the economic viability of underground mining, and the transition timing from open pit to underground or the option for parallel mining from both open pit and underground. • Other mining factor are not applied at this stage.
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*	• The Company currently operates an agitated leach plant, a flotation plant, a crushed heap leach facility, and a run-of-mine dump leach facility. Ore from the current open pit mine is processed by these methods. As such, the basis for assumptions and predictions of processing routes and type of “ores” suitable

Criteria	JORC Code explanation	Commentary
	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.	for each process available are well understood. • Metallurgical testwork has been carried out to assess the amenability of the Gedabek mineralisation to cyanidation and leaching processes and flotation process. The results showed a high level of amenability. • Prior to the start of mining from an ore block, samples are taken (from production drill holes) to assess the metallurgical characteristics to understand which process method is best suited to manage the ore type, and which process method will provide not only the greatest recovery but value. Following this geometallurgical testing, the ore block is allocated to a process route depending on grade, mineral content and amenability to leaching. Generally, if the ore contains high gold and low copper, and leaching test result is acceptable, then the ore is sent to the agitation leaching plant. If gold values are low, but the ore contains high copper, it is sent to flotation plant. If the ore contains both high gold and high copper, then metallurgical tests are made to determine the greater value process method. • This metallurgical and geological understanding is utilised to classify the ore types according a geometallurgical classification developed in-house. The ore types are classed according to comminution and process amenability. • No metallurgical factor assumptions have been used in mineral resource estimation.
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*	• The Gedabek deposit is located within a mining contract area in which the company operates two other mines. As part of the initial start-up, environmental studies and impacts were assessed and reported. This includes the nature of process waste as

Criteria	JORC Code explanation	Commentary
	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.	managed in the tailings management facility (TMF). Other waste products are fully managed under the HSEC team of the company (including disposal of mine equipment waste such as lubricants and oils). • An independent environmental engineering company CQA International Ltd (CQA) has carried out a study of production waste management, and designed and supervised the construction of the TMF and the recent TMF expansion. CQA have permanent representation at Gedabek. • No environmental assumptions have been used in mineral resource 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.* • *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.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Bulk density measurements have been determined. A total of 6366 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. • Of the 6366 samples, 4725 density measurement samples are below current topography (01 May 2018) wireframes. The average density of these samples in the gold mineralisation wireframe is 2.66 t/m^3, in copper mineralisation is 2.61 t/m^3 and the remaining samples outside the gold and copper wireframes is 2.67 t/m^3. These densities have been used for resource calculation. • Density data are considered appropriate for Mineral Resource and Mineral Reserve estimation.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations,*	• The Mineral Resource has been classified on the basis of confidence in the continuity of mineralised zones, as assessed by the geological block model based on sample density, drilling

Criteria	JORC Code explanation	Commentary
	reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	density, and confidence in the geological database. Depending on the estimation parameters (number of samples per search volume), the resources were classified as Measured, Indicated or Inferred Mineral resources, as defined by the parameters below: • Model 1 & model 2: Gold model & Copper model ➢ Blocks inside the mineralised zone that capture at least 4 samples with at least 2 drill holes in first search volume (50x50x5m) were considered as **Measured** Resources. ➢ Blocks inside the mineralised zone that capture at least 4 samples from at least 2 drill holes data in second search volume (100x100x10m) are considered as **Indicated** Resources. ➢ Blocks inside the mineralised zone which fall within with in third search volume (200x200x20m) are considered as **Inferred** Resources. • Model 3 – BH ➢ Blocks which fall within first search volume (5x5x2.5m) were considered as **Measured** Resources. • Model 4 – OM Model ➢ Blocks in first search volume (10x10x2.5m) were considered as **Measured** Resources. ➢ Blocks that capture at least 4 samples from at least 2 drill holes data in second search volume (20x20x5m) are considered as **Measured** Resources and other blocks in second search volume are considered as **Indicated Resources**

Criteria	JORC Code explanation	Commentary
		➢ Blocks that capture at least 7 samples from at least 3 holes data in third search volume (50x50x12.5m) are considered as **Indicated** Resources and other blocks in third search volume are considered as **Inferred** Resources. • 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.*	• Datamine company developed and audited the Mineral Resource block model. Two Datamine engineers worked on the resources and reserves and were able to verify the work and procedures. • Datamine have been involved with Gedabek mining and processing and other mining projects of the company within the same licence area as Gedabek and as such are familiar with the processing methods available, the value chain of the mining and its cost structure. The data has been audited and considered robust for Mineral Resource estimates. • Internal company and external reviews of the Mineral Resources yield estimates that are consistent with the Mineral Resource results. The methods used include sectional estimation, and three-dimensional modelling utilising both geostatistical and inverse distance methodologies. All results showed good correlation. • Recommendations including upgrading laboratory and associated assay management systems, and the future implementation of a laboratory information management system (LIMS) have been proposed by the Competent Person.
Discussion of relative	• *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*	• Statistical and visual checking of the block model is as expected given the geological data. The mineralisation is relatively tightly constrained geologically with a clear hangingwall, the level of data acquired considered high and the resource estimation approach is

Criteria	JORC Code explanation	Commentary
accuracy/ confidence	*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.* • *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.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	to international best practice. The application of both statistical and geostatistical approaches results in high confidence of the resource resulting in the appropriate relative amounts of Measured, Indicated and Inferred Mineral resources. The margins of the deposit (both along strike and at depth) where sample density was not as high as over main central mineralised zone, yielded the majority of the Inferred category resource, due to less dense drillhole spacing. • The drilling grid and sample interval is sufficient to assign Measured and Indicated Mineral Resources. • The Mineral Resource statement relates to a global estimate for the Gedabek deposit. • 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. Hence, extensive production data is available for comparison. The estimated resource relative accuracy compares well to the production data, and the confidence in the estimate given the amount of geological data is considered high. Future extraction of mineralisation, grade control and mining data will continue to be used to compare with the Resource model.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Mineral Resource estimate for conversion to Ore Reserves</td><td>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.
Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</td><td>Refer to Section 3 (Estimation and Reporting of Mineral Resources)
Two resources have been produced based on the style of mineralisation; 1) a gold model that contains both gold and copper mineralisation where gold is above a 0.3g/t cut-off and 2) a copper model containing copper and minor gold mineralisation where gold is less than 0.2g/t cut-off.
For each of the gold model and copper model, three tables have been prepared, a) resources statement showing tonnes & grade, b) the contained metal by class, and c) the percentage of metal by class. The resources from each model are presented below:
A JORC resource estimate comprising Measured, Indicated and Inferred Resources has been made for the Gedabek Deposit at a cut-off grade of 0.3 g/t gold and after top-cutting (as tabulated below):
1- Gold Mineral resources (Cut off 0.3g/t Au)
<table>
<tr><th>Mineral Resources</th><th>Tonnage (Mt)</th><th>Gold Grade (g/t)</th><th>Copper Grade (%)</th><th>Silver Grade (g/t)</th></tr>
<tr><td>Measured</td><td>17.99</td><td>0.92</td><td>0.21</td><td>8.30</td></tr>
<tr><td>Indicated</td><td>11.10</td><td>0.74</td><td>0.14</td><td>5.64</td></tr>
<tr><td>Measured+Indicated</td><td>29.09</td><td>0.85</td><td>0.18</td><td>7.28</td></tr>
<tr><td>Inferred</td><td>8.49</td><td>0.69</td><td>0.11</td><td>4.99</td></tr>
</table>
</td></tr>
</table>

Criteria	JORC Code explanation	Commentary

Total	37.58	0.82	0.17	6.76

- The contained metal in ounces of gold and silver and tonnes of copper is presented below:

Mineral Resources	Gold ('000 ounces)	Copper ('000 T)	Silver ('000 ounces)
Measured	532	38.01	4,800
Indicated	264	15.66	2,011
Measured+Indicated	796	53.68	6,811
Inferred	189	9.70	1,361
Total	986	63.37	8,172

- The relative % of contained metal shows a very high % of Measured Resource and Indicated Resource that can be tested for Reserve estimation.

Mineral Resources	% gold ounces	%Copper Tonnes	% silver ounces
Measured	54%	60%	59%
Indicated	27%	25%	25%
Measured+Indicated	81%	85%	83%

Criteria	JORC Code explanation	Commentary

Inferred	19%	15%	17%
Total	100%	100%	100%

2- Copper resources (Au<0.3 g/t and Cu cut off 0.2% cu)

Mineral Resources	Tonnage (Mt)	Gold Grade (g/t)	Copper Grade (%)	Silver Grade (g/t)
Measured	4.47	0.10	0.50	1.80
Indicated	0.79	0.08	0.49	1.27
Measured+Indicated	5.25	0.09	0.49	1.72
Inferred	0.44	0.06	0.40	1.37
Total	5.69	0.09	0.49	1.70

- The contained metal in ounces of gold and silver and tonnes of copper is presented below:

Mineral Resources	Gold ('000 ounces)	Copper ('000 T)	Silver ('000 ounces)
Measured	14	22.17	259

Criteria	JORC Code explanation	Commentary
		see nested tables below

Indicated	2	3.83	32
Measured+Indicated	16	26.00	291
Inferred	1	1.73	19
Total	17	27.73	310

- The relative % of contained metal shows a very high % of Measured Resource and Indicated Resource that can be tested for Reserve estimation.

Mineral Resources	% gold ounces	%Copper Tonnes	% silver ounces
Measured	82%	80%	83%
Indicated	13%	14%	10%
Measured+Indicated	95%	94%	94%
Inferred	5%	6%	6%
Total	100%	100%	100%

- The Ore Reserve statement is inclusive (not additional to) of the Resource statement.

Criteria	JORC Code explanation	Commentary
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those*	• The Competent Person is an employee of the company and as such has been actively in a position to be fully aware of all stages of the exploration

Criteria	JORC Code explanation	Commentary
	visits. • *If no site visits have been undertaken indicate why this is the case.*	and project development including the estimation of Mineral Resources and Ore Reserves. The Competent Person has worked very closely with the independent resource and reserve estimation staff of Datamine company, both on site and remotely, to ensure knowledge transfer of the geological situation, to allow geological "credibility" to the modelling process. Extensive visits have been carried out by two members of staff from Datamine (one of whom estimated the resources and one estimate the reserves) since 2015 and the last visit was in July 2018. Both consultants have been and are fully aware of the Gedabek mine operation. All aspects of the data collection and data management has been observed.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources 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.*	• Study undertaken to enable Mineral Resources to be converted to Ore Reserves are considered as being Feasibility level. The ore will be mined utilising the current mining fleet and will be processed in the current processing facilities of the Company which operates two other mines in the same licence/contract area. The Gedabek resource is considered to part of the same geological terrain. • A technically achievable mine plan that is economically viable has been designed taking into consideration the JORC resources and modifying factors.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Financial factors included in the cut-off grade estimates are mining, process and overhead costs, mining dilution, payable gold and silver prices, and processing recovery that are used in the basis for cut-off grade calculation.
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).*	• On establishing the modifying factors, the Mineral Reserve has been optimised using the Datamine NPV Scheduler® software. This resulted in the economic open pit shell and contained mineable material in that pit shell. Subsequently, this was further optimised in the mine design process, using Datamine Studio OP ® software, where bench toe and crest, catch benches

Criteria	JORC Code explanation	Commentary
	• *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 assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	and haul road layout was designed. The final mineable material comprised the Ore Reserves. • The mining method selected is by open pit mining method given the orebody geometry and the position relative to topographic surface. The central part of the orebody is exposed at surface. Access to the orebody is from surface. The open pit mining method is considered appropriate and will comprise conventional truck and shovel. • Pit slope angles have been determined based on an independent geotechnical investigation carried out by CQA International Limited, taking into account geological structure, rock type and design orientation parameters with regards geotechnical parameters. The maximum overall pit slope angle is 45 degrees containing an average bench batter angle of 60 degree (maximum). The maximum bench height is 20 metres in the competent waste strata which is from the 1660 metre level and above. The maximum bench height below the 1660 metre level (in mineralisation and ore) is 10 metres. • Mining dilution used in the Datamine NPV Scheduler software for reserve estimation is 5%. • Ore mining recovery factor used in the Datamine NPV Scheduler software for reserve estimation is 95%. • A minimum mining width of 30 metres has been used. • The total tonnage of inferred material in the final pit design was 164,779 tonnes which represents about 1.36% of the total ore tonnage in the pit and contains 0.73% (2,510 ounces) of contained gold in the pit. • The inferred material was excluded from economic model in NPV Scheduler, so it had zero impact on the total reserve. • Infrastructure required for the open pit mining method include haul road access (completed to the mine area), offices for geology/mining

Criteria	JORC Code explanation	Commentary
		department, mining workshop, fuel storage, weighbridge and medical/HSEC facilities (all of which are in place). Explosives will be 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 mineralisation.* • *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.* • *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.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• The ore from the Gedabek mine can be processed by four different available processing methods within the Gedabek contract area, namely, agitation leach (AGL), heap leach of crushed material (HLC), heap leach of blasted material or run-of-mine (ROM) and flotation (FLT). There also will be stockpiles generated during the life of mine that the company will decide how to process them in due course, as it depends on the blending criteria and the quality of material from other mines of AIMC and financial factors. These two types of stockpile material are called SPF (high copper stockpile for flotation) and ROMSP (low gold grade material that could be sent to ROM processing) by blending with higher grade material. • The proposed metallurgical processes are well tested being processing facilities of current mining operations in the contract area. The processing facilities include conventional methods that comprise comminution (crushing and grinding), Knelson concentration, thickening, agitation leaching, resin-in-pulp extraction, and elution and electrowinning to produce gold dorè. For flotation, after comminution and flotation concentrate product is produced. The final products will be shipped off site for refining. Tails from the process will be transferred via gravity pipeline to the existing tailings management facility (TMF) that has enough capacity to manage the ore from the Gedabek deposit. • Metallurgical testwork has 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. Additional flotation testwork is carried out using scaled down flotation cells on ore containing copper for the flotation process. As the mine has been operating since 2008, metallurgical recoveries of the ore types are well

Criteria	JORC Code explanation	Commentary
		understood, and a geometallurgical classification system has been developed for the ore types at Gedabek. • The amount of testwork is considered representative of the processing technology to be employed. • Deleterious elements were not detected in analytical tests and assaying utilised for the resource estimate. • The ore reserve estimation has been 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.*	• 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. Processing and tailings storage reported in the ESIA is the same as will be utilised for ores of the reserve update. • 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. • The waste rock has a potential for acid rock drainage due to the presence of sulphide bearing mineralisation. Watercourses downstream of stockpiles will be monitored on a routine basis for pH and heavy metals. • 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. • Stockpile areas for waste rock have been identified following condemnation drilling. Waste material will also be utilised for infrastructure (road)

Criteria	JORC Code explanation	Commentary
		construction at the Gedabek contract area. • The tailings management facility (TMF) has the capability for the additional storage requirements for Gedabek process waste. The design and operations of the TMF have been reviewed by CQA along with a visit by the Ministry of Ecology and Natural Resources of the Republic of Azerbaijan. Regular environmental monitoring is carried out at the TMF, along with monitoring all receptors associated with the TMF. • All approvals for conducting the mining fall under the management "PSA" agreement.
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.*	• Infrastructure is considered excellent. The deposit is located within the Company's contract/licence area with extraction rights according to the Government contract. Ore can be processed at the Company's current facilities, with ore being delivered by truck from the mine to processing via the constructed haul road system. Offices and mechanical workshop buildings are available. Power for the offices, workshop and weighbridge will be via grid electrical power, with diesel generators as backup. Labour is readily available as the operation is already in production and planned extraction rates are consistent with current capacity. G&A and process labour are part of the existing company compliment of staff. Regarding accommodation, canteen facilities and associated services, the Gedabek deposit will be serviced by the current infrastructure.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products.*	• Project capital costs are "minimal" given that no processing facilities or manpower camps are required. The costs in relations to the facilities already referenced above are based on actual quotations and capital construction experience at the licence area and sustaining capital projects are based on operational experience locally. • Operating costs are estimated based on current mining and processing operations within the licence area, as the processing will be carried out at

Criteria	JORC Code explanation	Commentary
	• *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	the same plants, and the mining contract and haulage costs are the same as current contracts. • Penalties are applicable for deleterious elements in the flotation concentrates, however, studies of the concentrations of these elements show that the mined material contains deleterious elements below the penalty levels. • Commodity pricing is based on forecasts by reputable market analysts. • Local Azeri exchange rates are pegged to the United States $. The source of exchange rates used in the study is the Central Bank of the Republic of Azerbaijan. • Transportation charges are based on current contracts. • 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. • Royalties have been considered as part of the cost structure for the company to operate under the Government Contract. • The estimated operating costs per tonne used in NPV Scheduler are: **Parameters used in NPV Scheduler** **Processing cost (includes G&A)** *per tonne of ore* AGL $ 32.00 HL Crushed $ 5.15 HL ROM $ 4.00 ROM SP $ 4.00

Criteria	JORC Code explanation	Commentary
		FLT \$ 22.00 SPF \$ 22.00 **Other costs** Total G&A \$ 2.00 Mining cost \$ 1.8 Haulage cost (per tonne km) Manat 0.1
Revenue factors	• *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.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• The acceptable gold head grade in grammes per tonne gold for AGL, HLC, ROM is minimum 1.8g/t ,0.8g/t and 0.46g/t respectively and the acceptable copper head grade for FLT is 0.46% • After applying modifying factors, the actual minimum grade blocks in the final pit design is 1.0g/t gold for AGL, 0.7g/t gold for HLC, 0.3g/t gold for HLROM, 0.3% copper for FLT, 0.2% copper for SPF and 0.2g/t gold for ROMSP. • Revenue is based on the US\$ gold price, US\$ copper price and US\$ silver price. • The price of gold in the reserve model is \$1250 per troy ounce, the price of copper is \$6000 per tonne and the price of silver in the reserve model is \$16.5 per troy ounce.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.*	• The market for gold, copper and silver is well established. The metal price is fixed externally to the Company, however, the Company has reviewed a number of metal forecast documents from reputable analysts and is comfortable with the market supply and demand situation. • A specific study of customer and competitor analysis has not been

Criteria	JORC Code explanation	Commentary
	• *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	completed as part of this project. • Price and volume forecasts have been studied in reports from reputable analysts, based on metal supply and demand, US$ forecasts and global economics. • Industrial minerals do not form part of this study.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• Prices for gold and silver used in NPV Scheduler are: ➢ Gold: $40.19 per gramme ➢ Copper: $6000.00 per tonne ➢ Silver: $0.53 per gramme • Processing Recovery (for gold/copper / silver) % ➢ Agitation Leach 75% / 30%/ 66% ➢ Crushed Heap Leach 60% / 30%/ 7% ➢ Run-of-mine (ROM) 40% /20%/ 7% ➢ Low grade Run-of-mine stockpile (ROMSP) to ROM 40% /20%/ 7% ➢ Flotation 60% / 83% / 68% ➢ Stockpile to floatation 60% / 83% / 68% • Costs used in NPV are show below: **Parameters used in NPV Scheduler** **Processing cost (includes G&A)** *per tonne of ore* AGL $ 32.00 HL Crushed $ 5.15 HL_ROM $ 4.00

Criteria	JORC Code explanation	Commentary
		FLT $ 22.00 SPF $ 22.00 ROMSP $ 4.00 **Other costs** Total G&A $ 2.00 Selling Cost %0.05 of revenue of Gold Selling Cost %13.4 of revenue of Copper Selling Cost %4.00 of revenue of Silver • Sensitivity analysis has been used at a range of gold and copper prices. • A discount rate of 10% has been used.
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 and matters leading to social licence to operate are valid and in place.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *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*	• There are no material naturally occurring risk associated with the Ore Reserves. • Anglo Asian Mining plc is currently compliant with all legal and regulatory agreements, and marketing arrangements. • The project is located within a current contract area that is managed under a "PSA" production sharing agreement. • 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

Criteria	JORC Code explanation	Commentary
	necessary Government approvals will be received within the timeframes 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.	exploration period allowed for the early exploration of the Contract Areas to assess prospectivity can be extended. • 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. • Under the PSA, Anglo Asian 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. • The PSA is valid for the forecast life of mine.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Measured Mineral Resources have been converted to Proved Reserves after applying the modifying factors. • Indicated Mineral Resources have been converted to Probable Ore Reserves after applying modifying factor. • The resultant Ore Reserves are appropriate given the level of understanding of the deposit geology and reflects the Competent Person's view of the deposit. • The inferred material was excluded from economic model in NPV Scheduler so it had no impact on the total reserve, and no Probable Ore Reserves have been derived from Measured Mineral Resources.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• The Datamine company developed and audited the Mineral Resource and Mineral Reserve block models. Two Datamine engineers worked on the resources and reserves and were able to verify work and procedure. • Datamine have been involved with Gedabek since 2015 and as such are familiar with the processing methods available, value chain of the mining and cost structure. The data has been audited and considered robust for Ore Reserve estimates.

Criteria	JORC Code explanation	Commentary
		• Internal company and external reviews of the Ore Reserves yield estimates that are consistent with the Ore Reserve results. The in-situ Ore Reserves classified by process type is presented below:

Ore Reserves (Class & Process)	Tonnage (Metric tonnes)	Gold grade (g/t)	Copper grade (%)	Silver grade (g/t)	Gold ('1000 Ounce)	Copper(t)	Silver ('1000 Ounce)
Proved-AGL	2,141,579	2.09	0.31	16.47	144.04	6,637	1,133.74
Proved-HCL	1,372,116	0.83	0.14	7.59	36.63	1,928	334.72
Proved - HLROM	4,056,978	0.47	0.12	5.49	61.58	4,877	715.50
Proved - ROMSP	250,094	0.25	0.25	3.77	1.99	623	30.33
Proved-FLT	2,953,383	0.70	0.59	9.05	66.52	17,442	859.33
Proved-SPF	82,324	0.15	0.46	3.82	0.39	379	10.10
Total Proved	**10,856,474**	**0.89**	**0.29**	**8.83**	**311.15**	**31,886**	**3,083.72**
Probable-AGL	168,506	2.25	0.45	19.07	12.18	754	103.34
Probable-HCL	118,630	0.82	0.15	8.24	3.13	176	31.43
Probable - HLROM	504,846	0.47	0.12	5.79	7.61	625	93.96
Probable - ROMSP	28,695	0.25	0.23	4.16	0.23	67	3.84

Criteria	JORC Code explanation	Commentary
		<table><tr><td>Probable-FLT</td><td>395,876</td><td>0.69</td><td>0.63</td><td>11.03</td><td>8.84</td><td>2,487</td><td>140.41</td></tr><tr><td>Probable-SPF</td><td>3,418</td><td>0.17</td><td>0.46</td><td>3.01</td><td>0.02</td><td>16</td><td>0.33</td></tr><tr><td>**Total Probable**</td><td>**1,219,971**</td><td>**0.82**</td><td>**0.34**</td><td>**9.52**</td><td>**32.01**</td><td>**4,125**</td><td>**373.31**</td></tr><tr><td>**Proved + Probable**</td><td>**12,076,445**</td><td>**0.88**</td><td>**0.30**</td><td>**8.90**</td><td>**343.16**</td><td>**36,011.0**</td><td>**3,457.03**</td></tr></table> • The reference point for the Ore Reserve is where the ore is delivered to the processing plant. • The amount of waste material calculated inside the pit shell is 41.82 million tonnes, resulting in a strip ratio (ore:waste) of 1:3.46. •
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve 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 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.* • *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*	• 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. • Extraction of ore from the Gedabek mine will continue. • Mining costs and haulage costs will be as per the current contracts in place being utilised at Gedabek open pit and other mines in the contract area. • Project capital is well managed, and certain infrastructure facilities are available from with the Anglo Asian Mining group, thus minimising capital requirements. • 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.

Criteria	JORC Code explanation	Commentary
	made and the procedures used. • *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.* • *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.*	• Mine production data is available and was utilised in assessing the relative accuracy of the ore types and grade in the Ore Reserves. The average process feed grades were understood in order to determine the process algorithm of the different ore type. Thus there is a direct relationship between the know grades from production data and those of the Ore Reserve estimate.

Section 5 Estimation and Reporting of Diamonds and Other Gemstones

(Criteria listed in other relevant sections also apply to this section. Additional guidelines are available in the 'Guidelines for the Reporting of Diamond Exploration Results' issued by the Diamond Exploration Best Practices Committee established by the Canadian Institute of Mining, Metallurgy and Petroleum.)

Estimation and Reporting of Diamonds and Other Gemstones in not applicable to this Statement of Resources

GLOSSARY AND OTHER INFORMATION

1. GLOSSARY OF JORC CODE TERMS (as extracted from the JORC Code, 2012 Edition)

Cut-off grade	The lowest grade, or quality, of mineralised material that qualifies as economically mineable and available in a given deposit. May be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification.
Indicated Mineral Resource	An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.
Inferred Mineral Resource	An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
JORC	JORC stands for Australasian Joint Ore Reserves Committee (JORC). The Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) is widely accepted as the definitive standard for the reporting of a company's resources and reserves. The latest JORC Code is the 2012 Edition.
Measured Mineral Resource	A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through

	appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve
Mineral Reserves or Ore Reserves	An ‘Ore Reserve’ is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.
Mineral Resource	A ‘Mineral Resource’ is a concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
Modifying Factors	‘Modifying Factors’ are considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.
Probable Ore Reserve	A ‘Probable Ore Reserve’ is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve.
Proved Ore Reserve	A ‘Proved Ore Reserve’ is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors.

2. SOFTWARE USED IN THE MINERAL RESOURCE AND RESERVES ESTIMATE

“***Datamine Studio RM***” and “***NPV Scheduler***” software was used in the estimate of Mineral Resources.

"***NPV Scheduler"*** is computer software that uses the Lerch-Grossman algorithm, which is a 3-D algorithm that can be applied to the optimisation of open-pit mine designs. The purpose of optimisation is to produce the most cost effective and most profitable open-pit design from a resource block model to define the reserve.

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